

Tuesday, October 26, 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 CHAIRPERSON HARRY L. OVITT.**

**SUM**

**AGN**

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

**Ms. Laura Knox:** representing Sunny Acres, speaks to the number of folks they have in their facility with drug/alcohol addiction problems; indicates they are self supporting with no outside funding; they are having problems with Planning and are looking to the Board for guidance.

**Supervisor Bianchi:** refers Ms. Knox to her Legislative Assistant to work with her.

**Ms. Linda Hall:** commends Supervisor Pinard for all she has done over the years and wishes her well in her bid for State Senator.

**Rev. C. Hite:** commends the City of Paso Robles for their actions on ADA requirements; comments on AB 2594; addresses her concerns to the Board not holding a hearing on ADA requirements.

**Ms. Lisa Schicker:** states she is speaking regarding the Los Osos sewer, the Estero Update and the Habitat Conservation Plan (HCP); addresses the Coastal Commission direction to the County with respect to the sewer and the HCP; urges the County to work with the Community Services District to get the HCP completed; feels the Estero Plan Update is not complete without the HCP.

**Ms. Rochelle Becker:** Mothers for Peace, speaks to the request by PG&E to replace their steam generator and indicates that public comment on this request is scheduled for tomorrow at the City/County Library Community Room and gives the times; feels this is an opportunity to tell the Public Utilities Commission to phase out this facility.

**Mr. Michael Kovacs:** speaks to his dissatisfaction with the Board members voting record over the year; expresses his displeasure in the increases in permitting fees and employee salaries.

**Ms. Elizabeth Johnson:** speaks to Measure Q on the November 2, 2004 ballot and her support of the ban on genetically grown crops; expresses her concerns to the negative impacts this could have on people; urges the public to vote yes on Measure Q.

**Ms. Lisa Grady:** addresses Measure Q and believes there should be strict lab testing done before letting genetically grown crops out into communities; also has concerns about the negative health impacts this may have.

**Mr. Jim Stecher:** Superintendent for Atascadero Unified School District, addresses the bomb scare that occurred at Atascadero High School last week and commends the Sheriff's Department and the Bomb Squad for their assistance; states these two groups were very professional and competent.

**Mr. Eric Greening:** states he is grateful that the students at Atascadero High are safe; comments on the Los Osos sewer and the Habitat Conservation Plan (HCP); his concern that the HCP is not complete and the Estero Plan Update is leaning on an incomplete HCP; agrees with comments by Ms. Becker; speaks in support of Measure Q.

**Ms. Miranda Leonard:** speaks to Measure Q and suggests there is a need for more time to review the safety of this before allowing it to be used. **No action taken.**

2 B-PC This is the time set for members of the public wishing to address the Board on items set on the Consent Agenda.

**Ms. El-Jay Hansson:** speaks to Item B-5-A and thanks staff for all their help with this project; addresses the problems that were occurring and staff's help in getting things back on track. **No action taken.**

3

B-1 Consent Agenda Item B-6 is withdrawn.

thru  
B-10

**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**

**Consent Agenda Items B-1 through B-10 are approved as recommended by the County Administrative Officer and as amended by this Board.**

Consent Agenda Items B-1 through B-10, as amended, are on file in the Office of the County Clerk-Recorder and available for public inspection.

Public Works Items:

B-1 1) Agreement with T.Y. Lin International for preparation and processing of Main Street/Highway 101 Interchange Project Study Report and Project Development Support in Templeton; and 2) a corresponding budget adjustment in the amount of \$192,900 from the Templeton Circulation fees; 1st District, **Approved.**

B-2 **RESOLUTION NO. 2004-335**, approving an agreement with the City of San Luis Obispo for County surveying services primarily for the technical review of subdivision maps, **Adopted.**

B-3 **RESOLUTION NO. 2004-336**, for the acceptance of an offer to dedicate a pedestrian easement on Juanita Avenue in Oceano; 4th District, **Adopted.**

B-4 1) Implementation procedures for County Code Section 8.12.400, related to the Construction and Demolition Debris Recycling Program; and 2) a corresponding budget adjustment, which reduces the 2004-05 Solid Waste Budget, in the amount of \$65,736, **Approved.**

