

Wednesday, June 13, 2001

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

PRESENT: Supervisors Shirley Bianchi, Peg Pinard, Michael P. Ryan and Chairperson K.H. 'Katcho' Achadjian

ABSENT: Supervisor Harry L. Ovitt

PLEDGE OF ALLEGIANCE TO THE FLAG LED BY CHAIRPERSON ACHADJIAN.

SUM AGN

1 BH This is the time set for continued consideration of the Proposed Budget and Supplemental Documents for Fiscal Year 2001-2002.

Ms. Andrea McGarvey: Auditor-Controller's Office, presents a written report and gives an overview of the changes made by the Board yesterday.

COMMUNITY PROJECTS Budget Unit 2080 - Boards, Commissions, Community Projects, are presented.

Ms. Jonni Biaggini: Visitor's Conference Bureau (VCB), addresses their funding request; discusses the increase in the Transient Occupancy Tax (TOT); presents a copy of their new logo; and, requests that the Board increase the amount to what they have requested.

Mr. Ed Biaggini: speaks in support of the VCB request and reads a letter he previously sent to the Board.

Mr. Tim Haley: representing the Marine Corps League, addresses their request for funding for a museum at the San Luis Obispo Veteran's Memorial Building; states this will be for all branches of the military; he is representing twenty-one veteran groups around the County; presents written information supporting their request.

Ms. Kate Heber: speaks in support of the VCB request for additional funding.

Ms. Andrea Schacht: Child Development Center, presents a letter for the record and highlights the same; states they are requesting reimbursement for offsite costs associated with building their new center.

Mr. Ray Johnson: representing the Economic Vitality Corporation, addresses their program and the need to continue looking for "smart-fit" businesses for the County.

Mr. Floyd Butterfield: Chair for the Food Bank Coalition, addresses their request for funding and asks the Board to support the amount they have requested.

Mr. John Solu: Treasurer for the VCB, urges the Board to support their request.

Mr. Alan Doctor: states he is here today to support the request for a military museum at the San Luis Obispo Veteran's Memorial Building; feels this is an investment in education and our youth.

Mr. Jamie Wallace: President of the VCB, speaks to the need to increase the promotion of tourism in the off seasons; urges support of their request.

Mr. Greg Padgett: urges the Board to continue and increase the funding to the VCB; states this is one group that generates revenue to the County.

Mr. Edward Brown: Shore Cliff and President of the Pismo Beach Chamber of Commerce, states he is very involved in the tourism industry and urges support of the VCB request.

Mr. Jesse Hill: Chair for the Nipomo Community Advisory Committee (NCAC), presents a written request for funding to support the advisory groups around the County; addresses CEQA issues and wanting to educate the public.

Dr. Robbie Robbins: Edna Advisory Council, supports the request by Mr. Hill, indicating there is a need for more community outreach.

Mr. Robert Muellor: hotel owner, speaks in support of the VCB request.

Mr. Charlie Yates: thanks the Board for their support of tourism and urges full funding for the VCB.

Mr. Roger Corwin: speaks in support of the VCB request.

Ms. Ann Ream: SLO County Arts Council, wishes Supervisor Ovitt a speedy recovery and urges the Board to fully fund the VCB request.

Ms. Mary Ann Carson: Manager of the Cambria Chamber of Commerce, speaks to the tourism generated in Cambria and urges full funding of the VCB request.

Mr. David Edge: County Administrative Officer, addresses the request by the Marine group, indicating General Services is working with them and suggests continuing this a couple of weeks until staff can provide specific figures; addresses the recommended funding level for the VCB.

Supervisor Ryan: addresses the request for a museum; this group has already worked with General Services and feels they could fund this based on the estimate provided today; presents twelve letters in support of the VCB request and states he supports increasing their funding and suggests using last year's figure of \$232,000, increasing it by 10% for a total of \$260,000; addresses the Food Bank request, indicating this is located in Paso Robles but distributes food Countywide and wants to fund them at \$30,000; feels the request by the Child Development Center needs to be looked at outside the budget process.

Supervisor Bianchi: addresses the request for the museum; questions the amount of funding the VCB receives from the private sector, with Ms. Biaggini responding 40%.

Mr. Paul Hood: Administrative Office, introduces the committee members that look at the funding levels for the community-based organizations.

