

Tuesday, July 24, 2001

The Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts, met in regular session at 9:00 A.M..

PRESENT: Supervisors Harry L. Ovitt, Shirley Bianchi, Peg Pinard, and Chairperson K.H. 'Katcho' Achadjian

ABSENT: Supervisor Michael P. Ryan

PLEDGE OF ALLEGIANCE TO THE FLAG LED BY CHAIRPERSON ACHADJIAN.

SUM AGN

1 A-1 **Thereafter, on motion of Supervisor Pinard, seconded by Supervisor Ovitt, and on the following roll call vote:**

AYES: Supervisors Pinard, Ovitt, Bianchi, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

RESOLUTION NO. 2001-294, resolution commending Rolf Monteen for his service as District One appointment to the San Luis Obispo County Parks and Recreation Commission, adopted.

Supervisor Pinard: reads the resolution and presents the same to Mr. Rolf Monteen.

Mr. Monteen: states it has been a honor to serve as a volunteer and urges the public to take the opportunity to do the same.

Mr. Pete Jenny: Parks and Recreation Director, thanks Mr. Monteen for his service and dedication.

2 A-2 **Thereafter, on motion of Supervisor Pinard, seconded by Supervisor Ovitt, and on the following roll call vote:**

AYES: Supervisors Pinard, Ovitt, Bianchi, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

the Board approves a certificate recognizing Patricia Ann McCoy for her years of dedication to the San Luis Obispo County Interim Hospital Authority Board.

Supervisor Pinard: acknowledges the hard work and dedication of Ms. McCoy and presents her with a Certificate of Recognition for 2 years of dedication to the San Luis Obispo County Interim Hospital Authority Board.

Ms. McCoy: presents a brief overview of the past 2 years; thanks the Board for the recognition; believes with the present management team the three year turn around plan will be accomplished and they will be able to move forward with public medical services.

Ms. Pam Marshall Heatherington: describes Ms. McCoy and states it's because of her that a County Hospital and a comprehensive clinic system are possible; thanks her for all her hard work.

Mr. Larry Hood: Chief Executive Officer, states when you're around Ms. McCoy, you feel her energy and, on behalf of the management staff of the hospital, he wants to thank her for all her hard work and dedication.

Mr. Dean Rollins: San Luis Obispo County Employees Association Director, thanks Ms. McCoy on behalf of the employees and extends a personal thank you for bringing him "up to speed" regarding the hospital when he arrived a year and a half ago.

3 B-1 This is the time set for members of the public wishing to address the Board on items set on
 thru the Consent Agenda.
 B-30

Chairperson Achadjian: opens the floor for public comment without response.

Consent Agenda Item B-9 is amended by replacing the staff report. **On motion of**

Supervisor Ovitt, seconded by Supervisor Bianchi, and on the following roll call vote:

AYES: Supervisors Ovitt, Bianchi, Pinard, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

Consent Agenda Items B-1 through B-30 are approved as recommended by the County Administrative Officer and as amended by this Board.

Consent Agenda Items B-1 through B-30 are on file in the Office of the County Clerk-Recorder and are available for public inspection.

Auditor-Controller Items:

- B-1 Unannounced cash count report conducted on May 22, 2001 of the Agricultural Commissioner's Office, **Received and Filed.**
- B-2 Unannounced cash count report conducted on June 29, 2001 of the Tax Collector's Office, **Received and Filed.**
- B-3 Unannounced cash count report and limited review of cash handling procedures conducted on June 12, 2001 of the Planning and Building Department, **Received and Filed.**
- B-4 Unannounced cash count report conducted on June 22, 2001 of the Administrative Office, **Received and Filed.**

Board of Supervisors Items:

