



CITY OF EL PASO DE ROBLES

"The Pass of the Oaks"

CITY COUNCIL MINUTES

Tuesday, June 6, 2006 7:30 PM

**MEETING LOCATION: PASO ROBLES LIBRARY/CITY HALL
CONFERENCE CENTER, 1000 SPRING STREET**

**PLEASE SUBMIT ALL CORRESPONDENCE FOR CITY COUNCIL PRIOR
TO THE MEETING WITH A COPY TO THE CITY CLERK**

7:30 PM – CONVENE REGULAR MEETING

CALL TO ORDER – Downstairs Conference Center

PLEDGE OF ALLEGIANCE

INVOCATION – Led by Rev. Roder Coale, Live Oak Christian Fellowship

ROLL CALL Councilmembers Jim Heggarty Gary Nemeth, Duane Picanco, Fred Strong, and Frank Mecham

PUBLIC COMMENTS

- Susan Harvey, with County Coalition for Local Control and Jay Adams, with Paso Watch (letter re Dalidio Ranch Initiative attached), Eric Greening, regarding local transit system between North County cities (Superloop), Chuck Miller, Estrella Warbird Museum, Greg Haas, REC Foundation in support of public funds for the Salinas River Corridor project, and Kathy Barnett, regarding the Dalidio Initiative, and code enforcement of signs in commercial districts.
- Annie Robb, Interim Library and Recreation Services Director, recapped the Youth Commission activities for the past year; and introduced Youth Commissioner, Elora Hartmann.

AGENDA ITEMS TO BE DEFERRED (IF ANY) - None

PRESENTATIONS– None

PUBLIC HEARINGS

1. Annual Levy Report for the Landscape and Lighting District

D. Monn, Public Works Director

Conduct a Public Hearing regarding the collection of assessments for the Landscape and Lighting District No. 1 for fiscal year 2006/2007.

Mayor Mecham opened the public hearing. Speaking from the public was Christie Withers, Elizabeth Hardie, Barry Ross, Oscar Carballo (no card), John O'Marr, Steve Plemons, Jim H. Davis, Thomas Schell, Rob Greenberg, Bart Frye, Roy Bois (Riverglen & Union Road), Linda Rabasciatti, Almond Glen problems, Sandy Pack (Las Brisas Drive). There were no further comments from the public, either written or oral, and the public discussion was closed. Mayor Mecham called on Jim Maguire, with MuniFinancial, to provide answers to questions posed by the public and Council.

- 1. Councilmember Nemeth, seconded by Councilmember Strong, moved to close the public testimony portion of the Public Hearing, direct the City Clerk, or designee, to begin tabulation of the ballots at 8:00 AM, June 7th, to have the results made available within 48 hours; and
- 2. Continue agenda item to the June 20th City Council meeting for City Clerk's announcement of the ballot outcome to consider adopting Resolutions consistent with the City Clerk's determination.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

The City Council recessed at 9:00 p.m. and reconvened at 9:15 p.m. with the Mayor and all City Councilmembers present.

2. Code Amendment Regarding Required Street Improvements

R. Whisenand, Community Services Director

Consider amending the Municipal Code to modify the calculation and payment of street improvement in-lieu fees by adjusting the permit valuation limit and to include alley paving.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Heggarty, seconded by Councilmember Nemeth, moved to introduce for first reading Ordinance No. XXX N.S. amending Municipal Code §11.12.030, revising the limitation of curb and sidewalk requirements to permits with a valuation of minimum of \$25,000, and adding alley paving to those requirements.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

CONSENT CALENDAR

Mayor Mecham called for public comments on Consent Calendar items. There were no comments from the public, either written or oral, and the public discussion was closed.

3. Approve City Council minutes of May 16, 2006
D. Fansler, City Clerk
4. Approve Warrant Register: Nos. 62274—62365 (05/12/06) and 62366—62514 (05/19/06), and 62515-62736 (05/26/06)
M. Compton, Administrative Services Director
5. Receive and file Advisory Body Committee Minutes as follows:
Airport Advisory Committee meeting of April 27, 2006
Library Board of Trustees meeting of April 13, 2006
Parks and Recreation Advisory Committee meeting of April 11, 2006
6. Proclamation declaring June 12 & 13, 2006 as “Special Olympics – Law Enforcement Torch Run Days.” F. Mecham, Mayor
7. Set Wednesday, July 5, 2006 for the first City Council Regular Meeting in July, as July 4 is a Federal Holiday. D. Fansler, City Clerk
8. Adopt Resolution No. 06-081 certifying and adding Parcel 2 of Parcel Map 05-0321 to Community Facilities District No. 2005-1, and adopt Resolution No. 06-082 accepting the recordation of Parcel Map PR 05-0321, a two-lot residential subdivision located at 1330 Oliver Street. The Planning Commission tentatively approved parcel Map PR 05-0321 on February 14, 2006; all conditions imposed by the Planning Commission had been satisfied, and owners have consented to annexation. (Mulholland Construction, Inc.).
R. Whisenand, Community Development Director
9. Adopt Resolution 06-083 awarding a contract to construct street improvements (curb, gutter, sidewalk, street light) on the north side of 28th Street (between Park Street and the railroad) to Viborg Sand & Gravel in the amount of \$139,463.
R. Whisenand, Community Development Director
10. Adopt Resolution No. 06-084 annexing PD 04-003 into the Landscape and Lighting District No. 1, Sub-area 104. PD 04-003 (Big Brand Tire Store) was approved by the Planning Commission on August 24, 2004 with the condition that the property be annexed. The applicants have signed a petition and voted in favor of annexation. (Big Brand Tire, Majco, Inc.) R. Whisenand, Community Development Director
11. Adopt resolutions authorizing the purchase of property at the southwest corner of Highway 46 and Theatre Drive (APN 009-831-020) to facilitate future interchange improvements at Highway 101 and 46 West. Adopt Resolution No. 06-085 accepting the Planning Commission report on consistency with the General Plan and Negative Declaration; Resolution No. 06-086 accepting the deed of purchase and; Resolution No. 06-087 approving a transfer from General Funds Reserves to the Highway 101/46 W CFD Fund, and appropriating funds from the Highway 101/46W CFD Fund for this project.
D. Monn, Public Works Director