Mr. Jim Jacobson: addresses what they review to determine funding the recommendations to the Board; hopes the Board will support the recommendations before them today.

Mr. Roger Pankratz: addresses the proposed funding levels before the Board today; thanks the Board for all their support of all these organizations,

over the years.

Supervisor Pinard: questions whether there is any duplication of services between the Food Bank, Atascadero Loaves and Fishes and Harvest Bag, with staff responding there is not and explains the functions of each.

Supervisor Pinard: questions the number of groups that all provide senior services and whether there is any duplication here, with Mr. Jacobson responding.

Supervisor Pinard: questions the request for funding by the South County Performing Arts Center and the recommendation not to fund, with Mr. Hood responding that last year the funding was to get the Center completed and that has occurred.

Supervisor Pinard: addresses the Veterans' request for the museum and wants assurances there will public access to this; feels the County should reimburse the Child Development Center; speaks to the advisory councils' request for funding and suggests this should be addressed in the Planning Department's budget and wants to see it come back as a regular agenda item for more discussion.

Chairperson Achadjian: questions the amount requested for the museum and if \$26,930 is the correct amount, with Mr. Haley responding that it is.

Chairperson Achadjian: supports the Food Bank request; addresses the South County Performing Arts Center request, indicating they were advised to request the minimum amount of \$25,000; the money is needed to fix the lighting at the Center and they actually need \$60,000; supports reimbursing the Child Development Center; and, supports bringing the advisory councils' request back through Planning.

Thereafter, on motion of Supervisor Ryan, seconded by Supervisor Bianchi, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves the budgets for Community Projects, Community-Based Organizations, Other Agencies Requests (excluding the Food Bank Coalition of San Luis Obispo County, San Luis Obispo Visitors & Conference Bureau and South County Performing Arts Center) and Grant Programs as recommended by the County Administrative Officer and as outlined in the Proposed Budget and Supplemental Documents.

Thereafter, on motion of Supervisor Ryan, seconded by Chairperson Achadjian, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves funding for the Food Bank Coalition of San Luis Obispo County at \$30,000.

Thereafter, on motion of Supervisor Ryan, seconded by Supervisor Bianchi, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves funding for the San Luis Obispo Visitors & Conference Bureau at \$260,000.

Thereafter, on motion of Supervisor Ryan, seconded by Chairperson Achadjian, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves funding the Museum at the San Luis Obispo Veteran's Building at \$26,930.

Ms. Gail Wilcox: Assistant County Administrative Officer, questions whether the funding is to come from the General Fund Contingencies with the Board indicating that is the appropriate fund.

Thereafter, on motion of Chairperson Achadjian, seconded by Supervisor Bianchi, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves funding the Child Development Center, to reimburse for offsite construction costs, in the amount of \$64,837.

Thereafter, on motion of Chairperson Achadjian, seconded by Supervisor Pinard, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves funding the South County Performing Arts Center at \$60,000.

Supervisor Ryan: indicates he had a discussion with Supervisor Ovitt regarding the Boys and Girls Club of Shandon and is requesting that the Board fund this group at \$25,000.

A motion by Supervisor Ryan, seconded by Supervisor Bianchi, to fund the Boys and Girls Club of Shandon at \$25,000, is discussed.

Supervisor Pinard: addresses her concern to there being other Boys and Girls Clubs around the County and being fair to all of them.

Supervisor Ryan: indicates this is a start up cost for Shandon and suggests if there are others out there the Board can address their requests when they come in.

Supervisor Pinard: indicates she would like to see the motion set aside money for other Boys and Girls Clubs in the County; states there is one in Oceano.

Supervisor Ryan, with the concurrence of the second, agrees to amend the motion to set aside \$25,000 for the Oceano Boys and Girls Club and thereafter, on motion of Supervisor Ryan, seconded by Supervisor Bianchi, with Supervisor Ovitt being absent, motion carries and the Board tentatively approves funding for the Shandon Boys and Girls Club at \$25,000 and directs that \$25,000 be set aside for the Oceano Boys and Girls Club.

LAND BASED Budget Unit 2800 - Planning and Building is brought back on for hearing (continued from June 12, 2001).

Ms. Karen Vega: staff representing the Los Osos Community Services District (LOCSA), speaks in support of keeping the North Coast Area Plan (NCAP) in the Planning Department's budget.