B-5 The following maps have been received and have satisfied all the conditions of approval that were established in the public hearings on their tentative maps, and:

A. Tract 2459, a proposed subdivision resulting in 37 lots by Centrex Homes et al., Callender Road at Highway 1, Nipomo Mesa; reject the offers of dedication without prejudice to future acceptance, **Approved** and **RESOLUTION NOS. 2004-337 and 2004-338**, approving open space easement agreements; 4th District, **Adopted.**

B. CO 00-0089, a proposed subdivision resulting in 6 lots, by Bonaire Investments, Los Osos Valley Road at South Bay Boulevard, Los Osos, **Approved**; **RESOLUTION NO. 2004-339**, to approving an open space easement agreement; 2nd District, **Adopted.**

Other Items:

B-6 Request from Supervisor Achadjian to appoint Lori Angello as an alternate member to the Assessment Appeals Board, **Withdrawn.**

B-7 Submittal from the Auditor-Controller of a cash procedures review of the San Luis Obispo County Law Library conducted on August 10, 2004, **Received and Filed.**

B-8 **RESOLUTION NO. 2004-340**, of intention to request proposals to lease and manage the marina and store at Santa Margarita Lake, **Adopted.**

B-9 Agreement (Clerk's File) with Rincon Consultants, Inc., to prepare an environmental impact report for the Weyrich Development Company tract map and conditional use permit (S000323U/TR2429) (ED02-288) to create 13 lots clustered within a 299 acre parcel, one-half mile south of Los Ranchos Road, South of San Luis Obispo; 3rd District, **Approved.**

B-10 1) A budget adjustment in the amount of \$148,222 from unanticipated revenue to purchase various equipment; and 2) amend the Fixed Asset List to include: 1 - Forensic Bullet Comparison Microscope, 1- Fingerprint Scanner and 1- Forensic Video Analysis System, **Approved.**

4

C-1 This is the time set for hearing (Introduced October 19, 2004) to consider a proposed ordinance amending Section 2.48.095 of the County Code by increasing the Board of Supervisor's salaries effective January 1, 2005.

**Mr. David Edge:** County Administrative Officer, presents the staff report; outlines the methodology used to establish salaries for the Board; states even with this method the Board is 15% behind the average salary in the State.

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

**Supervisor Bianchi:** speaks to the need to attract people to this job in the future and based on this supports the salary increase.

**Supervisor Pinard:** addresses the proposed increase; states there are more than 270 County positions that make more than the Supervisors; urges the Board to withhold this increase.

**Supervisor Ryan:** echoes the comments by Supervisor Pinard; speaks to the difference between the Supervisor's salary versus the employee's salaries which are established pursuant to the Prevailing Wage Ordinance.

**Thereafter, on motion of Supervisor Bianchi, seconded by Chairperson Ovitt, to amend Section 2.48.095 of the County Code by increasing the Board of Supervisor's salaries effective January 1, 2005, fails on the following roll call vote:**

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

5 C-2 This is the time set for hearing (Introduced on September 21, 2004) to consider a resolution to vacate a portion of Paso Robles Avenue between 4th and 10th Streets in the community of Los Osos; 2nd District.

**Mr. Tim Smith:** Right-of-Way Agent, presents the staff report; states they haven't received any written or verbal protests; presents a letter of support from John and Elizabeth Daugherty; recommends approval of the resolution.

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

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

**RESOLUTION NO. 2004-341, resolution vacating a portion of Paso Robles Avenue between 4<sup>th</sup> and 10<sup>th</sup> Streets, a purported public road in the Town of Los Osos, Supervisorial District No. 2, adopted.**

6 C-3 This is the time set for hearing to consider an appeal of the San Luis Obispo Fringe Road Improvement Fee by Dioptics Medical Products, Inc. to construct a facility on Vachell Lane, In San Luis Obispo Fringe Road Improvement Fee area; 3rd District.

