



CITY OF ATASCADERO CITY COUNCIL AGENDA

MEETING INFORMATION:

The City Council meeting will be held in the City Council Chambers and in-person attendance will be available at that location.

HOW TO OBSERVE THE MEETING REMOTELY:

To observe remotely, residents can livestream the meeting on [Zoom](#), SLO-SPAN.org, on Spectrum cable Channel 20 in Atascadero, and listen live on KPRL Radio 1230AM and 99.3FM. The video recording of the meeting will repeat daily on Channel 20 at 1:00 am, 9:00 am, and 6:00 pm and will be available through the City's website and on the City's YouTube Channel. To observe remotely using the Zoom platform please visit:

https://us02web.zoom.us/webinar/register/WN_ZwJ7a031S3KXauEym9ehaA

HOW TO SUBMIT PUBLIC COMMENT:

Public comment may be provided in-person.

Written public comments are accepted at cityclerk@atascadero.org. **Comments should identify the Agenda Item Number in the subject line of the email.** Such comments will be forwarded to the City Council and made a part of the administrative record. **To ensure distribution to the City Council before consideration of an item, please submit comments not later than 12:00 p.m. the day of the meeting.** All correspondence will be distributed to the City Council, posted on the City's website, and be made part of the official public record of the meeting. **Please note, comments will not be read into the record.** Please be aware that communications sent to the City Council are public records and are subject to disclosure pursuant to the California Public Records Act and Brown Act unless exempt from disclosure under applicable law. Communications will not be edited for redactions and will be printed/posted as submitted.

AMERICANS WITH DISABILITIES ACT ACCOMMODATIONS:

Any member of the public who needs accommodations should contact the City Clerk's Office at cityclerk@atascadero.org or by calling 805-470-3400 at least 48 hours prior to the meeting or time when services are needed. The City will use their best efforts to provide reasonable accommodations to afford as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

DISCLOSURE OF CAMPAIGN CONTRIBUTIONS:

Pursuant to Government Code § 84308, City Council Members are disqualified and not able to participate in any agenda item involving contracts (other than competitively bid, labor, or personal employment contracts), franchises, discretionary land use permits and other entitlements if the City Council Member received more than \$250 in campaign contributions from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant who actively supports or opposes the City's decision on the agenda item since January 1, 2023. Members of the City Council who have received, and applicants, contractors or their agents who have made, campaign contributions totaling more than \$250 to a City Council Member since January 1, 2023, are required to disclose that fact for the official record of the subject proceedings. Disclosures must include the amount of the campaign contribution and identify the recipient City Council Member and may be made either in writing to the City Clerk before the agenda item or by verbal disclosure during consideration.

City Council agendas and minutes may be viewed on the City's website:

www.atascadero.org/agendas

Copies of the staff reports or other documentation relating to each item of business referred to on the Agenda are on file in the office of the City Clerk and are available for public inspection on our website, www.atascadero.org. Contracts, Resolutions and Ordinances will be allocated a number once they are approved by the City Council. The Minutes of this meeting will reflect these numbers. All documents submitted by the public during Council meetings that are made a part of the record or referred to in their statement will be noted in the Minutes and available for review by contacting the City Clerk's office. All documents will be available for public inspection by appointment during City Hall business hours.



CITY OF ATASCADERO CITY COUNCIL

AGENDA

Tuesday, September 10, 2024

City Hall Council Chambers, Fourth Floor
6500 Palma Avenue, Atascadero, California

<u>City Council Regular Session:</u>

6:00 P.M.

REGULAR SESSION – CALL TO ORDER: 6:00 P.M.

PLEDGE OF ALLEGIANCE: Council Member Bourbeau

ROLL CALL:
Mayor Moreno
Mayor Pro Tem Funk
Council Member Bourbeau
Council Member Dariz
Council Member Newsom

A. CONSENT CALENDAR: (All items on the consent calendar are considered routine and non-controversial by City staff and will be acted upon by a single action of the City Council unless otherwise requested by an individual Council Member for separate consideration. Public comment on Consent Calendar items will be invited prior to action on the Calendar.)

1. City Council Draft Minutes – July 9, 2024, and August 13, 2024, Regular Meetings

- **Recommendation:** Council approve the July 9, 2024, and August 13, 2024, Draft City Council Regular Meeting Minutes. [City Clerk]

2. June 2024 Investment Report

- **Fiscal Impact:** None.
- **Recommendation:** Council receive and file the City Treasurer's report for quarter ending June 30, 2024. [City Treasurer]

3. Comprehensive Zoning Code Update Contract Award

- **Fiscal Impact:** \$127,833 in budgeted funds.
- **Recommendation:** Council award a contract to MIG, Inc., in the amount of \$127,833, to provide planning consultant services for the Comprehensive Zoning Code Update project. [Community Development]

4. Ordinance Regulating Shopping Carts

- Fiscal Impact: Unknown.
- Recommendation: Council adopt, on second reading, by title only, Draft Ordinance entitled, “An Ordinance of the City Council of the City of Atascadero, California, Adding Title 5, Chapter 17 Regulating Shopping Carts”, to reduce the number of abandoned shopping carts in public spaces, enhancing the community’s safety and aesthetics. [Police]

UPDATES FROM THE CITY MANAGER: (The City Manager will give an oral report on any current issues of concern to the City Council.)

COMMUNITY FORUM: (This portion of the meeting is reserved for persons wanting to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Speakers are limited to three minutes. Please state your name for the record before making your presentation. Comments made during Community Forum will not be a subject of discussion. A maximum of 30 minutes will be allowed for Community Forum, unless changed by the Council. Any members of the public who have questions or need information may contact the City Clerk’s Office, between the hours of 8:30 a.m. and 5:00 p.m. at (805) 470-3400, or cityclerk@atascadero.org.)

B. PUBLIC HEARINGS:

1. Millhollin Mine Closure

- Fiscal Impact: None.
- Recommendation: Council:
 1. Adopt Draft Resolution A determine that the Millhollin Mine has been sufficiently remediated; and
 2. Authorize staff to take all appropriate action to complete the closure of the mine. [Community Development]

C. MANAGEMENT REPORTS: None

D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS: (On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. The following represent standing committees. Informative status reports will be given, as felt necessary):

Mayor Moreno

1. City Selection Committee
2. County Mayors Round Table
3. Regional Economic Action Coalition (REACH)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Funk

1. Atascadero Basin Ground Water Sustainability Agency (GSA)
2. Design Review Committee
3. Homeless Services Oversight Council

Council Member Bourbeau

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. Integrated Waste Management Authority (IWMA)
4. SLO County Water Resources Advisory Committee (WRAC)

Council Member Dariz

1. Air Pollution Control District
2. California Joint Powers Insurance Authority (CJPIA) Board
3. Community Action Partnership of San Luis Obispo (CAPSLO)
4. Design Review Committee
5. Visit SLO CAL Advisory Committee

Council Member Newsom

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. League of California Cities – Council Liaison

E. INDIVIDUAL DETERMINATION AND / OR ACTION: (Council Members may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda. The Council may take action on items listed on the Agenda.)

1. City Council
 - a. Consideration of Position on Proposition 36
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager
 - a. Code Enforcement Related to Feather Flags

ADJOURNMENT



CITY OF ATASCADERO CITY COUNCIL

DRAFT MINUTES

Tuesday, July 9, 2024

City Hall Council Chambers, Fourth Floor
6500 Palma Avenue, Atascadero, California

City Council Regular Session: 6:00 P.M.

REGULAR SESSION — CALL TO ORDER: 6:00 P.M.

Mayor Moreno called the meeting to order at 6:01 P.M. and led the Pledge of Allegiance.

ROLL CALL:

Present: Council Members Bourbeau, Dariz, Newsom, Mayor Pro Tem Funk, and Mayor Moreno

Absent: None

Others Present: None

Staff Present: City Manager James R. Lewis, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Public Works Director Nick DeBar, City Attorney Dave Fleishman, Police Chief Dan Suttles, Planning Manager Kelly Gleason, and Support Services Technician II Abby Getchun

PRESENTATIONS:

1. Proclamation Declaring July as Parks Make Life Better Month

The City Council presented a Proclamation to Recreation Supervisor Larisse Lopez, proclaiming July as Parks Make Life Better Month.

A. CONSENT CALENDAR:

1. City Council Draft Minutes – June 25, 2024, Regular Meeting

- Recommendation: Council approve the June 25, 2024, Draft City Council Regular Meeting Minutes. [City Clerk]

2. Dove Creek Mixed-use Project

- Fiscal Impact: The proposed project is expected to generate revenue through Transient Occupancy Tax (TOT) from the hotel units and sales tax from the retail commercial uses. Based on City policy, this project is required to annex

automatically into the established Community Facilities District (CFD) to offset the cost of City services for the new residential units.

- Recommendation: Council adopt on second reading, by title only, Draft Ordinance amending Title 9 of the Atascadero Municipal Code by approving text amendments to the Planned Development #12 Overlay Zone, based on findings, and subject to conditions of approval. [Community Development]

4. Design Award for 2025 Measure F-14 Pavement Rehabilitation Project

- Fiscal Impact: Estimated expenditures of \$208,950 from Sales Tax Measure F-14 Funds for the design phase of the 2025 F-14 Project. The adopted Budget includes \$50,000 in FY23/24 for the 2025 F-14 Project and \$100,000 in FY24/25, with a total project budget of \$2,800,000.
- Recommendation: Council award a professional services agreement with Rick Engineering Company for \$208,950 to provide design engineering and prepare bidding documents for the 2025 Measure F-14 Pavement Rehabilitation Project (Project No. C2024R01). [Public Works]

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: None.

Mayor Moreno closed the Public Comment period.

MOTION BY: Bourbeau

SECOND BY: Funk

1. Approve Consent Calendar Items A-1, A-2, and A-4 (#A-2: Ordinance No. 674) (#A-4: Contract No. 2024-013)

AYES (5): Bourbeau, Dariz, Funk, Newsom and Moreno

ABSENT (0): None

Passed 5-0

Council Member Bourbeau removed Consent Item #A-3 for separate discussion and vote.

3. Reject Bids for 2024 Measure F-14 Pavement Rehabilitation Project

- Fiscal Impact: Estimated expenditures of \$2,500 of design consultant fees, public advertisement, and staff time toward the project budget.
- Recommendation: Council:
 1. Reject all three received bids for the 2024 Measure F-14 Pavement Rehabilitation Project (Project No. C2023R01).
 2. Direct the City Engineer to evaluate and implement measures to reduce project costs and resolicit construction bids for the 2024 Measure F-14 Pavement Rehabilitation Project. [Public Works]

City Manager Lewis briefed the City Council and provided updated information on the item. He also answered questions from the City Council.

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: None.

Mayor Moreno closed the Public Comment period.

MOTION BY: Bourbeau

SECOND BY: Newsom

1. **Reject the bid protest from Souza Construction and waive any irregularities in the Cen-Cal Construction bid proposal.**
2. **Award a construction contract for \$4,250,000 to Cen-Cal Construction for the 2024 Measure F-14 Pavement Rehabilitation Project.**
3. **Authorize the Administrative Services Director to allocate an additional \$1.43 million in Measure F-14 funds to the 2024 Measure F-14 Pavement Rehabilitation Project.**

AYES (5): Bourbeau, Dariz, Funk, Newsom and Moreno

ABSENT (0): None

Passed 5-0

UPDATES FROM THE CITY MANAGER:

City Manager Lewis gave an update on projects and events within the City.

COMMUNITY FORUM:

The following persons spoke on this item: Wendy Lewis

B. PUBLIC HEARINGS:

1. Amendment to Grand Oaks Paseo Master Plan of Development

- **Fiscal Impact:** As the project is already within the boundaries of the Citywide Community Facilities District, the added units above the community center are required to be automatically included within the special tax district, providing fiscal neutrality for the amended project site. Other requested changes will have no affect.
- **Recommendation:** Planning Commission recommends Council:
 1. Introduce for first reading, by title only, Draft Ordinance amending Planned Development Overlay Zone #27 for the Grand Oaks Paseo project.
 2. Adopt Draft Resolution approving amendments to the Grand Oaks Paseo Master Plan of Development (AMND24-0045) to modify the common open space and amenity plan, delete unit 14, and add 2 residential units above the community building, based on findings and subject to conditions of approval. [Community Development]

Ex-Parte: None.

Planning Manager Gleason gave the report and answered questions from Council.

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: Ted Lawton, Cory Jones, and Olivia Montano

Mayor Moreno closed the Public Comment period.

Mayor Moreno recessed the meeting at 7:02 p.m.

Mayor Moreno reconvened the meeting at 7:08 with all present.

MOTION BY: Bourbeau
SECOND BY: Dariz

1. Introduce for first reading, by title only, Draft Ordinance amending Planned Development Overlay Zone #27 for the Grand Oaks Paseo project.
2. Adopt Resolution No. 2024-056 approving amendments to the Grand Oaks Paseo Master Plan of Development (AMND24-0045) to modify the common open space and amenity plan, delete unit 14, and add 2 residential units above the community building, based on findings and subject to conditions of approval with the additional of a short-term rental condition.

AYES (5): Bourbeau, Dariz, Funk, and Moreno
ABSENT (0): None

Passed 5-0

C. MANAGEMENT REPORTS: None.

D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:

The following Council Members gave brief update reports on their committees since their last Council meeting:

Mayor Moreno

Mayor Moreno noted meeting with State and Federal legislators.

Mayor Pro Tem Funk

1. Design Review Committee
2. Homeless Services Oversight Council

Council Member Newsom

1. League of California Cities – Council Liaison

Council Member Newsome noted meeting with Congressman Panetta in Washington DC.

Council Member Newsom thanked first responders, doctors, and others for supporting her and her family during a time of need. Encouraged anyone interested to find out more about becoming a donor through Donate Life.

E. INDIVIDUAL DETERMINATION AND / OR ACTION: None.

ADJOURNMENT:

Mayor Moreno adjourned the meeting at 7:19 P.M.

MINUTES PREPARED BY:

Lara K. Christensen
City Clerk

APPROVED:



CITY OF ATASCADERO CITY COUNCIL

DRAFT MINUTES

Tuesday, August 13, 2024

City Hall Council Chambers, Fourth Floor
6500 Palma Avenue, Atascadero, California

<u>City Council Closed Session:</u>	5:00 P.M.
<u>City Council Regular Session:</u>	6:00 P.M.

Mayor Moreno called the meeting to order at 5:00 P.M.

ROLL CALL:

Present: Council Members Bourbeau, Dariz, Newsom, Mayor Pro Tem Funk, and Mayor Moreno

Absent: None

Others Present: None

Staff Present: City Manager James R. Lewis and City Attorney Dave Fleishman

CITY COUNCIL CLOSED SESSION:

Mayor Moreno called the Closed Session Meeting to order at 5:01 P.M.

1. **CLOSED SESSION — PUBLIC COMMENT: None**
2. **COUNCIL LEAVES CHAMBERS TO BEGIN CLOSED SESSION**
3. **CLOSED SESSION — CALL TO ORDER**
 - a. **Public Employee Performance Evaluation**
Government Code Sec. 54957
Title: City Manager
 - b. **Conference with Legal Counsel – Existing Litigation**
Government Code Sec. 54956.9(d)(1)
Name of case: Newton v. City of Atascadero, California Court of Appeal, Second District, Division 6, Case No. B333543.

4. **CLOSED SESSION — RECESS** – until after the adjournment of the Regular Session
5. **COUNCIL RETURNS**
6. **CLOSED SESSION — REPORT, if any**

Mayor Moreno noted that more time would be needed to complete the discussion on Closed Session Item 3b and that Council would be recessing Closed Session until after the close of Regular Session.

City Attorney Fleishman reported that there was no reportable action from Closed Session on Item 3a.

REGULAR SESSION – CALL TO ORDER: 6:00 P.M.

Mayor Moreno called the meeting to order at 6:01 P.M. and Mayor Pro Tem Funk led the Pledge of Allegiance.

ROLL CALL:

Present: Council Members Bourbeau, Dariz, Newsom, Mayor Pro Tem Funk, and Mayor Moreno

Absent: None

Others Present: None

Staff Present: City Manager James R. Lewis, Deputy City Manager/City Clerk Lara Christensen, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Public Works Director Nick DeBar, City Attorney Dave Fleishman, Police Chief Dan Suttles, Fire Chief Casey Bryson, and Technical Support Specialist II Abby Getahun

PRESENTATIONS:

1. Employee Recognition Awards

City Manager Lewis presented the following employees with Service Awards:

- **5 Years:** Krys Clark, Accounting Specialist
Robert Hammer, Police Officer
- **10 Years:** Sam Rodriguez, Police Sergeant
- **20 Years:** Timm Cleaver, Operations Manager

A. CONSENT CALENDAR:

1. AP & Payroll

- **Fiscal Impact:** \$4,084,911.28
- **Recommendation:** Council approve certified accounts payable, payroll and payroll vendor checks for June 2024. [Administrative Services]

2. 2024 F-14 Resurfacing Project Construction Award

- **Fiscal Impact:** \$450,000 in Measure F-14 monies.
- **Recommendation:** Council:

1. Award a construction contract in the amount of \$376,442 to Souza Construction for the 2024 Measure F-14 Pavement Resurfacing Project (Project No. C2024R02).
2. Authorize the Director of Administrative Services to allocate an additional \$50,000 in Measure F-14 Fund balance to the 2024 Measure F-14 Pavement Resurfacing Project. [Public Works]
3. **Santa Rosa Road CDBG Sidewalk and Ramp Improvement Project Construction Award**
 - Fiscal Impact: \$386,808 in budgeted CDBG funds.
 - Recommendation: Council award a construction contract in the amount of \$289,105 to Souza Construction for the Santa Rosa Road CDBG Sidewalk and Ramp Improvements Project (Project No. C2019M02). [Public Works]
4. **League of California Cities (CalCities) Voting Delegate**
 - Fiscal Impact: None.
 - Recommendation: Council designate Council Member Newsom as the voting delegate and City Manager Jim Lewis as the alternate for the General Assembly at the Cal Cities Annual Conference and Expo in October 2024 and direct the City Clerk to inform Cal Cities of the designation. [City Clerk]
5. **Amendment to Grand Oaks Paseo Master Plan of Development**
 - Fiscal Impact: Added units above the community center are required to be automatically included within the special tax district, providing fiscal neutrality for the amended project site. Other requested changes will have no effect.
 - Recommendation: Council adopt on second reading, by title only, Draft Ordinance amending Planned Development Overlay Zone #27 for the Grand Oaks Paseo project, based on findings. [Community Development]
6. **Water Recycling Funding Program Planning Grant**
 - Fiscal Impact: None.
 - Recommendation: Adopt Draft Resolution authorizing the City Manager to submit a grant application to the State Water Resources Control Board for the Water Recycling Funding Program Planning Grant. [Public Works]

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: None.

Mayor Moreno closed the Public Comment period.

MOTION BY: Bourbeau

SECOND BY: Funk

1. **Approve Consent Calendar (#A-2: Contract No. 2024-014) (#A-5: Ordinance No. 675) (#A-6: Resolution No. 2024-057).**

AYES (5): Bourbeau, Dariz, Newsom, Funk, and Moreno

Passed 5-0

UPDATES FROM THE CITY MANAGER:

City Manager Lewis gave an update on projects and events within the City.

COMMUNITY FORUM:

The following persons spoke: Geoff Auslen, John Sanders, and Wade Cohen.

B. PUBLIC HEARINGS:

1. Confirming Cost of Weed/Vegetative Growth Abatement

- Fiscal Impact: Approximately \$93,840.14.
- Recommendation: Council adopt the Draft Resolution, confirming the cost of vegetative growth (weeds) and/or refuse (rubbish) abatement. [Fire]

Ex-Parte: None. Council noted receiving a letter at the dais that had been received after the cut off for written comment.

Fire Chief Bryson gave the report and answered questions from the Council.

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: None.

Mayor Moreno closed the Public Comment period.

MOTION BY: Bourbeau

SECOND BY: Funk

1. Adopt Resolution No. 2024-058, confirming the cost of vegetative growth (weeds) and/or refuse (rubbish) abatement.

AYES (5): Bourbeau, Dariz, Funk, Newsom, and Moreno

ABSENT (0):

Passed 5-0

C. MANAGEMENT REPORTS:

1. Community Cleanliness Update

- Fiscal Impact: Unknown
- Recommendation: Council:
 1. Introduce, for first reading by title only, Draft Ordinance entitled, “An Ordinance of the City Council of the City of Atascadero, California, Adding Title 5, Chapter 17 Regulating Shopping Carts”, to reduce the number of abandoned shopping carts in public spaces, enhancing the community’s safety and aesthetics.
 2. Pursue a graffiti abatement program on a trial basis for private property that relies on donations from paint suppliers and labor from service clubs to abate graffiti. [Police]

Police Chief Suttles gave the report and answered questions from the Council.

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: None

Mayor Moreno closed the Public Comment period.