- B-5 Allocation of \$1,000 from Community Project Funds (\$200 each from Districts Two and Three and \$600 from District Five) to the UCP Ride-On Transportation to be used to offset the cost of providing safe rides home in the City of San Luis Obispo, **Approved.**
- B-6 Appointment of Heather Mendel as a District Three Representative to the Commission on the Status of Women, **Approved.**
- B-7 Appointment of Dianne Long as a District Three Representative to the Citizens Transportation Advisory Committee, **Approved.**
- B-8 **RESOLUTION NOS. 2001-295 thru 297**, honoring the "Cattlegirl of the Year", "Cattlemaster of the Year" and "Agriculturalist of the Year.", **Adopted.**
- B-9 **RESOLUTION NO. 2001-298**, recognizing Jeannie Nix upon her 20th anniversary as Executive Director of the San Luis Obispo County Chamber of the American Red Cross, **Adopted as amended.**

General Services Items:

- B-10 Various equipment and miscellaneous items surplus, **Approved.**
- B-11 Budget adjustment in the amount of \$62,333 from unanticipated revenue (federal and state aid) to complete improvements at the Oceano Airport; 4th District, **Approved.**
- B-12 Notice of Voluntary Merger affecting County-owned real property, which will consolidate 2 assessor parcels comprising the Los Osos Community Park into one unified site; 2nd District, **Approved.**
- B-13 Notice of Voluntary Merger affecting County-owned real property which will consolidate three lots and an abandoned street end into a single building site, located in the community of Cayucos; 2nd District, **Approved.**
- B-14 **RESOLUTION NO. 2001-299**, authorizing execution of a notice of completion for the Oceano Park restroom replacement project; 4th District, **Adopted.**

Health Agency Items:

- B-15 Reappointment of Lee Collins, Director of Social Services, Julian Crocker, County Office of Education, and Gregory Thomas, M.D., Director of Public Health to the Children and Families Commission of San Luis Obispo, **Approved.**
- B-16 Two renewal agreements (Clerk's File) with the San Luis Obispo County AIDS Support

Network to provide housing related services and early intervention services to people with HIV disease, **Approved.**

- B-17 Budget adjustments totaling \$943,454 from Proposition 36 Trust Fund revenues to Drug and Alcohol Services (\$706,250), Probation (\$203,914), District Attorney (\$10,794) and Superior Court (\$22,496), **Approved;** 2) **RESOLUTION NO. 2001-300**, amending the position allocation list for Budget Unit 3075 - Drug and Alcohol Services, adding three limited term Drug and Alcohol Specialists and Budget Unit 2660 - Probation adding two limited term Probation Assistants, **Adopted;** and 3) delegation of authority to the Drug and Alcohol Services Administrator to shift funds between accounts in the accounts in the submitted Prop 36 plan approved by Board action on May 22, 2001, **Approved.**

Planning Items:

- B-18 Revision of the established criteria for approving requests to subordinate mortgage loans funded with the Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program; All Districts, **Approved.**
- B-19 Contract (Clerk's File) with A.D. Little for continued monitoring services associated with remediation at the Guadalupe Oil Field; 4th District, **Approved.**

Public Works Items:

- B-20 Bid opening report for the widening of Orchard Avenue, located in the community of Nipomo; 4th District, **Approved and the Chairperson is instructed to sign contract documents with A.J. Diani Construction in the amount of \$865,445.**
- B-21 **RESOLUTION NO. 2001-301**, verifying the addition of delinquent water and sewer availability charges for County Service Area Nos. 7-A (Oak Shores), 18 (Country Club Estates) and 23 (Santa Margarita) to the 2001-02 property tax bills; 1st, 4th and 5th Districts, **Adopted.**
- B-22 **RESOLUTION NO. 2001-302**, for the acceptance of road improvements on Humboldt Drive, located in the community of Nipomo; 4th District, **Adopted.**

Social Services Items:

- B-23 Contracts (Clerk's File) with North County Women's Shelter & Resource Center and Women's Shelter Program Inc., of San Luis Obispo to expand domestic and dating violence prevention services at school sites in the northern and southern parts of the county, **Approved.**
- B-24 Contract (Clerk's File) with the Economic Opportunity Commission of San Luis Obispo County, Inc., for a Male Voices Project which will provide community services and apprenticeship opportunities to teens, **Approved.**
- B-25 Contract (Clerk's File) with San Luis Obispo County Office of Education to develop a feasibility study that will evaluate community needs to coordinate data within the County, **Approved.**
- B-26 Contract (Clerk's File) with Goodwill Industries' Shoreline Occupational Services to provide skills training and placement services, **Approved.**
- B-27 Two contracts (Clerk's File) with the Economic Opportunity Commission of San Luis Obispo County, Inc. for a North County Homeless Services Resource Coordinator and a South County Homeless Services Case Manager for fiscal year 2001-02, **Approved.**

Other Items:

- B-28 Agreements (Clerk's File) with six agencies that were approved for funding during the 2001-2002 budget hearings, **Approved.**
- B-29 Report by the Agriculture Commissioner's Office on the current status of Sudden Oak Death Syndrome in California, **Received and Filed.**
- B-30 Contract with Gwen Guyre to provide grant writing services for General Hospital and Family Care Center Clinics, **Approved.**

- C-1 This is the time set for hearing to consider two ordinances creating the Department of Behavioral Health Services and the position of Behavioral Health Services Director.

Ms. Gail Wilcox: Administration, presents the staff report and recommendation.

Supervisor Pinard: states her concern for the lack of inter-department coordination, with staff responding,

Mr. David Edge: County Administrator, indicates General Hospital and Mental Health discussing are their needs and what it will take to meet those needs.

Supervisor Bianchi: states she is on the Behavioral Health Board and they are in favor of this proposal.

Matter is fully discussed and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi and on the following roll call vote:

AYES: Supervisors Ovitt, Bianchi, Pinard, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 2936, an ordinance establishing the Department of Behavioral Health Services and the position of Director of Behavioral Health Services, adopted.

5 C-1 **Thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi and on the following roll call vote:**

AYES: Supervisors Ovitt, Bianchi, Pinard, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 2937, an ordinance adding the position of Director of Behavioral Health Services to the Unclassified Civil Service, adopted.

6 C-2 This is the time set for hearing to consider an ordinance amending the County Code relating to the establishment of speed limits on Hazel Avenue, Nipomo; Avila Beach Drive near Avila Beach; Tank Farm Road and Los Ranchos Road near San Luis Obispo; 3rd and 4th Districts.

Mr. David Flynn: Engineering, presents the staff report and recommendation.

Supervisor Pinard: states her concerns for a “quirk” in the law that allows the vehicle to set the speed due to enforcement; believes the citizens should have a say regarding the speed limits in their community.

Mr. Eric Greening: states he shares Supervisor Pinard’s concerns; feels the existing law is “mob rule”; believes there needs to be equal protection for all citizens; urges the Board to revisit the legislative platform with the intent to get this “mob rule” law out of the system.

Mr. Michael Winn: states he echos Mr. Greening’s comments; asks the Board if statistics have been taken that indicate the use of these roads by cyclists, pedestrians and farm equipment; urges the Board to keep the speed limit at a low rate.

Board Members: discuss various issues, comments and concerns regarding: agricultural traffic, a law allowing the CHP to give a ticket when traveling the posted speed limit without it being challenged in court; writing a letter to the local politicians regarding this issue; safe speed law; capability of enforcement; other counties having the same problems.

Chairperson Achadjian: directs staff to write a letter to Assemblyman Maldonado, Senator O’Connell, and California State Association of Counties (CSAC) regarding this issue.

Supervisor Pinard: states she is not going to support this item because she would like the safe speed limits to be determined by the community.

Matter is fully discussed and thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Ovitt, and on the following roll call vote:

AYES: Supervisor Bianchi, Ovitt, Chairperson Achadjian
NOES: Supervisor Pinard
ABSENT: Supervisor Ryan

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 2938, an ordinance amending provisions of the County Code relating to speed limits, adopted.