**Mr. Richard Marshall:** Public Works, presents the staff report; addresses the Planning Commission conditions of approval for this project that require the Applicant to pay this fee; outlines what the Circulation Study showed for this area and the need for improvements; addresses the comparisons that were made to this project and the Morabito-Burke project and the fact that the Morabito-Burke project was approved nine months after the Dioptics project; recommends denial of the appeal.

**Mr. Henry Lane:** representing Dioptics, states they are a small business, that for 16 of 25 years of operation have been in this County; states the Morabito-Burke project is truly a development where they are just increasing the size of their operation; asks that the Board uphold their appeal.

**Supervisor Ryan:** speaks to the issue and would support the fee with the inflation factor included for a total of \$122,949.

**Supervisor Pinard:** doesn't believe the inflation factor should be included as it was not part of the conditions of approval.

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

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

**the Board upholds the appeal and establishes the fee for Dioptics at \$110,112.**

7 C-4 This is the time set for hearing (Introduced on August 10, 2004) to consider formation of the Sherwood Drive Underground Utility Assessment District for existing overhead utilities in the community of Cambria; 2nd District.

**Mr. Dean Benedix:** Public Works, presents the staff report; states that ballots can still be received up to the conclusion of the hearing today; indicates the map in the Board's packet is a vicinity map and not the actual map that outlines the boundaries of the proposed district; outlines the process today and the recommended action by the Board.

**Mr. James Dingman:** speaks to the letter from Mr. Benedix and his recent inclusion into this proposed district back in March of this year; asks that he be excluded from this district as the utilities to his property are already underground; further, his property is at the extreme north end of the proposed district and could be easily excluded; addresses comments by a Public Utilities Commission employee regarding undergrounding of utilities; presents his letter for the record.

**Chairperson Ovitt:** closes the floor to public testimony.

**Thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Achadjian and unanimously carried, the Board conducts the public hearing to consider objections or protests to the formation of an Assessment District for the Sherwood Drive area for the purposes of undergrounding existing overhead utilities in the road right-of-way area; receives assessment ballots up to the close of the public hearing (none were received); closes the public hearing; and, directs the Clerk to tabulate the ballots and prepare a Certificate of Election, and staff is directed to report back to the Board on November 9, 2004 at 9:00 a.m. with recommendations as to the final actions to be taken.**

8 D-1 This is the time set for an update report from Supervisor Achadjian regarding the Arroyo Grande levy.

**Supervisor Achadjian:** thanks all the staff that went with him to the meeting with the Department of Water Resources (DWR); they met with the Chief Deputy Director for DWR, Deputy Secretary for Legislation (State Resources Agency), and Assemblyman Abel Maldonado; states they were able to express their frustration with the process and told them that they did not appreciate the legislation that went through behind the County's back without any input from us (the County); states that this legislation allowed DWR to have the discretion as to who they can and cannot include under their responsibility; thanks the County lobbyist, Don Peterson, for his help in setting up this meeting; states they were very up front with these folks in presenting their case; indicates that if the discretion given to DWR does not include the County's flood zone and creek, Mr. Maldonado indicated he would support legislation that will include the County in the picture; requests that staff prepare a packet of information on this so that when the new Assemblyman comes on board they can be brought up to speed on this issue; states the issues addressed the disaster this would create for farming and tourism industry economically; addresses the negative impacts the routing of flood waters could have on the communities in South County; addresses support from the various communities in South County to help stop flooding concerns in this area; addresses the need for a town hall meeting with the help of DWR.

**Mr. Noel King:** Public Works Director, states he is more optimistic than he was last week; feels there are some long time DWR staff that don't want to move forward with this and are throwing up stumbling blocks; has a very positive feeling about the new Chief Deputy at DWR.

**Supervisor Achadjian:** suggests that if staff hasn't heard anything from DWR in seven days to send a reminder letter that we are waiting to hear from them.

**Supervisor Pinard:** states this has been a lengthy process and she is concerned about the current Assemblyman getting involved at this late date.

**Mr. Eric Greening:** addresses the soils in the levee area and believes that whatever is done here will have significant environmental impacts; suggests the Habitat Conservation Plan should address everything all the way to the ocean; questions what the County Geologist reviewed in this area.

