

Tuesday, February 14,
2006

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 adjourned session at 10:00 A.M..

PRESENT: Supervisors Harry L. Ovitt, Shirley Bianchi, Jerry Lenthall, James R. Patterson and Chairperson K.H. 'Katcho' Achadjian

ABSENT: None

SUM **AGN**

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

I. PERSONNEL (Gov. Code, §54954.5.) It is the intention of the Board to meet in Closed Session to: (1) Consider Public Employee Performance Evaluation for the Position of *County Administrative Officer*.

Chairperson Achadjian: 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: No report required as no final action was taken and the Board goes into Open Public Session.

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

Mr. Dan Bleskey: Interim General Manager for the Los Osos Community Services District (LOCSD), addresses the Cease and Desist Orders by the Regional Water Quality Control Board (RWQCB); addresses the LOCSD's commitment to assist those citizens of Los Osos with orders from the RWQCB being required to empty their septic tanks on a regular basis indicating this has currently impacted 45 residences; believes this is counter-productive and is asking the County to become a Designated Party of Interest.

Ms. Julie Tacker: LOCSD Director, asks the County to become a Designated Party to help folks being impacted by the RWQCB Order.

Mr. Keith Swanson: supports the LOCSD helping to defend the residents of Los Osos who have been affected by the Order from the RWQCB; the community is on the "fast-track" to get this project through; asks the Board to take an action to help.

Mr. Dave Duggan: feels that all the problems are surrounding those that want to dissolve the LOCSD; feels that the petition circulators for the dissolution are misrepresenting the same; urges folks to run for the LOCSD in November if they are unhappy with the way things are being run.

Ms. Gewynn Taylor: wants the Board to help in Los Osos; speaks to a survey that she assisted with back in 1993 and feels if it had been followed and implemented none of this would be an issue today.

Mr. Eric Greening: states the folks in Los Osos do need help; asks that the Habitat Conservation Plan (HCP) for Los Osos be scheduled for a hearing at an upcoming meeting; suggests Los Osos and Cayucos need to be separated in the Estero Plan Update; reminds the Board that the minutes for prior hearings on matters being appealed to the Board should be included in the staff report.

Mr. George Taylor: adds his support to prior comments today and urges the Board to become an Interested Party in the actions against the Los Osos residents; addresses the Board members that also sit on the LAFCO Board regarding the upcoming hearing on the dissolution of the LOCSD.

Mr. James Lindholm: County Counsel, states if the Board wishes to discuss this they could add an urgency item to the agenda, Initiation of Litigation to the Closed Session.

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

AYES: Supervisors Bianchi, Patterson, Ovitt, Lenthall,
Chairperson Achadjian

NOES: None

ABSENT: None

the Board determines that the need to add an item to the agenda arose subsequent to the 72-hour noticing requirement of the Brown Act and adds Initiation of Litigation to the Closed Session.

3 A-1 & This is the time set for a review of March 29, 2005 retreat discussion and discussion of
A-2 upcoming issues and Board of Supervisors priorities.

Mr. David Edge: County Administrative Officer, addresses the last retreat by the Board and the items that came out of that session; what staff is looking at with respect to budgeting in the future; addresses the **Communitywide Vision:** 1) Programs include Smart Growth, Affordable Housing/Housing Element Update, Infrastructure Financing with Willow Road as the pilot project and Water Management; 2) Special Budget Concerns - Mental Health funding and the shortfall for 2006-07 and the Proposition 63 increase; Children's System of Care Program (Fetal Alcohol Syndrome - FAS) and putting a "placeholder" in the 2005-06 Budget, discussions with EOC regarding the program and the anticipated funding request for 2006-07; 3) Parks Funding - addresses the additional funding from the General Fund for 2005-06; the Board ended the "frozen General Fund Support" policy for future years; 4) Library Funding - the revenue picture has improved since the adoption of the 2005-06 cuts; discussions regarding a possible volunteer contribution program; **Well-Governed:** 1) High Performance Management Evaluation System is being worked on; 2) Department Performance Profiles - provides a "4x4" framework to report in a replicable fashion on department operations.

Board Members: questions when additional funding requests will be considered; whether the issue of storm drainage funding will be considered during the Budget Hearings.

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

Mr. Noel King: Public Works Director, addresses the Willow Road project and being on schedule with respect to the time frames that were set to get the consultant on board; outlines what their expectations of the consultant are; and, what they expect to have ready by the time the Budget Hearings are held.

Mr. Vic Holanda: Director of Planning and Building, addresses the consultant contract further and their intent is to have this contract back to the Board by early April so that the consultant can get started.

Board Members: question a Debt Allocation Committee being brought on board; question the issue of affordable housing and the Housing Element and concerns to projects getting caught in the Growth Cap; suggestion that there should be something between the Smart Growth, Affordable Housing policies and Senior Housing.

Mr. Holanda: states they are looking at exemptions from the Growth Management ordinance for the types of housing mentioned (Smart, Affordable & Senior).

Chairperson Achadjian: suggests eliminating the word "exemption" and bring it under the "Smart Growth" policy; addresses the need to start looking at affordable rentals too.