MOTION BY: Bourbeau
SECOND BY: Dariz

1. Introduce, for first reading by title only, Draft Ordinance entitled, “An Ordinance of the City Council of the City of Atascadero, California, Adding Title 5, Chapter 17 Regulating Shopping Carts”, to reduce the number of abandoned shopping carts in public spaces, enhancing the community’s safety and aesthetics striking subsection D of Section 5-17.070.
2. Pursue a graffiti abatement program on a trial basis for private property that relies on donations from paint suppliers and labor from service clubs to abate graffiti.

AYES (5): Bourbeau, Dariz, Newsom, Funk, and Moreno
 ABSENT (0): None

Passed 5-0

2. Centennial Plaza Proposals and Selection

- Fiscal Impact: One-time payment of \$7,500 to the candidate not selected. Purchase and Development Agreements are yet to be negotiated and will be considered by Council at a later date.
- Recommendation: Council:
 1. Select the Herrera/Weyrick Team as preferred candidate. Provide general design and project direction on selected candidate’s proposal.
 2. Direct the City Manager to work with the selected candidate on a final design, purchase agreement, and development agreement to return to City Council for final approval. [Community Development]

Community Development Director Dunsmore gave the report and answered questions from the Council.

PUBLIC COMMENT:

Mayor Moreno opened the Public Comment period.

The following persons spoke on this item: Eddie Herrera

Mayor Moreno closed the Public Comment period.

MOTION BY: Bourbeau
SECOND BY: Funk

1. Select the Herrera/Weyrick Team as preferred candidate. Provide general design and project direction on selected candidate’s proposal.
2. Direct the City Manager to work with the selected candidate on a final design, purchase agreement, and development agreement to return to City Council for final approval.

AYES (5): Bourbeau, Dariz, Funk, Newsom, and Moreno
 ABSENT (0): None

Passed 5-0

D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:

The following Council Members gave brief update reports on their committees since their last Council meeting:

Mayor Moreno

1. League of California Cities – Channel Counties Divison

Mayor Pro Tem Funk

1. Homeless Services Oversight Council

Council Member Bourbeau

1. Integrated Waste Management Authority (IWMA)

Council Member Dariz

1. Community Action Partnership of San Luis Obispo (CAPSLO)
2. Design Review Committee

E. INDIVIDUAL DETERMINATION AND / OR ACTION: None

ADJOURNMENT

Mayor Moreno adjourned the Regular Meeting at 7:55 pm; Council returned to the previously recessed Closed Session Meeting.

CLOSED SESSION:

Closed Session was reconvened at 7:58 pm and adjourned at 8:27 pm; no reportable action.

MINUTES PREPARED BY:

Lara K. Christensen
City Clerk

APPROVED:



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item A2

Department: Administrative Services
Date: 9/10/24
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER
FROM: JERI RANGEL, DIRECTOR OF ADMINISTRATIVE SERVICES
PREPARED BY: KRYS CLARK, ACCOUNTING SPECIALIST

SUBJECT: June 2024 Investment Report

RECOMMENDATION:

Council receive and file the City Treasurer's report for quarter ending June 30, 2024.

REPORT IN BRIEF:

CASH AND INVESTMENTS

Checking Account	\$ 297,627	
Zoo Credit Card Deposit Account	2,703	
Mechanics Bank Money Market Account	17,082,707	
Certificates of Deposit	18,898,054	
Government Securities	26,173,256	
Supranational Securities	8,956,306	
Municipal Securities	2,009,677	
LAIF	9,839,866	
Cash with Fiscal Agents (2004 & 2010 Bonds)	15,801	
Cash with Fiscal Agents (2024 Bonds)	20,659,589	
Cash in Banks at June 30, 2024		\$ 103,935,586
Deposits in Transit		118,714
Timing Differences		(1,838,540)
Cash and Investments at June 30, 2024		<u>\$ 102,215,760</u>

INVESTMENT ACTIVITY

Securities Purchased:

Purchase Date	Description	Type	Cost	Maturity Date
04/10/24	Federal Home Loan Bank CUSIP #3130AVBD3	Government Security	\$ 1,001,250	03/09/29
04/17/24	Federal Farm Credit Bank CUSIP #3133ERAK7	Government Security	985,440	04/10/29
05/03/24	Pasadena CA Pension Bond CUSIP #70227RBQ2	Municipal Security	291,634	05/01/29
05/08/24	Federal Farm Credit Bank CUSIP #3133EHZ48	Government Security	180,312	12/04/28
05/09/24	Dallas TX Ind School District CUSIP #235308D83	Municipal Security	147,255	08/15/26

Investment Activity (continued)**Securities Purchased (continued):**

<u>Purchase Date</u>	<u>Description</u>	<u>Type</u>	<u>Cost</u>	<u>Maturity Date</u>
05/09/24	El Paso TX CUSIP #283734Y21	Municipal Security	\$ 101,047	08/15/26
05/16/24	Federal National Mortgage Assn CUSIP #31359MEU3	Government Security	813,068	05/15/29
06/11/24	Federal Home Loan Bank CUSIP #3130B1BC0	Government Security	1,005,771	06/08/29
06/12/24	Morgan Stanley Private Bank National Association	Certificate of Deposit	244,000	06/12/29

Securities Matured:

<u>Maturity Date</u>	<u>Description</u>	<u>Type</u>	<u>Original Cost</u>	<u>Amount Matured</u>
04/26/24	Mainstreet Bank Fairfax, VA	Certificate of Deposit	\$ 245,000	\$ 245,000
05/13/24	Federal Farm Credit Bank CUSIP #3133EKLBO	Government Security	499,845	500,000
05/16/24	Enterprise Bank Allison Park, PA	Certificate of Deposit	245,000	245,000
06/01/24	Tulare County Pension Bond CUSIP #899154AW8	Municipal Security	131,996	120,000
06/13/24	US Treasury CUSIP #912797FS1	Government Security	96,366	100,000
06/26/24	Commerce Bank Geneva, MN	Certificate of Deposit	245,000	245,000

Securities Sold Prior to Maturity:

<u>Transaction / Tran Date</u>	<u>Description / Type</u>	<u>Original Cost / Maturity</u>	<u>Sale Price</u>	<u>Gain / (Loss) on Sale</u>
None				

Other Reportable Activities:

None

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director and the City Treasurer.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENT(S):

1. Treasurer's Report

City of Atascadero
Treasurer's Report
Cash & Investments Activity Summary
for the quarter ending June 30, 2024

	<u>CHECKING ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>FISCAL AGENT</u>	<u>TOTALS</u>
Balance per Banks at April 1, 2024	\$ 1,143,280	\$ 74,242,278	\$ 2,466,376	\$ 77,851,934
Receipts	205,557	17,584,924	18,814,361	36,604,842
Recognition of Premiums & Discounts	-	50,887	-	50,887
Disbursements	(9,966,730)	-	(605,347)	(10,572,077)
Transfers In	13,875,000	4,956,777	-	18,831,777
Transfers Out	<u>(4,956,777)</u>	<u>(13,875,000)</u>	<u>-</u>	<u>(18,831,777)</u>
Balance per Banks at June 30, 2024	<u>\$ 300,330</u>	<u>\$ 82,959,866</u>	<u>\$ 20,675,390</u>	103,935,586
Deposits in Transit				118,714
Timing Differences				<u>(1,838,540)</u>
Adjusted Treasurer's Balance				<u><u>\$ 102,215,760</u></u>

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<u>Funds Managed by City</u>											
n/a	Local Agency Invest. Fund (LAIF)	n/a	State Investment Fund	n/a	n/a	4.48%	\$ 9,839,866	n/a	\$ 9,839,866	\$ 9,803,616	\$ (36,250)
n/a	Mechanic's Bank Money Market	n/a	Money Fund	n/a	n/a	4.85%	17,082,707	n/a	17,082,707	17,082,707	-
07/23/24	BankUnited Miami Lakes, FL	07/24/23	Certificate of Deposit	n/a	5.30%	5.30%	237,000	n/a	237,000	236,948	(52)
07/26/24	Abacus Federal Savings New York, NY	07/26/19	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	244,365	(635)
08/01/24	Federal Farm Credit Bank CUSIP 3133EJM55	07/24/19	Government Security	Aaa	3.25%	1.92%	427,000	491	427,491	426,125	(1,366)
08/19/24	CF Bank Worthington, OH	08/19/19	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	243,787	(1,213)
08/28/24	Genoa Banking Company Genoa, OH	08/28/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	243,550	(1,450)
08/28/24	Int'l Bank for Recon & Develop CUSIP #459056HV2	10/18/19	Supranational Security	Aaa	1.50%	1.62%	500,000	(95)	499,905	496,845	(3,060)
08/30/24	Preferred Bank Los Angeles, CA	08/30/19	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	243,510	(1,490)
09/10/24	Peoples Bank Rock Valley, IA	03/23/20	Certificate of Deposit	n/a	1.50%	1.50%	100,000	n/a	100,000	99,229	(771)
09/20/24	Bank Deerfield Deerfield, WI	09/20/19	Certificate of Deposit	n/a	1.70%	1.70%	245,000	n/a	245,000	242,954	(2,046)
09/25/24	Grand River Bank Grandville, MI	03/25/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	242,418	(2,582)
10/15/24	Federal National Mortgage Assn CUSIP #3135G0W66	03/13/20	Government Security	Aaa	1.63%	0.81%	500,000	1,191	501,191	494,845	(6,346)
11/08/24	Raymond James Bank St. Petersburg, FL	11/08/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	241,783	(3,217)
11/18/24	Federal Farm Credit Bank CUSIP #3133ENZ94	11/23/22	Government Security	Aaa	4.50%	4.70%	400,000	(315)	399,685	398,352	(1,333)
12/13/24	Federal Home Loan Bank CUSIP #3130A3GE8	03/13/20	Government Security	Aaa	2.75%	0.84%	500,000	4,324	504,324	494,080	(10,244)
01/15/25	Int'l Bank for Recon & Develop CUSIP #459058HT3	01/16/20	Supranational Security	Aaa	1.63%	1.66%	500,000	(105)	499,895	490,040	(9,855)
01/20/25	Live Oak Banking Company Wilmington, NC	01/24/20	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	240,330	(4,670)

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01/24/25	Baycoast Bank Swansea, MA	01/24/20	Certificate of Deposit	n/a	1.70%	1.70%	\$ 245,000	n/a	\$ 245,000	\$ 240,044	\$ (4,956)
02/12/25	Federal Home Loan Mtge Corp CUSIP #3137EAEP0	03/13/20	Government Security	Aaa	1.50%	0.79%	500,000	2,196	502,196	488,495	(13,701)
03/03/25	Federal Farm Credit Bank CUSIP #3133ELQY3	03/04/20	Government Security	Aaa	1.21%	0.88%	500,000	1,095	501,095	486,885	(14,210)
03/26/25	Evergreen Bank Group Oak Brook, IL	03/26/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	237,415	(7,585)
03/27/25	Bank of Romney Romney, WV	03/27/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	237,657	(7,343)
03/27/25	First Jackson Bank Stevenson, AL	03/27/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	237,657	(7,343)
04/01/25	El Cajon Taxable Pension Obl CUSIP 282659AX9	01/27/21	Municipal Security	Aa	1.18%	0.70%	650,000	2,339	652,339	629,525	(22,814)
04/28/25	First National Bank McGregor, TX	04/28/20	Certificate of Deposit	n/a	1.35%	1.35%	245,000	n/a	245,000	237,260	(7,740)
04/29/25	Flagstar Bank Troy, MI	03/26/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	236,842	(8,159)
05/01/25	Corona California Pension CUSIP #21969AAD4	04/12/23	Municipal Security	AA+	1.13%	4.50%	450,000	(12,262)	437,738	434,151	(3,587)
05/15/25	Tennessee Valley Authority CUSIP #880591EW8	11/09/22	Government Security	Aaa	0.75%	4.77%	205,000	(6,972)	198,028	197,220	(808)
06/24/25	BMO Harris Bank NA Chicago, IL	11/08/23	Certificate of Deposit	n/a	3.20%	3.20%	225,000	(4,265)	220,735	220,617	(118)
06/30/25	US Treasury Notes CUSIP #912828XZ8	04/13/22	Government Security	Aaa	2.75%	2.61%	500,000	667	500,667	488,560	(12,107)
07/01/25	Northern Calif Power Agency CUSIP #664845FN9	04/13/22	Municipal Security	Aa3	2.39%	3.04%	305,000	(1,946)	303,054	296,210	(6,844)
07/01/25	University of California CUSIP #91412GU94	10/22/20	Municipal Security	Aa2	3.06%	0.81%	300,000	6,753	306,753	293,721	(13,032)
08/12/25	Goldman Sachs Bank New York, NY	11/08/23	Certificate of Deposit	n/a	3.05%	5.16%	246,000	(5,573)	240,427	240,347	(80)
08/18/25	Federal National Mortgage Assn CUSIP #3136G4M75	01/09/22	Government Security	Aaa	0.52%	4.70%	280,000	(12,775)	267,225	266,168	(1,057)
08/20/25	Northeast Community Bank White Plains, NY	07/19/23	Certificate of Deposit	n/a	0.45%	4.99%	160,000	(8,037)	151,963	151,654	(309)

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09/01/25	San Bernardino Successor Agency Swansea, MA	10/22/20	Municipal Security	Aa	4.00%	0.71%	\$ 175,000	\$ 6,716	\$ 181,716	\$ 175,698	\$ (6,018)
09/12/25	Federal Home Loan Bank CUSIP #3130A6C70	10/04/22	Government Security	Aaa	2.63%	4.13%	570,000	(9,935)	560,065	554,445	(5,620)
10/01/25	Folsom Cordova School District CUSIP #34440PCN9	11/10/20	Municipal Security	Aa-	3.00%	1.00%	400,000	9,949	409,949	389,636	(20,313)
10/03/25	Investar Bank Baton Rouge, LA	10/04/23	Certificate of Deposit	n/a	5.35%	5.35%	248,000	n/a	248,000	248,717	717
11/07/25	Federal National Mortgage Assn CUSIP #3135G06G3	12/14/20	Government Security	Aaa	0.50%	0.42%	500,000	540	500,540	471,125	(29,415)
11/15/25	Tulare Sewer Revenue CUSIP 899124MF5	12/11/20	Municipal Security	Aa	1.46%	0.58%	400,000	4,780	404,780	379,532	(25,248)
12/11/25	BMW Bank North America Salt Lake City, UT	12/11/20	Certificate of Deposit	n/a	0.50%	0.50%	245,000	n/a	245,000	229,469	(15,531)
12/18/25	Third Federal Savings & Loan Cleveland, OH	12/18/20	Certificate of Deposit	n/a	1.46%	1.46%	245,000	n/a	245,000	229,119	(15,881)
12/29/25	American Nat'l Bank Baxter, MN	09/29/23	Certificate of Deposit	n/a	5.00%	5.00%	248,000	n/a	248,000	247,836	(164)
01/15/26	First Reliance Bank Florence, SC	01/15/21	Certificate of Deposit	n/a	0.30%	0.30%	245,000	n/a	245,000	227,816	(17,184)
01/22/26	ConnectOne Bank Englewood Cliffs, NJ	01/22/21	Certificate of Deposit	n/a	0.45%	0.45%	245,000	n/a	245,000	228,183	(16,817)
01/22/26	Luana Savings Bank Luana, IA	01/22/21	Certificate of Deposit	n/a	0.40%	0.40%	245,000	n/a	245,000	228,161	(16,839)
02/09/26	First United Bank & Trust Durant, OK	03/16/23	Certificate of Deposit	n/a	4.25%	4.81%	120,000	(1,043)	118,957	118,621	(336)
02/11/26	Ind'l & Com'l Bank of China New York, NY	02/22/21	Certificate of Deposit	n/a	0.45%	0.45%	245,000	n/a	245,000	227,838	(17,162)
02/24/26	Eaglebank Bethesda, MD	03/16/23	Certificate of Deposit	n/a	4.25%	4.25%	244,000	n/a	244,000	241,106	(2,894)
03/02/26	Federal Farm Credit Bank CUSIP #3133EFH91	03/03/21	Government Security	Aaa	2.22%	0.75%	876,000	21,336	897,336	839,357	(57,979)
03/27/26	Federal Agriculture Mtge Corp CUSIP #31422XDX7	03/30/21	Government Security	n/a	0.83%	0.87%	500,000	(328)	499,672	466,870	(32,802)
04/23/26	Malaga Bank Palos Verdes Peninsula, CA	04/23/21	Certificate of Deposit	n/a	0.55%	0.55%	245,000	n/a	245,000	226,346	(18,654)

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04/24/26	Federal National Mortgage Assn CUSIP #3135G0K36	04/26/21	Government Security	Aaa	2.13%	0.77%	\$ 500,000	\$ 12,217	\$ 512,217	\$ 477,145	\$ (35,072)
05/19/26	Eaglemark Savings Bank Reno, NV	05/19/21	Certificate of Deposit	n/a	0.70%	0.70%	245,000	n/a	245,000	226,480	(18,520)
05/31/26	US Treasury Notes CUSIP #91282CCF6	11/23/22	Government Security	Aaa	0.75%	4.15%	500,000	(30,990)	469,010	463,690	(5,320)
06/01/26	Golden St TOB CUSIP #38122NC59	05/10/23	Municipal Security	A	2.16%	4.52%	150,000	(6,437)	143,563	141,005	(2,559)
06/05/26	Enterprise Bank Omaha, NE	09/27/23	Certificate of Deposit	n/a	0.85%	4.99%	249,000	(18,964)	230,036	230,430	394
06/24/26	First Financial Bank Dakota Dunes, SD	09/27/23	Certificate of Deposit	n/a	3.15%	5.11%	249,000	(9,184)	239,816	240,858	1,042
06/30/26	UBS Bank USA Salt Lake City, UT	05/19/21	Certificate of Deposit	n/a	0.90%	0.90%	245,000	n/a	245,000	226,422	(18,578)
07/01/26	New York Community Bank Hicksville, NY	06/29/21	Certificate of Deposit	n/a	0.85%	0.85%	245,000	n/a	245,000	226,343	(18,657)
07/20/26	Southern Bancorp Bank Arkadelphia, AR	01/19/24	Certificate of Deposit	n/a	4.00%	4.00%	249,000	n/a	249,000	244,735	(4,265)
07/22/26	Toyota Financial Savings Bank Henderson, NV	07/22/21	Certificate of Deposit	n/a	0.95%	0.95%	245,000	n/a	245,000	226,294	(18,706)
08/01/26	Rancho Adobe Fire Protection CUSIP #752096AE7	10/14/21	Municipal Security	Aa	1.43%	1.25%	260,000	964	260,964	241,504	(19,460)
08/03/26	Bridgewater Bank St. Louis Pk, MN	11/03/23	Certificate of Deposit	n/a	5.15%	5.15%	248,000	n/a	248,000	249,354	1,354
08/13/26	Synchrony Bank Draper, UT	08/13/21	Certificate of Deposit	n/a	0.90%	0.90%	245,000	n/a	245,000	225,523	(19,478)
08/15/26	Dallas TX Ind School District CUSIP #235308D83	05/09/24	Municipal Security	Aaa	4.00%	4.86%	150,000	(2,561)	147,439	147,483	44
08/15/26	El Paso TX CUSIP #283734Y21	05/09/24	Municipal Security	Aa	4.93%	4.93%	110,000	(8,416)	101,584	101,340	(244)
09/24/26	Federal National Mortgage Assn CUSIP #3135G0Q22	09/24/21	Government Security	Aaa	1.88%	0.80%	500,000	11,941	511,941	470,215	(41,726)
09/29/26	First Bank Richmond Richmond, IN	09/29/21	Certificate of Deposit	n/a	0.55%	0.55%	245,000	n/a	245,000	222,575	(22,425)
10/01/26	California Infrastructure Bonds CUSIP #13034AL73	10/05/22	Municipal Security	AAA	1.04%	4.69%	155,000	(11,986)	143,014	142,411	(603)