**Rev. C. Hite:** addresses her concern to protection of the levee and to any changes in this area; her concern to loved ones who live on this creek; and, her concerns to the negative health impacts any spraying in this area could have.

**Ms. Vicki Janssen:** Legislative Assistant to Supervisor Achadjian, indicates that Mr. Lew Rosenberg, County Geologist, is scheduled to come to Oceano on November 15<sup>th</sup> to do a workshop or town hall meeting discussing his report.

**Thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Achadjian and unanimously carried, the Board receives and files the staff report dated October 26, 2004.**

9 E-1 This is the time set for consideration of a request to authorize the processing of a General Plan and Local Coastal Program amendment (LRP2004-00003 - Port San Luis Harbor District) to amend the San Luis Bay Area Plan (Inland and Coastal) and the Land Use Ordinance (Inland and Coastal) to incorporate relevant provisions of the recently updated Port Master Plan; 3rd District.

**Ms. Martha Neder:** Planning, presents the staff report outlining the request of the District to amend the San Luis Bay - Coastal Area Plan to incorporate relevant provisions of its Port Master Plan of 2004; highlights the major issues that would be addressed if this is authorized for processing.

**Mr. Michael Kovacs:** questions the net impact to the County of these amendments.

**Mr. Jay Elder:** Port San Luis Harbor General Manager, thanks the staff for their support in getting their Master Plan incorporated into this.

**Thereafter, on motion of Supervisor Pinard, seconded by Supervisor Achadjian and unanimously carried, the Board authorizes LRP2004-00003 - Port San Luis Harbor District for processing.**

10 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) *San Luis Obispo County Sanitation District v. County of San Luis Obispo* and (2) *SLO County Deputy Sheriff's Association v. County of San Luis Obispo, et al.*

**B. Conference with Legal Counsel - Anticipated Litigation (Gov. Code, §54956.9)** (3) *Significant exposure to litigation (Gov. Code, §54956.9(b))* No. of cases 2. Facts and circumstances not known to potential plaintiff which indicate significant exposure to litigation. (4) *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: (5) Negotiator's Name: *Santos Arrona, Gail Wilcox, Ellen Aldridge*, Name of employee organization: *San Luis Obispo County Probation Peace Officers' Association*, (6) Negotiator's Name: *Santos Arrona, Gail Wilcox, Avery & Associates*, Name of employee organization: *District Attorney Investigators Association*, (7) Negotiator's Name: *Santos Arrona, Gail Wilcox, Avery & Associates*, Name of employee organization: *SLOCEA*, (8) Negotiator's Name: *Santos Arrona, Gail Wilcox, Avery & Associates*, Name of employee organization: *Management, Confidential*.

**III. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code, §54956.8)** It is the intention of the Board to meet in Closed Session to have a conference with its Real Property Negotiator concerning the following: (9) Property Description: *1661 Mill Street, SLO*, Parties with whom negotiating: *Matt Wall*, Instructions to Negotiator will concern: *Price, Terms and Conditions*.

**Chairperson Ovitt:** opens the floor to public comment.

**Mr. Michael Kovacs:** speaks to honest representation in government; questions the labor negotiations with the various employee groups; questions the impacts of the lawsuit with the Deputy Sheriff's Association.

**Rev. C. Hite:** comments on significant exposure to litigation; suggests a failure of civil rights with respect to ADA requirements.

**(SUPERVISOR SHIRLEY BIANCHI IS NOW ABSENT.)**

Thereafter, pursuant to the requirements of the Brown Act, County Counsel reports out on the items discussed during Closed Session as follows: No report required as no final action was taken and the Board goes into Open Public Session.

11 C-5 This is the time set for hearing to consider an appeal by Andy Graves of the Planning Commission's denial of the Graves Family Trust's request for a reconsideration of conditions of approval for Tract 2365, located on the north and east sides of Santa Rita Road, approximately 100 feet south of Vineyard Drive, west of Templeton; 1st District.