Consent Calendar Items Nos. 3-11 were approved on a single motion by Councilmember Heggarty, seconded by Councilmember Nemeth, with Councilmember Picanco abstaining on Warrant Register

Items Nos. 062337, 062446, 062469, 062471, 062600, 062667 and 062719, and Mayor Mecham abstaining on Warrant Register Item No. 062399.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

DISCUSSION

12. Salinas River Corridor Grant Authorization

M. Williamson, Assistant to the City Manager

Consider a Grant Application with the State Water Resources Control Board for the potential acquisition and restoration of 260-acres along the Salinas River Corridor.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Strong, moved to adopt Resolution 06-088 authorizing the City's filing of a Grant Application with the State Water Resources Control Board for \$4 million in funding to acquire 260-acres of land and implement associated restoration enhancements aimed at water quality improvements along the Salinas River Corridor.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

13. Regional Transit Authority Budget for Fiscal Year 2007

M. Compton, Director of Administrative Services

Consider the Regional Transit Authority (RTA) Budget for Fiscal Year 2007.

Mayor Mecham opened the public hearing. Speaking from the public was David L. Lilly, RTA Regional Transit Manager [letter from Mr. Lilly and RTA budget attached], and Eric Greening. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Picanco, seconded by Councilmember Heggarty, moved to adopt Resolution No. 06-XXX, to formally oppose the proposed FY 2007 RTA budget, and postpone implementing the Sunday service pilot project until the six areas of improvement referred to in the staff report are satisfied.

Motion failed by the following roll call vote:

AYES: Heggarty, Picanco
NOES: Nemeth, Strong, Mecham
ABSTAIN:
ABSENT:

Councilmember Strong, seconded by Councilmember Nemeth, moved the following:

- 1) for the City to express its concern regarding the FY 2007 budget at the June 7, 2006 meeting of SLO Council of Governments, and request that pilot program for Sunday transit service be postponed until such time that the six areas of improvement referred to in the staff report are satisfied; and
- 2) to authorize the City's delegate, Mayor Mecham, to express those concerns at the June 7th meeting, and use his best judgment in implementing a favorable resolution.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

14. Sherwood Park Playground Structure Upgrades

D. Monn, Public Works Director

Consider supplementing Phase 1A of the Sherwood Park Master Plan with street improvements adjacent to the project.

Mayor Mecham opened the public hearing. Speaking from the public was Kathy Barnett. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Strong, seconded by Councilmember Nemeth, moved adopt Resolution No. 06-089 appropriating an additional \$136,000, of which \$74,800 would come from Workforce Housing Grant Funds with the balance to come from General Fund Reserves in the amount of \$61,200.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

Making a declaration of conflict (a business client), Mayor Mayor recused himself from voting on Item No. 15 and left the room until deliberations were concluded.

15. Water Resources Plan Integration

D. Monn, Public Works Director

Consider appropriating funds and awarding a contract to complete Phase III of the Integrated Water Resources Plan.

Mayor Pro Tempore Heggarty opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Strong, moved Adopt Resolution No. 06-090 to:

- 1) Approve a budget appropriation in the amount of \$25,000; \$12,500 from sewer operations and \$12,500 from water operations; and
- 2) Award a contract to TJ Cross Engineers for Water Resources Plan Integration in the amount of \$19,700 as documented in their proposed scope of work attached hereto and included herein by reference.

Motion passed by the following unanimous roll call vote:

AYES: Heggarty, Nemeth, Picanco, Strong
NOES:
ABSTAIN:
ABSENT:

Mayor Mecham returned to his seat at the dais.

16. City Council Monthly Stipend

J. App, City Manager

Consider amending Councilmember monthly stipends.