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10/01/26	Manteca Redevelopment Bonds CUSIP #56453RBA1	10/05/22	Municipal Security	AA	2.04%	4.81%	\$ 115,000	\$ (6,726)	\$ 108,274	\$ 107,280	\$ (994)
10/13/26	Federal Agricultural Mtge Corp CUSIP #31424WAN2	11/08/23	Government Security	n/a	5.00%	4.77%	700,000	3,443	703,443	704,285	842
10/31/26	US Treasury Notes CUSIP #912828YQ7	11/23/22	Government Security	Aaa	1.63%	4.07%	250,000	(13,488)	236,512	233,467	(3,045)
11/17/26	Capital One Bank Glen Allen, VA	11/17/21	Certificate of Deposit	n/a	1.10%	1.10%	245,000	n/a	245,000	224,293	(20,707)
11/17/26	Capital One National McLean, VA	11/17/21	Certificate of Deposit	n/a	1.10%	1.10%	245,000	n/a	245,000	224,293	(20,707)
11/17/26	Federal Agricultural Mtge Corp CUSIP #31422XPS5	09/27/23	Government Security	n/a	1.15%	4.86%	500,000	(41,245)	458,755	460,450	1,695
12/21/26	Federal Home Loan Bank CUSIP #3130AQF65	12/30/21	Government Security	Aaa	1.25%	1.26%	500,000	(90)	499,910	460,390	(39,520)
12/28/26	Federal Farm Credit Bank CUSIP #3133EJ4E6	01/18/22	Government Security	Aaa	3.13%	1.58%	200,000	7,526	207,526	192,820	(14,706)
12/31/26	Bank Kremlin Kremlin, OK	12/31/21	Certificate of Deposit	n/a	1.05%	1.05%	245,000	n/a	245,000	222,926	(22,075)
01/15/27	San Joaquin Hills Trans Agency CUSIP # 798111HF0	01/19/22	Municipal Security	A2	2.15%	1.88%	500,000	3,327	503,327	465,460	(37,867)
01/19/27	First Foundation Bank Irvine, CA	10/25/23	Certificate of Deposit	n/a	4.70%	5.05%	230,000	(1,901)	228,099	228,960	861
02/10/27	Federal Agriculture Mtge Corp CUSIP #31422XTX0	02/17/22	Government Security	n/a	1.60%	1.96%	550,000	(5,024)	544,976	509,317	(35,660)
02/17/27	Beal Bank USA Las Vegas, NV	02/23/22	Certificate of Deposit	n/a	1.90%	1.90%	245,000	n/a	245,000	227,147	(17,853)
02/23/27	Sallie Mae Bank Salt Lake City, UT	10/13/22	Certificate of Deposit	n/a	2.20%	4.17%	184,000	(9,032)	174,968	171,836	(3,132)
03/01/27	Sonoma Marin Area Rail Transit CUSIP #835588BA1	12/07/22	Municipal Security	AA	1.73%	4.45%	500,000	(33,862)	466,138	461,255	(4,883)
03/12/27	Federal Home Loan Bank CUSIP #3130A3DU5	03/17/22	Government Security	Aaa	3.00%	2.20%	500,000	10,424	510,424	479,365	(31,059)
03/16/27	American Express Nat'l Bank Sandy, UT	03/16/22	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	227,162	(17,838)
03/17/27	Beal Bank Plano, TX	03/23/22	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	226,233	(18,767)

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04/14/27	Comenity Capital Bank Draper, UT	04/14/22	Certificate of Deposit	n/a	2.65%	2.65%	\$ 245,000	n/a	\$ 245,000	\$ 230,761	\$ (14,239)
04/30/27	US Treasury Notes CUSIP # 91282CEN7	01/18/23	Government Security	Aaa	2.75%	3.64%	1,000,000	(23,815)	976,185	952,730	(23,455)
05/01/27	LA Unified School District CUSIP # 544646A77	05/11/22	Municipal Security	Aa3	5.72%	3.81%	500,000	25,574	525,574	503,010	(22,564)
05/15/27	US Treasury Notes CUSIP #912828X88	05/24/22	Government Security	Aaa	2.38%	2.87%	500,000	(6,678)	493,322	470,900	(22,422)
06/09/27	Federal Home Loan Bank CUSIP #3130A5JU4	06/22/22	Government Security	Aaa	3.04%	3.43%	200,000	(2,135)	197,865	191,334	(6,531)
06/11/27	Federal Home Loan Bank CUSIP #3130ASGU7	06/22/22	Government Security	Aaa	3.50%	3.41%	200,000	538	200,538	193,812	(6,726)
06/15/27	Federal Farm Credit Bank CUSIP #3133EHNRO	06/22/22	Government Security	Aaa	2.58%	3.43%	480,000	(11,315)	468,685	453,658	(15,027)
07/01/27	Sequoia CA Union High CUSIP #817409N50	05/10/23	Municipal Security	AA1	1.95%	4.20%	350,000	(21,952)	328,048	322,588	(5,460)
07/16/27	Federal Farm Credit Bank CUSIP #3133EAXT0	07/26/22	Government Security	Aaa	2.75%	2.98%	135,000	(885)	134,115	128,085	(6,030)
07/20/27	Federal Farm Credit Bank CUSIP #3133ELV92	10/25/23	Government Security	Aaa	0.77%	4.86%	500,000	(57,334)	442,666	446,305	3,639
08/01/27	Corona Norco Ca Unif Sch Dist CUSIP # 219764SB4	08/04/22	Municipal Security	AA-	2.30%	3.63%	250,000	(9,629)	240,371	232,288	(8,084)
08/01/27	Escondido CA Unif Sch Dist CUSIP # 2963871UV7	08/05/22	Municipal Security	AA2	1.13%	3.53%	100,000	(6,951)	93,049	89,744	(3,305)
08/01/27	Martinez CA Uni Sch Dist CUSIP # 573428MN6	08/04/22	Municipal Security	AA	1.26%	3.43%	250,000	(15,725)	234,275	224,948	(9,328)
08/01/27	San Marcos CA Uni Sch Dist CUSIP # 798755GC2	08/05/22	Municipal Security	AA	2.31%	3.68%	185,000	(7,310)	177,690	171,976	(5,714)
08/01/27	Southwestern Comm College CUSIP # 845389LS2	08/04/22	Municipal Security	AA-	1.53%	3.53%	155,000	(8,968)	146,032	140,861	(5,171)
08/26/27	Federal Agriculture Mtge Corp CUSIP #31422XF23	09/02/22	Government Security	n/a	3.20%	3.49%	500,000	(4,281)	495,719	479,670	(16,049)
09/15/27	Luminate Bank Minnetonka, MN	09/15/22	Certificate of Deposit	n/a	3.40%	3.40%	245,000	n/a	245,000	234,588	(10,413)
09/15/27	Ponce de Leon Fed Bank Bronx, NY	09/15/22	Certificate of Deposit	n/a	3.50%	3.50%	245,000	n/a	245,000	235,315	(9,685)

City of Atascadero
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09/15/27	University of Pittsburgh CUSIP # 798755GC2	09/15/22	Municipal Security	AA+	3.18%	3.81%	\$ 500,000	\$ (9,429)	\$ 490,571	\$ 475,980	\$ (14,591)
10/08/27	Federal National Mortgage Assn CUSIP #3135G05Y5	10/12/22	Government Security	Aaa	0.75%	4.12%	1,000,000	(102,241)	897,759	885,030	(12,729)
10/31/27	US Treasury Notes CUSIP # 91282CAU5	11/09/22	Government Security	Aaa	0.50%	4.31%	600,000	(70,385)	529,615	526,662	(2,953)
11/15/27	Tulare CA Sewer Rev CUSIP #899124MH1	04/12/23	Municipal Security	AA	1.93%	4.47%	325,000	(25,617)	299,383	294,720	(4,663)
11/15/27	US Treasury Notes CUSIP # 9128283F5	12/07/22	Government Security	Aaa	2.25%	3.79%	500,000	(24,144)	475,856	465,115	(10,741)
12/01/27	Federal Agricultural Mtge Corp CUSIP #31422XR95	10/20/23	Government Security	n/a	4.03%	5.04%	500,000	(15,663)	484,337	490,785	6,448
12/15/27	Forbright Bank Potomac, MD	12/15/22	Certificate of Deposit	n/a	4.00%	4.00%	245,000	n/a	245,000	238,966	(6,034)
12/16/27	Community West Bank NA Goleta, CA	12/16/22	Certificate of Deposit	n/a	4.00%	4.00%	245,000	n/a	245,000	238,966	(6,034)
01/12/28	Inter-American Dev Bank CUSIP # 4581X0EH7	01/19/23	Supranational Security	Aaa	4.00%	3.70%	1,000,000	9,877	1,009,877	981,410	(28,467)
02/10/28	First National Bk of Michigan Kalamazoo, MI	02/10/23	Certificate of Deposit	n/a	3.70%	3.70%	249,000	n/a	249,000	240,432	(8,568)
02/15/28	Belmont Bank & Trust Chicago, IL	02/15/23	Certificate of Deposit	n/a	3.75%	3.75%	249,000	n/a	249,000	240,843	(8,157)
02/15/28	US Treasury Notes CUSIP # 9128283W8	02/01/23	Government Security	Aaa	2.75%	3.64%	500,000	(15,054)	484,946	471,425	(13,521)
02/17/28	Vision Bank St. Louis, MN	02/17/23	Certificate of Deposit	n/a	3.75%	3.75%	249,000	n/a	249,000	240,843	(8,157)
03/10/28	Federal Home Loan Bank CUSIP # 3130ATSS7	03/15/23	Government Security	Aaa	4.50%	3.90%	600,000	12,334	612,334	599,262	(13,072)
03/17/28	Affinity Bank Covington, GA	03/17/23	Certificate of Deposit	n/a	4.90%	4.90%	245,000	n/a	245,000	246,548	1,548
03/20/28	Bank Five Nine Oconomowoc, WI	03/20/23	Certificate of Deposit	n/a	4.65%	4.65%	245,000	n/a	245,000	244,478	(522)
04/01/28	California State Bonds-GO CUSIP #13063DGC6	04/12/23	Municipal Security	AA	3.50%	3.98%	525,000	(8,632)	516,368	502,320	(14,048)
04/01/28	California State Bonds-Taxable CUSIP #13063DGC6	04/12/23	Municipal Security	AA	3.50%	3.98%	150,000	(2,466)	147,534	143,520	(4,014)

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04/06/28	Morgan Stanley Bank Salt Lake City, UT	09/28/23	Certificate of Deposit	n/a	4.65%	4.69%	\$ 244,000	\$ (323)	\$ 243,677	\$ 243,458	\$ (219)
05/12/28	Central Bank Little Rock, AR	05/12/23	Certificate of Deposit	n/a	3.85%	3.85%	249,000	n/a	249,000	243,022	(5,978)
05/16/28	CIBC Bank Chicago, IL	05/16/23	Certificate of Deposit	n/a	4.35%	4.35%	244,000	n/a	244,000	241,067	(2,933)
05/16/28	Univest Bank & Trust Souderton, PA	05/16/23	Certificate of Deposit	n/a	4.40%	4.40%	249,000	n/a	249,000	246,560	(2,440)
05/30/28	Idaho First Bank McCall, ID	05/30/23	Certificate of Deposit	n/a	4.20%	4.20%	245,000	n/a	245,000	248,472	3,472
05/31/28	Customers Bank Phoenixville, PA	05/31/23	Certificate of Deposit	n/a	4.45%	4.45%	244,000	n/a	244,000	247,301	3,301
06/09/28	Federal Home Loan Bank CUSIP #3130AEB25	06/20/23	Government Security	AA+	3.25%	4.03%	170,000	(4,768)	165,232	162,394	(2,838)
06/30/28	Federal Home Loan Bank CUSIP #3130AWN63	08/03/23	Government Security	Aaa	4.00%	4.33%	500,000	(5,975)	494,025	486,030	(7,995)
07/06/28	HSBC Bank USA McLean, VA	07/18/23	Certificate of Deposit	n/a	3.30%	4.57%	249,000	(11,625)	237,375	236,132	(1,243)
07/26/28	Park State Bank Duluth, MN	07/26/23	Certificate of Deposit	n/a	4.45%	4.45%	249,000	n/a	249,000	247,250	(1,750)
07/31/28	Medallion Bank Salt Lake City, UT	07/31/23	Certificate of Deposit	n/a	4.40%	4.40%	249,000	n/a	249,000	246,801	(2,199)
08/01/28	New York City Transitional Fin Auth CUSIP #64971XBN7	08/16/23	Municipal Security	Aa1	4.90%	4.90%	850,000	(54,604)	795,396	796,705	1,309
08/17/28	United Fidelity Bank FBS Evansville, IN	09/13/23	Certificate of Deposit	n/a	4.50%	4.50%	249,000	n/a	249,000	247,770	(1,230)
09/05/28	Discover Bank Greenwood, DE	09/07/23	Certificate of Deposit	n/a	4.55%	4.55%	244,000	n/a	244,000	243,278	(722)
09/13/28	Optum Bank Inc Draper, UT	09/13/23	Certificate of Deposit	n/a	4.55%	4.55%	244,000	n/a	244,000	243,200	(800)
09/21/28	Merrick Bank South Jordan, UT	09/21/23	Certificate of Deposit	n/a	4.50%	4.50%	249,000	n/a	249,000	247,867	(1,133)
09/27/28	Legacy Bank & Trust Mountain Grove, MO	09/27/23	Certificate of Deposit	n/a	4.50%	4.50%	249,000	n/a	249,000	247,884	(1,116)
09/29/28	Star Bank Maple Lake, MN	09/29/23	Certificate of Deposit	n/a	4.65%	4.65%	244,000	n/a	244,000	244,178	178

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10/17/28	Southern First Bank Greenville, SC	10/26/23	Certificate of Deposit	n/a	4.85%	4.85%	\$ 244,000	n/a	\$ 244,000	\$ 246,913	\$ 2,913
10/23/28	Federal Home Loan Bank CUSIP #3130AXLQ9	10/25/23	Government Security	Aaa	5.03%	4.89%	500,000	2,660	502,660	509,790	7,130
10/27/28	Iowa State Bank Clarksville, IA	10/27/23	Certificate of Deposit	n/a	4.70%	4.70%	249,000	n/a	249,000	249,921	921
11/14/28	Wells Fargo Bank Sioux Falls, SD	11/14/23	Certificate of Deposit	n/a	5.05%	5.05%	248,000	n/a	248,000	252,427	4,427
11/16/28	Federal Home Loan Bank CUSIP #3130AFFX0	12/12/23	Government Security	Aaa	3.25%	4.29%	500,000	(20,518)	479,482	477,125	(2,357)
12/01/28	Sulphur Springs CA Uni Sch District CUSIP #865485EL6	12/07/23	Municipal Security	A2	1.97%	4.58%	110,000	(11,333)	98,667	97,193	(1,474)
12/04/28	Federal Agricultural Mtge Corp CUSIP #31424WCR1	12/12/23	Government Security	n/a	4.38%	4.33%	750,000	1,286	751,286	746,535	(4,751)
12/04/28	Federal Farm Credit Bank CUSIP #3133EHZ48	05/08/24	Government Security	Aaa	2.77%	4.49%	194,000	(13,301)	180,699	181,196	497
01/18/29	Federal Farm Credit Bank CUSIP #3133EPW84	01/19/24	Government Security	AA+	3.88%	4.04%	750,000	(5,033)	744,967	734,513	(10,455)
01/26/29	Old Dominion National Bank North Garden, VA	01/26/24	Certificate of Deposit	n/a	3.85%	3.85%	249,000	n/a	249,000	241,582	(7,418)
01/26/29	Parkside Financial Bank Clayton, MO	01/26/24	Certificate of Deposit	n/a	3.85%	3.85%	249,000	n/a	249,000	241,582	(7,418)
02/13/29	Federal Farm Credit Bank CUSIP #3133EP3B9	02/14/24	Government Security	AA+	4.13%	4.28%	1,250,000	(7,819)	1,242,181	1,236,863	(5,319)
03/09/29	Federal Home Loan Bank CUSIP #3130AVBD3	04/10/24	Government Security	AA+	4.50%	4.47%	1,000,000	1,127	1,001,127	1,004,200	3,073
04/10/29	Federal Farm Credit Bank CUSIP #3133ERAK7	04/17/24	Government Security	AA+	4.38%	4.71%	1,000,000	(14,025)	985,975	999,230	13,255
05/01/29	Pasadena CA Ref Taxable CUSIP #70227RBQ2	05/03/24	Municipal Security	Aaa	2.30%	4.95%	330,000	(37,285)	292,715	293,568	853
05/15/29	Federal National Mortgage Assn CUSIP #31359MEU3	05/16/24	Government Security	AA+	6.25%	4.36%	750,000	61,671	811,671	810,495	(1,176)
06/08/29	Federal Home Loan Bank CUSIP #3130B1BC0	06/11/24	Government Security	Aaa	4.63%	4.49%	1,000,000	5,782	1,005,782	1,010,200	4,418

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06/12/29	Morgan Stanley Private Bank National Association	06/12/24	Certificate of Deposit	n/a	4.70%	4.70%	\$ 244,000	n/a	\$ 244,000	\$ 245,808	\$ 1,808
Total Funds Managed by the City							<u>83,627,573</u>	<u>(667,707)</u>	<u>82,959,866</u>	<u>81,574,915</u>	<u>(1,384,952)</u>
Funds Managed by Fiscal Agent											
n/a	BNY Western Trust - 2010 Bonds Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	2.80%	\$ 10,878	n/a	\$ 10,878	\$ 10,878	-
n/a	BNY Western Trust - 2004 Bonds Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	2.80%	4,923	n/a	4,923	4,924	1
n/a	BNY Western Trust - 2024 Bonds Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	2.80%	20,659,589	n/a	20,659,589	20,659,589	-
Total Funds Managed by Fiscal Agent							<u>20,675,390</u>	<u>n/a</u>	<u>20,675,390</u>	<u>20,675,391</u>	<u>1</u>
							<u>\$ 104,302,963</u>	<u>\$ (667,707)</u>	<u>\$ 103,635,256</u>	<u>\$ 102,250,306</u>	<u>\$ (1,384,951)</u>

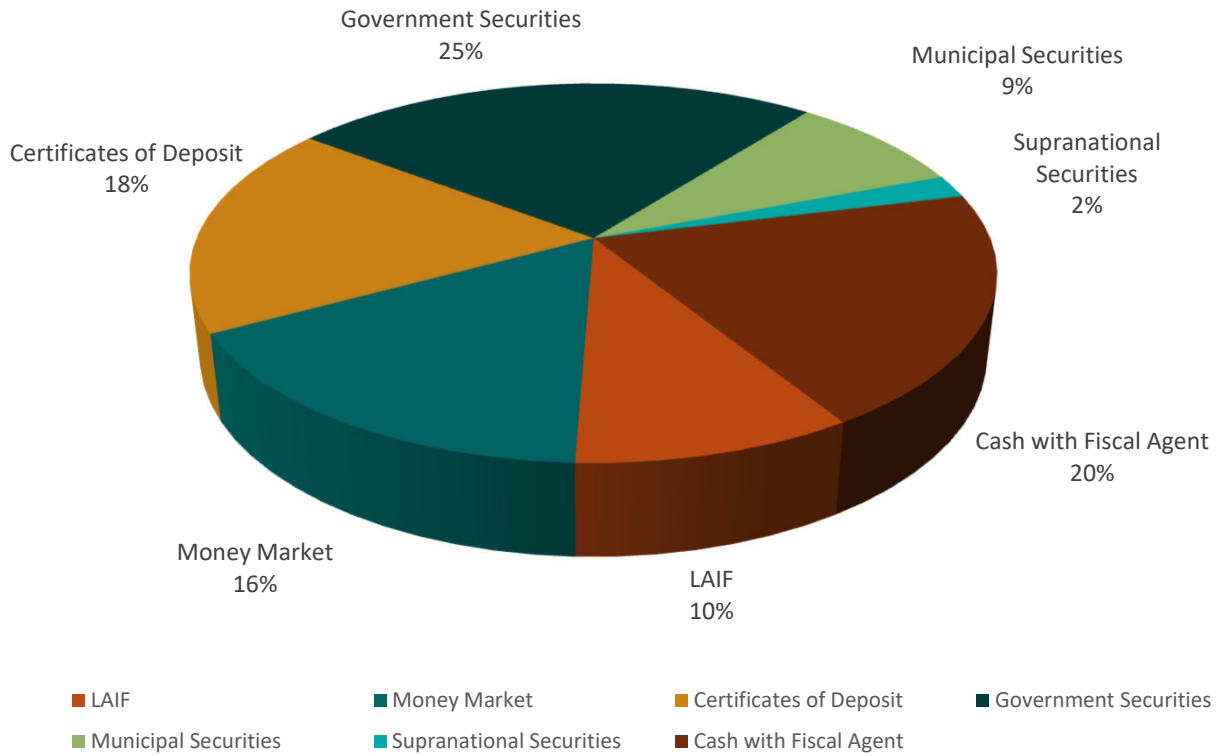
Average Maturity of Total Portfolio 686 Days
Weighted Average Yield of Total Portfolio 3.68%

Certification:
It has been verified that this investment portfolio is in conformity with the City of Atascadero's investment policy, which was approved by the City Council on September 8, 2020. The City Treasurer certifies that there is sufficient liquidity to meet the City of Atascadero's estimated future expenditures for a period of six months.