**Ms. Martha Neder:** Planning, presents the staff report; addresses the request for reconsideration and the Planning Commission's denial of the request; the conditions of approval for Tract 2365 which were approved by the Planning Commission on August 24, 2000, allowed a two phased development plan in a cluster subdivision; this approval placed row crops and range land use limitations on the open space parcel in order to reduce potential for water use; the Applicant filed a request for reconsideration regarding these limitations; the Applicant also requested an increase in the size of the residential building envelope and to allow for construction of a secondary dwelling unit; addresses the Commission's denial of all the requests and outlines what their concerns were; comments on the Applicant's appeal to the Board and then revising his request and asking that the Board review information regarding only the limitation on irrigated row crops on Lot 1; if this limitation is lifted the Applicant would be allowed to construct agricultural accessory buildings on the Open Space parcel outside of the designated residential building site pursuant to the Land Use Ordinance.

**Supervisor Pinard:** questions the request and why they can't put agricultural accessory buildings there now, with Ms. Neder responding.

**Supervisor Ryan:** questions what is included in the definition of an agricultural accessory buildings, with Mr. Warren Hoag, Planning, responding and further indicating there is no maximum size for these types of structures.

**Mr. Jeremy Freund:** Wallace Group and representing the Applicant, presents a map of the site (copy of the same map is attached to his letter dated October 25, 2004); speaks to a meeting with the Agricultural Commissioner's Office; presents a copy of the "wet" signatures from 16 of the 19 property owners involved in being able to change the Land Management Plan map; **(SUPERVISOR SHIRLEY BIANCHI IS NOW PRESENT.)** urges the Board to uphold their appeal.

**Mr. Ed Rambuski:** states he is representing a client; comments on the open space document that was recorded; believes there has been inadequate environmental review on this property; feels an appropriate agricultural buffer is required; has been opposed to this since the beginning but a lot has changed and indicates he could "almost" support the current land use plan as it appeared on the Wallace Group map but feels it needs to be modified; states he would support 5 acres of grapes, 5 acres of olives and 5 acres of grasses or dry farming and allow for the appropriate Ag buffers so that all the houses downwind from the herbicides and pesticides are protected.

**Mr. Freund:** responds to comments by Mr. Rambuski regarding buffers.

**Supervisor Ryan:** questions CC&R's and modifications to the same with Mr. Freund responding.

**Chairperson Ovitt:** states he supports a tentative motion to uphold the appeal but wants a discussion on the accessory building use.

**Supervisor Ryan:** states he would support irrigated agriculture but wants to see something on the accessory buildings with respect to either setbacks or within so many feet of the building envelope so as to place it close to the dwelling on the site rather than over along the fence line and near someone's house; believes then the road coming into the property would be the same road that would access the Ag accessory buildings.

**Supervisor Bianchi:** states she is knowledgeable of this project and has read the staff report and believes she can participate in this even though she came in late; addresses her concern to this being precedent setting by changing a conservation easement that is in perpetuity.

**Matter is fully discussed and thereafter, on motion of Supervisor Ryan, seconded by Chairperson Ovitt, with Supervisors Bianchi and Pinard casting dissenting votes, motion carries and the Board tentatively upholds the appeal and allows for irrigated agricultural use on the property with the appropriate setbacks; allows a single Ag accessory building (3,000 foot maximum) that would be within 100 feet (staff to determine the appropriate footage) of the main homestead envelope and said hearing is continued to November 9, 2004 at 9:00 a.m. for final action.**

**(SUPERVISOR PEG PINARD IS NOW ABSENT.)**

12 C-6 This is the time set for hearing to consider an appeal by Donna Deitrich and Gray Gorham of a decision of the Subdivision Review Board (SRB) disapproving a vesting tentative parcel map for Parcel Map CO03-0224 (S030027P), located at 2860 Stagecoach Road, at the northeastern corner of Stagecoach Road and Creston Road, in the El Pomar-Estrella Planning Area; 1st District.

**Ms. Susan Callado:** Planning, presents the staff report; shows a site map, an aerial photograph and photographs of the site; states the Applicant was proposing to divide the property into two parcels of approximately 20.16 acres each using the Transfer of Development Credit (TDC) Program and this was denied by the SRB; addresses the issues raised in the appeal and staff's response to the same; recommendation is to deny the appeal.