Mayor Mecham opened the public hearing. Speaking from the public was Kathy Barnett, Tom Hardwicke. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Strong, seconded by Councilmember Nemeth, moved introduce for first reading Ordinance No. XXX N.S. adjusting City Council compensation effective December 6, 2006 increasing Councilmember compensation to \$600 per month, and the Mayor's compensation to \$800 per month.

Motion passed by the following roll call vote:

AYES: Heggarty, Nemeth, Strong
NOES: Picanco, Mecham
ABSTAIN:
ABSENT:

**17. Housing Authority Board of Commissioners -
Appointment and Recruitment**

R. Whisenand, Community Development Director

Consider making an appointment to the Housing Authority Board of Commissioners and additional recruitment measures.

Mayor Mecham opened the public hearing. Speaking from the public was Tom Barron. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Strong moved, seconded by Councilmember Heggarty, to consolidate the interview session with other advisory body interviews scheduled for June 29, 2006.

Motion passed by the following unanimous voice vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

CITY MANAGER

18. Schedule Dates for Applicant Interviews/Appointments to Advisory Bodies

J. App, City Manager

Select dates for conducting interviews and making appointments for vacancies on the Library Board of Trustees, Parks & Recreation Advisory Committee, Senior Citizens Advisory Committee, and Youth Commission

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Strong, moved to:

- 1) Set Thursday, June 29, 2006 as the date for interviewing applicants and making appointments to the Housing Authority, Library Board of Trustees, and Parks and Recreation Advisory Committee; and
- 2) Set Thursday, July 13, 2006 as the date for interviewing applicants and making appointments to the Senior Citizens Advisory Committee and the Youth Commission.

Motion passed by the following unanimous voice vote:

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

CORRESPONDENCE - None

ADVISORY BODY COMMUNICATION - None

AD HOC COMMITTEE COMMUNICATION

19. Ad Hoc Committee Formation -
South River Road/Charolais Roundabout Feasibility Study
D. Monn, Director of Public Works

Consultant, W-Trans, is nearing completion of a feasibility study to install a roundabout at South River Road and Charolais. City staff requests that an ad hoc committee be formed to review study findings and options.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

By general consensus, Councilmembers Strong and Nemeth were appointed to an ad hoc committee with a term to December 19, 2006.

COUNCIL COMMENTS

20. Council/Advisory Body Joint Meetings
J. App, City Manager

Consider calendar for special meetings with City Council and each of their advisory bodies for remainder of 2006 and 2007.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

It was the consensus of Council to defer scheduling meetings with advisory bodies for 2006 and 2007 until after upcoming appointments have been made.

Motion passed by unanimous voice vote.

AYES: Heggarty, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

By unanimous voice vote, Council moved to adjourn from regular session at 11:20 PM.

ADJOURNMENT: to THE PASO ROBLES ECONOMIC FORECAST MEETING AT 8:30 AM ON WEDNESDAY, JUNE 14, 2006, AT THE PASO ROBLES INN, GRAND BALLROOM, 1103 SPRING STREET, AND REGULAR COUNCIL MEETING AT 7:30 PM ON TUESDAY, JUNE 21, 2006 AT THE CITY HALL/CONFERENCE CENTER, 100 SPRING STREET

Submitted:

Deborah D. Robinson, Deputy City Clerk
Approved:

THESE MINUTES ARE NOT OFFICIAL OR A PERMANENT PART OF THE RECORDS UNTIL APPROVED BY THE CITY COUNCIL AT A FUTURE REGULAR MEETING.

*Clerk
Public
Comment
6/6*

COUNTY COALITION FOR LOCAL CONTROL ("CCLC")

P.O. BOX 121

SAN LUIS OBISPO, CA. 93406-0121

June 5, 2006

The Honorable K.H. "Katcho" Achadjian, Chair
San Luis Obispo County Board of Supervisors
County Government Center
1055 Monterey Street
San Luis Obispo, CA 93408

**RE: Proposed Dalidio Ranch Initiative June 13, 2006
Agenda Item**

Dear Chairperson Achadjian and Members of the Board:

Given that sufficient signatures have been gathered by the developers who want to build a shopping mall on the Dalidio farmland to qualify their proposal for the ballot, the Board of Supervisors now has two main options: either adopt the proposed project, or put it on the ballot. A third alternative is to delay this decision thirty (30) to require an Elections Code Section 9111 report on the project, then decide whether to adopt it or let the people vote on it.

Our organizations strongly urge the Board to Utilize its general powers and the provisions of Section 9111 of the Elections Code to have a full report prepared on the ordinance proposed by the Initiative, as outlined in this letter. Following the preparation of such report, at least one public hearing should be held by the Board to consider the report, prior to the election at which the Initiative will be considered. This is the only way that the Board can ensure that the public receives an unbiased and objective analysis of exactly what the proposed shopping mall initiative would do.

