

Tuesday, May 18, 2004

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 Shirley Bianchi, Peg Pinard, K.H. 'Katcho' Achadjian, Michael P. Ryan and Chairperson Harry L. Ovitt

**ABSENT:** None

**PLEDGE OF ALLEGIANCE TO THE FLAG LED BY HARRY L. OVITT.**

**SUM**      **AGN**

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

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

**RESOLUTION NO. 2004-145, resolution recognizing the Lucia Mar Destination Imagination Teams and their coordinator, Mike Liebo, for their hard work and amazing performance, adopted.**

**Supervisor Pinard:** reads the resolution and presents the same to Mr. Mike Liebo.

**Mr. Liebo:** states he is honored to accept this proclamation; addresses the changes in education over the years; reads a couple of letters from past students indicating the lessons they took away from this program; urges continued support for this and other similar programs; thanks the Board.

Members of Destination Imagination perform for the Board.

**Supervisor Pinard:** hands the students plaques to be given to Shell Beach Elementary, Ocean View Elementary, Judkins Middle School, Arroyo Grande High School, and Nipomo High School recognizing the Lucia Mar Destination Imagination teams.

2      A-1B      **Thereafter, on motion of Supervisor Achadjian, seconded by Supervisor Ryan and on the following roll call vote:**

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

**RESOLUTION NO. 2004-146, proclaiming May 2004 as "Veterans Appreciation Month" in San Luis Obispo County, adopted.**

**Chairperson Ovitt:** reads the resolution and presents the same to Mr. Milton Batson and various disabled American Veterans and Marine Corps members.

**Mr. Batson:** thanks the Board for the proclamation; indicates the men here today are some of the heros of the County; states there will be a Veterans Job Fair on May 26, 2004 at the Vets Hall in San Luis Obispo.

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

**Mr. Ian Cunan:** urges the Board to save the Growing Grounds from budget cuts.

**Mr. Eric Greening:** states he concurs with the previous speaker; addresses the Transfer of Development Credits ordinance and upcoming revisions; states an issue not currently part of the proposed changes, but should be, is the eligibility of agriculturally zoned land as a receiver site; indicates this is contrary to the intent of the TDC program and also of the Ag and Open Space Element.

**Ms. Susan Warren:** North County Connection, urges the Board to watch the last Health Commission meeting on video or Charter Channel 21; addresses substance abuse issues and the lack of facilities to handle this problem in this County.

**Ms. Lori Heizer:** In Home Supportive Services (IHSS), addresses the problem with the cost of parking and the lack of handicapped parking downtown.

**Ms. Thelma Smith:** states she wouldn't know what to do without her IHSS assistant and urges the Board to help her in any way possible.

**Ms. Jill Bolster-White:** thanks the Board for their help with Transitions Mental Health; states even with the Board's help they face \$1 million in budget cuts; indicates there is a group of clients traveling to Sacramento to ask the Governor to restore funding.

**Mr. Michael Kovacs:** addresses the relationship between the public and their trust in government.

**Mr. Jesse Hill:** hands the Board a copy of the Nipomo community's TDC program and comments on the same.

**Ms. Jane Von Koehe:** addresses the parking situation in San Luis Obispo and the hardship it causes IHSS employees.

**Ms. Christa Indriolo:** United Domestic Workers, states they are trying to bring awareness to the needs of IHSS; addresses the use of Federal funds. **No action taken.**

4 B-1 This is the time set for members of the public wishing to address the Board on items set  
thru on the Consent Agenda.  
B-22

**Chairperson Ovitt:** opens the floor to public comment without response.

Consent Agenda Item B-22 is added to the Consent Agenda. **Thereafter, on motion of Supervisor Ryan, seconded by Supervisor Achadjian and on the following roll call vote:**

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

**Consent Agenda Items B-1 through B-22 are approved as recommended by the County Administrative Officer and as amended by this Board.**

Consent Agenda Items B-1 through B-22, as amended, are on file in the  
Office  
of  
the  
County  
Clerk-

Auditor-Controller Items:

- B-1 Unannounced cash count and limited review of cash handling procedures of the Planning and Building conducted on March 25, 2004, **Received and Filed.**
- B-2 Audit report for the San Luis Obispo County Regional Airport concessions for the period of November 2002 through November 2003, **Received and Filed**