**Ms. Toby Osgood:** EMK & Associates and representing the Applicant/Appellant, presents a copy of the fax she sent to the Board yesterday, dated October 25, 2004; indicates they are having a hard time with how this denial came about; comments on the concerns raised by the Agricultural Commissioner's Office; states there would be no more residences on the properties than currently exists; speaks to the discussion with staff regarding using the TDC Program; indicates this is a horse ranch and if she hadn't sent half her horses elsewhere for less expensive feed this would show as a much more intensive Ag use; presents a letter from Ms. G. Gorham in support of their request.

**Ms. Donna Dietrich:** Applicant, states this property was originally owned by her father who was always involved in agriculture and purchased the property 50 years ago; the property was never planted and has always had horses on it; states she and her mom want to sell off 20 acres to pay off their debts; the property has always been treated as two parcels because of the two residences that have been there for more than 25 years; states she has already put \$20,000 into this project.

**Ms. Maria Lorca:** presents a map of the area that shows the properties in agriculture; states she is opposed to the use of TDC's on agricultural land; asks that the issues related to the Anderson appeal on October 3, 2004 be incorporated into this hearing, for the record; presents a copy of her comments and a petition, signed by 96 individuals, opposed to the use of TDC credits to divide Ag land.

**Ms. Pene McCullough:** reads a letter from Brenda Dennahower and family in support of the Applicant's request and doesn't understand why this project can't be approved.

**Mr. Eric Greening:** addresses the issue and his concern to the use of TDC's on Ag land; urges the Board to deny this project.

**Chairperson Ovitt:** expresses his concern that this got so far into the process and asks the Board to uphold the appeal.

**Supervisor Bianchi:** states she would make two motions, the first one would be to deny the appeal and the second one would be to refund the fees, or as much as can be returned to the Applicant; or another option would be to not require any further fees and allow them to come back with a determination as to another method by which they could accomplish their request.

**Supervisor Ryan:** addresses his concern to the fees being returned as he believes a large portion of what the Applicant indicated she paid out was most likely not to the County.

**Ms. Kami Griffin:** Planning, addresses surrounding parcels and prior adjustments to the same.

**Supervisor Ryan:** addresses the surrounding, smaller parcels in the area and doesn't believe this request is out of touch with those surrounding uses and has always been used as grazing land.

**A motion by Chairperson Ovitt, seconded by Supervisor Ryan to uphold the appeal and allow the Applicant to go forward using the TDC Program to subdivide, is discussed.**

**Mr. Warren Hoag:** Planning, indicates this is an item where an environmental determination has not been prepared and staff will need time to prepare this document.

**Chairperson Ovitt:** suggests that maybe the motion needs to be qualified and state that it's not a tentative motion but rather to uphold the appeal and allow it to go back through the process, with Supervisor Ryan stating he will not support that amended motion, but will remain as the second if the motion is to bring it back this year for final action.

**The motion maker and second amend their motion to tentatively uphold the appeal and continue this matter to allow time for the environmental determination and continue the hearing to December 14, 2004.**

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

	<b>AYES:</b>	<b>Supervisors</b>	<b>Chairperson Ovitt, Ryan, Achadjian</b>
<b>NOES:</b>	<b>Supervisor</b>	<b>Bianchi</b>	
<b>ABSENT:</b>	<b>Supervisor</b>	<b>Pinard</b>	

**the Board tentatively upholds the appeal, directs that the environmental review be completed and said hearing is continued to December 14, 2004 at 9:00 a.m. for final action.**

13 F-1 This is the time set for consideration and review of water supply, infrastructure and rate policies for County Service Area No. 10A (Cayucos) and authorize the Director of Public Works to issue a conditional will-serve letter for commercial uses for APN 064-263-036.

**Mr. Paavo Ogren:** Public Works, presents the staff report; presents several letters for the record; indicates the purpose of the hearing is to address the issues of supplemental water, capital projects, rates and charges and commercial will-serve letters; comments on the Board's prior direction relating to will-service letter restrictions; there are three water purveyors in this area and CSA #10A; addresses the public review process and the areas they were able to reach consensus on with the public; highlights the rate recommendations and the recommended capital projects; discusses the Nacimiento water recommendations and the four methods of evaluating water needs and summarizes those evaluations; addresses the significant assumptions for historical actual use vs. industry comps, peak demand vs. average demand, actual losses vs. industry standards, part time vs. full time occupancy and changes in demographics; presents a SFR (Single Family Residence) Water Demand Graph.