As you are aware, the developers (L.A. developer Bill Bird's San Luis Obispo Marketplace Associates) wrote a letter to the county on June 1, 2005 to reactivate their application to allow a shopping mall on the Dalidio prime

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agricultural property. This application had been pending in the County's system since 2002.

Of course, the normal planning process allows the public, county staff, the Planning Commission, the Ag-Liaison Committee and the Board an opportunity to scrutinize each and every proposed change encompassed by such an application for such a large and significant development. The normal planning process ultimately gives the Board of Supervisors plenary authority to shape a plan that the Board determines best achieves the public interest and which adequately mitigates the impacts according to state and county policies.

Although the developers requested the County to process their application, they never followed up by filing a specific project description with the County. Instead, the developers have now decided to try to "shortcut" the planning process by using the initiative process to evade possible conditions of approval and the environmental analysis otherwise mandated by the California Environmental Quality Act (CEQA).

Unfortunately, the voters' decision on the Initiative will be an "all or nothing" vote. The initiative process leaves no room for the give and take between governmental agencies and developers designed to insure a well-planned project that meets the needs of the community, as well as the project developers.

This "all or nothing" vote is made particularly difficult because one of the key elements in the planning process is the development of relevant information concerning the nature and impacts of the proposed project. Despite statements from the developers to the contrary, the specific project allowed by the Initiative has not been the subject of studies or reports.

We urge the Board to use its general powers, and the specific authority granted to it by Section 9111 of the Elections Code, to ensure that the public can have hard facts regarding the nature and effect of this huge project, before voting on whether or not to approve it.

We therefore request that the Board require **a report on all of the topics** listed in Elections Code section 9111. The developers have chosen to take

this project to the voters and it is your job as our elected representatives to insure that as much information as possible on its effect to the community is made available to the voting public.

Section 9111 of the Elections Code provides as follows:

"9111. (a) During the circulation of the petition or before taking either action described in subdivisions (a) and (b) of Section 9116, or Section 9118, the board of supervisors may refer the proposed initiative measure to any county agency or agencies for a report on any or all of the following:

(1) Its fiscal impact.

(2) Its effect on the internal consistency of the county's general and specific plans, including the housing element, the consistency between planning and zoning, and the limitations on county actions under Section 65008 of the Government Code and Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.

(3) Its effect on the use of land, the impact on the availability and location of housing, and the ability of the county to meet its regional housing needs.

(4) Its impact on funding for infrastructure of all types, including, but not limited to, transportation, schools, parks, and open space. The report may also discuss whether the measure would be likely to result in increased infrastructure costs or savings, including the costs of infrastructure maintenance, to current residents and businesses.

(5) Its impact on the community's ability to attract and retain business and employment.

(6) Its impact on the uses of vacant parcels of land.

(7) Its impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization.

(8) Any other matters the board of supervisors request to be in the report.

In addition to the power to report on "any other matters" as stated in subsection (8) above, the Board has the general authority to order a report on the likely effects of the proposed initiative measure.

Thus, the Board has the authority to request additional information on a wide range of subjects concerning the nature and impact of the project allowed by the Initiative. Since all of the below questions raise significant issues the voters will need to consider, we request they also be made part of your report on the Initiative:

- **Agriculture:** The County General Plan states that the land would remain in agriculture until annexed to the City of San Luis Obispo. The Ag Commissioner determined that the four findings required to allow conversion under AGP 24 cannot be made for this property. The General Plan for the City of San Luis Obispo states that, when annexed to the city, half of this prime agricultural land would be kept in agriculture. What impact on the county inventory of prime agricultural land would conversion of the Dalidio farm have?
- **Impacts on Existing Businesses:** It is likely that that the project allowed by the Initiative would severely damage nearby businesses, especially in Downtown San Luis Obispo. The Kotin study commissioned by the City of San Luis Obispo for the similar project proposed there found that the project would cause a loss of 33% of business in the Downtown. What would the economic effect of this project be on businesses and sales tax revenue in San Luis Obispo and in other parts of the County which have existing similar "big box" stores? Would new sales be generated by the project or would the sales merely be transferred from existing businesses in the County?
- **Emergency and Public Services:** The similar project proposed in the City of San Luis Obispo would have been on property annexed to the City. As a result, it would have had police, fire, paramedic and emergency services provided by the City. How would these services be provided in a project located in the unincorporated area of the County? What would be the response time? What would be the cost implications to County taxpayers?