Supervisor Bianchi: reminds all that there is a need to protect natural resources from impacts of these types of development.

Supervisor Ovitt: addresses meeting the needs of affordable housing.

Supervisor Patterson: highlights the packet of information he has presented to the Board for their consideration; addresses his concern regarding inclusionary housing needs in the Agriculture land use category with respect to workforce and affordable housing issues; wants to see projects that include these types of housing completed.

Supervisor Ovitt: addresses housing in the County; the types of financing for housing; the need to take a different look at the housing market than what is currently being used.

Chairperson Achadjian continues this item to the afternoon session.

4 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 - Anticipated Litigation (Gov. Code, §54956.9(c).) (2) *Initiation of litigation (Gov. Code §54956.9(c).)* No. of cases 1.

I. PERSONNEL (Gov. Code, §54954.5.) It is the intention of the Board to meet in Closed Session to: (1) Consider Public Employee Performance Evaluation for the Position of *County Administrative Officer*.

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

(SUPERVISORS HARRY L. OVITT AND JERRY LENTHALL ARE 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

5 A-1 & Review of March 29, 2005 retreat discussion and discussion of upcoming issues and
A-2 Board of Supervisors priorities, is brought back on for further discussion.

Mr. David Edge: County Administrative Officer, provides an overview of the afternoon agenda and the 2006/07 budget.

Mr. Jim Grant: Deputy County Administrative Officer, addresses the outlook for the 2006/07; **(SUPERVISOR HARRY L. OVITT IS NOW PRESENT.)** discussed the Federal budget outlook and the 1) cuts to health and welfare programs; 2) cuts to child support services and 3) jail reimbursements; addresses the Governor's budget: 1) outlook has improved; 2) projected fund balance of \$5.2 billion; for 2006/07 there is a structural deficit of \$4 billion; the cornerstone is a Strategic Growth Plan at \$222 billion in infrastructure investments; it is the end of the ERAF III with \$350 million being returned; **(SUPERVISOR JERRY LENTHALL IS NOW PRESENT.)** discusses the Local budget: highlights the 2005/06 budget outlining the overall budget, the amount in the General Fund and the cost of services; discusses the proposed 2006-/07 budget and the improved fiscal condition compared to the past three years; the local tax revenue is strong; there are few State take-away's; there is a better than anticipated fund balance; Worker's Compensation costs are dropping; Areas of Concern include: the Federal Budget; Prevailing Wage adjustments; Liability increases; and, Department requests for additional resources; Specific Budget Areas being watched include: the Mental Health Shortfall; Property Tax Administration; loss of Jail reimbursement; Parks and Library funding; Booking Fees; Proposition 42 Transportation; ERAF III funding returned; and, Proposition 63 - Mental Health; Budget Balancing Strategies include: following the priorities established by the Board;

applying a balanced approach to the budget units utilizing existing data and performance measurements to guide recommendations to the Board; maintaining current service levels to the extent possible; using one time funding for one time uses; budget appropriation funds to maintain facilities; maintaining prudent Reserves and Contingencies.

Mr. Edge: states the big issues are those relating to housing and traffic (under Well-Governed); addresses the aging workforce of County employees and the recruitment of future employees (who will replace those retiring) and hiring them at a level so they can also afford to live here; addresses the number of management employees reaching retirement age.

Mr. Eric Greening: states it looks like there is as much good as bad in the budget; urges the Board to not give libraries lesser importance than parks; questions whether there is funding in the budget for the Conservation Element Update; questions the prior adoption of the Ag and Open Space Element and concerns that there are more policies on the Open Space portion of this document.

Mr. Edge: highlights the documents presented by Supervisor Patterson and suggests there are several that could be items discussed fairly quickly.

Supervisor Patterson: addresses Item III regarding becoming a sponsor of United Way's effort to conduct an Economic Impact Study of Non-Profit Organizations; highlights the information he gave each Board member and the issue of addresses how non-profits are reviewed; they are looking to see if the County wants to become a sponsor in this; suggests this could be looked at by the whole Board or through each Supervisor's Community Project funds.

Supervisor Bianchi: indicates it should be included in the Community Project portion of the budget for discussion at that time.

Chairperson Achadjian: questions what the benefit to the County would be to spend public funds on this study.

Supervisor Ovitt: addresses the goals, etc. of United Way and isn't clear as to where this process would go.

Supervisor Patterson: suggests there are a number of non-profits out there and they should be looked at for what they are doing.

Supervisor Lenthall: questions whether it's worth it to spend the money through this request or possibly have Cal Poly do the study.

Chairperson Achadjian directs the County Administrator to refer the request from the United Way to the Community-based Organization Committee.

Mr. Edge: states that Item X regarding the continuing funding for an Endowment through the San Luis Obispo County Community Foundation that would yield approximately \$100,000 per year for Preventive Health Programs, has been completed.

Supervisor Patterson: addresses Item IV regarding funding a shortfall of the Maxine Lewis Memorial Shelter and future funding of the Economic Opportunity Commission's Homeless Program; questions whether the Board wants to contribute to this shortfall.