Mr. Bob McDonnell: presents a letter for the record and highlights the same regarding all the things that have changed on the North Coast since 1988 and urges the Board to keep the NCAP in the budget.

Mr. Bill Warren: reads a letter from Verne Kalshan and presents a copy for the record, which addresses the need to keep the NCAP in the budget.

Mr. Wayne Ryburn: supports the comments by Mr. Kalshan and suggests if the NCAP is not allowed to continue it could be cause for an injunction that could stop all building on the North Coast.

Ms. Joyce Renshaw: urges the Board to fully fund the NCAP.

Mr. Ken Renshaw: feels the Board needs to fully fund the NCAP and the Planning Department.

Mr. Norman Fleming: agrees with the comments to fund the NCAP.

Ms. Helen May: Director for the Cambria Community Services District (CCSD), speaks to the need to fund the NCAP and the ramifications that could occur in Cambria if it's not funded.

Mr. Gordon Hensley: Environmental Defense Center, representing Friends of the Ranchland and Director for the LOCSD, speaks in support of funding the NCAP.

Mr. Bill Allen: North Coast Alliance, supports funding the NCAP; this process needs to get moving and he is concerned about the grant funding the County will lose if the Board doesn't fund this.

Ms. Pamela Marshall Heatherington: ECOSLO and SLO County Alliance, urges the Board to support the NCAP, indicating the current plan is archaic.

Mr. Eric Greening: thanks the County for moving the El Pomar-Estrella Plan Update forward; is concerned that if the NCAP does not move forward there will be a gridlock for all plans in all areas.

Mr. Bryan Dempsey: Environmental Center and representing Friends of the Ranchland, speaks to the need to get the NCAP done.

Mr. Babak Naficy: Attorney for the Environmental Defense Center, speaks in support of updating the NCAP; states much of the work on the EIR has been completed and if this is delayed the information in the EIR could go stale; supports a progressive schedule to update other plans.

Mr. Doug Buckmaster: North Coast Advisory Council member and SLO County Alliance, speaks to the need to get the NCAP updated.

Ms. Tarren Collins: Sierra Club and SLO County Alliance, states the North Coast has nationwide importance; the NCAP needs to be updated.

Mr. Bill Bianchi: Water Resources Advisory Committee member, addresses the master water study they are working on; addresses looking at high priority areas, with the Paso Robles area being first, then Cambria; states they are looking at the issue of supply and demand for water in the various areas; the NCAP needs to be updated.

Mr. Bruce Gibson: Cayucos Advisory Council member, urges the Board to consider the issue of the NCAP separate from the Planning Department's overall budget.

Mr. Victor Holanda: Director of Planning and Building, states he and his staff are prepared to answer questions; addresses discussions he had with the Board members when they hired him and everyone agreeing that he would be given a lot of flexibility in dealing with the Department; believes he has made significant changes to date, in the Department; states he was on the Coastal Commission when the NCAP was previously rejected; states they have prepared a "road map" as to what they will accomplish; strongly urges the Board to not reject the NCAP; states they will do a good job "implementing" the workload they have set out for themselves; addresses the rest of their budget and what he believes this budget will accomplish.

Supervisor Bianchi: addresses the questions that the NCAP will not be able to proceed until the Periodic Review has been completed; if this is true, questions what else couldn't proceed; also, questions what will happen to the grant the County has received for the NCAP.

Mr. Holanda: responds that the grant funding the County has received (approximately \$100,000) will have to be returned; addresses the impact the Periodic Review has on all of the other Plans.

Supervisor Bianchi: addresses the County's Master Water Plan and the history of the updates to the same; feels the Board needs to fully fund Budget Unit 2800 including the NCAP; if the NCAP is left out, she believes it will leave the County wide open for a lawsuit; addresses her concern to losing the grant funding; feels if this is taken out it will slow down the rest of the plans.

Supervisor Ryan: addresses the Board's prior approval of the NCAP as it was recommended by the Planning Commission, then forwarding it to the Coastal Commission where it was rejected; still believes the Board needs to see the results of the Periodic Review before going any further on this; indicates the Board has forwarded their comments on the Periodic Review to the Coastal Commission and believes there will be recommendations the on which Commission will not agree with the Board.