Verified by: 
Jeri Rangel - Director of Administrative Services

Approved by: 
Gere Sibbach - City Treasurer

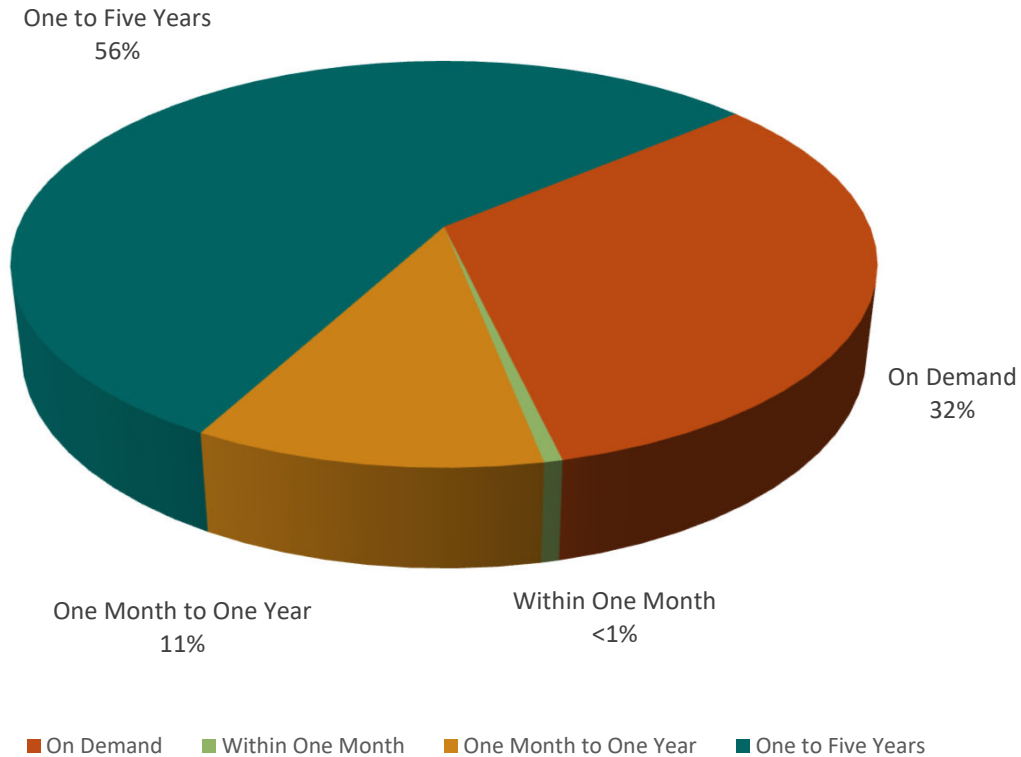
City of Atascadero Investments by Type June 2024



Investment	June 2024
LAIF	\$ 9,839,866
Money Market	17,082,707
Certificates of Deposit	18,898,054
Government Securities	26,173,256
Municipal Securities	8,956,306
Supranational Securities	2,009,677
Cash with Fiscal Agent	20,675,390
	\$ 103,635,256

City of Atascadero Investments by Maturity *

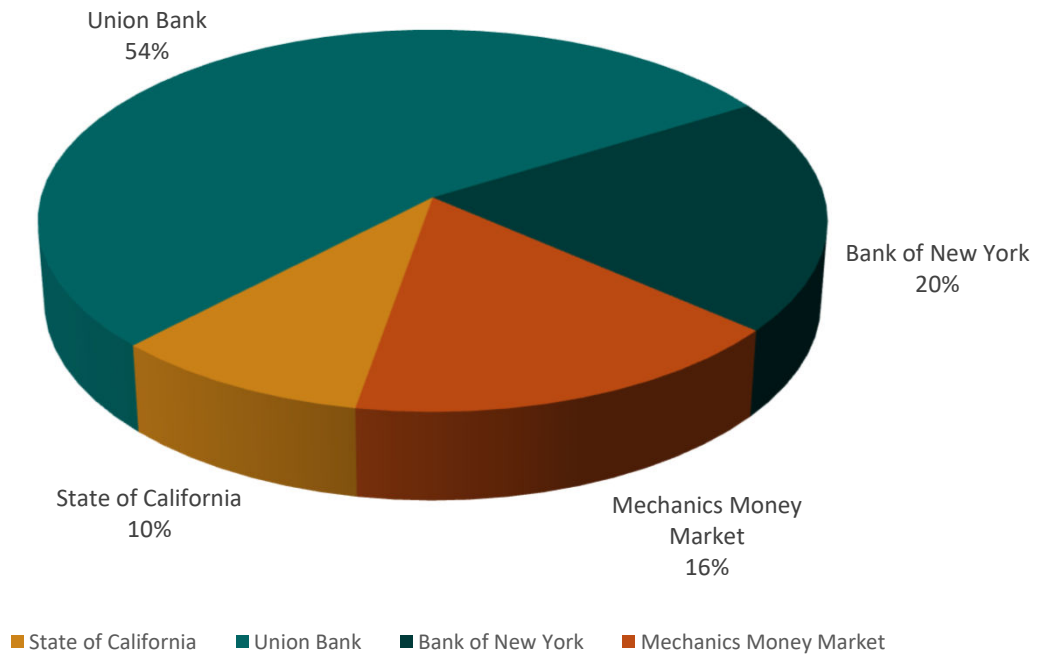
June 2024



<u>Investment</u>	<u>June 2024</u>
On Demand	\$ 26,922,573
Within One Month	482,000
One Month to One Year	9,130,289
One to Five Years	46,425,004
	<u>\$ 82,959,866</u>

* Cash with fiscal agent is not included in the totals for this graph because the amounts are restricted based on bond covenants, and therefore, the City doesn't retain the option to liquefy these funds at will.

City of Atascadero
Investments by Custodial Agent
 June 2024

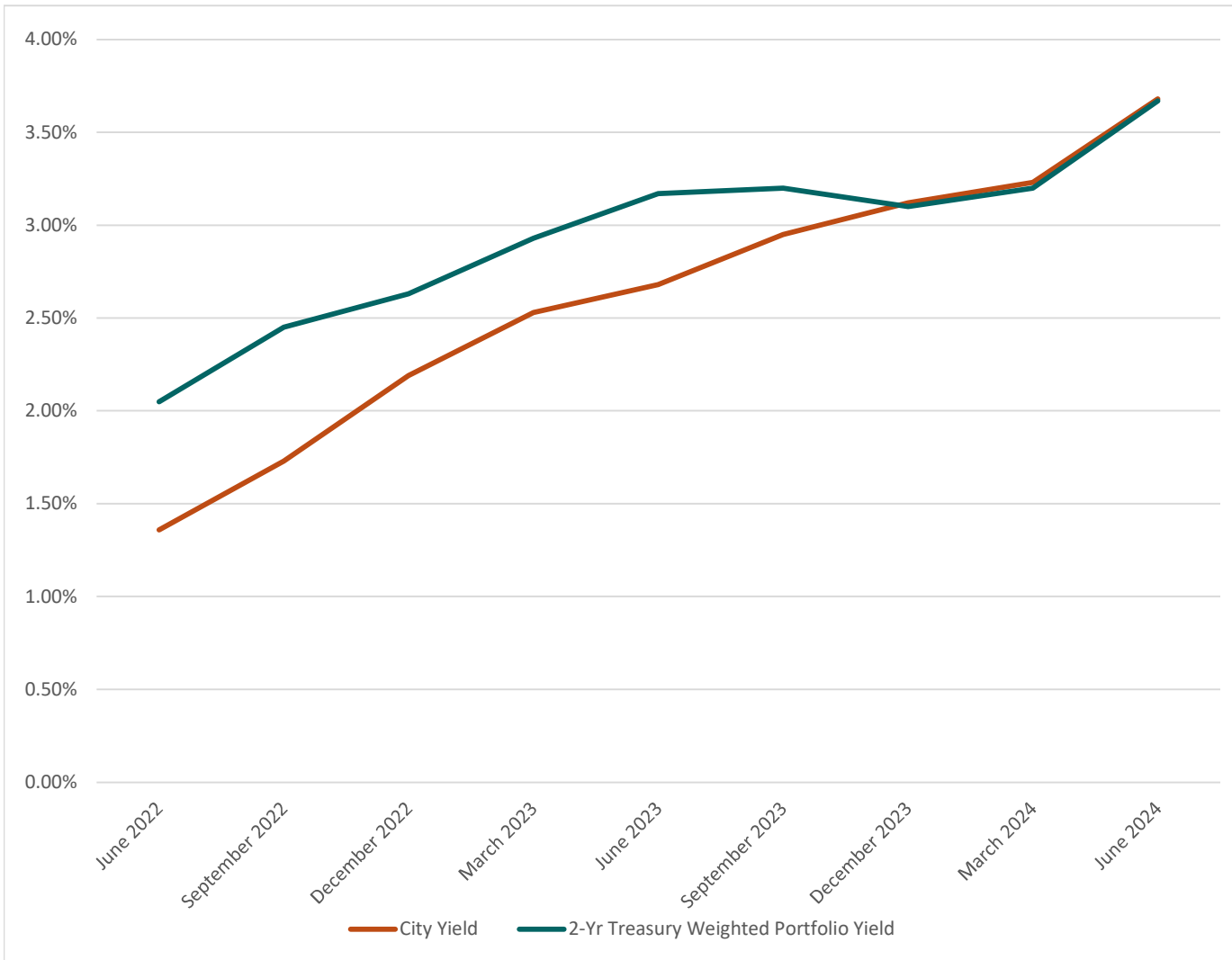


<u>Custodial Agent</u>	<u>June 2024</u>
State of California	\$ 9,839,866
Union Bank	56,037,292
Bank of New York	20,675,390
Mechanics Money Market	17,082,707
	<u><u>\$ 103,635,256</u></u>

City of Atascadero

Investment Yield vs. 2-Year Treasury Yield

For the Quarter Ended June 30, 2024



	<u>City Yield</u>	<u>2-Yr Treasury Weighted Portfolio Yield</u>
June 2022	1.36%	2.05%
September 2022	1.73%	2.45%
December 2022	2.19%	2.63%
March 2023	2.53%	2.93%
June 2023	2.68%	3.17%
September 2023	2.95%	3.20%
December 2023	3.12%	3.10%
March 2024	3.23%	3.20%
June 2024	3.68%	3.67%



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item A3

Department: Community
Development
Date: 9/10/24
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER

FROM: PHIL DUNSMORE, COMMUNITY DEVELOPMENT DIRECTOR

PREPARED BY: KELLY GLEASON, PLANNING MANAGER

SUBJECT: Comprehensive Zoning Code Update Contract Award

RECOMMENDATION:

Council award a contract to MIG, Inc., in the amount of \$127,833, to provide planning consultant services for the Comprehensive Zoning Code Update project.

DISCUSSION:

The City's existing Zoning Code (Title 9 of the Atascadero Municipal Code) was adopted in the 1980's shortly after incorporation. While it has been amended numerous times to adjust to new land use designations and trends, address changing community vision, correct inconsistencies, and comply with changing State laws, the Zoning Code has not been comprehensively updated since the original adoption. The existing Zoning Code still exhibits an outdated format and structure with antiquated code references, making interpretation and comprehension difficult for applicants, property owners, and the community as a whole. The proposed project would repeal and replace the existing Planning and Zoning section (Title 9) of the Atascadero Municipal Code and could include other sections for clarity and consistency. While this is a complete overhaul, many standards that remain applicable would remain but be integrated into the new code structure.

The City issued a Request for Proposals (RFP) to 16 firms for a comprehensive Zoning Code update. One response from MIG, Inc, was received. The RFP was designed to solicit proposals for the comprehensive update focused on the following goals:

- Implement 2045 General Plan policies, land use descriptions and related standards
- Be consistent with State and federal law
- Be intuitive, graphic, and user-friendly and digital
- Create a transparent, predictable, and consistent process
- Consolidate and organize text for ease of use
- Promote high quality design through flexible development standards

This project is intended to dovetail into the Citywide General Plan Update to minimize the gap between General Plan adoption and the adoption of zoning districts and standards consistent with the new General Plan. The intent of the code update is to provide a seamless implementation of the new General Plan, giving applicants, property owners, and the community clarity and consistency once the new General plan is adopted.

The consultant’s proposal of \$127,833 is consistent for this type of work. The proposed budget for these phases is as follows:

TOTAL MIG BUDGET	
Task 1: Project kick-off, coordination, and management	\$ 11,100
Task 2: Initial research and analysis	\$ 4,160
Task 3: Community Engagement	\$ 22,830
Task 4: Draft Zoning Code and Handbook	\$ 80,350
Task 5: Zoning Map (optional)	\$ 0
Task 6: Public Meetings	\$ 9,340
Direct Project Costs	\$ 53
TOTAL	\$ 127,833

The City had budgeted \$150,000 for this project, with an estimated budget of \$125,000 for the code analysis and update and the remaining funds earmarked for online codification using the current City vendor. Based on current need to reserve funds for potential online codification, the City does not have funds for additional tasks as listed. Task 5, however, is a vital component of the project. This task will be completed by City staff in coordination with the efforts of the consultant team. City staff continues to seek grants to assist with this effort.

ALTERNATIVES TO THE STAFF RECOMMENDATION:

Council may direct staff to modify the scope of work as appropriate.


FISCAL IMPACT:

The fiscal impact of this contract award is the use of approximately \$128,000 in budgeted General Funds.

REVIEWED BY OTHERS:

This item has been reviewed by the Administrative Services Director.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



 James R. Lewis, City Manager



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item A4

Department: Police
Date: 9/10/24
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER
FROM: DAN SUTTLES, CHIEF OF POLICE
PREPARED BY: DAN SUTTLES, CHIEF OF POLICE
SUBJECT: Ordinance Regulating Shopping Carts

RECOMMENDATION:

Council adopt, on second reading, by title only, a Draft Ordinance entitled, “An Ordinance of the City Council of the City of Atascadero, California, Adding Title 5, Chapter 17 Regulating Shopping Carts”, to reduce the number of abandoned shopping carts in public spaces, enhancing the community’s safety and aesthetics.

DISCUSSION:

At the August 13, 2024, meeting, Council introduced the attached Draft Ordinance on a 5:0 vote, which adds Title 5, Chapter 17 “Regulating Shopping Carts” of the Atascadero Municipal Code, and said Draft Ordinance is before Council for adoption and final approval tonight.

This ordinance was developed pursuant to Business and Professions Code Sections 22435 through 22435.8 for the purpose of regulating and prohibiting the removal of shopping carts from the premises of retail establishments and to regulate the retrieval and disposition of abandoned or unattended shopping carts that are found off the premises of retail establishments.

This new ordinance seeks to address community cleanliness and assist in providing a clean, safe, and healthy community by clearly defining the responsibilities of retail establishments that provide ten or more shopping carts to their customers. This ordinance will provide City staff additional tools needed to regulate abandoned shopping carts as well as enforce the unauthorized taking and possession of shopping carts.

FISCAL IMPACT:

The fiscal impact associated with the Shopping Cart Ordinance is not expected to be significant.

REVIEWED BY OTHERS:

The Administrative Services Director and the Deputy City Manager reviewed this item.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENT:

1. Draft Ordinance

DRAFT ORDINANCE

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF ATASCADERO, CALIFORNIA, ADDING TITLE 5, CHAPTER 17
REGULATING SHOPPING CARTS**

WHEREAS, the City has a substantial interest in promoting the public health, safety and welfare of its residents, visitors and businesses, and the aesthetic qualities of the City; and

WHEREAS, abandoned or unattended shopping carts off the premises of retail establishments can interfere with pedestrian and vehicle traffic and the use of public streets, sidewalks, public areas, and public rights-of-way, can constitute a hazard to streams, riparian areas and other natural areas, and contribute substantially to litter, clutter and visual blight; and

WHEREAS, the purpose of this ordinance is to promote the public health, safety and welfare, and the aesthetic qualities of the City by regulating and prohibiting the removal of shopping carts from the premises of retail establishments, including designated parking areas, without the authorization or consent of the cart’s owner, and to regulate the retrieval and disposition of abandoned or unattended shopping carts that are found off the premises of retail establishments so as to:

1. Provide for pedestrian and vehicle safety;
2. Ensure that the flow of pedestrian or vehicle traffic, including ingress into or egress from any residence, place of business, street, sidewalk, public area, public right-of-way, or any legally parked or stopped vehicle, is not unreasonably interfered with;
3. Help protect streams, creeks, riparian areas, and other natural areas within the City;
4. Reduce litter, clutter, and visual blight associated with abandoned or unattended shopping carts;
5. Divert cart waste from the landfill; and
6. Balance the rights and interests of those engaged in commercial activities that provide shopping carts for use by customers with the rights and interests of those who do not want to be disturbed by abandoned or unattended shopping carts on private and public property.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Findings. The Council hereby finds and declares the following:

- A. The above recitals are true and correct and are incorporated herein by reference.
- B. The presence of abandoned or unattended carts, or parts thereof, on private or public property creates a condition tending to reduce the value of private property, creates blight

and deterioration, interfere with pedestrian and vehicular traffic, is injurious to health, safety, and general welfare, and contributes to landfill waste. The presence of abandoned or unattended carts, or parts thereof, on private or public property, except as expressly hereinafter permitted, is declared a public nuisance which may be abated as such in accordance with the provision of this chapter.

SECTION 2. Approval. The City Council of the City of Atascadero adopts the proposed text amendments to Atascadero Municipal Code, as shown in the following exhibit:

Exhibit A: Title 5 Amendments

SECTION 3. CEQA. Because of the facts set forth in Section 1, the proposed text amendment is exempt from further environmental review under the California Environmental Quality Act (Public Resources Code §§ 21000, *et seq.*, “CEQA”) and CEQA Guidelines (14 California Code of Regulations §§ 15000, *et seq.*) because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(5), 15061(b)(3).

SECTION 4. Interpretation. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 5. Preservation. Repealing of any provision of the Atascadero Municipal Code or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 6. Effect of Invalidation. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the Atascadero Municipal Code or other City Ordinance by this Ordinance will be rendered void and cause such previous Atascadero Municipal Code provision or other City Ordinance to remain in full force and effect for all purposes.

SECTION 7. Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 8. Notice. The City Clerk is directed to certify the passage and adoption of this Ordinance, cause it to be entered into the City of Atascadero’s book of original ordinances, make a note of the passage and adoption in the records of this meeting and within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 9. Effective Date. This Ordinance will take effect on the 30th day following its final passage and adoption.

INTRODUCED at a regular meeting of the City Council held on August 13, 2024, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on _____, 2024.

CITY OF ATASCADERO:

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

Dave Fleishman, City Attorney

Exhibit “A”
Title 5 Amendments
Title 5, Chapter 17

5-17.010 Authority and purpose.

This chapter is adopted pursuant to Business and Professions Code Sections 22435 through 22435.8 and the city’s general police powers for the purpose of regulating and prohibiting the removal of shopping carts from the premises of retail establishments, including designated parking areas, without the authorization or consent of the shopping cart’s owner, and to regulate the retrieval and disposition of abandoned or unattended shopping carts that are found off the premises of retail establishments.

5-17.020 Applicability.

This chapter applies to all businesses located in the city that provide shopping carts for customer use and to all shopping carts on and off the premises of businesses within the city.

5-17.030 Administration.

The director is authorized to administer this chapter which includes, without limitation, the ability to promulgate administrative policies and procedures to interpret, implement and enforce this chapter.

5-17.040 Definitions.

“Abandoned or unattended shopping cart” means any shopping cart which is left unattended, discarded or abandoned upon any public property other than the premises from which the shopping cart was removed, without the authorization or consent of the cart’s owner.

“Abandoned shopping cart prevention and retrieval plan” shall mean a document required to be submitted by the responsible business owner, pursuant to this chapter.

“Agent” means the person or persons designated by the owner of a shopping cart authorized to perform or provide retrieval services on behalf of the owner. The agent may be the owner, store manager, employee or a private cart retrieval company.

“Director” shall mean the assistant city manager, police chief, director of public works, or director of community development for the city, or such other director as designated by the city manager to administer the appropriate sections of this chapter.

“Occurrence” means the retrieval or impoundment by the city pursuant to this chapter of all shopping carts of an owner in a one-day period.

“Owner” means a person who owns or provides shopping carts for use by customers in connection with the operation of a business. “Person” includes, without limitation, individuals, corporations, partnerships, and all other legal entities, and officers, employees, and authorized agents of an owner.

“Premises” means the entire area owned and utilized by a retail establishment that provides shopping carts for use by customers, including any parking lot or other off-street area provided by an owner, or shared with other retail establishments, for use by customers for parking automobiles or other vehicles.

“Public property” means the outdoor common area of any building, business premises, apartment building or complex, or other premises or portion thereof which is adjacent to public property, open to the public, and which contains a shopping cart or shopping carts visible at street or ground level from the adjacent public property.

“Retail establishment,” with regard to shopping carts, means any business located in the city of Atascadero which offers or provides shopping carts for the use by customers of such business regardless of whether such business is advertised or operated as a retail or wholesale business, and regardless of whether such business is open to the general public, is a private club or business, or is a membership store.

“Shopping cart” means a basket mounted on wheels or a similar device generally used by a customer for the purpose of transporting goods of any kind within a retail establishment or designated parking or loading area of that business establishment.

5-17.050 Required signs and identification.

A. *Cart Identification and Removal Warning Signs Required.* Pursuant to Section 22435.1 of the Business and Professions Code, every shopping cart owned or provided by an owner shall have a sign permanently affixed to the shopping cart that includes the following information:

1. The owner’s name, business address and phone number.
2. Notice of the procedure to be utilized for authorized removal of the shopping cart from the premises.
3. Notice that unauthorized removal of the shopping cart from the premises or parking area of a retail establishment, or the unauthorized possession of the shopping cart, is a violation of state law and this chapter.