Behavioral Health Items:

- B-3 Ratification of a grant agreement (Clerk's File) with the Office of Juvenile Justice Delinquency Prevention and approve a corresponding agreement (Clerk's File) with Friday Night Live, Inc. to provide funding for community based substance abuse prevention activities, **Approved.**
- B-4 Amendments to the FY 03-04 Combined Negotiated Net Amount and Drug Medi-Cal contract (Clerk's File) with the State Department of Alcohol and Drug Programs, **Approved.**
- B-5 Contracts (Clerk's File) with various physicians to provide psychiatric services to Mental Health, **Approved.**
- B-6 Contract renewal (Clerk's File) with San Luis Obispo County Community College District to provide training for its Cuesta College students at the County's psychiatric health facility, **Approved.**

County Clerk-Recorder Items:

- B-7
- Request to return parcel map COAL 02-0245 to the Recorder's Office based on evidence received from the subdivider's surveyor, **Approved.**
- B-8 Declare the results of the May 4, 2004 Special Tax Election held in Area No. 9, Zone I, **Approved.**
- B-9 Declare the results of the May 4, 2004 Special Tax Election held in the Los Osos Community Services District, **Approved.**
- B-10 Appointments, in lieu of elections, to the County Central Committees for the Democratic, Republican, Libertarian and Green Political parties, **Approved.**

Public Works Items:

- B-11 **RESOLUTION NO. 2004-147**, to levy sewer availability charges for County Service Areas No. 7-A (Oak Shores) and No. 18 (San Luis Obispo Country Club Estates); 1st and 3rd Districts, **Adopted.**

- B-12 **RESOLUTION NO. 2004-148**, to levy water availability charges for County Service Areas No. 16 (Shandon) and No. 23 (Santa Margarita); 1st and 5th Districts, **Adopted.**
- B-13 **RESOLUTION NO. 2004-149**, establishing the 2004-05 Special Tax Rate and confirming the per parcel special tax amount for the Nipomo Lighting District, Zone E (Tract 1700, Los Pinos Estates); 4th District, **Adopted.**
- B-14 **RESOLUTION NO. 2004-150**, proclaiming the week of May 16-22, 2004 as “National Public Works Week”, **Adopted.**
- B-15 The following Parcel Map has been received and has satisfied all the conditions of approval that were established in the public hearing on its Tentative Map: COAL 03-0288, a proposed lot line adjustment of 2 lots by Carolyn Waken-Hall and Farrell Waken, Old County Road, Templeton; 1st District, **Approved.**

Other Items:

- B-16 Allocation of \$4,000 from Community Project Funds (District One - \$1,000; District Three - \$100; District Five - \$2,900) to the Railhead Riders, Inc for improvements to the horse arena and showgrounds, **Approved.**
- B-17 Amended contract with Patrick J. Spalding, M.D., for continued provision of gynecological and perinatal professional services for the Family Care Center and Public Health Department clinics, **Approved.**
- B-18 Contract for child welfare consulting services with Paso Robles Joint Unified School District to renew family advocacy Services Affirming Family Empowerment (SAFE) System of Care (SOC) for FY 03-04, **Approved.**
- B-19 **RESOLUTION NO. 2004-151**, application, in collaboration with Drug and Alcohol Services, to the State Department of Health and Human Services Substance Abuse and Mental Health Services Administration for a grant program to provide substance abuse treatment and re-entry services to sentenced juveniles returning to the community from Juvenile Hall, **Adopted.**
- B-20 Mitigation monitoring contract (Clerk’s File) with Padre Associates, Inc. to provide environmental monitoring services for development associated with Phase II of Santa Ysabel Ranch project, **Approved.**
- B-21 Agreement and grant of easement for the underground effluent water pipeline located on real property owned by the State Department of Military property, **Approved.**

**ADDED (All requirements of the Brown Act were met as this was posted prior to the 72-hour noticing requirement.)**

- B-22 **RESOLUTION NO. 2004-152**, congratulating the Paso Robles Main Street Association on winning the 2004 Great American Main Street Award, **Adopted.**

- 5 C-1 This is the time set for hearing to consider a resolution of necessity for acquisition of property by eminent domain for emergency access easements for requirements of Tract 2162, Oak Shores area; 1st District.