- 7 C-3 This is the time set for hearing to consider an ordinance amending the County Code relating to the establishment of stop signs on River Road at Wellsona Road, North County; Inga Road at North Frontage Road and Thompson Avenue at Tefft Street in Nipomo; 1st and 4th Districts.

Mr. David Flynn: Engineering, presents the staff report and recommendation.

Matter is fully discussed and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Pinard and on the following roll call vote:

AYES: Supervisor Ovitt, Pinard, Bianchi, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 2939, an ordinance amending provisions of the County code relating to stop intersections, adopted.

- 8 C-4 This is the time set for hearing to consider an ordinance amending the County Code relating to the establishment of through highways on Sevada Lane and Price Street in Nipomo; 4th District.

Mr. David Flynn: Engineering, presents the staff report and recommendation.

Matter is fully discussed and thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Ovitt and on the following roll call vote:

AYES: Supervisors Bianchi, Ovitt, Pinard, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 2940, an ordinance amending provisions of the County Code relating to through highways, adopted.

- 9 C-5 This is the time set for hearing to consider a resolution authorizing sale of County owned property to an adjacent property owner in the unincorporated area of Los Osos; 2nd District.

Ms. Caryn Maddalena: Property Manager, presents the staff report, indicating the minimum bid that can be accepted is \$10,000 and presents the Clerk with one sealed bid.

Supervisor Pinard: questions the lot size and its market value.

Mr. Dick Frank: County Assessor, presents a brief history of the property; states the lot is not buildable and holds the value of approximately \$15,000 to \$20,000.

Mr. Duane Leib: General Services Director, addresses the property restrictions.

Mr. Larry Kelly: Planning, addresses consolidating lots.

Clerk: opens the bid and announces it is from Mr. Scott O'Keefe in the amount of \$10,000.

Chairperson Achadjian: opens the floor to oral bids and public comment without response.

Supervisor Pinard: states if the Assessor's Office put a value of \$15,000 to \$20,000 why is the County selling it for \$10,000.

Ms. Maddalena: indicates this is a voluntary merger and the property owners have given up the water and sewer rights which lowers the property value.

Matter is fully discussed and thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Ovitt and on the following roll call vote:

AYES: Supervisor Bianchi, Ovitt, Pinard, Chairperson Achadjian
NOES: None
ABSENT: Supervisor Ryan

the Board accepts the bid from Scott O’Keefe, in the amount of \$10,000 and RESOLUTION NO. 2001-303, resolution authorizing the sale of county owned real property to an adjacent property owner in the unincorporated area of Los Osos, adopted.

- 10 C-6 This is the time set for hearing to consider a resolution to authorizing the addition of delinquent service charges on property tax bills for County Service Areas Nos. 10-A (Cayucos - Water Service), 16 (Shandon - Water Service), 18 (San Luis Obispo County Club Estates Sewer Service), and 23 (Santa Margarita - Water Service), to the 2001-2002 County property tax bills; 1st, 2nd, 4th and 5th Districts.

Ms. Melissa Fisher: Engineering, presents the staff report and recommendation.

No one appearing and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi and on the following roll call vote:

AYES: Supervisors Ovitt, Bianchi, Pinard, Chairperson Achadjian

NOES: None

ABSENT: Supervisor Ryan

RESOLUTION NO. 2001- 304, resolution of the Board of Supervisors acting as the Governing Board of San Luis Obispo county Service Areas Nos. 10-A (Cayucos - Water District), 16 (Shandon - Water District), 18 (San Luis Obispo Country Club Estates - Sewer District), and 23 (Santa Margarita - Water District), resolution verifying delinquent service charges and confirming report, adopted.

- 11 C-7 This is the time set for hearing to consider a resolution authorizing the collection of service charges on property tax bills for County Service Areas Nos. 1 (Old Galaxy and Tract 1690, Nipomo), 1-A (Galaxy Park and Tract 1898, Nipomo), 1-F (New Galaxy, Nipomo), 7-A (Oak Shores), 9 (Los Osos), 18 (San Luis County Club Estates) and 21 (Cambria, Nipomo, Templeton and Atascadero); All Districts.