**Ms. Courtney Howard:** Public Works, addresses the Equivalent Dwelling Unit (EDU) analysis; discusses the evaluation of properties within CSA #10A; the review and audit of historical water records; calculations of estimated demand with different assumptions; presents a map of the area showing the Customer Demand Categories; presents a graph showing the CSA #10A Historical Occupied Single Family Home Consumption; presents a graph showing the SFR Water Demand for the Peak Year of 1996; presents a chart showing the Peak Historical Consumption in AFY per EDU; and, explains another graph showing the SFR Water Demand Graphs and chart for 1996.

**Mr. Frank Honeycutt:** Public Works, addresses comparisons with other Coastal agencies; states that 47% of the customer's billing addresses are outside Cayucos; addresses the various levels of water usage; provides closing comments as to why this is being reviewed.

**Supervisor Bianchi:** questions the election to create a CSD here and whether today's item would have any impact on that.

**Mr. Ogren:** responds that the actions today are non-binding and are intended to be policy direction to staff.

**Supervisor Ryan:** questions whether establishing the 38 acre feet of Nacimiento water will bind the CSD, if voted in, to that amount, with Mr. Ogren responding that it will not and explains.

**Mr. Dave Dabritz:** speaks to putting in a granny unit and being told he would need 4 acre feet of water and then an engineer's report was done and it said he would need 20 acre feet; addresses the acre feet being requested from Nacimiento and suggests it's not needed.

**Mr. Hal Fones:** suggests that 10 acre feet is a workable amount and is concerned about how 80 acre feet is paid for; doesn't want the Board to go forward with the engineering study; asks that the will-serve policy not be changed; asks that this matter be continued for four weeks to wait until after the election.

**Mr. Ed Carnegie:** presents information to support his comments regarding errors in: assumptions in water demand; historical water records; and, conclusions; suggests a 31% increase in connections equals a 74-96% increase in water demand.

**Mr. Ralph Wessel:** addresses his concerns regarding the proposed acre feet and asks that this be delayed.



**Ms. Patricia Kenner:** wants a delay on this issue as she believes the numbers keep changing and suggests the need for more information before making a decision.

**Mr. Arley Robinson:** Cayucos Advisory Council member, asks for a delay on this matter.

**Ms. Mary Ann Carnegie:** addresses the water concerns for folks who want to build; feels the data keeps changing and would like to see a delay in any decisions made on this.

**Mr. Franco De Cicco:** states he is the person requesting the will-serve letter for his commercial property and asks for approval of his request.

**Ms. Laurie Niblock:** states this is a very complex issue and asks for more time before any decisions are made.

**Mr. Dick Weiss:** suggests that the majority of homes in this area are either retirement or vacation homes.

**Mr. John Carsel:** Cayucos Advisory Council member, states there was no consensus on the water issue and asks for a delay on this issue.

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

**A motion by Supervisor Bianchi, seconded by Chairperson Ovitt to approve staff recommendations 2 through 4, is discussed.**

**Supervisor Ryan:** questions the motion and the information in the first staff recommendation regarding the acre feet, with Mr. Ogren responding.

**The motion maker and second amend their motion to include staff recommendation #1 but eliminate any reference to specific numbers for acre feet of water.**

**Thereafter, on motion of Supervisor Bianchi, seconded by Chairperson Ovitt and on the following roll call vote:**

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

**the Board approves the following from the staff report dated October 26, 2004: (1) the water supply policies in Exhibit A with the elimination of reference to the specific amount of acre feet of water; (2) infrastructure policies in Exhibit B; (3) water rate policies in Exhibit C; and, the Board authorizes the Director of Public Works to issue a conditional will-serve letter for commercial uses for APN 064,263,036.**

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, October 26, 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/Vicki M. Shelby,  
Deputy Clerk-Recorder

DATED: November 5, 2004  
vms