**Mr. Tim Smith:** Right-of-Way Agent, presents the staff report indicating on August 5, 2003, the Board authorized the Director of Public Works to acquire certain real property rights as a condition of approval for Tract 2162 by negotiations and, if necessary, to commence eminent domain proceedings; states the Subdivision Map Act requires that the County either acquire the right-of-way (by negotiation or eminent domain) or waive the requirement; indicates this emergency access road would be used for emergency purposes only; states staff has acquired some easement rights however, negotiations with the remaining owners are at an impasse.

**Board Members:** discuss various issues, comments and concerns regarding: the original approval of Tract 2162 in 1996 and the condition for a

secondary access; Developer paying for the access road; the County has to make the land available or the Condition goes away; the maintenance of the road; the homeowners' association for the new lots will be responsible for the maintenance of the road, the existing road and the gates on the road; County Road 22; , with Mr. Richard Marshall, Public Works, Mr. Jac Crawford, Assistant County Counsel, and Mr. Terry Wahler, Planning, responding.

**Ms. Janice Freear Meyer:** addresses the question as to whether this project is a necessity and will it serve the public good and is a necessity; addresses the EIR for Tract 2162; states there is no argument the community needs a secondary access however, urges the Board to change the conditions of approval for Tract 2162 providing County Road #22 as the secondary access.

**Ms. Tana Ens:** states in the EIR, CDF would prefer improving County Road #22 for secondary access; urges the Board to change the conditions of approval for Tract 2162 using County Road #22 as an emergency access road.

**Mr. Mark Freear:** describes County Road #22; states it is the safest and cheapest alternative for a secondary access.

**Mr. Bill Capps:** feels if this item passes, the Board will be taking away private property and handing it over to the developer; describes Bee Rock Road and urges the Board to look at Road #22 as a more viable alternative for secondary access.

**Mr. Steve Cannon:** states he is opposed to the eminent domain proceedings; addresses Condition No. 1 "whether or not the public interest and necessity require the proposed project;"; feels this is not a safety issue but a monetary issue; states the dollars offered to the property owners are inadequate; believes the builder pays his just costs by upgrading County Road #22.

**Ms. Sharon N. Capps:** urges the Board to not pursue the eminent domain and use the lowest cost alternative of County Road #22.

**Mr. Jan Rohrbach:** states he is committed to keeping this road private; indicates he would like Road #22 improved; addresses County staff's failures relating to this project; states this is the first time an eminent domain has been used to benefit the developer.

**Mr. Jeffrey S. Allen:** states he is opposed to the eminent domain; indicates the County has cited safety as the reason the acquisition of this road is necessary; describes Bee Rock Road indicating it is dangerous; feels the power of eminent domain is inappropriate and urges the Board to look at the option of County Road #22.

**Mr. Carl Storgaard:** addresses the condition of Bee Rock Road and urges the Board to look for an alternative.

**Mr. John Stelly:** President of the Board of Directors of Laguna Vista Boat Club, states he opposes the eminent domain; states there is an effective loop egress currently available to all current residents along the Private Nacimiento Shores Road in the event of an emergency; urges the Board to really look at the need for primary and secondary access for future development and require staff to utilize the easement already in possession, which is County Road #22.

**Mr. William F. Shinn:** urges the Board to listen to the will of the people.

**Mr. Gary Hazard:** addresses Item No. 2 "The proposed project is planned or located in the manner that is most compatible with the greatest public good and the least private injury"; states by using County Road #22 it is safer, it is a shorter route to a public road and the right of way has already been recorded and therefore, the Applicant does not need to acquire easements from other land owners.

**Mr. William Norton:** feels his private road is being unfairly taken away; address the lack of notice regarding the impact the Oak Shores II development

would have; speaks to the money being offered for the property; urges the use of County Road #22.

**Ms. Kathleen Norton:** states she is here to support the property owners.

**Mr. Jim Andre:** states he is offended that the Board would consider taking away private property, without the owners being originally notified in 1996, to benefit a developer; addresses cost factors.

**Mr. Rob Meyer:** urges the Board to vote against this resolution of necessity due to lack of notification.

**Ms. Terry Andre:** states the plan that was approved is a flawed plan due to lack of notification and accurate facts; displays a chart showing the comparisons between using County Road #22 versus Bee Rock Road and who benefits.