Ms. Melissa Fisher: Engineering, presents the staff report and recommendation.

No one appearing and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi and on the following roll call vote:

AYES: Supervisors Ovitt, Bianchi, Pinard, Chairperson Achadjian

NOES: None

ABSENT: Supervisor Ryan

RESOLUTION NO. 2001- 305, resolution of the Board of Supervisors acting as the Governing Board of the San Luis Obispo County Service Area (CSA) Nos. 1 (Old Galaxy Park and Tract 1690 - Nipomo); 1-A (Galaxy Park and Tract 1898 - Nipomo); 1-F (New Galaxy - Nipomo); CSA 7-A (Oak Shores); 9 (Los Osos Road Improvements); 18 (San Luis Country Club Estates); and 21 (Cambria, Nipomo, Templeton, and Atascadero, Road Improvements) confirming report and directing the collection of annual service charges on County Tax Roll, adopted.

- 12 C-8 This is the time set for hearing to consider a resolution confirming amended assessments for the San Miguel A.D. #A (Water District), San Miguel A.D. #B (Water District) and North Mesa A.D. (Road District); 1st and 4th District.

Ms. Melissa Fisher: Engineering, presents the staff report and recommendation.

No one appearing and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi and on the following roll call vote:

AYES: Supervisors Ovitt, Bianchi, Pinard, Chairperson Achadjian

NOES: None

ABSENT: Supervisor Ryan

RESOLUTION NO. 2001-306, resolution confirming and ordering amended assessments for the San Miguel A.D. #A (Water District), San Miguel A.D. #B (Water District) and North Mesa A.D. (Road District), adopted.

- 13 C-9 This is the time set for hearing to consider a request by Jon Olsen to amend a mitigation agreement allowing a secondary dwelling and two-story structures, located on the south side of Oak Way, approximately 400 feet east of Corbett Canyon Road north of the City of Arroyo Grande; 4th District.

Mr. Ned Rogoway: representing the Applicant, asks the Board to consider an amendment to a mitigation agreement; presents a brief history of the land; states Mr. Olsen is requesting the allowance of two story buildings and a second unit; addresses the visual impacts; states Mr. Olsen has agreed to preserve the oak trees and make sure the house will not be in view from the road; urges the Board to consider this amendment; feels the owners of Parcel 1 and 2 of CO88-220 should have the same rights as the other owners in that tract.

Mr. Jay Johnson: Planning, presents the staff report and describes the property; speaks to the visual analysis; indicates staff supports the request to authorize the mitigation agreement amendment.

Mr. Jon Olsen: Applicant, states Mr. Rogoway and Mr. Johnson presented the facts; indicates he would like to live in the neighborhood and be part of the community; states they would like the option of having an elderly parent live on the property; thanks the Board for their consideration.

Mr. Kevin Fitzpatrick: indicates he lives across from the proposed building site and is concerned that he will lose his view.

Mr. Kevin Hunstad: states he doesn't have a problem with a two story building; indicates the elevation of Mr. Olsen's lot is higher so the height of the structure doesn't matter; addresses visual restraints.

Board Members: discuss various issues, comments and concerns regarding: height limits for the second dwellings; density of the property; limiting the second dwelling to one story under 1200 feet in an area where it would not be visible; issue of fairness and allowing each property owner the same entitlements; encouraging Mr. Fitzpatrick and Mr. Olsen to have a meeting and discuss the proposed project, with staff responding.

Matter is fully discussed and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Pinard, with Supervisor Ryan being absent, motion carries and the Board approves the request to amend the Agreement for Mitigation for Parcel 2 of CO88-220 and the Negative Declaration in accordance with CEQA Public Resource Code 21000 et seq., and directs that a new agreement for mitigation be prepared to reflect the changes described in this report as shown in Exhibit B, with an amended condition limiting the secondary dwelling to a single story.