- **Flooding:** The project allowed by the Initiative is located in a Special Floodplain Management Zone and would allow the paving over more than half of the floodplain. It is likely that this paving will increase floodwaters over Highway 101, and increase flooding in Downtown San Luis Obispo, as well as adjacent and downstream properties all the way to Avila Beach, as the project proposed to the City of San Luis Obispo would have caused such flooding impacts.. What would the impacts be from paving over this flood plain as allowed in the Initiative? How will the County resolve issues relating to the flooding this project will have on nearby highways and neighborhoods in the City of San Luis Obispo?
- **View-Shed:** It is likely that the project allowed by the Initiative would have a significant unavoidable impact on the views from Highway 101 and on the visual character of the southern entrance to the county seat in the City of San Luis Obispo, as the similar project when proposed in the City of San Luis Obispo was found to effect this view-shed. What impact would this project have on this view-shed?
- **Jobs/housing Imbalance:** It is likely that the project allowed by the Initiative will add to the current jobs-housing imbalance in the community. The similar project proposed in the City of San Luis Obispo would have created over 2,000 low paying retail jobs and, according to the EIR, created the need for 734 new housing units. How many jobs would this project create? How many housing units? How would this affect the jobs/housing imbalance and increase pollution from commuting employee traffic?
- **Noise:** It is likely that the that the project allowed by the Initiative will create noise levels in violation of City standards in nearby neighborhoods, as the similar project proposed in the City would have created such noise. What level of noise would this project produce? How will the County resolve issues relating to the impacts this project will have on noise levels in the City of San Luis Obispo?
- **Open space:** The similar project proposed in the City of San Luis Obispo provided for wildlife corridors and at least 65 acres of open

space. What would the project allowed by the Initiative do to protect wildlife corridors and open space resources?

- **Traffic/circulation:** It is likely that that the project allowed by the Initiative would create over 20,000 new car trips a day as the similar project when proposed in the City of San Luis Obispo was found to create such traffic. This level of new trips is significant because, according to recent report in the Tribune, Highway 46 handles about 24,000 car trips per day. Unlike the project proposed to the City, however, the project allowed by the Initiative requires only minor roadway and signal modifications. The EIR for the project proposed to the City of San Luis Obispo found that existing streets could only handle traffic generated by a project one-sixth as big as that project. What effect would the additional traffic (with no new overpass or other road improvements) have on levels of service on Highway 101, on and off ramps, and nearby Los Osos Valley and Madonna Roads? Will the county taxpayers have to pay for the new infrastructure required by this development?
- **Air quality:** It is likely that that the project allowed by the Initiative would create emissions well above the Air Pollution Control District standards as the similar project when proposed in the City of San Luis Obispo was found to cause such impacts. How would this project affect the air quality? How will the County resolve issues relating to the air pollution impacts in neighboring communities?
- **Prado Road Interchange Cost:** It is likely that the project allowed by the Initiative will create the need for new roadways and improvements, including an interchange for Highway 101 at Prado Road. Although the developers would have had to pay at least \$22 million for the interchange in connection with the similar project proposed in the City of San Luis Obispo, the Initiative would allow the developers to build the project and pay only a small fraction of the necessary related costs. Further, if the road improvements are not undertaken in a timely manner, the Initiative allows the developer to be refunded even the small amount paid for this purpose. What is the cost of the Prado Road interchange and other road improvements that will needed to accommodate the traffic generated by the project

allowed by the Initiative? Will the County taxpayers have to pay the difference between the actual cost and the small fraction of the cost being paid by the developer? Will the County be obligated to make sure the necessary road improvements are built in a timely manner?

- **Road Maintenance:** What would the county have to spend for roads construction, upkeep and maintenance of roads?
- **Sewer:** The project allowed by the Initiative anticipates the construction of an onsite water treatment plant to manage sewage and water treatment. In a 2001 letter to the County from the Regional Water Quality Control Board, the concern was expressed that "buildout of the proposed project will exceed the property's capacity to absorb treated wastewater during certain times of the year." How much sewage will the project allowed by the Initiative produce? Will the property be able to consistently handle the necessary volume, and if not, where would the extra effluent go? Who would be in charge of regulating the wastewater treatment plant? Where would the effluent and excess water go during flood time? What effect would the effluent have on Laguna Lake and the nearby creeks? What would be done to control the odor so the shoppers, soccer players and neighboring homes are not bothered by it?
- **Water:** Drinkable water for the project allowed by the Initiative would come from groundwater. The project should not expect to have access to water from the City of San Luis Obispo water system pursuant to the 2005 Memorandum of Agreement between the County and the City of San Luis Obispo. The groundwater on the project property, however, is contaminated with PCE (tetrachloroethylene) and nitrates. Would the groundwater be processed to pass environmental health standards? Where would that processing plant be located? Who would pay for it? What would be done to prevent subsidence on nearby properties (as has happened in the past), if water is taken from the underlying aquifer? How would the water be processed? Where would that take place? Where would the effluent produced by this process go? What would be the effect on the creeks? On wildlife and fish?

- **Recreational projects:** The project allowed by the Initiative anticipates the construction of certain recreational facilities. Who will pay for the development, operation and maintenance of these proposed projects?
- **Stores:** The developer has promised the voters that certain stores will locate in the shopping mall that is allowed by the Initiative. Is the developer required to locate these stores in the project? Is the developer prohibited from locating other stores in the project? Could a Wal-Mart be part of this project?

We understand that the time allowed by statute is short, but preparing this report should have the Board's top priority. The strain on County resources that may result from the construction of the project of the size and scope allowed by the Initiative may impact the quality of life in the entire County for years to come.