Mr. Bryce Tingle: Assistant Director of Planning and Building, states County staff and the Board were in total disagreement with 25% of the recommendations from the Coastal Commission and were either in total agreement or could agree with some modification to language on 75%; suggests the Board could put the funding back in for the NCAP with the understanding that the Board still has to approve a contract for this plan and that staff come back for discussion of the contract, with the Board, after the Coastal Commission meeting in July, which will show how the Commission is likely to proceed with the Periodic Review.

Supervisor Pinard: addresses her observations with respect to the NCAP since she has been on the Board; feels the Coastal Commission has been the biggest "stumbling block" for this process, as she believes the Board has tried to get this plan completed; addresses other areas of the County she believes need assistance, such as Nipomo; if funding this is the way to keep this plan moving forward then she wants that but does not want other areas of County with plans delayed.

Mr. Holanda: addresses his concern to his perception that the Board is micro managing the Department.

Chairperson Achadjian: addresses comments regarding potential development by Hearst.

Mr. Holanda: responds and further indicates there is no application on file for the Hearst property or any other five-star resort application; concerns regarding the County taking on a study for a proposed project and in his opinion that would be inappropriate as it is the applicant's responsibility to do a study when there is a definite project; **(SUPERVISOR PEG PINARD IS NOW ABSENT.)**

Supervisor Ryan: questions the percentage of items in the Periodic Review the County agreed with versus disagreed with, with Mr. Tingle responding.

(SUPERVISOR PEG PINARD IS NOW PRESENT.)

A motion by Supervisor Bianchi to fully fund Budget Unit 2800, dies for lack of a second.

A motion by Supervisor Ryan, seconded by Supervisor Bianchi, to leave the NCAP as part of the work order in Budget Unit 2800 and direct staff to put two lead planners on compiling the information that needs to be

compiled, for the next six months or the Board's response to the Period Review, whichever comes first, is discussed.

Supervisor Bianchi: feels it is totally inappropriate for the Board to micro manage the internal activities of any department; and, the Board should be funding the budget and let the department handle how they will complete the various tasks; asks that Supervisor Ryan modify his motion to state "under the direction of the Planning Director" then she can support the motion, with Supervisor Ryan indicating he wants to leave the motion as he previously stated.

Thereafter, a motion by Supervisor Ryan, seconded by Supervisor Bianchi, to leave the NCAP as part of the work order in Budget Unit 2800 and direct staff to put two lead planners on compiling the information that needs to be compiled, for the next six months or the Board's response to the Period Review, whichever comes first, fails with Supervisors Bianchi and Pinard casting dissenting votes, and Supervisor Ovitt being absent.

A motion by Supervisor Pinard, to leave the NCAP as part of the work order in Budget Unit 2800 and under the direction of the Planning Director compile the information that needs to be compiled, for the next six months or the Board's response to the Period Review, whichever comes first, is discussed and seconded by Supervisor Bianchi.

Mr. Holanda: gives his understanding of the motion, which is the Board wants a response from the Department relative to the Periodic Review within a certain time frame and that the Board is giving that direction to the Director of the Department to accomplish that task; how he does that is the challenge he will have; if the Board is going to set policy that they are going to assign specific staff, then he cannot accept that.

Supervisor Ryan: states that was not the way his motion was going; indicates if the Board is going to continue the funding, he wants to see all the information compiled but that the County doesn't completely go after that plan until the Board has given their response on the Periodic Review or six months whichever comes first.

The motion maker withdraws the motion.

Mr. Tingle: addresses the issue indicating that prior direction by the Board on the NCAP Update was that this Update was to be prepared by a consultant, with staff oversight and administration; suggests the Board direct staff to move forward with dividing the consultant contract into Parts 1 and 2; with Part 1 being the background work, the data acquisition, the community involvement early on with issues; and, staff be given the opportunity to bring back to the Board, after July 1st, the contract on Part 1 of the total process; and, that Part 1 focus on what they can accomplish within the six-month parameter that the Board is discussing, then have an open discussion at the end of six months on how to proceed.

A motion by Supervisor Bianchi that the funding for the NCAP be included in the budget, with the direction to the Department that they move forward with Phase 1 or Part 1, which is the data gathering, information development and the early parts of the community issue discussion, subject to the Board approving a contract with the consultant for that work, is discussed.