**Ms. Linda Lee:** addresses her concerns relating to the safety of Bee Rock Road.

**Mr. Randall Fox:** reminds the Board this item takes a 4/5 vote; hands the Board a document entitled "Property Owners' Request"; states County Road #22 is a recognized existing County Right-of-way created in 1871 as a stagecoach route and has not been abandoned; indicates the public interest and necessity do not require the proposed project; urges the Board to not rubber stamp a bad decision by a previous Board; feels it is not impossible to make findings to use County Road #22.

**Mr. Donald Story:** states he concurs with everything said today; addresses emergency access versus secondary access and the requirement for turnouts.

**Ms. Karen Vega:** President Oakshores Homeowners' Association, states she wishes neighbors would have been present at the 1996 hearing; addresses a letter sent to the County on September 23, 2003 clearly outlining the Association's position; states the Association did vote to approve the resolution of necessity due to the issue of public safety; urges the Board to require the developer to fulfill the conditions set on Tract 2162 relating to emergency access, preferably using County Road #22.

**Ms. Karen Ingalls:** states her concerns relating to the eminent domain; invites the Board to come and travel all the roads and see which roads would be better suited for a secondary access.

**Mr. Bill Ingalls:** states he is opposed to using Nacimiento Shores Road as a secondary access; describes the road; indicates this road is a much longer and slower route than County Road #22; addresses the notification of the 1996 hearing; speaks to the appraised value of the property along Nacimiento Shores Road and the impact this project will have on their property.

**Mr. Bill Phillips:** Deputy General Manager of Monterey County Water Resources Agency, states the Board should find a way for emergency access to occur; indicates they hope the Board will not create a public conflict between the Water Resources Agency's public interest and the County's safety interest by avoiding adopting the resolution of necessity; urges the Board to allow 2 weeks to negotiate with staff and prepare a final easement document; states there are currently 2 gates; indicates the Map Act is permissive not directive or mandatory; states County Road #22 is the Monterey County Resources Agency's legal access to its property and there is no existing emergency access across the Monterey County parcels; asks that the Board not adopt the resolution of necessity today, but rather direct staff to negotiate and bring back a proposed easement agreement.

**Mr. Richard Renck:** states the maximum a County road can be built out is 20 feet; emergency access needs to be done correctly; addresses Condition #10 for Tract 2162; states if the Board adopts the resolution he would urge flexibility.

**Ms. Anita Firestone:** describes Road #22 and indicates it goes through her property

**Mr. John Wallace:** John Wallace and Associates, and representing Tract 2162; states this is only to acquire emergency access and to meet the Conditions of Approval; indicates the proposed construction is only about one mile long; states the plotted right-of-way for County Road #22 deviates from that existing road and would involve significant environmental impacts that would need to be evaluated; the gates would only be opened by a public agency; states in some future development phase of the area the Board could consider vacating this easement through Nacimiento Shores Road and favor County Road #22.

**Board Members:** discuss various issues, comments and concerns regarding: continued negotiations with the property owners even after the adoption of the resolution; how the appraisals have been reached; the easement only being for the purpose of emergency access; if the resolution is not adopted what would happen to Condition #10 ; the possible impacts if this item is postponed; the width and length of the road, with Mr. Smith, Mr. Marshall, and Mr. Robert Lewin, CDF/Co Fire, responding.

**Mr. Jac Crawford:** Assistant County Counsel, states by not adopting the resolution the Board will risk having the Condition disappear and losing the emergency access route as part of this development.

**Mr. Wallace:** indicates their understanding is that the improvement be over the existing dirt road as written in Condition No. 10; it was their understanding that the existing Nacimiento Shores Road was sufficient for emergency access purposes.

**A motion by Supervisor Ryan to approve staff's recommendation including any language that strengthens the provisions insuring that the easement will be used solely as an emergency egress including provisions that it will occur only as a result of a declaration by a County Official, be added to everyone's negotiation and that this route can be utilized as an emergency access for any of the other properties it goes through, is discussed.**

**Supervisor Pinard:** addresses her concern that this problem came up because the development needed access; states she has a problem with using eminent domain to benefit one development; addresses private property rights; states this access was not Oak Shores driven; addresses the flaw in the notification.