We expect at a minimum a comprehensive report will require input from the County Administrative Officer, the Planning Director, the County Counsel, the County Agricultural Commissioner, , the Auditor-Controller, the CDF /County Fire Department, the Sheriff's Department and the County Public Works Department.

You should also request additional information and reports from other local, county and state agencies which would have been consulted on this project, had it gone through the normal planning process for a development of this size and scope. These should include Cal Trans, the Air Pollution Control District, the Regional Water Quality Control Board and SLOCOG.

Finally, we urge the Board to request economic impact information from all of the incorporated cities in the County because a project this size is sure to result in loss of business and sales tax from existing businesses. In particular, information on all of the relevant issues should be requested from the City of San Luis Obispo which dealt extensively with a similar project on the same property, which was rejected by City referendum in April 2005.

The Honorable K.H. "Katcho" Achadjian, Chair
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Without this review, the Board remains completely in the dark as to the nature and effects of the massive project allowed by the Initiative and it should not even seriously consider the approval of the Initiative. Instead, the Board should place the Initiative on the ballot for a public vote.

We hope you agree with us that the voters deserve to have answers to these questions and others posed by the public before voting. If the normal planning process were available, all of these questions and more would receive answers **before** a decision was made whether or not to adopt the plan proposed by the developers.

Once such a report has been prepared, we then ask the Board to **hold at least one public hearing on the report**, so that the public can have at least some accurate information regarding the actual effects of the Initiative were it to pass.

Thank you for your positive action on our request.

Very truly yours,

Cydney Holcomb
County Coalition for Local Control

Karen Merriam
Santa Lucia Chapter, Sierra Club

Jan Howell Marx
Environmental Center of San Luis Obispo County (ECOSLO)

1150 Osos St., Suite 206
San Luis Obispo, CA 93401
Phone: 805.781.4465
Fax: 805.781.1291

RTA

Clerk

(13)

Memo

To: Honorable Mayor and City Council
From: David L. Lilly, Regional Transit Manager
Date: 6/6/2006
Re: RTA Budget

Attached is a spreadsheet and graph depicting RTA's use of TDA funds over the past 12 years. Important to note:

Pink: In 1995/96 RTA was allocated \$1,625,107 for operating 26,468 hours of service. The allocation went down to \$1.5M and stayed there for over 7 years. It began to increase in 2003/04 when funding was lost from the completion of the Cuesta Grade Construction Project and in 2005/06 as insurance contract, and fuel prices increased.

Yellow: Service hours have increased, mostly funded from sources other than TDA, mostly FTA Section 5307 Urban Area funding.

Teal: In 1995/96 RTA was allocated 34.5% of the total TDA that came into San Luis Obispo County. That percent went down to 17% of the total TDA that came into San Luis Obispo County in 2004/05, but has increased in 2005/06 to 19.1% and in 2006/07 to 23.6%, still significantly less than the original 34% allocated in 95/96.

RTA has been a good steward of TDA funding over the past 12 years and continues that effort even in the 2006/07 budget.

RTA's proposed FY 06/07 budget increase from Operations and Administration is 14.7%. The major cost increases in the RTA budget include:

Fuel:	\$203,000
Contract renegotiation:	\$130,000
Sunday Service:	\$49,000 (additional four months)
Administration:	\$41,000
Insurance:	\$20,000
Printing:	\$3,000
Total	\$460,000

Lost Revenue \$43,000

Paso Robles

The total increase in TDA to fund RTA from Paso Robles is \$46,529 or 27.4% over FY 05/06. There are two factors to consider, RTA increased costs (average contribution 24.7%) and the higher population growth in Paso Robles. Paso Robles is growing faster than other communities in San Luis Obispo County and since TDA allocations and RTA TDA contributions are population based, Paso Robles receives an increased TDA allocation and their contribution to RTA goes up faster than slower growing communities.