Supervisor Bianchi: questions what staff will do at the end of Phase 1.

Mr. Tingle: states they will return to the Board for a decision on how to proceed from that point based on where they are with the Periodic Review and a decision by the Board on how to proceed with the NCAP.

Supervisor Pinard: questions prior data that was collected on the NCAP and funding for the NCAP, with Mr. Tingle responding.

Supervisor Pinard seconds the motion.

Thereafter, a motion by Supervisor Bianchi, seconded by Supervisor Pinard that the funding for the NCAP be included in the budget, with the direction to the Department that they move forward with Phase 1 or Part 1, which is the data gathering, information development and the early parts of the community issue discussion, subject to the Board approving a contract with the consultant for that work, fails with Supervisor Ryan and Chairperson Achadjian casting dissenting votes and Supervisor Ovitt being absent.

Supervisor Ryan: addresses his concern to doing things that were previously done for the NCAP; states if the motion is changed to just collect statistical data he will support it.

Matter is further discussed and thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Pinard, with Supervisor Ovitt being absent, motion carries and the funding for the NCAP is included in the budget, with the direction to the Department that they move forward with Phase 1 or Part 1, which is for statistical data only and subject to the Board approving a contract with the consultant for that work.

Thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Ryan, with Supervisor Pinard casting a dissenting vote and Supervisor Ovitt being absent, motion carries and the Board tentatively approves Budget Unit 2800 as recommended by the County Administrative Officer and as outlined in the Proposed Budget Document and as amended by this Board.

Thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Pinard, with Supervisor Ovitt being absent, motion carries and the Board continues said hearing to June 19, 2001 at 9:00 a.m..

2

CS The Board announces it will be going into Closed Session (continued from June 11, 2001) 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) (4) Significant exposure to litigation (Gov. Code §54956.9(b)) No. of cases: 3. 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.

Mr. Sean Goodwin: Managing Director of the Western Region for American Eagle, speaks in support of the project for the improvements at the Airport.

Mr. Michael Rader: Managing Director of Wings West Aviation Services, speaks in support of funding for this very important project; addresses deficiencies that currently exist at the Airport.

Mr. Eric Norrbom: Cal Coast Fuel at the Airport, addresses the safety issues

that require this project to go forward.

Dr. Robert Tefft: Morro Bay resident, addresses the need to get this project completed due to safety concerns; states the money is there through an FAA grant and any delays will have serious consequences.

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 because no final action was taken, and the Board goes into Open Public Session.

- 3 D-1 This is the time set for submittal of a bid opening report for the construction of the final phase of the San Luis Obispo County Regional Airport runway extension; All Districts (continued from June 11, 2001).

Mr. Duane Leib: General Services Director introduces the item; addresses the need to award this project due to time constraints.

Ms. Klaasje Nairne: Airport Manager, presents the staff report; outlines the requirements of the Disadvantaged Business Enterprise (DBE); addresses the FAA criteria to meet the DBE requirements and awarding the bid based on this; addresses the “good faith effort” of both Whitaker and A.J. Diani; states the FAA has reaffirmed their desire to award this contract to A.J. Diani; indicates because this is a Federal Grant the Board has very little discretion with respect to who it is awarded to.

Supervisor Ryan: addresses the problems he believes occurred with respect to this project versus other projects that come before the Board; states it doesn’t have anything to do with either bidder, but rather is an internal communication problem.

Mr. James Lindholm: County Counsel, suggests the motion should include a finding and provides the Board with language.

Thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Ryan, with Supervisor Ovitt being absent, motion carries and the Board finds that the condition on the motion from June 5, 2001, awarding the contract to Whitaker Contractors Inc. which required approval from the FAA has not been met and the Board rescinds and vacates their action of that date and awards the construction contract for the final Phase of Runway Extension Project for the San Luis Obispo County Regional Airport to A.J. Diani Construction Company, Inc., in the amount of \$4,326,736 and the Chairperson is instructed to sign the corresponding agreement for said project (P5343; FAA - AIP-19 & AIP-20 Grants).

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 Wednesday, June 13, 2001, by the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts.

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

By: /s/Vicki M. Shelby,

Deputy Clerk-Recorder

DATED: June 18, 2001
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