5-17.060 Prohibitions.

A. *Unauthorized Removal Unlawful.* It shall be unlawful for any person, either temporarily or permanently, to remove a shopping cart from a business premises or be in possession of a shopping cart with a permanently affixed sign as provided in Section 5-17.050, that has been removed from a premises without written consent of the owner authorized by this chapter or for the purpose of repair, maintenance, or disposal authorized by this chapter. An owner may permit customer off-premises use of a shopping cart for transportation of purchased items. The authorization must be in writing with date(s) and time(s) of authorized use. Any shopping cart taken off premises must be returned to the owner’s premises within seventy-two hours.

B. *Abandonment Prohibited.* It shall be unlawful and a public nuisance for any person to cause or permit any shopping cart to be abandoned or remain unattended on or upon any sidewalk, street, alley or other public area, other than the premises of the owner of such shopping cart.

5-17.070 Cart containment and retrieval by owners.

A. *Mandatory Secure Containment of Shopping Carts After Hours.* Every shopping cart owner must lock or otherwise securely contain all shopping carts of the owner after business hours in a manner that prevents theft or removal from the premises. All shopping carts located on the premises of a retail establishment, other than an establishment open for business twenty-four hours per day, must be collected at the end of each business day by the owner, employees, or authorized agents of the retail establishment and be collectively confined in a secured manner in a designated cart confinement area on the premises until the commencement of the next business day.

B. *Twenty-four Hour Operation.* All shopping carts located on the premises of any retail establishment open for business twenty-four hours per day, other than carts then currently in use by a customer, must be collected by the owner, employees, or authorized agents of the retail establishment and returned to a designated cart confinement area on the premises at least twice per calendar day between the hours of 12:00 p.m. (noon) and 12:00 a.m. (midnight) on each day the retail establishment is open for business. This section does not apply to:

1. Shopping carts located within an enclosed building.
2. Shopping carts removed from the premises of a retail establishment for purposes of repair or maintenance that are in the possession or custody of the party to whom removal has been authorized in writing by the shopping cart owner.
3. Shopping carts being transported by the owner, or an officer, employee, or authorized agent of the owner, to or from a business location of the owner.

C. *Mandatory Retrieval of Carts.* All abandoned shopping carts of a retail establishment that are found off the premises of the retail establishment must be retrieved as soon as practicable by the owner, or an authorized agent of the owner, including a cart retrieval service retained by the owner. The city shall notify the owner of an abandoned shopping cart when such shopping cart is located in a place that can be

accessed safely by the owner. Such notice may be given by telephone, email or text message to the owner or owner’s agent designated in the abandoned shopping cart prevention and retrieval plan, if an approved plan is in place, and shall include the cart’s location. Within three business days from the date the owner of the cart is provided with notice by the city that an abandoned shopping cart of the owner has been located, the owner or agent shall cause the identified shopping cart(s) to be retrieved.

~~D. *Retrieval Services.* Persons retained to perform shopping cart retrieval services must carry written authorization from the owner to be presented upon request by the director or designee. Vehicles used by retrieval services must bear conspicuous signs identifying the name of the cart retrieval service.~~

5-17.080 Impoundment and retrieval of abandoned shopping carts.

A. The director or designee may immediately retrieve and impound any shopping cart, in accordance with the provisions outlined in Business and Professions Code Section 22435.7.

B. *Impoundment Following Three-Day Notice.* A shopping cart that has a sign affixed to it in accordance with the provisions of this chapter and Business and Professions Code Section 22435.1 may be impounded by the city provided both of the following conditions are met:

1. The shopping cart is located outside the premises or parking area of the owner’s retail establishment; and

2. Except as provided in subsection C of this section, the shopping cart is not retrieved within three business days from the date the owner of the shopping cart, or his or her agent, receives actual notice from the city of the shopping cart’s discovery and location.

C. *Impoundment Without Three-Day Notice.*

1. The city may retrieve and impound any abandoned shopping cart without first giving three days’ notice provided:

a. The director or designee provides actual notice to the owner, or his or her agent, of the impoundment of the shopping cart within twenty-four hours following the impound;

b. The notice informs the owner, or his or her agent, of the location where the shopping cart may be claimed;

c. Any shopping cart reclaimed by the owner, or his or her agent, within three business days after the date of actual notice to the owner, or his or her agent, of the impound, must be released and surrendered to the owner, or his or her agent, at no charge, including the waiver of any impound and storage fees or fines which otherwise would be applicable; and

d. The shopping cart is held at a location that is both:

i. Reasonably convenient to the owner of the shopping cart; and

ii. Open for business at least six hours of each business day.

D. *Immediate Retrieval and Impoundment by City for Impeding Emergency Services.* The director or designee may immediately retrieve and impound any shopping cart from public or private property if the location of the shopping cart impedes emergency services.

E. Any cart reclaimed by the owner or their agent within three business days from the date the owner of the shopping cart, or their agent, is given actual notice by the city of the shopping cart’s discovery and location, or impoundment, shall not be deemed an occurrence for purposes of this chapter.

F. The owner of any shopping cart that is not reclaimed within three business days after the date the owner has been given actual notice by the city of the shopping cart’s discovery and location, or impoundment, is subject to prosecution or the imposition of administrative costs, fees, fines, interest and other penalties applicable under this chapter commencing four business days after the date of notice.

5-17.090 Abandoned shopping cart prevention and retrieval plan.

A. *Abandoned Shopping Cart Prevention and Retrieval Plan Required.* Every owner who provides or intends to provide ten or more shopping carts for use by customers shall develop, implement and comply with the terms and conditions of an approved abandoned shopping cart prevention and retrieval plan to prevent the unauthorized removal of shopping carts from a premises and, if removed, to retrieve the shopping cart within three business days after knowing of the cart’s removal from the premises or after receiving notice from the city that the shopping cart has been abandoned. Owners of shopping carts who

provide less than ten carts can self-certify and are not required to submit an abandoned shopping cart prevention and retrieval plan.

To be effective, an abandoned shopping cart prevention and retrieval plan must be approved by the director. To be eligible for approval, an abandoned shopping cart prevention and retrieval plan shall include the following elements:

1. *Name.* The name of the owner and the business name, the physical address where the business is conducted, name, address and phone number(s) of the on-site and off-site owner, if different.

2. *Inventory of Carts.* A complete list of all shopping carts maintained on or in the premises.

3. *Community Outreach.* A description of a community outreach process under which the owner shall cause notice to be provided to customers that the removal of shopping carts from the premises is prohibited and is a violation of state and city ordinance. This notice may include, but is not limited to, flyers distributed at the premises, warnings on shopping bags, signs posted in prominent places near door and parking lot exits, direct mail, announcements using intercom systems at the premises, website or other means demonstrated to be effective to the reasonable satisfaction of the director.

4. *Cart Identification.* Signs and shopping cart identification requirements which conform to state law. Owners shall attach an example of the proposed shopping cart ownership identification sign which shall conform to California Business and Professions Code Section 22345.1.

5. *Languages.* The information required above must be provided in English and Spanish and in such other language(s) the director may reasonably require.

6. *Loss Prevention Measures.* A description of the specific measures that the owner shall implement to prevent shopping cart removal from the owner's premises. These measures may include, but are not limited to, electronic or other disabling devices on the shopping carts so they cannot be removed from the premises, effective management practices, use of courtesy clerks to accompany customers and return the shopping carts to the store, use of security personnel to prevent removal, security deposit for use of shopping cart, or other demonstrable measures acceptable to the director that are likely to prevent shopping cart removal from the premises. Cart owners shall conduct regular maintenance to ensure disabling devices and/or security deposit systems are working properly. If at any time, a cart owner determines the disabling device installed on a cart is not working properly, the cart shall be pulled from circulation until it is repaired. The cart owner shall inspect, test, and repair all abandoned carts returned to the owner prior to making the returned carts available for use.

7. *Employee Training.* A description of an ongoing employee training program that shall be implemented by the owner and that shall be designed to educate new and existing employees on the abandoned shopping cart prevention plan and conditions contained therein at least annually.

8. *Mandatory Cart Retrieval.* A plan for retrieval of abandoned shopping carts by the owner within three business days after knowing of a cart's removal from the owner's premises or after receiving notice from the city that the shopping cart has been abandoned.

B. *Failure to Submit Plan.* The plan must be submitted to the city within sixty days after the ordinance that implements this chapter becomes effective or alternatively, if a business opens after the date the ordinance that implements this chapter becomes effective, then within thirty days after a business that uses carts commences operations. Any owner who fails to provide the abandoned shopping cart prevention and retrieval plan to the city as required by this chapter shall be required to pay the city one hundred dollars for each calendar month the plan is not provided, as a penalty for not complying with this section.

5-17.100 Recovery of fines and costs by city.

A. Pursuant to Business and Professions Code Section 22435.7(f), any owner that fails to retrieve the owner's shopping cart or shopping carts within three business days from the date of being given notice of the cart's or carts' discovery and location, or impoundment, by the city, is guilty of a violation of this chapter and may be punished with an administrative fine of fifty dollars for each occurrence in excess of three during the six-month period starting January 1st and ending on June 30th or the six-month period starting July 1st and ending December 31st of each calendar year.

B. In addition to the fines imposed above, the owner shall pay the city's actual costs for retrieving and storing the owner's shopping cart or carts except when the owner, or their authorized agent, reclaims their cart or carts within three business days from being given notice of the cart's or carts' discovery and location, or impoundment, by the city, in which case, all fines, costs and fees shall be waived.

5-17.110 Disposal of abandoned shopping carts.

The city may sell or otherwise dispose of any shopping cart:

- A. That is not reclaimed from the city within thirty days of receipt by the owner, or the owner's agent, of actual notice from the city of the cart's discovery and location, or impoundment.
- B. If the owner of the cart cannot be determined.
- C. If the cart is mangled, destroyed or otherwise rendered unusable.

5-17.120 Violation—Penalties.

Any person who violates any provision of this chapter is guilty of an infraction and is subject to punishment as provided in Chapter 1-3.



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item B1

Department: Community Development
Date: 09/10/2024
Placement: Public Hearing

TO: JAMES R. LEWIS, CITY MANAGER
FROM: PHIL DUNSMORE, COMMUNITY DEVELOPMENT DIRECTOR
PREPARED BY: XZANDREA FOWLER, SENIOR PLANNER

SUBJECT: Millhollin Mine Closure

RECOMMENDATIONS:

Council:

1. Adopt Draft Resolution A, determining that the Millhollin Mine has been sufficiently remediated; and
2. Authorize staff to take all appropriate action to complete the closure of the mine.

REPORT IN BRIEF:

The Millhollin Pit (“Mine”) operations ceased in October 2011, triggering reclamation of the site per the reclamation plan approved in October 1996. In March 2020, the mine’s operator, Glen Millhollin began the final reclamation activities on the site, however, in November 2020, Mr. Glen Millhollin passed away. Following Mr. Millhollin’s passing, the Millhollin family continued efforts in good faith to complete the reclamation activities to the best of their ability which included grading, revegetation, and tree plantings. On May 8, 2024, the City and Department of Conservation, Division of Mine Reclamation (DMR) staff conducted an onsite inspection of the site and determined that substantial site remediation had occurred, both from direct activities and naturalization of the site since cessation of mining activities.

To commence with the closure of the Mine, the City, acting as the lead agency, must hold a duly noticed public hearing per the California Code of Regulations, Title 14, Division 2, Chapter 8, Article 11.5, Section 3815 to determine whether the mine operator is financially incapable of completing reclamation, and, if the City so finds, proceed with appropriate action to formally close the mine.

DISCUSSION:

The Millhollin Pit (“Mine”), established in 1945, is located at 11600 Santa Lucia Road (APN 055-451-006, APN 055-451-030, and APN 055-451-031) and is identified by the Department of Conservation - Division of Mine Reclamation as CA Mine ID# 40-0001. Although not a true “mine” the property was used to excavate a relatively small amount of rough, decomposed gravel from

surface areas of the hillside nearest Santa Lucia Road. The mine is subject to the Surface Mining and Reclamation Act of 1975 (SMARA)(Public Resources Code Section 2710 et seq.) and the State Mining and Geology Board regulations for surface mining and reclamation practice (California Code of Regulations (CCR) Title 14, Division 2, Chapter 8, Article 1, Section 3500 et seq.; Article 9, Section 3700 et seq.), which are incorporated into the Atascadero Municipal Code §9-6.151 (Surface Mining and Reclamation) through §9-6.161 (Surface Operations).

Before the City was incorporated in 1979, the County of San Luis Obispo served as the lead agency for the Millhollin Pit. Today, the City is the lead agency responsible for monitoring reclamation and ensuring that all reclamation plan objectives are attained, including acquiring financial assurances to guarantee the reclamation is completed per the approved reclamation plan.

BACKGROUND

In March 1980, the County of San Luis Obispo approved a reclamation plan for the mine. Although the City had incorporated by that time, the County continued to process land use applications until the City was staffed and ready to assume land use application processing.

In 1991, the mine operations intensified in use, prompting the submittal of a land use permit application for Conditional Use Permit #96003 (Ordinance No. 316), which was approved by the City in October 1996 and effectuated an amendment to the county-approved reclamation plan and created a joint Reclamation and Closure Plan/ Operations Agreement. Under that agreement, a bond was submitted in the amount of \$11,888 as two Certificates of Deposit (CDs) to guarantee reclamation of the site. In March 2020, the mine operator submitted an additional \$6,000.00 CD, increasing the total financial assurance mechanism to \$17,888.00.

The Reclamation and Closure Plan and the Operations Agreement established a reasonable closure date (15 years from the date of the Conditional Use Permit approval) for the mine and ensured the mine site would be reclaimed to a condition consistent with the General Plan policy. On October 23, 2011, the right to mine and remove aggregate from the site expired, but the Conditional Use Permit 96003 remained in effect to enforce reclamation and closure.

The provisions of the Operations Agreement and all applicable conditions of approval remain in effect until reclamation is complete to the satisfaction of the City. All other provisions relating to the Property Owner's development rights remain in force and effect until ten (10) years from mine closure and site reclamation is deemed complete by the City.

RECLAMATION REQUIREMENTS

The approved Reclamation and Closure Plan required re-soiling of the site and hydroseeding with a standard erosion control mix. Additionally, the operator was required to plant at least fifty (50) native Oak trees before the closure of the mine. The revegetation of the site required monitoring after 2-years to ensure successful revegetation with a minimum eighty percent (80%) coverage achieved.

On June 9, 2020, the mine operator was issued a Building Permit (OTCC20-0249) for grading to complete the final reclamation activities per the approved reclamation plan. The owner passed away before final reclamation activities were complete. Namely, hydroseeding of the site had not

occurred. However, since the site had been in a state of unuse since 2011, the site has naturalized with native grasses growing over a vast majority of the disturbed area.

Since March 2024, City staff has been working with the Millhollin family and the Department of Conservation – Division of Mine Reclamation staff to achieve closure of the mine. However, the Millhollin family reportedly does not have the financial resources to continue further reclamation activities, including planting of additional trees to attain the specifications of the approved plan.

EXISTING RECLAMATION SITE CONDITIONS

All slopes have been regraded and rounded to blend with adjacent natural slopes to stabilize the steep slopes that resulted from mining. There is a small catch basin near the site entrance in a valley adjacent to the road. That basin is shallow but appears to have been effective at preventing runoff from reaching the roadway during the recent storm events. Between 2020 and 2021, approximately 50 native trees were planted along the ridgelines with topsoil (only for tree planting) and irrigation. In 2022, the irrigation was turned off. Approximately 30 trees have survived and currently range in size from 4-7 feet in height and have 1-2 inch trunk diameters.

The site has not been hydro-seeded with native and drought-tolerant species, nor was topsoil applied to the existing rock face as required by the Reclamation and Closure Plan. However, much of the site has natural revegetation occurring due to the extensive rainfall over the past 2 years.



FUTURE LAND USE

The mine site and the surrounding property is comprised of three (3) parcels currently zoned for single-family residential use. Upon closure of the mine, the properties could be developed for residential use.

ENVIRONMENTAL DETERMINATION

A Mitigated Negative Declaration was prepared and adopted for Conditional Use Permit #96003 – Joint Reclamation and Closure Plan/ Operations Agreement for the Mine on October 23, 1996. No additional analysis is required for this Council action.

FORFEITURE OF FINANCIAL ASSURANCE MECHANISM PROCESS AND REQUIRED FINDINGS

Per the State Mining and Geology Board regulations for surface mining and reclamation practice (CCR Title 14, Division 2, Chapter 8, Article 1, Section 3500 et seq.; Article 9, Section 3700 et seq.),

the City, as the lead agency, determines whether a surface mine operator is financially incapable of performing reclamation per its approved reclamation plan, or has abandoned its surface mining operation without completing reclamation.

If the City obtains evidence that an operator may be financially incapable of completing reclamation per its approved reclamation plan or that the operator may have abandoned the surface mining operation without completing reclamation, the City is required to conduct a public hearing and make certain determinations regarding the financial assurance and condition of the site. The hearing shall be conducted according to the procedures outlined in CCR Title 14, Division 2, Chapter 8, Article 11.5, Section 3816.

The following documents should be considered by the Council in making its determination:

- Approved reclamation plan,
- Approved financial assurance mechanism,
- Annual reports for the prior three years,
- Most recent financial assurance cost estimate, and last annual inspection report or most recent inspection conducted at the site, and
- Any other reports, analysis, testimony or documents from any local state or federal agency with jurisdiction over the mining operation relating to the cost to complete reclamation in accordance with the reclamation plan, the operator's financial capacity, or abandonment of the mine.

The City Council shall consider, but shall not be limited to, the following criteria in determining the operator's financial capability. If the Council makes any of the following findings, the Council shall determine the operator is financially incapable:

- a) The operator is incapable of providing, or refuses to provide, a financial assurance cost estimate in an amount deemed adequate by the lead agency or the Board; or,
- b) The operator is incapable of providing, or refuses to provide, a financial assurance mechanism approved by the Board in Section 3803 of this subchapter; or,
- c) The operator is incapable of providing or fails to provide sufficient evidence of financial capability such that in light of all the evidence, it appears more likely than not that the operator cannot fully complete reclamation in accordance with the operator's approved reclamation plan; or,
- d) The lead agency, the Board, or the supervisor, is unable to contact the mine operator or the mine's agent of record after 90 days of the mine's becoming idle; or,
- e) The mine operation meets the criteria stated in Public Resources Code Section 2770(h)(6) or there is sufficient evidence that the operator has physically abandoned the mining operation.

At this time, the mine operator has passed away and his heirs are unable to complete further activities to achieve full compliance with the reclamation plan, although previous efforts and naturalization of the site conform to the intent of the adopted plan. The funds being held are not sufficient to cover those activities outlined in the plan nor are they sufficient to complete any portion of the remaining activities. While there are technical aspects of the plan that are outstanding, the site has naturalized over the 13 years that the site has been inactive and the intent of the plan has been fully realized through naturalization.

Staff is recommending that the Council direct staff to process closure of the mine based on these conditions and take any actions necessary to support full closure of the mine.

ALTERNATIVES TO THE STAFF RECOMMENDATION:

1. The City Council may determine that more information is needed and may refer staff to provide additional information. The Council should clearly state the type of information that is required. A motion, and approval of that motion, are required to continue the item to a future date.


FISCAL IMPACT:

None.