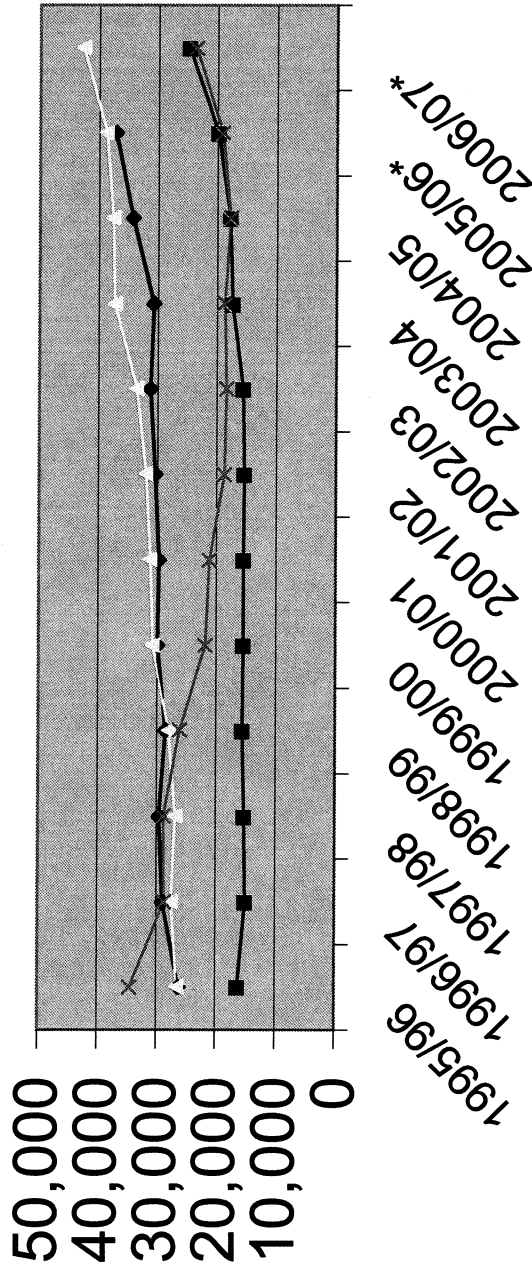
However, only \$4,177 of the \$46,529 is related to Sunday service and then only if the RTA Board agrees to start the service in September 2006 and operate it for 10 months of FY 06/07. The COG is paying the full cost for a 6 months pilot program of Sunday Service: \$75,000. The \$4,177 would be for the additional four months of Sunday service, only if approved by the RTA Board.

At the May 3 RTA Board meeting the evening service proposal was tabled until a future funding cycle and will not go back for consideration in the FY 06/07 budget.

At the May 16 meeting among RTA funding partners (including Paso Robles representatives), the consensus of those present at the end of the meeting was to approve the RTA budget this year and begin discussions earlier for the 07/08 budget cycle to avoid future surprises.

FY	Hours RTA	Runabout	Total	Passengers RTA	Runabout	Total (X10)	TDA (X100)	Total HRS	% of Total TDA Percent (/1,000)
1995/96	14,247	12,221	26,468	237,500	24,647	26,214.7	16,251.07	26,468	34,470
1996/97	15,446	12,066	27,512	264,991	23,280	28,827.1	14,931.65	27,512	28,620
1997/98	15,371	11,508	26,879	274,339	21,375	29,571.4	15,216.05	26,879	28,820
1998/99	16,837	11,160	27,997	262,875	21,371	28,424.6	15,475.31	27,997	26,060
1999/00	21,145	9,580	30,725	281,504	17,083	29,858.7	15,420.65	30,725	21,890
2000/01	22,363	8,787	31,150	281,946	14,637	29,658.3	15,462.93	31,150	21,210
2001/02	22,113	9,745	31,858	284,999	17,814	30,281.3	15,347.33	31,858	18,780
2002/03	23,740	9,818	33,558	292,964	18,393	31,135.7	15,544.40	33,558	18,400
2003/04	22,819	14,469	37,288	279,780	26,079	30,585.9	17,336.80	37,288	18,760
2004/05	23,889	13,678	37,567	312,316	28,822	34,113.8	17,791.94	37,567	17,760
2005/06*	24,442	14,273	38,715	341,738	29,255	37,099.3	19,838.71	38,715	19,170
2006/07*	26,782	15,838	42,620				24,728.45	42,620	23,630
TOTALS	197,970	113,032	2,773,214	213,501	298,671.5				

Passengers * TDA * Svc Hrs * Percent



◆ Total RTA Ridership
 ■ RTA TDA USE
 ▲ Total RTA Hours of Service
 ✕ RTA % of Total TDA

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SUNDAY SERVICE NET COST CALCULATION - 10 MONTHS SERVICE W/COG FUNDING
BASED UPON ACTUAL FY 2005/06-12 MONTH PROFORMA OF YTD THRU JANUARY 2006

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO A.G., G.B., P.B., S.L.O.	RT 12 S.S., CAM., CAY., M.B., L.O., S.L.O.	TOTAL FIXED ROUTE SERVICE	RUNABOUT	TOTAL ESTIMATED SUNDAY SERVICE	LESS RUNABOUT CURRENT SUNDAY SERVICE	NET INCREASE FOR SUNDAY SERVICE
REVENUES:								
FARES	2,547	3,394	2,279	9,720	3,212	12,932	1,154	11,778
OPERATING SUBSIDIES	0	13,556	20,258	33,815	0	33,815	0	108,815
TOTAL ROUTE REVENUES	2,547	16,950	22,538	43,535	3,212	46,747	1,154	120,593
EXPENDITURES:								
ADMINISTRATION	3,901	4,293	4,384	12,578	7,601	20,179	1,180	18,999
MARKETING	340	374	382	1,096	0	1,096	0	1,096
OPERATIONS/CONTINGENCY	22,744	25,030	25,560	73,334	43,028	116,362	6,678	109,684
FUEL	6,650	7,218	8,141	22,010	9,166	31,175	531	30,644
INSURANCE	1,674	1,817	2,050	5,541	3,664	9,205	212	8,993
TOTAL EXPENDITURES	35,309	38,733	40,517	114,559	63,459	178,017	8,601	169,416
FAREBOX RATIO	7.21%	8.76%	5.63%	8.48%	5.06%	7.26%	13.41%	6.95%
RIDERSHIP	2,253	2,580	1,889	6,722	1,823	8,545	393	8,152
COST PER PASSENGER	15.68	15.01	21.45	17.04	34.81	20.83	21.89	20.78
SUBSIDY PER PASSENGER	14.54	13.70	20.24	15.60	33.05	19.32	18.96	19.34
TDA SUBSIDY PER PASSENGER	14.54	8.44	9.52	10.57	33.05	15.36	18.96	5.99