**Supervisor Bianchi:** agrees to use eminent domain as a tool to enhance the profits of a single developer is "abhorrent"; addresses the dilemma of the Board, indicating if the Board does nothing the condition will go away and then people will be put in jeopardy; the issue becomes property right versus lives of others.

**Supervisor Ryan:** addresses the safety of the people who are going to be purchasing the homes; questions the insurance issue; discusses the use of emergency easements.

**Supervisor Pinard:** states she understands the safety issue and the ability to be safe with people can be done through the existing County process of improving County Road #22.

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

<b>AYES:</b>	<b>Supervisors Ryan, Chairperson Ovitt, Bianchi, Achadjian</b>
<b>NOES:</b>	<b>Supervisor Pinard</b>
<b>ABSENT:</b>	<b>None</b>

**the Board directs staff to add language to everyone's negotiation, that strengthens the provisions insuring that the easement will be used solely as**

**an emergency egress including provisions that it will occur only as a result of a declaration by a County Official and RESOLUTION NO. 2004-153, resolution of necessity for the Oak Shores emergency access easements for requirements of Tract 2162 Supervisorial District No. 1, adopted.**

6 D-1 This is the time set for submittal of the Third Quarter Financial Report.

**Mr. Jim Grant:** Assistant County Administrative Officer, presents an overview of the Third Quarter Financial Report.

**Mr. David Edge:** County Administrative Officer, states the purpose of the chart is to help the public understand how the budget is balanced from quarter to quarter

**Mr. Michael Kovacs:** states he is a taxpayer; indicates there is no truth in the staff report; believes the expenditures are in excess of revenues and the staff report is ambiguous.

**Chairperson Ovitt:** asks Mr. Grant to explain once more the expense and funding sources, with staff responding.

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

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

**the Board receives, reviews, and files the Third Quarter Financial Report; approves budget adjustments totaling \$6,945,959 (Attachments A & B) for year/end adjustments related to FY 03-04 prevailing wage increases and other year/end costs; of this amount, \$3,934,126 is recommended to come from General Fund contingencies; accepts gift funds and donations on behalf of several County departments totaling \$26,447 and approves associated appropriation transfers on behalf of the Library and Social Services in the amount of \$8,556; approves requests to discharge bad debts from Behavioral Health and Public Health totaling \$26,297; and amends the Fixed Asset List for the Enterprise Financial System (EFS) project.**

7 D-2 This is the time set for submittal of a resolution adopting the Fiscal Year 2004-2005 Proposed Budget, setting June 14, 2004 as the time to begin public hearings regarding the Proposed Budget and directing the Clerk to publish the appropriate legal notices.

**Mr. Jim Grant:** Assistant County Administrative Officer, outlines the approach that was taken in preparing the budget; states 82 positions will be eliminated along with service reductions; indicates the Proposed Budget can be found on-line, at all libraries, and in the Administration Office.

**Mr. David Edge:** County Administrative Officer, discusses the effect the State budget continues to have on local government.

**Supervisor Pinard:** addresses the salary overtime in the Sheriff's Department, with staff responding.

**Mr. Dean Rollins:** General Manager for the San Luis Obispo County Employee's Association (SLOCEA), discusses the impact of the State budget on the County; addresses restoring positions and programs and encourages shortfall mitigation to offset layoffs.

**Reverend C. Hite:** addresses the unmet needs of the high risk population of the County as it relates to health.



**Mr. Michael Kovacs:** addresses the growing budget and questions the eleven new positions.

**Mr. Eric Greening:** thanks Mr. Edge for laying the Proposed Budget out as honestly as possible; addresses the protection of local government; states his concern for the time allowed for budget hearings, with staff responding.

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

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

**RESOLUTION NO. 2004-154, resolution approving the Proposed Budget for fiscal year 2004-05, adopted. Further, the Clerk is directed to publish the required documents and notices, and st June 14, 2004 at 9:00 a.m. as the time to begin public hearings on the 2004-05 County Budget.**

**(SUPERVISOR MICHAEL P. RYAN IS NOW ABSENT.)**

8 E-1 This is the time set for consideration of a proposed memorandum of agreement with the Nipomo Community Services District regarding their Sphere of Influence Update; 4th District.