REVIEWED BY OTHERS:

The Administrative Services Director and the City Attorney reviewed this item.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENT(S):

1. Draft Resolution
 - a. Millhollin Pit - Reclamation and Closure Plan/ Operations Agreement/Environmental Assessment (1996)
2. Approved Financial Assurance Mechanisms and Cost Estimate
3. Draft 2024 Annual Inspection Report
4. Past and Current Site Photos

DRAFT RESOLUTION A

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
ATASCADERO, CALIFORNIA, DETERMINING THAT THE
MILLHOLLIN MINE IS FULLY REMEDIATED TO THE SATISFACTION
OF THE CITY AND AUTHORIZING STAFF TO TAKE ALL NECESSARY
STEPS TO FORMALLY CLOSE THE MINE.**

**CPP2019-0125
MILLHOLLIN MINE CLOSURE**

WHEREAS, the Millhollin Mine (also referred to as a Quarry or CA Mine ID#91-40-0001) is located in the vicinity of 11600 Santa Lucia Road; and

WHEREAS, in March 1980, a Reclamation Plan was approved for the Millhollin Mine by the County of San Luis Obispo; and

WHEREAS, on October 23, 1996, the City Council approved a Conditional Use Permit (CUP 96003) which consists of a Final Reclamation and Closure Plan (“1996 Plan”), Operations Agreement, and Environmental Assessment; and

WHEREAS, the effective date of the Operations Agreement was October 23, 1996; and

WHEREAS, the right to mine the Millhollin Mine expired on October 23, 2011, pursuant to the terms of CUP 96003; and

WHEREAS, the obligation of the owner of the Millhollin Mine to complete the 1996 Plan continues until reclamation under said Plan has been satisfactorily completed; and

WHEREAS, on March 17, 2020, a building permit (OTCC20-0249) was approved for final reclamation-related grading activities. The building permit was conditioned, consistent with the 1996 Plan to plant 50 native trees and to hydroseed the reclamation area with native and drought tolerant species consistent with the reclamation activities identified in the Financial Assurance Cost Estimate (FACE); and

WHEREAS, at the time of the 2019 Surface Mining Inspection, the approved financial assurance, in the amount of \$11,888.00 was inadequate to perform the reclamation required in CUP 96003 and as provided by PRC Section 2777.5 (a)(3); and

WHEREAS, on March 3, 2020, the mine operator submitted a certificate of deposit in the amount of \$6,000.00 to increase the total financial assurance mechanism for the reclamation of the mine to \$17,888.00; and

WHEREAS, the current face value of the financial assurance, \$17,888.00 remains inadequate to perform the reclamation required in CUP 96003 and as provided by PRC Section 2777.5(a)(3); and

WHEREAS, on November 20, 2020, the mine operator, Glenn Millhollin passed away; and

WHEREAS, between December 2020 and March 2021, Mr. Millhollin’s family, acting as the mine operator’s representative, made a good-faith effort to continue reclamation activities, which included grading and curve rounding the excavation slopes to stabilize and blend with adjacent natural slopes, planting approximately 50 native trees along the ridgelines with irrigation; and

WHEREAS, a majority of the reclamation activities have been complete to date with the exception of hydroseeding regraded slopes; and

WHEREAS, the slopes have naturalized significantly over the 13 years that the mining operation has ceased and hydroseeding is no longer necessary; and

WHEREAS, Mr. Millhollin’s family, acting as the mine operator’s representative, has verbally communicated to the City and Department of Conservation – Division of Mine Reclamation staff that they are financially incapable of completing the reclamation per the approved reclamation plan; and

WHEREAS, a timely and properly noticed Public Hearing, per California Code of Regulations, Title 14, Division 2, Chapter 8, Article 11.5, Section 3813 Hearing Procedure Notice upon the subject closure process for the Millhollin Mine was held by the City Council of the City of Atascadero at which hearing evidence, oral and documentary, was admitted; and,

WHEREAS, the City Council of the City of Atascadero, at a Public Hearing held on September 10, 2024, studied and considered pertinent information related to the mine and closure process (CPP19-0125).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATASCADERO:

SECTION 1. Recitals. The above recitals are true and correct.

SECTION 2. Public Hearing. The City Council held a duly noticed public hearing on September 10, 2024, and considered testimony and reports from staff, the operator’s representative, public agencies, and other interested persons.

SECTION 3. Findings.

1. **FINDING:** The mine has been remediated to the satisfaction of the City and the intent of the reclamation plan has been achieved through the good faith efforts of the family and the naturalization of the site.

FACT: The mine operator passed away prior to completion of full reclamation actions outlined in the approved 1996 plan. However, the family, acting in good faith, continued efforts to the greatest extent of their ability and completed grading and tree replanting efforts. The remain task of hydroseeding was not completed, however, the

site has remained non-operational for 13 years and, in that time, the site has naturalized with native grasses in the areas where hydroseeding would have been applied.

- 2. **FINDING:** The operator is incapable of providing or fails to provide sufficient evidence of financial capability such that in light of all the evidence, it appears more likely than not that the operator cannot fully complete reclamation in accordance with the operator’s approved reclamation plan.

FACT: The operator is deceased and the funds held by the city are insufficient to cover the cost of full reclamation per the approved 1996 plan.

SECTION 4. Determination. The Atascadero City Council, in a regular session assembled on September 10, 2024, determined that the Millhollin Mine is considered remediated to the satisfaction of the City and the operator is financially incapable of performing full reclamation consistent with the 1996 plan.

EXHIBIT A: Reclamation and Closure Plan, Operations Agreement, and Environmental Assessment

SECTION 5. Authorization. The City Council of the City of Atascadero authorizes the Community Development Director and the Administrative Services Director to take appropriate action(s) to achieve full closure of the Millhollin Mine.

PASSED and ADOPTED at a regular meeting of the City Council held on the 10th day of September 2024.

On motion by Council Member _____ and seconded by Council Member _____, the foregoing Resolution is hereby adopted in its entirety by the following roll call vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

CITY OF ATASCADERO:

Heather Moreno, Mayor

ATTEST:

Lara K. Christensen, City Clerk

CUP 96003

ORIGINAL

MILLHOLLIN QUARRY

FINAL RECLAMATION AND CLOSURE PLAN

OPERATIONS AGREEMENT

AND

ENVIRONMENTAL ASSESSMENT

OCTOBER 1996

CITY OF ATASCADERO
COMMUNITY DEVELOPMENT DEPARTMENT
6500 PALMA AVENUE
ATASCADERO, CALIFORNIA
93422
(805) 461-5035

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I. BACKGROUND

The Millhollin Quarry, which has also been referred to as the Santa Lucia Road Pit, was established in its present location in 1945. The Quarry pre-dates the construction of Highway 101 by twelve (12) years and the City's incorporation by thirty-four (34) years. Although the Quarry was established within an area already subdivided (Atascadero Colony, 1914), its establishment preceded the development of by far the majority of surrounding properties which are now predominantly residential.

The Quarry was used more or less continuously since its establishment, to the extent to which such uses are continual, but at a very small scale. In March of 1980, a Reclamation Plan was approved for the Quarry by the County of San Luis Obispo. Although the City had incorporated eight months prior, the County continued to process land use applications for about one year after incorporation until such time as the City was staffed and able to assume that function.

Regrettably, the 1980 Reclamation Plan did not undergo environmental review pursuant to the California Environmental Quality Act of 1970 (CEQA) nor was it subject to State review as required by the Surface Mining and Reclamation Act of 1975 (SMARA). Despite its procedural oversights and technical inconsistencies, the 1980 Reclamation Plan went unchallenged. The lack of public notice coupled with the Quarry being such a small-scale operation at that time may explain this.

In 1991, the County of San Luis Obispo (operator of the Quarry at the time) intensified their use of the Quarry significantly. This increased level of activity concerned neighboring residents, who raised questions as to the extent to which short-term operational issues (i.e., noise, dust, traffic, etc.) and long-term "end use" issues (i.e., closure date and final site condition) could be regulated. Indeed, several questioned whether the Quarry's very existence was legal.

Attempting to provide answers to these questions was frustrating to the City, especially when the City soon discovered that the County of San Luis Obispo was still considered the lead agency responsible for ensuring SMARA compliance because the County's ordinance regulating surface mining and reclamation activities was certified by the State Mining and Geology Board (Board) and the City's was not. In response to continued public pressure, the City endeavored to draft and adopt an ordinance regulating surface mining and reclamation activities (Ordinance No. 242) and then applied to the Board to have that ordinance certified such that lead agency status could be secured.

Upon Board certification in June of 1992, the City, at the mine operators' expense, required an inspection of what was at that time two (2) surface mining operations within the City. Sierra-Pacific Groundwater Consultants, Inc. was selected by the City to conduct the inspections and present the results in the form of a document entitled Report of Results: Mined Land Reclamation and Compliance.

In June of 1993, the Report of Results document was presented to the City Council. As recommended in the Report of Results document, the Council took action to close the Salinas River Pit altogether (with the consent of that mine owner) and ordered that an amended reclamation plan be prepared for the Millhollin Quarry which would address noted operational concerns and establish a "sunset date" whereby mining activities would cease and the site would be reclaimed in an acceptable manner. The Council also found existing financial assurances inadequate and ordered that they be revised as well.

Three (3) months later, a revised reclamation plan was received as were revised financial assurances. Proposed financial assurances (in the amount recommended in the Report of Results document) were routed to the State for review and comment, but the revised plan was deemed unacceptable because of General Plan and zoning conflicts. Another 3-month timeframe was established for the filing of a revised reclamation plan that could be found consistent with City policies.

Three (3) months later, the Council again met to discuss the status of the Quarry. Financial assurances were deemed unapproved because of comments received from the State. A revised reclamation plan was in the works but was not complete. Additional time was granted to resolve both of these problems. This time, however, it was agreed that the Quarry remain closed in the interim. In addition, the Council directed the City Attorney to report back as to the Council's legal options should negotiations for a revised reclamation plan break down.

In another three (3) months the Council met again. Financial assurances were approved and the Council received their report from the City Attorney. With a revised plan still in the preparation stages, the Council agreed to continued negotiations but insisted that some sort of interim agreement be drafted to address neighborhood concerns should there be an impetus to re-open the Quarry during the reclamation plan amendment process.

Within two (2) months, a proposed Interim Operations Agreement was received but was put on hold by the City to allow for public review and comment. A neighborhood meeting was held in June of 1994 which enabled open discussions to ascertain neighborhood concerns and goals. A second neighborhood meeting was then held to discuss conceptual long-term plans and interim operational possibilities.

Based again on an understanding that a revised reclamation plan or some other mechanism for resolving long-term issues would soon be prepared and approved for the Quarry, the City approved the Interim Operations Agreement which allowed limited use of the Quarry for a period of eight (8) months within certain parameters intended to minimize neighborhood impacts. It was believed that proceeds from the Quarry during this interim period would be directed toward preparation of a revised reclamation plan that would address long-term concerns. Neighboring residents were dissatisfied with the approval of the Interim Agreement and filed suit against the City, County and mine operator.

While the lawsuit was being "resolved" in the courts, a proposed Closure & Residential Re-Use Plan was filed. Essentially, this plan proposed to close the mine if and only if (1) a certain amount of additional material could be removed from the site and (2) a tentative tract map was approved to allow for the construction of a new street and development of new residential parcels. This application was deemed incomplete by the City and the mine operator (applicant) was informed that, based on General Plan and zoning conflicts, an Environmental Impact Report (EIR) would be required for the project once the application was made complete.

In an effort to avoid the EIR process, the map was revised to eliminate some of the General Plan/zoning conflicts and additional technical information was provided in an attempt to demonstrate that EIR preparation was unnecessary because the project's impacts could either be shown to be insignificant or mitigated to insignificance through the Negative Declaration process. The additional information provided included such things as a geotechnical report, wildlife report, visual assessment, stormwater runoff and water quality analysis, and traffic study.

With the wealth of pertinent information made available by the Report of Results document and EIRs prepared for other projects in the area, the additional information provided did indeed make the record fairly complete. However, because of the failure to adequately address drainage issues and continued General Plan/zoning conflicts, staff continued to feel that an EIR should be prepared. The applicant appealed that determination but withdrew that appeal prior to the planned hearing date in September of 1995.

With the proposed Residential Re-use Plan at an apparent standstill, all parties continued to be interested in resolving the issues originally raised. The mine operator and his agents continued to negotiate with staff and the Council continued to ask for regular status reports as to the progress of negotiations.

On February 21, 1996, three (3) prominent members of the State Mining and Reclamation Board -- John G. Parrish, Ph.D., Executive Officer; DeWayne Holmdahl, Chairman of the Board; and Joan Gray-Fuson, Senior Staff Council -- graciously attended a public workshop in Atascadero to help clarify Surface Mining and Reclamation Act (SMARA) requirements as they pertain to the Millhollin Quarry. Also discussed was the Supreme Court's ruling in the Hansen Brothers Enterprises v. The Board of Supervisors of Nevada County et al. and how that might affect vested rights issues surrounding the long-established Quarry.

On March 12, 1996, the Council, mine operator and neighboring residents met and agreed that an amended reclamation plan for the Quarry was indeed necessary. Furthermore, all parties agreed in concept as to what the Quarry site should look like after mining and generally when that mine closure ought to occur. Finally, it was agreed that City staff would prepare the amended Reclamation Plan and supporting environmental documentation through continued negotiations with the mine owner and using, to the extent possible, information already made available through past dealings with the Quarry as outlined above.

Now, with the City's Planning Department staff having negotiated with the mine operator in one form or another for about four (4) years, and intensely for about four (4) months, a Plan has been developed which is both fair and reasonable. In accordance with sound planning principles, the process began by setting goals and objectives. Once those were established, specific proceedings and schedules were developed for the realization those goals and objectives.

Since all parties had generally agreed as to an acceptable final site condition after mine closure and that adequate provisions would be necessary to protect public safety and the environment in the interim, it was fairly easy to identify the goals and objectives of the project. Essentially, the goals and objectives of the project are to achieve closure of the Quarry when target grade elevations are reached and do so in a reasonable manner without jeopardizing public safety or unduly harming the environment. This document describes the proposed final site condition and describes in detail how that final site condition is proposed to be executed.

II. INTRODUCTION

The first two (2) parts of this document constitute the proposed project, which is being processed by the City in the form of a Conditional Use Permit application (CUP #96003). The project consists of a Reclamation and Closure Plan and an Operations Agreement.

The Reclamation and Closure Plan (Plan) is an amendment to the existing reclamation plan for the Quarry. As such, it must comply with the City's Ordinance regulating surface mining and reclamation activities (Ordinance 242), California's Surface Mining and Reclamation Act (SMARA) and all other environmental regulations and guidelines applicable thereto. The Plan was written "in-house" by the City's Planning Department staff and is the product of long-standing negotiations with the mine operator and private professionals working on his behalf. Mr. John Larson of the PRA Group and Mr. Ben Garrison of Omni Design Group contributed to preparation of this Plan with respect to the plan drawings, financial assurances worksheets and details with respect to reclamation phasing.

The Operations Agreement supplements the Reclamation and Closure Plan. The Agreement is intended to reinforce the legally binding nature of agreed upon obligations of the mine operator with respect to operational parameters, monitoring and final site reclamation. The Agreement also obligates the City not to "downzone" the property or further restrict development policies and regulations applicable to the property and to process any future development applications without prejudice or undue delay. The Agreement, written pursuant to Government Code Section 65864, was authored by John Belsher, esq., an Attorney retained by the mine owner. Although the Plan and Agreement are inter-related, the latter is not a part of the former per se; it is, however, an essential part of the overall project for which a Conditional Use Permit will be considered.

The third part of this document is the City's Environmental Assessment of the project which covers both the Plan and the Agreement. The Assessment consists of both an Expanded Initial Study and preliminary environmental determination. Also prepared "in-house" by the City's Planning Department staff, the Environmental Assessment constitutes a Draft Negative Declaration and has been prepared as such pursuant to California's Environmental Quality Act (CEQA). Because of the nature of the Plan and the long history of negotiations between staff and the mine operator during preparation of the Plan, separate mitigation measures and monitoring requirements are not considered necessary as such environmental precautions and monitoring responsibilities have been incorporated into the design of the proposed project by way of the Plan and/or the Agreement. Based on information available so far, staff has found no evidence the project would have a significant adverse effect on the environment.

III. RECLAMATION AND CLOSURE PLAN

A. GENERAL MINE INFORMATION

Location of Mine

The Millhollin Quarry, hereinafter referred to as Quarry, is located on private land within the jurisdictional limits of the City of Atascadero. The City of Atascadero is located along Highway 101 in north-central San Luis Obispo County, State of California, between the cities of San Luis Obispo and Paso Robles.

Exiting Highway 101 at Traffic Way and heading west (away from El Camino Real and the City's downtown), the street veers left in front of a church. The first street immediately past the church is Santa Lucia Road. After turning right (only option) on Santa Lucia Road, the Quarry will be visible on the northerly (right hand) side of the road after traveling on Santa Lucia Road a distance of approximately 3.2 miles. Although no buildings exist on the Quarry property, a street address of 11600 Santa Lucia Road has been assigned.

Maps contained in Attachment A show the location of the Quarry property. The Quarry property, which is comprised of three (3) legal parcels, can also be identified by Assessor's Parcel Number (055-451-006, 055-451-030 & 055-451-031) and Legal Description (Parcel 6, PM 28-30 & Lots 20 & 21 of Tract 1422).

Lead Agency/Mine Operator Information

The lead agency for the Quarry pursuant to both the Surface Mining and Reclamation Act (SMARA) and the California Environmental Quality Act (CEQA) is:

City of Atascadero
6500 Palma Avenue
Atascadero, California 93422

The lead agency staff contact, and principal author of this Reclamation and Closure Plan and accompanying Environmental Assessment, is:

Gary Kaiser, Associate Planner
Community Development Department
(805) 461-5035

The owner of the Quarry property, who is also the owner and operator of the Quarry, is as follows:

Mr. Glenn Millhollin
8758 E. Barstow
Clovis, California 93611

B. GENERAL PERMIT INFORMATIONExisting and Proposed Permits/Approvals

The Quarry was established in 1945 and has been in operation in one capacity or another ever since. The existing Reclamation Plan under which the Quarry presently operates was approved by the County of San Luis Obispo (lead agency at that time) in March of 1980. A conditional use permit (CUP) was not required by the County during approval of the 1980 Reclamation Plan, as the Quarry was apparently deemed a vested operation.

The proposed Reclamation and Closure Plan, hereinafter referred to as Plan, requires CUP approval because (1) the City's Zoning Ordinance lists surface mining and reclamation activities as conditionally allowed uses in the zone in which the Quarry is located, (2) the City's Ordinance for the regulation of surface mining and reclamation activities requires a conditional use permit for reclamation plan amendments and (3) the proposed Plan constitutes a substantial amendment to the reclamation plan approved by the County in 1980. CUP #96003 is now pending.

Existing and Proposed Expiration Dates

Since no CUP presently exists neither does an expiration date. If the proposed CUP is approved, the expiration date of that CUP would be tied to the completion of mining and reclamation activities consistent with this Plan and the Operations Agreement (Part IV of this document).

At the latest, mining and reclamation activities would be completed, and thus the permit expired, fifteen (15) years from the date of Plan approval. This scenario is unlikely, however, because it implies an average export rate of only 8,000 cubic yards per year. In all likelihood, mining and reclamation activities would be complete, and thus the permit would expire, approximately six (6) years from the date of Plan approval.

Existing and Proposed Start-up Dates

As mentioned above, mining activities are on-going and have been for better than fifty (50) years. Immediately upon approval of this Plan, mining activities will begin to shape the site pursuant to this Plan rather than the 1980 Reclamation Plan under which the Quarry currently operates. It is expected that this Plan will be approved by the City in the late summer or fall of 1996.

C. ENVIRONMENTAL SETTING

The Quarry is located on the southwest flank of a narrow ridge that runs more or less in a northwest to southeast direction. The ridge is typical of others in the area with respect to slope and vegetation. With respect to land use, however, the Quarry is not typical of the area which is predominantly comprised of large residential lots in a peaceful ranch-like setting.

Throughout this Plan, several references will be made to a document entitled Report of Results: Mined Land Reclamation and Compliance prepared on behalf of the City by Sierra-Pacific Groundwater Consultants, Inc. in December of 1992. The Report of Results document contains a wealth of information about the Quarry that is very much relevant.

Biology

A biology report was prepared for Quarry property by John Grant Kelsey, a practicing agronomist and nurseryman (Appendix E of Report of Results). In addition to Mr. Kelsey's report, Environmental Impact Reports (EIRs) have been prepared for large residential development projects on the ridge immediately to the northeast of the Quarry site (Long Valley II project) and on the ridge immediately southwest of the Quarry site (3F Meadows project).

In general, there are four (4) common plant communities naturally occurring on the site which support different combinations of native plant species, as follows:

Foothill Woodland -- *Quercus douglasii*, *Quercus agrifolia*, *Quercus lobata*, *Umbellularia californica*, *Rhamnus californica*, *Ceanothus cuneatus*, *Cercis occidentalis*, *Ribes quercetorum* and *Pinus coulteri*.

Valley Grassland -- *Bromus* spp., *Festuca* spp., *Avena* spp., *Stipa pulchra*, *Stipa cernua* and *Poa scabrella*.

Coastal Sage Scrub -- *Baccharis pilularis*, *Mimulus aurantiacus*, *Artemisia californica*, *Salvia mellifera* and *Eriogonum fasciculatum*.

Chaparral -- *Adenostoma fasciculatum*, *Heteromeles arbutifolia*, *Rhamnus californica*, *Quercus dumosa*, *Cercocarpus betuloides*, *Prunus ilicifolia*, *Ceanothus* spp., *Arctostaphylos* spp. and *Trichostema lanatum*.

Neither Mr. Kelsey's field survey performed in September of 1992 nor the field surveys done in connection with the aforementioned EIRs in April, May and August of 1992 and March of 1993 found any evidence of rare or endangered plant species being present.

Regional Geology

The geology of the region in general, and of the Quarry site in particular, is described in detail by the Geotechnical Reconnaissance Study prepared by Purcell, Rhoades and Associates in January of 1995 and by the aforementioned Report of Results document prepared by Sierra-Pacific.

The Quarry is located in the eastern foothills of the Santa Lucia Mountains, which are a part of the Coast Range Mountains extending from Southern Oregon to Southern California. The Coast Range is characterized by a series of rugged, subparallel, northwest-trending mountain ranges which are structurally influenced by the San Andreas fault.

Geology of the Area to be Mined

As mentioned above, the Quarry is located on the southwest flank of a narrow ridge. Graves Creek flows around that ridge, separated from the ridge by Santa Lucia Road, and continues northerly a distance of approximately 5.7 miles where it joins the Salinas River.