14 CS The Board cancelled the Closed Session.

15 PC This is the time set for members of the public wishing to address the Board on matters other than scheduled items.

Mr. Dwight Goggans: California Highway Patrol, presents an overview of the U.S. 101 Safety Corridor Project; hands the Board a packet of information and urges the Board to write a letter of support to the Office of Traffic Safety in Sacramento recognizing and asking them to continue the program.

Board Members: directs staff to send a letter of support to the Office of Traffic Safety.

Ms. El-Jay Hansson: addresses the issue of safety restrictions being ignored relating to an industrial site in her neighborhood.

Mr. Carter Delashmutt: states he owned property at Winterhaven and Autumn Place; indicates he tried to divide the property and after several years and \$26,000 later he had to scrap the project due to restriction by the Engineering Department and now the new owner does not have the same restrictions; questions the issue of fairness.

Ms. Pam Marshall-Heatherington: thanks the Board for being involved in the PG&E "tree mess"; discusses erosion and its impacts.

Mr. Steve Rebuck: discusses the State of California's plan to designate marine protected areas and the effects it would have on the County; states many local fisherman were not available to attend the meeting held in Morro Bay and urges the Board to consider writing a letter to the State Legislature requesting that there be additional time allowed for the identification of these marine protected areas; feels there needs to be an economic study.

Ms. Linda Hall: shares her experience of being chemically injured by pesticides.

Ms. Tarren Collins: addresses the marine life protected areas; urges the Board to write a letter in support of the marine life protected areas; states she is available to help draft a letter.

Supervisor Bianchi: states she would like to work with Mr. Rebeck on a letter regarding the designated marine protected areas and bring it back to the Board on the consent agenda and possibly in the future bring back a regularly scheduled agenda item.

Supervisor Pinard: speaks to the decline of the fisheries; states she would like to include in the letter something about state agencies being responsible for protecting the things they are suppose to protect. **No action taken.**

16 D-1 This is the time set for submittal of a response to the Grand Jury Report regarding Land Use and California Environmental Quality Act (CEQA) in San Luis Obispo County.

Mr. David Edge: County Administrator, introduces the item.

Mr. Vic Hollanda: Planning and Building Director, thanks Mr. Roger Borg and his committee for their time; indicates out of 30 Findings staff agrees with 53%, partially agrees with 37%, and disagrees with 10%; states out of the 26 recommendations 42% have not been implemented, 31% require further analysis, and 27% have been implemented; reviews each finding where staff agrees and explains why staff is in agreement.

Mr. Bryce Tingle: Assistant Planning and Building Director, briefly reviews the items where staff partially disagrees.

Ms. Ellen Carroll: Environmental Coordinator, explains the items where staff disagrees.

Mr. Hollanda: reviews the recommendations that have been implemented.

Mr. Tingle: covers the recommendations that have not been implemented and the status of implementation.

Ms. Istar Holliday: Nipomo Community Advisory Council (NCAC), urges the Board to acknowledge the Grand Jury's recommendations; states democracy is not efficient; addresses communication problems between the Planning Department and Advisory Councils; states mitigations are frequently eliminated because they are financially not feasible for the developer; addresses Environmental Impact Reports (EIR) versus Negative Declarations; urges the Planning Department to be more democratic and acknowledge the work put forth by the Advisory Councils.

Mr. Eric Greening: addresses staffing, economic and workload issues; questions the current cost of past failures to assess and mitigate impacts of projects and policies that have led to serious resource constraints; what recourse the public has when past negative declarations have proven inadequate and mitigations haven't worked; states EIR's are designed to ensure public participation; investing in more information is investing in wiser decisions and defending inappropriate negative declarations is defending ignorance; hopes the response to the Grand Jury will be the opening to a real dialogue.

Mr. Stephen Ela: states he has read both the Grand Jury report and the response; addresses the submittal of the response to the Courts and feels this hearing is only out of courtesy to the Grand Jury; urges the County to add staff to the Planning Department and develop a website; hands the Board a copy of his comments.

