

Koch California Ltd.

662 Eucalyptus Road, P.O. Box 1127 Nipomo, CA 93444 Mobile:(805) 440-8362Phone:(805) 929-4153Fax:(805) 929-5598Email:kochcal@earthlink.net

September 17, 2008

San Luis Obispo Board of Supervisors Room D-430, County Government Center San Luis Obispo, California 93408

(805) 781-5450 (805) 781-1350 fax

Dear Supervisor Katcho:

I think it's important for the people in Nipomo to know as much about the water situation as possible.

I am making a public record request for the Santa Maria "letter dated Sept. 10" that was reported being talked about at the August 16th board meeting. (see part of news report below).

"But Achadjian said he has met several times with Santa Maria city staff who discussed the connection between the transfer of land and NCSD's water purchase.

"The city of Santa Maria did contact me and ... water was an issue," Achadjian said, noting on Monday he received a letter from Santa Maria Mayor Larry Lavagnino "hinting" water could become a bargaining chip.

However, <u>the letter, dated Sept. 10</u>, never mentioned the land transfer but focused only on the water negotiations between Santa Maria and NCSD.

"Water in this day and age in California is a scarce and valuable commodity," the letter said in part. "Without the cooperation of both counties, the ability to provide water to Nipomo would not be possible.."

Achadjian indicated he had been prepared to support the transfer request even though county staff and numerous other agencies and individuals opposed it.

If the letter can not be emailed, Please let me know when I can pick the copy up and any costs for the copies.

Thank You

Juh MA

John Snyder Vice President

Attached: Santa Maria times article

Dividing lines over land use

By Mike Hodgson/Associate Editor

More than 5,000 acres of Suey Ranch land won't be transferred from San Luis Obispo County to Santa Barbara County after more than a dozen agencies and individuals objected to the proposal.

But it's uncertain what the ranch owners' next move will be, as they could not be reached for comment by press time Tuesday.

Reversing an Aug. 26 tentative decision, the San Luis Obispo County Board of Supervisors on Tuesday voted 4-0, with Supervisor Harry Ovitt absent, to file a written protest and adopt a resolution abandoning the boundary change.

The decision seemed to be based as much on public opinion as it was on impacts ranging from the loss of property taxes and control over land use to potential environmental impacts.

"In 10 years, I haven't seen one issue unite the county," said 4th District Supervisor K.H. "Katcho" Achadjian, who represents most of the South County.

Achadjian said he now has "seen people of differing opinions pull together" to oppose the transfer requested by H.D. and Carol Perrett, owners of the 39,000-acre Suey Ranch.

At the Aug. 26 hearing, Achadjian moved to not oppose the request at least until Sept. 16, which would give agencies like the Port San Luis Harbor District a chance to review and comment on the proposal.

But Tuesday, it was Achadjian who moved to file the protest and abandon the transfer, which would have cost the county and its special districts an estimated \$140,475 in annual property taxes had it been allowed to proceed.

He said his initial support was based on an indication from Santa Maria that a pending agreement for Nipomo Community Services District to buy supplemental water from the city might be affected if San Luis Obispo County blocked the transfer.

Mike Winn, president of the NCSD board of directors, told supervisors that was not the case, noting Santa Maria has negotiated in good faith for the sale of excess state water.

"There is not nor has there ever been any mention to NCSD that there was any need for a land swap for water," Winn said. "Please trust me on this ... this is not land for water."

But Achadjian said he has met several times with Santa Maria city staff who discussed the connection between the transfer of land and NCSD's water purchase.

"The city of Santa Maria did contact me and ... water was an issue," Achadjian said, noting on Monday he received a letter from Santa Maria Mayor Larry Lavagnino "hinting" water could become a bargaining chip.

However, the letter, dated Sept. 10, never mentioned the land transfer but focused only on the water negotiations between Santa Maria and NCSD.

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9/17/2008

"Water in this day and age in California is a scarce and valuable commodity," the letter said in part. "Without the cooperation of both counties, the ability to provide water to Nipomo would not be possible.."

Achadjian indicated he had been prepared to support the transfer request even though county staff and numerous other agencies and individuals opposed it.

"I was willing to take that personal risk ... if water flowed to Nipomo much more smoothly," he said, adding he thought he was doing something good for Nipomo. "But if you folks tell me 'no,' then why should I?"