**Mr. Chuck Stevenson,** Planning, presents the staff report and recommendation.

**(SUPERVISOR MICHAEL P. RYAN IS NOW PRESENT.)**

**Board Members:** discuss various issues, comments and concerns regarding: discouraging other water suppliers; proposed change to page E-1-7 to include the name of the consultant and that the County has received the report; the Nipomo Community Service District (NCSD) taking over water districts; annexation policy, with staff and Mr. Paul Hood, LAFCO , and Mr. Mike Winn, NCSD, responding.

**Mr. Winn:** thanks everyone who has participated and the NCSD appreciates the finished project.

**Mr. Doug Jones:** General Manager of the NCSD, clarifies a situation that Supervisor Pinard referred to relating to the Cypress Ridge Project, the Public Utility Commission (PUC) and NCSD.

**Mr. Eric Greening:** addresses the water levels of severity in the Nipomo Mesa area and questions when this will come before the Board.

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

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

**the Board amends the last paragraph on the first page of the agreement to read “WHEREAS, the County has commissioned S.S. Papadopoulos and Associates, Inc., to assist the County in clarifying and reconciling the information, conclusions and recommendations contained in studies of the Nipomo HSA conducted by the Department of Water Resources and other hydrologic consultants and to be used in the preparation of the Water Resource Capacity Study, and is in receipt of said report; and”;** and adopts the proposed

**“Memorandum of Agreement between the Nipomo Community Services District and the County of San Luis Obispo regarding the Sphere of Influence” as amended.**

9

F-1 This is the time set for consideration of policy recommendation for supplemental water supplies for County Service Area No. 10A (Cayucos), No. 22 (South San Luis Obispo vicinity) and No. 23 (Santa Margarita); All Districts.

**Mr. Paavo Ogren and Ms. Christine Ferrara:** Public Works, present the staff report and recommendations; indicate on June 8, 2004 they will be back to bring an overview of all the Special Districts; discuss each County Service Area #22, #23, and #10A and their specific water needs.

**Board Members:** discuss various issues, comments and concerns regarding: Shandon water; State Water for Santa Margarita, with staff responding.

**Mr. Eric Greening:** states it is his understanding that the CSA #23 is looking at pursuing State Water independently of the Ranch project; believes State Water is less reliable than Nacimiento and is not locally controlled; addresses the cost of drought buffer water; discusses a cooperative relationship with Santa Margarita Ranch where the planning for water is conditional on approval of an agricultural clustering project; questions the timing of the approval of the agricultural cluster and how much sense does it make to make plans for water and infrastructure now, conditional on something in that is not before the Board.

**Ms. Carol Pettineli:** thanks the Board for taking no action on CSA #10A (Cayucos); feels the community has not been informed and staff is still moving forward; urges the Board to bring this item back after the November election to allow the community time to become informed.

**Ms. Patricia Kenner:** addresses the proposed Supplemental Water Plan; states the information is broad and complex; believes consumers deserve the proper information, time to evaluate alternatives and to have an active voice in the decisions.

**Mr. Ralph Wessel:** presents a chart on proposed costs for user, operation and maintenance fees for CSA #10A; requests the Board hold off on this item until after the November election where the people will be voting on a Community Services District.

**Mr. Leonard Hylton:** thanks the Board for taking no action on this item today; believes the water issues are worth taking time to study.

**Mr. Arley Robinson:** states he also appreciates the Board taking no action today on CSA #10A; addresses his concern for water; feels there are many water misconceptions and urges the Board to postpone this item until after the November election to see if the people vote for a CSD.

**Mr. John Carsel:** states if the citizens are going to vote to have a CSD which would absorb CSA #10 wouldn't the CSD be making the decisions; questions why this item would come back to the Board in September instead of after the November election and urges the Board to allow this item come back in December.

**Mr. Richard Carnegie:** presents a power point on water calculations for Cayucos.

**Chairperson Ovitt:** states the reason these items are coming back in September is that there is a target date to finalize all of the contracts for State Water.

**Supervisor Bianchi:** states one of the concerns the community has is the area of CSA #9 seems to be built out due to paper lots and these are lots that for one reason or another are not buildable; indicates she hopes the community will look at this presentation as a preview of what will be heard in the future and thanks staff for modifying the recommendation.

**Supervisor Ryan:** questions why State Water is not included in the recommendation for Santa Margarita, with staff responding.