Ms. Pam Marshall Heatherington: states complaints were received requesting a review of the way County representatives carry out the requirements of the California Environmental Quality Act (CEQA); addresses communications, funding and strengthening the mitigation process; suggests an examination of the way the County does "the people's business"; urges the recommendations of the Coastal Commission and the Grand Jury be put into place.

Ms. Tarren Collins: addresses the misuse of negative declarations; urges the Board to tell staff to follow the Grand Jury recommendations and require an EIR whenever the law may support it and enhance communication with the public.

Mr. David Broadwater: urges the Board to reject the recommended action and demand this response be redone; feels citizens are not being informed and there are issues in the response that are not acceptable.

Mr. Jesse Hill: Chairperson Nipomo Community Advisory Council, addresses roles and responsibilities of the Advisory Councils; speaks to public participation; tracking projects and mitigation measures.

Mr. Michael Winn: thanks the Board for the distribution of the Grand Jury report; recommends 1) request the Planning Department to have a CEQA check list available to the

applicants early in the process; 2) find a way of allowing public input before a negative declaration is given; 3) fund a website for each of the advisory councils.

Mr. Lowell Davis: thanks the Grand Jury; feels there is a good dialogue going on; addresses the environmental quality of life in San Luis Obispo County, maintaining that quality and avoiding piecemeal; feels everyone is on the right track.

Mr. Babak Naficy: speaks to public participation in mitigation measures.

Ms. Christine Mulholland: states there is political pressure on staff from the Board when preparing staff reports; feels the public is being left out of the process; indicates the appeal process is frustrating and expensive and often the public is forced to sue; recommends whenever there is any doubt relating to environmental issues an EIR should be required.

Mr. Del Weiner: suggests the Board recognize the members of the Grand Jury; indicates they have never received a copy of the staff report.

Chairperson Achadjian: asks the Grand Jury to stand and be recognized.

Board Members: discuss various issues, comments and concerns regarding: information being available to the public; the accessibility of the Coastal Commission; staff acts on decisions approved by the majority of the Board; appeal rate for the County; staff legally complies with CEQA; planning documents are more user friendly; the government process and funding mechanisms; frustrations heard by the Grand Jury; the role of the advisory councils; staffing issues; changing the system; rapid growth in the area; public entitlements; standardization having a negative effect due to the diversity of the County; response not taken lightly by the Planning Department; reporting on an annual basis and setting priorities.

Matter is fully discussed and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi, with Supervisor Ryan being absent motion carries, and the Board approves the Planning and Building Departments response to the Grand Jury's report and directs that it be forwarded to the Presiding Judge of the Superior Court as the Board's official response.

17 E-1 This is the time set for consideration of: 1) conditions for the sale of County Service Area No. 16 (Shandon) State Water Allocation; 2) the City of Morro Bay as a buyer; and 3) review of the criteria for using State Water; All Districts.

Mr. Paavo Ogren: Planning, presents the staff report and a brief history of Shandon's State Water Allocation; states Afuera de Chorro Mutual Water Company has been approved by the Board (for the purchase of 30 acre feet) and continues to express interest in buying the water; indicates the needs of Morro Bay and Camp San Luis exceed Shandon's entitlement; addresses the conditions of sale relating to payment of past costs and the timing of the sale; indicates the City of Morro Bay is a current State Water subcontractor; addresses the criteria for using water and changing #9 on Exhibit A to read "No water is to be used for projects within incorporated cities unless approved or requested by the City Council."; speaks to other interested buyers; reviews the recommendations.

Thereafter, on motion of Supervisor Pinard, seconded by Supervisor Bianchi, with Supervisor Ryan being absent, motion carries and the Board agrees to continue the meeting past 5:00 o'clock p.m..

Supervisor Pinard: asks the Board that anyone else who would fits the criteria be allowed the same opportunity to buy the water allocation.