Third District Supervisor Jerry Lenthall, who seconded the motion, said criticism of Achadjian's and the board's motives "sells them short," that the previous decision was "a work in progress" and Achadjian has "continued to stick his neck out to make sure there is water" for Nipomo.

The Perretts' request

A variety of factors were cited in the Perretts' request to have 5,070 acres of their ranch shifted from San Luis Obispo County to Santa Barbara County.

The Perretts said they are more connected to Santa Maria than Nipomo, including through healthcare providers, other community services and a Santa Maria address and phone number.

They said their primary access is from Santa Maria, their business is economically identified with Santa Maria Valley and the Santa Maria and Santa Barbara County fire departments are closer.

But the proximity of Santa Maria and Santa Barbara County law enforcement personnel and the potential for faster responses to agricultural crimes anchored the Perretts' request.

The section of land in question, which lies along Bull Canyon Road between the Santa Maria River and Highway 166, consists mainly of avocado orchards and rangeland and lies within plain sight of northeastern Santa Maria neighborhoods.

In fact, one of only two people who spoke in favor of the transfer was Los Osos resident Robin Hayhurst, who said she works in northeast Santa Maria where she can gaze up on the Perretts' avocado orchards - the target of thefts and vandalism.

Hayhurst said the ranch is just 10 miles from the Santa Barbara County Sheriff's Department, which has one full-time sergeant and six deputies specially trained in agricultural crime who patrol in special vehicles.

"This is not about tax money; it's not about development; it's about what's right for the Perretts," she said.

Bob Blair of rural Arroyo Grande, who said he likes to take the "long view," also supported the transfer, noting only Santa Maria and Santa Barbara County really committed to using state water.

"This county castrated the State Water Project - not your board but the previous board," Blair said.

"... Whatever Santa Barbara County can do to (the land) is much better than what San Luis Obispo

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County can do to it."

Widespread opposition

However, the proposal was widely opposed by individuals from as far away as Los Osos, Atascadero and Edna Valley and as close as rural Arroyo Grande, Nipomo and Suey Creek.

Opposition also came from such diverse agencies and organizations as Port San Luis Harbor District, Lucia Mar Unified School District, the South County Advisory Council, the Agricultural Liaison Advisory Board, North County Watch and the County Planning Commission.

The potential loss of a total \$140,475 in property taxes from the parcel, impacts on harbor and school district boundaries and the loss of land use control were among the reasons cited by opponents.

"When they brought this up three years ago, I thought it was a terrible idea at the time and it was voted down," said Kevin Beauchamp of Nipomo.

"I can't believe this is being considered again."

He added, "You were voted in ... to be stewards of our land. How bad of stewards can you be by giving away land? ... This is a good deal for Santa Barbara County; it's not a good deal for San Luis Obispo County."

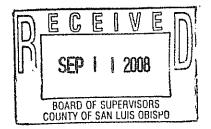
County Treasurer and Tax Collector Frank Freitas also spoke against the transfer, even though he said he normally doesn't comment on policy issues.

He said the county's share of lost property taxes the first year would be \$58,000, but as a 20-year annuity that would be more than \$1 million.

"But this is not a 20-year annuity, this is in perpetuity," he said.

September 17, 2008





CITY OF SANTA MARIA OFFICE OF THE MAYOR AND CITY COUNCIL

110 EAST COOK STREET, ROOM #1 • SANTA MARIA, CA 93454-5190 • 805-925-0951 • FAX 805-349-0657 • www.ci.santa-maria.ca.us

September 10, 2008

Supervisor Katcho Achadjian 4th District San Luis Obispo County Room D-430, County Government Center San Luis Obispo, CA 93408

Dear Supervisor Achadjian:

Cooperation between the Counties of San Luis Obispo and Santa Barbara has provided the opportunity for the residents of the Nipomo area to acquire an initial 3,000 AF of water through a Memorandum of Understanding (MOU), executed in 2004 between the City of Santa Maria and the Nipomo Community Services District.

The City of Santa Maria and the Nipomo Community Services District are now in the process of negotiating a definitive agreement for water supply that will not only provide the initial 3,000 AF of water identified in the MOU, but the possibility of an additional 3,000 AF in the future. Water in this day and age in California is a scarce and valuable commodity. Without the cooperation of both counties, the ability to provide water to Nipomo would not be possible.

Thank you for your time associated with the efforts to address the need for long-term solutions to water shortages for Nipomo area residents.

Best personal regards,

LARRY LAVAGNINO

xc: Utilities Department Nipomo Community Services District