**Matter is fully discussed and thereafter, on motion of Supervisor Ryan, seconded by Supervisor Achadjian and on the following roll call vote:**

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

**the Board takes no action on CSA No. 10A, and CSA No. 22 and directs staff to pursue cooperative development of water supply alternatives with Santa Margarita Ranch for County Service Area No. 23 (Santa Margarita) consistent with concepts identified in Exhibit "B-1" of the staff report dated 5/18/04 and pursue State Water with or without or independently of the Santa Margarita Ranch.**

**Thereafter, on motion of Supervisor Achadjian, seconded by Supervisor Bianchi and unanimously carried, the Board agrees to continue the meeting past 5:00 p.m..**

10 C-2 This is the times set for continued hearing (continued from 5/11/2004) to consider an appeal by Richard Nordin, Frank and Barbara Sances, Michael and Nicole Ledonna, and John Schug of the Subdivision Review Board's decision to approve Parcel Map CO 02-0189 (S020078P) for Amanda and Chris Lane, for property located at 6445 Squire Knoll Drive, in the Squire Canyon area.

**Ms. Pat Beck:** Planning, describes the changes made at the request of the Board from the 5/11/04 meeting; addresses Exhibit "C" relating to the retaining walls; states they added a Condition #18 relating to the Squire Canyon Community Services District; addresses Condition #14 regarding the road agreement; questions whether the Board would like to add the indemnification language.

**Mr. Jim Orton:** Deputy County Counsel, states the indemnification language would be a new Condition #22.

**Supervisor Pinard:** suggests the language "eliminate the need for the large retaining walls as seen in Exhibit C" to be added to Condition 2b.

**Mr. Chris Lane:** Applicant, addresses the neighbors doing the road dedication and the emergency access by PG&E.

**Supervisor Pinard:** addresses the "Good Neighbor Policy" letter by PG&E as it relates to Condition #3.

**A motion by Supervisor Pinard to approve staff's recommendation with the Findings and Conditions as submitted and as amended, is discussed.**

**Ms. Beck:** clarifies the changes; indicating the motion includes eliminating the need for retaining walls as reflected in Exhibit "C"; in Condition #3 including language "shall show evidence that emergency access has been provided by PG&E to CDF and the affected property without the multiple property owners being affected and including the Lane's APN Number; and adding Condition #22 regarding Indemnification, with the Board concurring.

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

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

**the Board eliminates the need for retaining walls as reflected in Exhibit "C"; amends Condition #3 to include the following language "shall show evidence that**

emergency access has been provided by PG&E to CDF and the affected property without the multiple property owners being affected” and includes the Lane’s APN number; adds Condition #22 regarding Indemnification and RESOLUTION NO. 2004-155, resolution affirming and modifying the decision of the Subdivision Review Board and conditionally approving the application of the Chris and Amanda Lane for a Tentative Parcel Map for Parcel Map CO 02-0189 / S020078P, adopted as amended.

11 CS The Board announces it will be going into Closed Session regarding:

**I. PENDING LITIGATION (Gov. Code, § 54956.9.)** It is the intention of the Board to meet in Closed Session concerning the following items:

**A. Conference with Legal Counsel - Existing Litigation (Gov. Code, § 54956.9(a).)** (Formally initiated) 1) *AT&T v. County of San Luis Obispo*, 2) *MCI WorldCom v. County of San Luis Obispo*, and 3) *State of California, et al. v. Babbitt, et al.*

**B. Conference with Legal Counsel - Anticipated Litigation (Gov. Code, § 54956.9.)**

4) *Significant exposure to litigation (Gov. Code, § 54956.9(b).)* No. of cases 4. Facts and circumstances not known to potential plaintiff which indicate significant exposure to litigation. 5) *Initiation of litigation (Gov. Code, § 54956.9(c).)* No. of cases 2.

**II. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code, § 54957.6.)** It is the intention of the Board to meet in Closed Session to have a conference with its Labor Negotiator concerning the following: 6) Negotiator’s Name: *Santos Arrona, Gail Wilcox* Name of employee organization: *Deputy Sheriff’s Association*.

**Chairperson Ovitt:** opens the floor to public comment without response.

Thereafter, pursuant to the requirements of the Brown Act, County Counsel reports out on the items discussed during Closed Session as follows: Items 1 through 6 and the Board goes into Open Public Session.

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, May 18, 2004, 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: 05/27/2004  
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