The ridge appears to be a fault block of the Atascadero Formation that dips 30-50 degrees northeast with local faulting and folding. The Nacimiento Fault Zone (east margin) is defined by Graves Creek. Light gray to olive-gray siltstone and mudstone predominate, with some limestone, shale and graywacke. Beds are laminated and fairly massive. The Atascadero Formation overlies the lower cretaceous Toro Formation and older Franciscan rocks.

Fractured shale material of varying hardness is extracted from the Quarry and used as road base. The harder, less weathered rock is exposed along the ridge. The existing Quarry face consists of fractured shale. Although there is less than one foot of topsoil on upper slopes immediately surrounding the existing Quarry face, there are thicker, alluvial soil profiles on the lower slopes. Only recently has topsoil been salvaged and stockpiled on-site.

Both the Geotechnical Reconnaissance Study and the Report of Results document confirm that proposed slopes, to be benched in accordance with Uniform Building Code (UBC) requirements and to not exceed a slope of 2:1 (Horizontal:Vertical), will be stable.

D. DETAILED DESCRIPTION OF MINING ACTIVITIES

Type and Quantity of Material to be Mined

The Quarry's commodity is a crushed stone (shale) aggregate presently used by the County of San Luis Obispo for road base material.

Up to 20,000 cubic yards of material will be extracted from the Quarry each year with an additional 10,000 cubic yards being possible with the advance, written consent of the City. In no case will the amount of material exported from the site exceed 30,000 cubic yards during any one inspection period. An inspection will occur within one (1) year of Plan approval and then annually (at least) thereafter.

The total amount of material that may be exported over the remaining life of the quarry will be strictly limited to that which is necessary to achieve the final site elevations herein proposed. Using existing and proposed topographic maps, engineers have closely estimated that 120,000 cubic yards of material will be removed from the site over the remaining life of the Quarry and that an additional 20,000 cubic yards will be relocated from one portion of the site to another.

Maximum Extent and Depth of Mining and Reclamation

Lateral expansion of the existing Quarry will ultimately disturb some 7.6 acres, including areas already disturbed, all of which is proposed to be reclaimed.

The Quarry is located on a steep hillside where mining activities presently extend from the base of the hillside to, and slightly over, the ridge. Although the hillside was naturally steep (approximately 2:1) prior to mining, Quarry operations have resulted in the creation of much steeper slopes. The vertical relief of the existing hillside/ridge is approximately 200 feet, from approximately 1000 feet above mean sea level to approximately 1200 feet above mean sea level.

Continued mining activities proposed under this Plan would involve a lowering of the existing ridgeline to allow for the creation of finished slopes which are safe, blended and contoured to appear natural and suitable for the proposed "end use." The deepest cut of approximately thirty-five (35) feet would occur along the existing, already-disturbed ridge.

Site Maps

A topographic map showing existing and proposed Quarry conditions is contained in Attachment B, with cross-sections contained in Attachment C. Attachments B & D show how mining (grading) and revegetation activities will be phased over time, respectively. Phasing aspects of this Plan are described in greater detail below.

Upon approval of this Plan the lateral limits of the mine, meaning the +/- 7.6 acres ultimately to be disturbed by mining and reclamation activities, will be made identifiable in the field either by the staking of that boundary or by the placement of benchmarks from which that boundary can readily be measured.

Topographic surveys of the Quarry will be done annually, in conjunction with annual inspections, to allow both the City and mine operator to ensure conformance with this Plan and gauge grading activities for the following year. Annual surveys may consist of spot elevations without contour lines provided there is a sufficient number to be useful. Annual topographic surveys shall include cross-sections of the Quarry area and shall be performed by either a registered civil engineer or licensed land surveyor.

Type of Mining to be Employed

As is presently the case, mining will be accomplished by ripping the sedimentary bedrock with a heavy tractor and pushing the rubble down the slope where it will then be loaded into haul trucks with a rubber-tired front end loader. Other than the tractor and loader, there will be no buildings, structures or other large equipment stored on site when the mine is not in use. The existing fence along Santa Lucia Road is proposed to remain and the gate will be shut and locked when the Quarry is not in use (nights and weekends included).

Particulars with respect to day-to-day Quarry operations, including but not limited to limits on the hours of Quarry operations and provisions to control traffic, noise, dust, etcetera, are addressed by way of the Operations Agreement. Like the Reclamation Plan Amendment component of this Plan, the Operations Agreement will run with the property and be binding on the present and any future mine operator/owner. The Operations Agreement is not, however, to be considered a part of the Reclamation Plan Amendment per se. This separation frees the mine operator from having to include the various provisions and responsibilities of the Operations Agreement into financial assurances calculations.

E. DETAILED DESCRIPTION OF RECLAMATION ACTIVITIES

Proposed Use of Site Upon Reclamation

Upon closure of the Quarry and the completion of final site reclamation, the site will either be left vacant or will be used as grazing land. If used as grazing land, no more than one cow/calf combination shall be allowed on the +/- 20-acre parcel on which the majority of mining and reclamation activities occur. If the area accessible for grazing includes adjoining parcels, the total number of allowed cattle may be proportionately higher. Although the Operations Agreement establishes some ground rules for possible future residential development, the only "end use" being proposed at this time is grazing.

Considering that the three (3) parcels which comprise the Quarry site are zoned for single family residential use, it is possible that applications could be made for the construction of three (3) homes on the site, one on each parcel. Moreover, considering that the three (3) parcels which comprise the Quarry site are larger than that required for new residential lots, it is possible that application could be made for a residential subdivision. Any of these possible future residential uses, however, would be subject to entirely separate review and approval.

Owner Notification of Proposed End Use

The landowner, operator of the Quarry and applicant for this Plan are one and the same. Since the owner of the Quarry property is the operator of the Quarry, and since the owner/operator has made this application and will have to sign the associated Operations Agreement for recordation as a condition of this Plan being approved, separate notice is not necessary.

Reclamation Scheduling

As mentioned above, the existing Quarry is a steep cut into an already steep hillside. This Plan proposes to lower the elevation of the ridge (primarily in the center of where the ridge is now disturbed) so that finished Quarry slopes can be laid back and blended with adjacent grades to resemble a more natural condition. Topsoil will be salvaged throughout Plan implementation and redistributed over the site prior to revegetation.

Between Plan approval and mine closure, approximately 120,000 cubic yards of material will be removed from the site at an anticipated rate of approximately 20,000 cubic yards per year. In addition to the 120,000 cubic yards to be exported, 20,000 cubic yards of material will be relocated from one area to another on-site.

Generally, earthwork activities will occur in three (3) phases and revegetation activities will occur in two (2) phases (see Attachments B & D). These phases are further described as follows:

Phase 1 -- Most of the material to be exported from the Quarry between Plan approval and Quarry closure will be removed during Phase 1. Phase 1 will occupy an area of approximately 2.5 acres, including that portion of the ridge to be lowered by up to thirty-five (35) feet. Approximately 70,000 cubic yards of material will be exported from the site during phase 1. At 20,000 cubic yards per year, Phase 1 will take 3.5 years.

During Phase 1, topsoil will be pushed to the perimeter of the phase area and stockpiled for future use. Rock material will then be dislodged and pushed down the slope to lower elevations of the property for loading. Final grades matching those shown on final site configuration plans (Attachments B & C) will then be created. As shown by Attachment B, slopes at the higher elevations will be flattened to 3:1 and rounded to transition into abutting natural grades along the ridgeline.

Once the removal of material is completed and final grades are attained, topsoil will be redistributed over the phase area to a depth of between six (6) and twelve (12) inches. An erosion control grass mix (described below) will then be applied to areas disturbed within the phase area.

Phase 2 -- Upon completion of Phase 1, Phase 2 of mining and reclamation activities will commence. Phase 2 will occupy approximately 2.4 acres, most of which is presently disturbed. Approximately 23,000 cubic yards of material will be exported during Phase 2. At 20,000 cubic yards per year, Phase 2 will take approximately one (1) year.

As with Phase 1, topsoil will be stockpiled along the perimeter of the phase area and rock material will be pushed to lower elevations of the property for loading. The small area within Phase 2 that must be filled in order to achieve final grades will likely occur during Phase 3, as Phase 3 will involve continued disturbance of the Phase 2 areas. For this reason, revegetation is proposed in only two phases (see Attachment D and further explanation below).

Phase 3 -- In Phase 3, an area of approximately 1.4 acres will be cut (along ridge) and another area of approximately 1.3 acres will be filled and recontoured (at base of existing Quarry face). The net export of material during Phase 3 is approximately 24,000 cubic yards, which at a rate of 20,000 cubic yards per year will take approximately one (1) year.

As with Phases 1 & 2, topsoil will be stockpiled for reuse and rock material will be stockpiled for loading. During Phase 3, however, stockpiling will occur on flatter slopes created during Phase 2, rather than along the perimeter of Quarry operations.

The cut along the ridgeline will occur at the beginning of Phase 3, while the filling of lower regions of the site will occur towards the end of Phase 3. Phase 3 will be completed when final grades consistent with the final site configuration plan (Attachment B) are achieved, the remainder of stockpiled topsoil is redistributed and the site is revegetated as described below.

Financial Assurances

Throughout Quarry operations, the City will keep financial assurances to ensure the site is shaped and revegetated consistent with this Plan.

Financial assurances were secured for the Quarry as a result of the City's first annual inspection as lead agency back in 1993. The assurances are in the form of Certificates of Deposit (CDs) made payable to either the City or Department of Conservation. The amount of the existing financial assurances (\$11,888.00) remains as determined appropriate by Sierra-Pacific Groundwater Consultants, Inc. in their Report of Results document.

A revised financial assurances worksheet has been prepared for the proposed Plan (Attachment E), but the bottom line amount remains the same as that already secured. It is therefore proposed that existing financial assurances simply be retained.

Affect of Reclamation Plan on Future Mining

From a physical standpoint, further mining of the site would be possible since the proposed end use is open grazing land and the site would not be exhausted of mineral resources. From a social/political standpoint, however, it is highly unlikely that the discretionary applications required for such a future re-opening of the Quarry would be approved because of neighborhood opposition to the current operation.

Affect of Site Reclamation on Public Safety

The final configuration of the site, with slopes benched and not exceeding 2:1, will be stable and will pose no hazard to the public. The Quarry is located on private property with unauthorized access limited by fencing and a locked gate at the entrance to the site. Although not directly related to site reclamation, certain operational considerations for public safety are proposed in the Operation Agreement.

Storage and Disposal of Contaminants

No hazardous materials will be stored on site; any mine tailings will either be incorporated into the final landform or hauled off-site to an approved location.

F. GENERIC RECLAMATION STANDARDSTopsoil Salvage, Maintenance and Redistribution

The aforementioned Biology Report states that:

"revegetation of this rocky slope could be easily accomplished by shallow ripping of the rock surface. This should result in a satisfactory soil condition for planting of chaparral species. Irrigation should not be necessary if planting occurs in early winter."

Nevertheless, as new areas are disturbed the topsoil will be salvaged and maintained on-site for subsequent distribution over affected areas once graded to their final elevations.

Recently, topsoil and mulched vegetation has been stockpiled along the upper northeast-facing portion of the ridge. As described above, topsoil from areas newly disturbed will continue to be stockpiled on-site. In Phases 1 & 2, stockpiling will continue to occur along the perimeter of the Quarry while topsoil stockpiles during Phase 3 will occur on the flatter "saddle" area along the ridge created during Phase 2. Stockpiles shall be revegetated by hand broadcasting of the seed mix described below to control erosion and the leaching of soil nutrients. If this approach to controlling erosion of stockpiled material is determined unsuccessful by the City, the property owner shall install sediment fences to the approval of the City. The property owner shall install said sediment fencing, and/or any other similar/reasonable erosion control devices deemed necessary by the City, within two (2) weeks of being directed to do so.

The amount of topsoil in each of the three (3) phases of mining and reclamation has been estimated (using an average topsoil depth of two (2) feet for areas yet to be disturbed) as follows:

Phase	Topsoil Area (ft ²)	Topsoil Volume (yd ³)
1	66,500	4,926
2	24,210	1,793
3	67,190	4,977
Total	157,900	11,696

The total area to be disturbed by Quarry operations (including the areas already disturbed) is approximately 7.6 acres. Based on the above quantities, this entire 7.6-acre area can be covered with topsoil to a average depth of twelve (12) inches. Practically speaking, re-applied topsoil will range in depth from six (6) to eighteen (18) inches.

Revegetation

As mentioned above, the only "end use" proposed for the Quarry at this time is grazing land. The accompanying Operations Agreement provides for the possible processing of plans for future residential development, but that is beyond the scope of this Plan. The intent of revegetation plans, therefore, is to prepare the site for livestock grazing while protecting the ground from erosion in the process.

In 1994, two (2) test plots of approximately 100 square feet were seeded with non-native grasses and monitored by John Larson of the PRA Group, Inc.. The seeds were broadcasted by hand and the plots received no irrigation. In these areas, the non-native grasses grew as did native wildflowers. Over a period of two (2) years, native shrubs began to sprout within the test plot areas and outside the test plot areas where the ground was simply left undisturbed. The native shrubs observed primarily consisted of *Salvia mellifera* (black sage), *Artemisia californica* (California sagebrush) and *Eriogonium* (buckwheat).

Based on the test plot experiment and the conclusions of the Biology Report, the revegetation component of this Plan is simply to hydroseed all disturbed areas with an erosion control seed mix and then allow native grasses and shrubs species located on the perimeter of disturbed areas to reseed and eventually take over the site. A "Basic Erosion Control Mix" commonly used in San Luis Obispo County is proposed. The mix is dominated by clovers, brome and rye grass; typical specifications for the mix are as follows:

% of mix	Species	% Germination
19.58	Blando bromegrass	85
7.88	Zorro fescue	90
11.90	RK Lana vetch	87
19.90	RK Rose clover	92
19.88	RK Crimson clover	84
19.74	Annual ryegrass	90
98.84 total		

The seed mix will be applied in a hydroseed mix at a rate of three (3) pounds per 1,000 square feet. Combined with a binder and fertilizer slurry, the application rate would actually be twelve (12) pounds per 1,000 square feet, or approximately 520 pounds per acre. Application will occur in the late fall (mid-October) to take advantage of natural irrigation brought on by the rainy season.

Supplemental to the revegetation herein proposed, the Operations Agreement obligates the mine operator to plant at least fifty (50) native Oak trees prior to mine closure. These trees shall also be planted in the late fall, after the placement of topsoil yet prior to hydroseeding.

Although the proposed end use is agricultural in nature, the mining operation is not located on prime agricultural land.

Revegetation Monitoring

As mining and reclamation activities near completion, the first Phase of revegetation will have existed and been monitored for at least (2) years. Revegetation must prove successful without human intervention (application of irrigation, fertilizer, etc.) for at least (2) years before financial assurances for revegetation are released. Revegetation will not be considered successful until a minimum eighty percent (80%) coverage is achieved. Revegetation will also not be considered successful if any barren areas at or exceeding 100 square feet exist. In addition, there shall be no grazing allowed until all revegetation has been deemed successful, as described herein.

Wildlife Protection

Wildlife habitat after the Quarry is closed and this Plan is fully completed will be of the same or higher quality than that which existed prior to mining. Certainly, the Plan will improve conditions for wildlife when compared to the "no plan" alternative, which could just be indefinite mining.

In connection with previous plans to subdivide the site for residential use, a Wildlife Report was prepared by Michael T. Hansen, a professional Wildlife Biologist. No rare, threatened or endangered animal species were detected on the property and, "according to range maps and habitat types used by such species, none would be expected on the site." In addition, Mr. Hansen concluded that the residential subdivision was "well thought out as far as wildlife values are concerned." Since the same grading and site reclamation as that proposed during review of the subdivision is now being proposed (minus the new street and houses), it is reasonable that wildlife impacts be presumed insignificant.

Backfilling, Regrading and Slope Stability

Backfilling and regrading will be done as described herein to integrate slopes with surrounding topography for aesthetic reasons and to ensure the site's safety and suitability for the proposed end use. The aforementioned Geotechnical Reconnaissance Study confirms that proposed slopes will be stable. This reaffirms the same conclusion reached in the Report of Results document.

Drainage and Erosion Control/Stream Protection

The Quarry is not located in a stream or other waterway, but Graves Creek is located nearby. The Quarry presently operates under an approved General Permit for Industrial Activities, issued by the Central Coast Regional Water Quality Control Board, and is now in its third year of the monitoring program required as part of that Permit. Pursuant to that monitoring program, a Storm Water Prevention Plan and Monitoring Program has been approved.

Although soils in the vicinity of the Quarry are susceptible to erosion, the exposed rock material on the face of the Quarry is not. The continued use of Best Management Practices for the control of storm water runoff, as set forth in the Storm Water Prevention Plan, will ensure no significant adverse water quality effects in Graves Creek.

On-site sedimentation basins will continue to be used during Phases 1 & 2, as described above, and slopes will be revegetated immediately, to the extent practicable, upon their reaching final grade. In addition, the City Engineer requires that Interim Erosion Control Plans be approved and in place when ground-disturbing activities occur in the rainy season. All interim drainage facilities and erosion control devices will be subject to the continued review and approval of the City Engineer throughout mining/reclamation.

Building, Structure and Equipment Removal

No buildings or structures exist on the site except for a fence & gate along Santa Lucia Road. The only equipment stored on the site is the dozer used to dislodge rock fragments from the hillside. Upon completion of mining and reclamation activities, only the fence & gate will remain.

Surface Openings

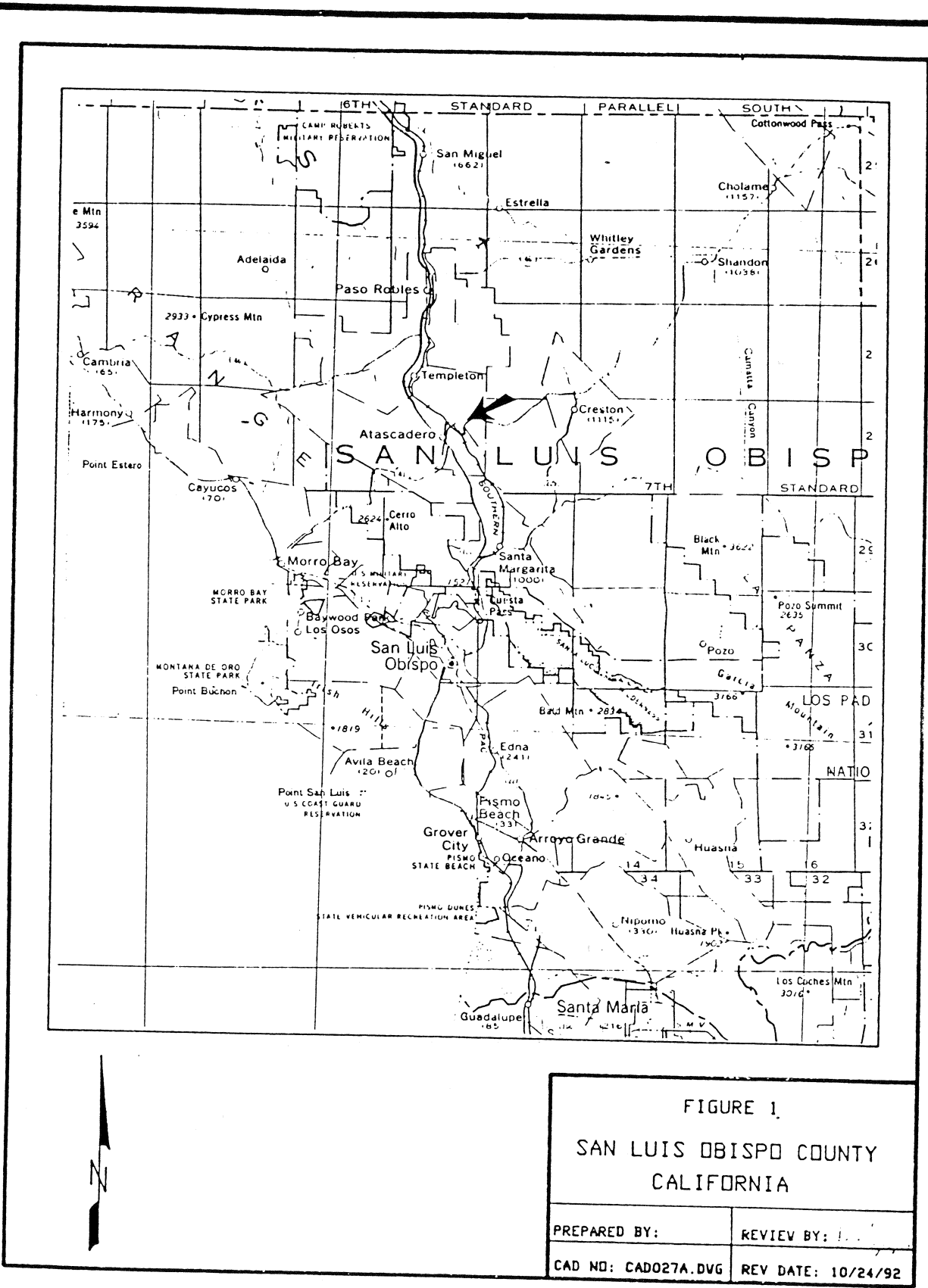
The Quarry will have no portals, shafts, tunnels or any other surface openings to access underground workings nor will there be any drill holes, water wells or monitoring wells. The only surface openings are the hillside "pit," to be reclaimed as described herein, and two (2) shallow sedimentation basins which will remain until Phase 3.