Supervisor Lenthall: questions whether the City of San Luis Obispo is willing to do a 50/50 split on the shortfall, with Supervisor Patterson responding that there have been discussions regarding this but no actions have been taken.

Mr. Vic Holanda: Director of Planning and Building, speaks to the CDBG Program and how it pays Countywide for homeless programs.

Chairperson Achadjian states it is the consensus of the Board to direct

staff to go to the City of San Luis Obispo to look at a 50/50 split to address the current shortfall at the homeless shelter.

Supervisor Patterson: addresses Item II regarding appointing a Task Force to review the status of the County Parks Program and recommend actions to address the findings.

Supervisor Ovitt: suggests that the Parks and Recreation Commission can appoint this Task Force and it doesn't need to be done by the Board.

Chairperson Achadjian: suggests putting this on a Board's agenda for discussion.

Matter is discussed and thereafter, on motion of Supervisor Ovitt, seconded by Supervisor Bianchi, with Supervisor Patterson and Chairperson Achadjian casting dissenting votes, motion carries and the Board directs the Parks and Recreation Commission to appoint a Task Force to review the status of the Parks Program.

Supervisor Bianchi: speaks to wanting a policy established that will require "wet water" to be in place for any future development; questions the Cluster Ordinance and would like to see the Planning Department and Agricultural Commissioner's Office evaluate this program to see if it's really working.

Supervisor Ovitt: speaks regarding the level of services provided on County roads and wants to deal with this issue through the budget hearings; there is a need to increase the level of service or they won't be able to be saved; addresses the mining process and sand to refill rivers as it relates to this process; comments on the gravel/sand extraction (SMRA permitting process).

Supervisor Lenthall: addresses his concern to Mental Health services and not keeping up with the needs; suggests there is a need to increase services here.

Ms. Gail Wilcox: Deputy County Administrative Officer, suggests this is an issue that needs to be reviewed.

Chairperson Achadjian: asks that the issue of culverts/drainage basins be included in the level of services on roads issue, to address flooding problems.

Supervisor Ovitt: comments on a State bond issue for flooding.

Mr. Noel King: Public Works Director, states they have submitted a budget for flooding/drainage issues for 2006/07; costs for improvements that are needed is approximately \$3 million; addresses the road improvements study they previously did.

Supervisor Bianchi: addresses the need to look at flood hazard zone maps.

Chairperson Achadjian: comments on speed in rural areas and sending a letter to our State legislators to address the current formula used to establish speed limits.

Supervisor Lenthall: suggests that CSAC should get involved with this so it's not coming from just our County.

Matter is discussed and thereafter, on motion of Supervisor Lenthall, seconded by Supervisor Bianchi and unanimously carried, the Board directs staff to send a letter to CSAC and any other interested parties to address the current 85% formula for establishing road speeds and changing this to allow for local control of speed on County roads.

(SUPERVISOR HARRY L. OVITT IS NOW ABSENT.)

Mr Brian Reynolds: Library Director, states they are working several ideas/plans to restore the library budget; suggests possibly providing a thorough

explanation at a future Board meeting and then again at Budget Hearings.

(SUPERVISOR HARRY L. OVITT IS NOW PRESENT.)

Mr. Pete Jenny: Parks Manager, addresses the Grand Jury Report that was not favorable for parks and indicates staff is reacting to that report as is the Parks and Recreation Commission.

Mr. Duane Leib: General Services Director, addresses the need to look at funding alternatives for Parks; concerns to retention of custodial and maintenance employees.

Chairperson Achadjian: comments on an individual who wants to pay for a flag pole for the Oceano Sheriff/Fire station.

Mr. Holanda: comments on the Los Osos Habitat Conservation Plan (HCP) and the Coastal Commission meeting and deferring this in the Estero Plan Update; staff is working to separate Cayucos and Los Osos in the Estero Plan Update; inclusionary housing issues are being worked on by staff; they will look into an ordinance to address “wet water” requirements for development; they will work with the Agricultural Commissioner on a review of the Cluster Ordinance; and, they will review the flood zone issues and the current language in the ordinance on the same.

Mr. King: comments on road maintenance.

Mr. Edge: addresses the issue that will come to the Board regarding nominations to the Coastal Commission for the Governor’s consideration.

Chairperson Achadjian: addresses his desire to be nominated to this Commission.

Mr. Edge: states that the next time they bring a legislative packet to the Board for their consideration staff will put it on as a discussion item and not on the Consent Agenda.

Supervisor Patterson: comments further regarding housing issues in the County, specifically workforce housing; suggests the County needs to move “proactively” to get these programs moving forward.

Supervisor Ovitt: speaks to communities not buying into these programs and creating a problem in moving them forward.

Chairperson Achadjian: addresses the issue and suggests that senior housing and mixed use housing are two separate issues, with Mr. Holanda responding.

Supervisor Patterson: suggests the need to look at alternatives to encourage building affordable housing.

Mr. King: states they are looking at the possibility of a Development Reimbursement Program for infrastructure with the Board directing he continue to look into that.

No further actions were taken and the meeting is adjourned by Chairperson Achadjian.

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, February 14, 2006, 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: March 21, 2006
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