COSTS NET OF FARES 104,839 60,247 165,085 7,447 157,638

COSTS NET OF FARES & OPER SUBSIDIES 71,024 60,247 131,271 7,447 48,823

ASSUMPTIONS:

Sunday service hours & miles will be equal to existing Saturday levels.
 Sunday passengers will be equal to 60% of Saturday levels.
 Assume Operating Subsidies available for Sunday service - Rte 10 5307 35% & Rte 12 5311 50% of costs.
 Assume cost increase of Operations (Contractor) 6%, Insurance 5%, & Administration 3%.
COG provides \$75,000 to RTA plus \$1,500 fares for one month free
COG provides \$8,788 to City of San Luis Obispo
COG provides \$1,615 to Morro Bay
 Assume 10 months service beginning in September 2006

Additional TDA Required:

SLO County 49%	23,923
City of SLO 18%	8,788
Allocated on Population% (33%)	
City of Arroyo Grande	2,545
City of Atascadero	4,404
City of Grover Beach	2,034
City of Morro Bay	1,615
City of Paso Robles	4,177
City of Pismo Beach	1,338
	<u>48,824</u>

Revised 6/5/06

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY
SUNDAY SERVICE NET COST CALCULATION - 12 MONTHS SERVICE
 BASED UPON ACTUAL FY 2005/06-12 MONTH PROFORMA OF YTD THRU JANUARY 2006

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO A.G., G.B., P.B., S.L.O.	RT 12 S.S., CAM., CAY., M.B., L.O., S.L.O.	TOTAL FIXED ROUTE SERVICE	RUNABOUT	TOTAL ESTIMATED SUNDAY SERVICE	LESS RUNABOUT CURRENT SUNDAY SERVICE	NET INCREASE FOR SUNDAY SERVICE
REVENUES:								
FARES	3,396	4,525	3,039	10,960	3,854	14,814	1,384	13,430
OPERATING SUBSIDIES	0	16,268	24,310	40,578	0	40,578	0	40,578
TOTAL ROUTE REVENUES	3,396	20,793	27,349	51,538	3,854	55,392	1,384	54,007
EXPENDITURES:								
ADMINISTRATION	4,681	5,152	5,261	15,093	9,121	24,215	1,416	22,799
MARKETING	408	449	458	1,315	0	1,315	0	1,315
OPERATIONS/CONTINGENCY	27,293	30,036	30,672	88,001	51,633	139,634	8,013	131,621
FUEL	7,980	8,662	9,770	26,412	10,999	37,410	638	36,773
INSURANCE	2,009	2,181	2,460	6,650	4,397	11,047	255	10,792
TOTAL EXPENDITURES	42,371	46,479	48,620	137,470	76,150	213,621	10,321	203,300
FAREBOX RATIO	8.01%	9.74%	6.25%	7.97%	5.06%	6.93%	13.41%	6.61%
RIDERSHIP	2,703	3,096	2,267	8,066	2,187	10,253	471	9,782
COST PER PASSENGER	15.68	15.01	21.45	17.04	34.81	20.83	21.89	20.78
SUBSIDY PER PASSENGER	14.42	13.55	20.11	15.68	33.05	19.39	18.96	19.41
TDA SUBSIDY PER PASSENGER	14.42	8.30	9.38	10.65	33.05	15.43	18.96	15.26

COSTS NET OF FARES 126,510 72,296 198,806 8,937 189,870

COSTS NET OF FARES & OPER SUBSIDIES 85,933 72,296 158,229 8,937 149,292

ASSUMPTIONS:

Sunday service hours & miles will be equal to existing Saturday levels.
 Sunday passengers will be equal to 60% of Saturday levels.
 Assume Operating Subsidies available for Sunday service - Rte 10 5307 35% & Rte 12 5311 50% of costs.
 Assume cost increase of Operations (Contractor) 6%, Insurance 5%, & Administration 3%.

Additional TDA Required:	
SLO County 49%	73,153
City of SLO 18%	26,873
Allocated on Population% (33%)	
City of Arroyo Grande	7,782
City of Atascadero	13,465
City of Grover Beach	6,220
City of Morro Bay	4,938
City of Paso Robles	12,772
City of Pismo Beach	4,090
	<u>149,293</u>

Revised 3/14/06