Ms. Carol Sinsheimer: states she is a shareholder of the Afuera de Chorro Mutual Water Company; states at their last meeting they agreed to apply for the State Water as long as the back costs for Shandon were waived; addresses a letter written by Mr. Fred Glick to the County that contradicted the vote of the shareholders; hopes this proposal to pay Shandon's back charges will be brought back to the shareholders at another meeting.

Mr. Steve Hanover: President of Afuera de Chorro Mutual Water Company; presents a brief history of the attempt to acquire 30 acre feet of Shandon's State Water; asks the Board to consider waiving the pay back costs.

Ms. Colleen Rosenthal: states there has been continued mis-representation of the water situation in the Afuera de Chorro Mutual Water Company neighborhood; indicates the high cost of the project and the issue of lot splits has divided their group and therefore, the Afuera de Chorro Mutual Water Company does not meet the County's requirements.

Mr. Tom Stenovec: Afuera de Chorro Mutual Water Company, states they would like to have the flexibility to decide their own fate; asks that the Board not get involved in their internal politics until they can meet and return to the Board with a proposal.

Mr. Eric Greening: states he is a member of the Water Resources Advisory Committee (WRAC) but not speaking for them; asks if the WRAC has seen this item; feels the change to criteria #9; the processes of prioritization and notification; cost apportionment and information on cost and reliability that have been raised by the public are all policy issues that should go before the WRAC; addresses the lack of water being our next crises; urges the Board to schedule a full discussion on this issue.

Supervisor Ovitt: states this Item is not to negotiate the contract but only to direct staff; indicates Afuera de Chorro Mutual Water Company needs to decide by October 31, 2001 whether they want to be a buyer; states if Afuera de Chorro is not a buyer he would be willing to add a condition #7 that would ask staff to continue to negotiate with other potential buyers as long as water remains available; states he would like to follow the recommendations as stated and let this process go through to relieve the residents of Shandon of their excessive water rates.

Ms. Susan Litteral: WRAC, states the WRAC has previously endorsed the sale of Shandon's water.

Board Members: discuss various issues, comments and concerns regarding: the time line; issue of fairness; providing Shandon relief; pulling recommendation #5 and referring it to the Water Resources Advisory Committee.

Mr. Ogren: suggests changing recommendation #6 from January 2002 to November 2001 which would allow more time for potential buyers, with the Board concurring.

Matter is fully discussed and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi, with Supervisor Ryan being absent, motion carries and the Board 1) establishes the requirement that buyers of Shandon's State Water Allocation pay past costs with the option to amortize those costs over the remaining term of the contract; 2) establishes October 31, 2001 as the deadline for completing the negotiation of transfer agreements with the buyers approved by the Board and to return to the Board in November 2001 with executed agreements; 3) directs staff to negotiate the sale of 70 acre feet of Shandon's State Water Allocation to the City of Morro Bay; 4) reviews the "Criteria for Using State Water" in Exhibit "A" which are used to determine if interested parties qualify to participate in the State Water project; 5) modifies criteria number 9 by adding the language "unless approved or requested by the City Council" and refers it to WRAC; and 6) directs if executed agreements are not received from approved buyers by October 31, 2001, direct staff to evaluate whether other interested buyers meet the Board's Criteria for using State Water and to return to the Board in November 2001 with that evaluation and return with all potential buyers.

On motion duly made and unanimously carried, the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts, does now adjourn.

I, **JULIE L. RODEWALD**, County Clerk-Recorder and Ex-Officio Clerk of the Board of Supervisors of the County of San Luis Obispo, and ex-officio clerk of the governing body of all other special assessment and taxing districts for which said Board so acts, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held Tuesday, July 24, 2001, by the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts.

JULIE L. RODEWALD, County Clerk-Recorder
and Ex-Officio Clerk of the Board of Supervisors

By: /s/Cherie Aispuro,
Deputy Clerk-Recorder

DATED: 07/27/2001
cla