Additional Information Re Local Ordinances

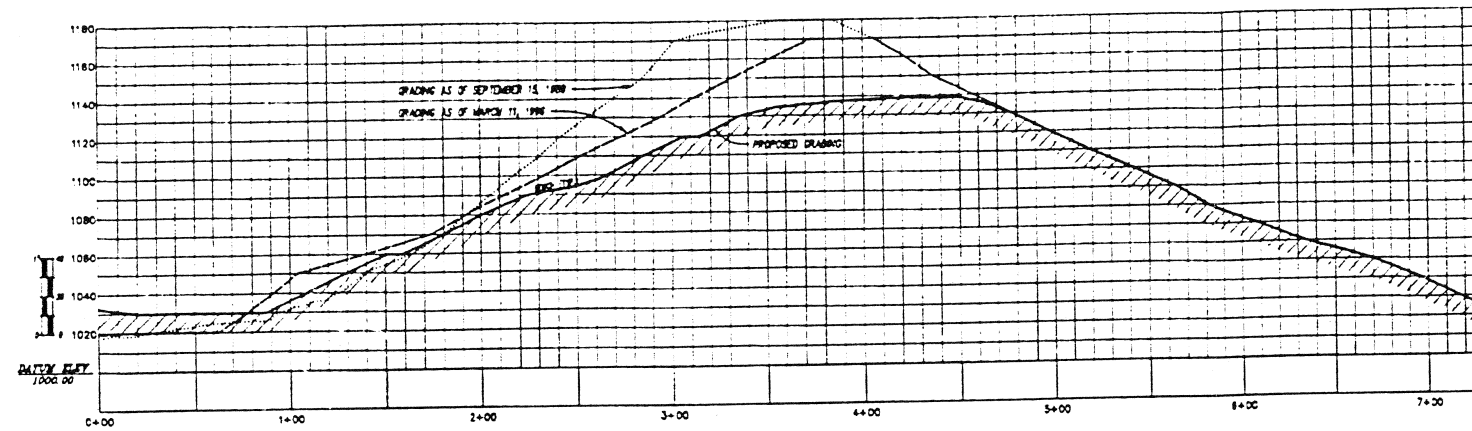
The Plan's relation to the City's General Plan and implementing land use ordinances, policies and standards is addressed in the environmental document and will again be addressed in the staff report prepared for the decision-making body. The mine will comply with all applicable policies, ordinances and standards of the City.

ATTACHMENT A

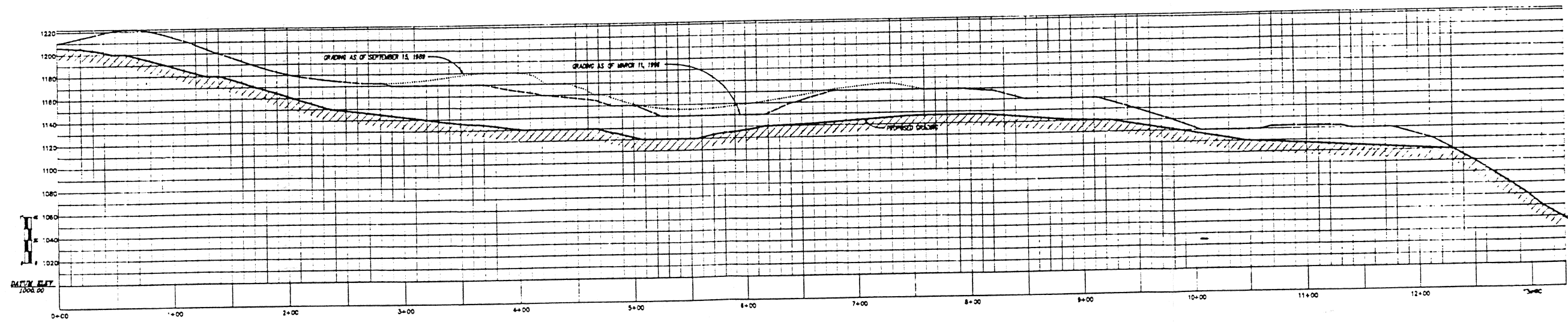
Reclamation and Closure Plan




Reclamation and Closure Plan



SECTION "A - A"
LOOKING WEST
SCALE: HORIZ. = 1" = 40'
VERT. = 1" = 40'



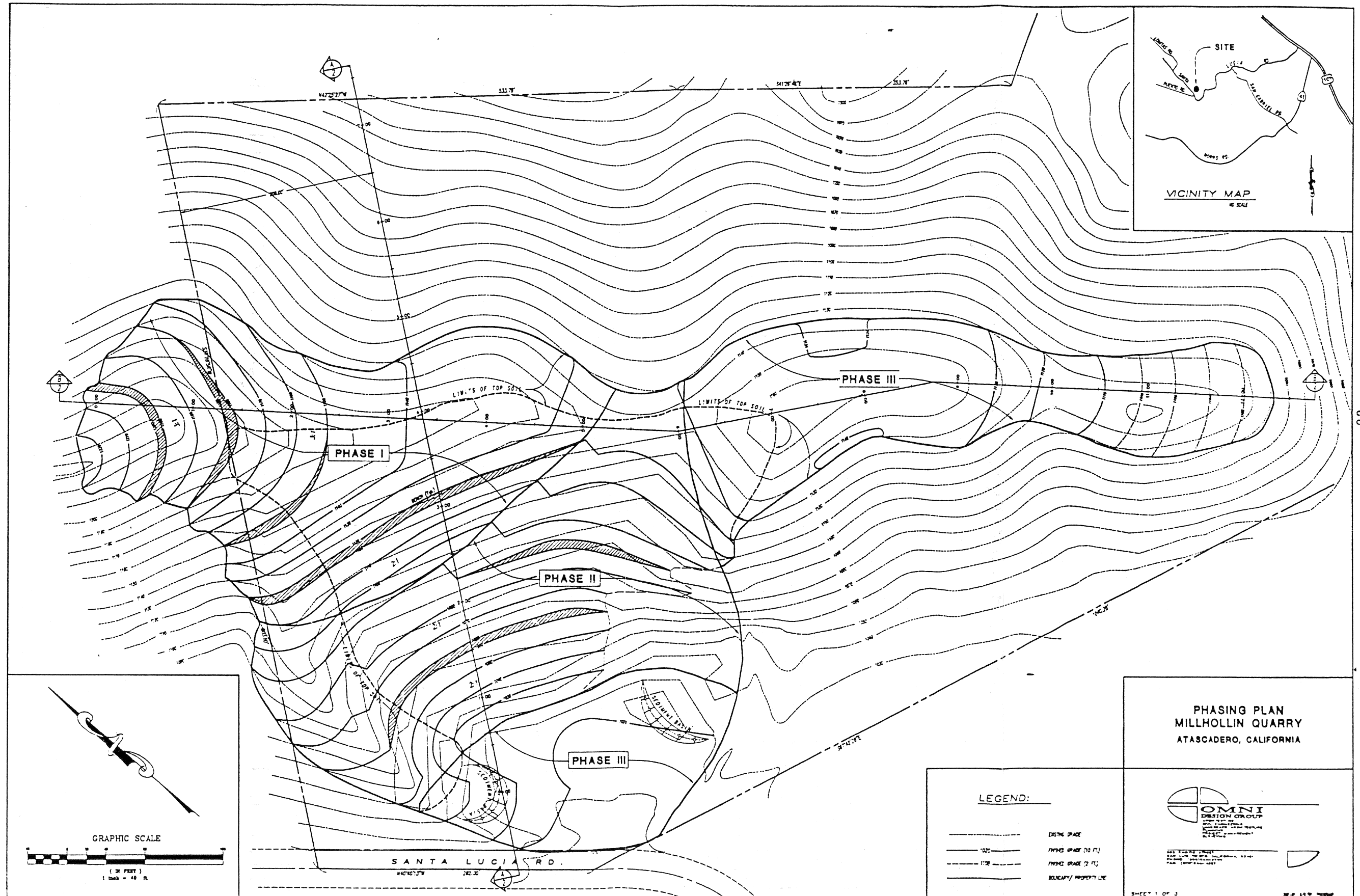
SECTION "B - B"
LOOKING NORTH
SCALE: HORIZ. = 1" = 40'
VERT. = 1" = 40'

<p>CROSS SECTION MILLHOLLIN QUARRY ATASCADERO, CALIFORNIA</p>	 <p>OMNI DESIGN GROUP INCORPORATED 10000 N. 100th Street Portland, Oregon 97220 503.253.8800 www.omnidesigngroup.com</p>
<p>SHEET 2 OF 3</p>	<p>DATE: 09/10/24</p>

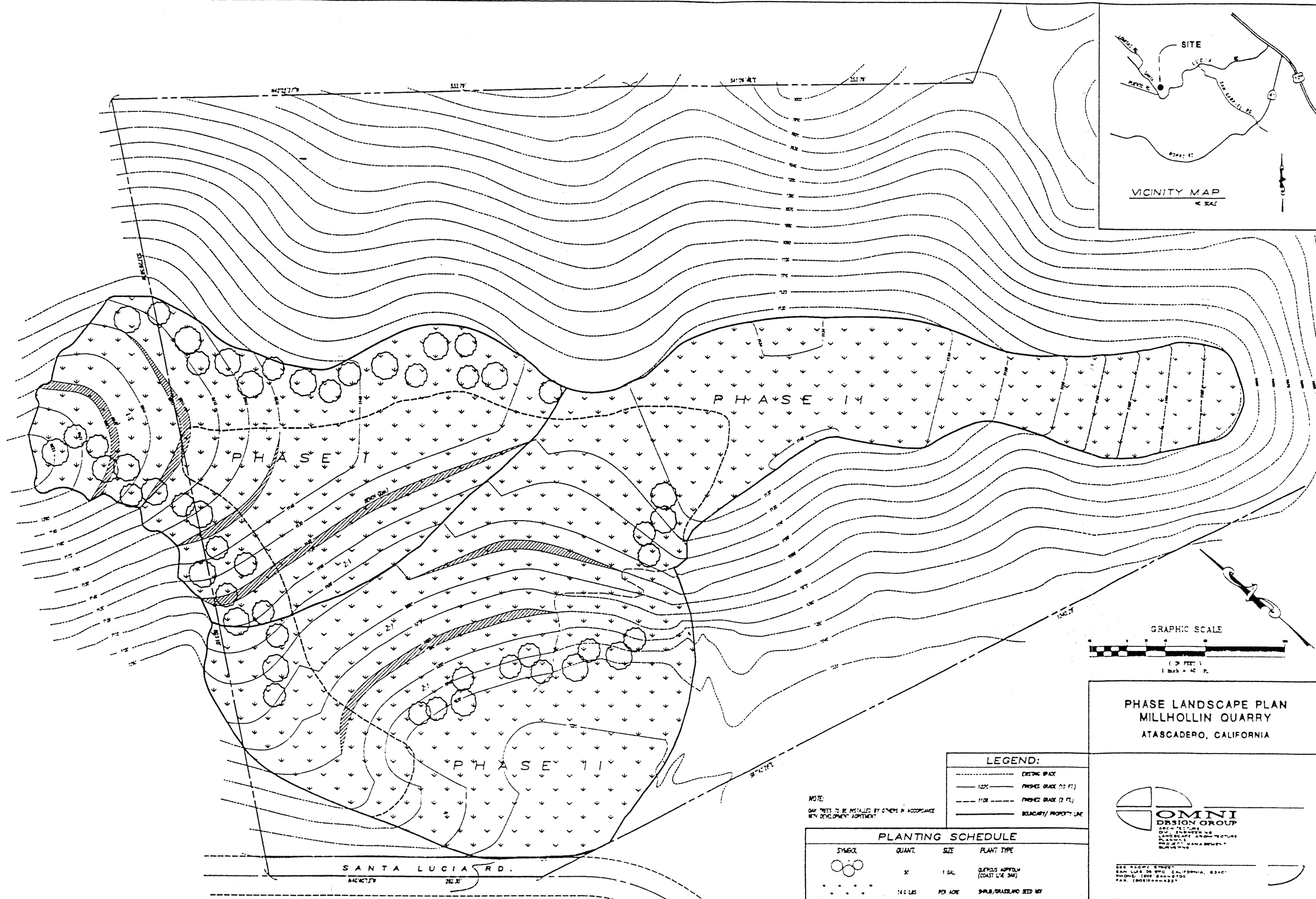
23

ATTACHMENT B

Reclamation and Closure Plan



ATTACHMENT D
Reclamation and Closure Plan



LEGEND:

- EXISTING GRADE
- 100' FINISHED GRADE (10 FT.)
- 110' FINISHED GRADE (11 FT.)
- BOUNDARY/PROPERTY LINE

NOTE:
SOME TREES TO BE INSTALLED BY OTHERS IN ACCORDANCE WITH DEVELOPER'S AGREEMENT

PLANTING SCHEDULE			
SYMBOL	QUANT.	SIZE	PLANT TYPE
	50	1 GAL	OLEFIOLEA ASPHYLUM (COAST LIVE OAK)
	140 LBS	PER ACRE	SHRUB/GRASSLAND SEED MIX

PHASE LANDSCAPE PLAN
MILLHOLLIN QUARRY
ATASCADERO, CALIFORNIA

OMNI DESIGN GROUP
3000 N. HIGHWAY 99, SUITE 100
ATASCADERO, CALIFORNIA 95321
TEL: (408) 858-8100
FAX: (408) 858-8100

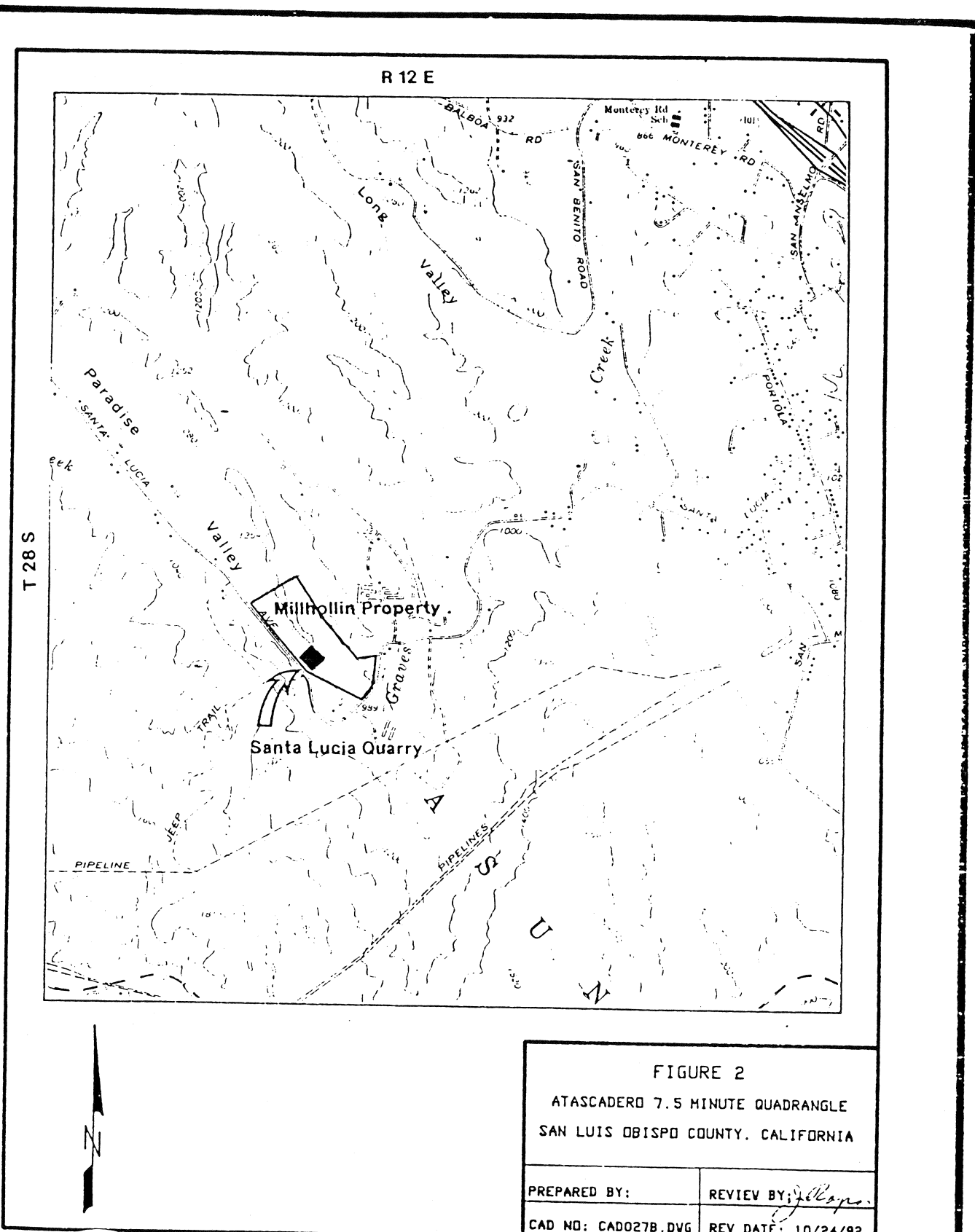


FIGURE 2
 ATASCADERO 7.5 MINUTE QUADRANGLE
 SAN LUIS OBISPO COUNTY, CALIFORNIA

PREPARED BY:	REVIEW BY: <i>J. Lopez</i>
CAD NO: CAD027B.DWG	REV DATE: 10/24/92

Millhollin Quarry Reclamation Plan, Atascadero, California							
Financial Assurance Worksheet							
Reclamation Assumptions:							
Approx. 3.8 acres at a time will be subject to reclamation							
Revegetation to be completed in two approx. equal area phases.							
Major Tasks for reclamation within each phase:							
1 Re-distribute stockpiled topsoil/vegetative matter across phase.							
2 Hydroseed surface with erosion control grass & shrub seed mix.							
Item 1: Re-distribute topsoil: Replace topsoil which has been stockpiled around the perimeter of upper-elevation slopes. Use CatD8 to spread topsoil to a depth of approx. 12". Then use 40 hp tractor and 12" disk to till soil in preparation for re-seeding.							
Area: 3.8 acres							
Item	Description	No.	Unit	Rate	Units	Cost	Subtotals
1a	Equipment mobilization (&de-mob.)		1 event	1000	\$/event	\$1,000.00	
1b	Distribute 6"-12" soil, over	3.8	acres				
	Cat D8 w/ operator		9.12 hours	105	\$/hour	\$957.60	
	700 LCY/hr						
	9.12 hours						
1c	Till surface to prepare seed bed						
	40 hp tractor, 12' disk		1.9 hours	50	\$/hour	\$95.00	
	w/ operator						
	2 ac/hr						
	1.9 hours						
Subtotal for Item 1:							\$2,052.60

Item 2:	Hydroseed area with erosion control grasses/shrubs: Obtain seed mix of specified composition (or equivalent approved by City). Apply as hydroseed mixture with appropriate binder and fertilizer.							
2a	Augment erosion control seed mix to include native shrubs. Add following species to erosion control seed mix:							
	Species		Amount	Unit	Rate	Unit	Cost	
	<i>Baccharis pilularis</i>		6 lb		35 \$/lb		\$210.00	
	<i>Ceanothus cuneatus</i>		6 lb		35 \$/lb		\$210.00	
	Note: Costs are approximate. Species availability may be limited. Similar species native to the area may be substituted with approval of City.							
Item	Description		No.	Unit	Rate	Units	Cost	
2b	Hydroseed per specs.		3.8	ac	1690 \$/ac		\$6,422.00	
Subtotal for Item 2:								\$6,842.00
Item3:	Oak trees: Install 50, 15 gallon oak trees at locations generally as shown on plans, as directed by owner.							
	Note: Oak trees to be installed by others in accordance with Development Agreement.							
Subtotal for Item 3:								\$0.00
Subtotal for material, equipment, and labor (Total Direct Costs, TDC)								\$8,894.60

Item 4: Reclamation management: Administer contracts for reclamation, inspect and document work performed.							
Item	Description	No.	Unit	Rate	Units	Cost	
4	Reclamation management fee	1		7.50%	% x TDC	\$667.10	
Subtotal for item 4:							\$667.10
Item 5: Profit and overhead.							
Item	Description	No.	Unit	Rate	Units	Cost	
5	Allowance for profit & overhead	1		16.00%	% x TDC	\$1,423.14	
Subtotal for item 5:							\$1,423.14
Item 6: Contingency.							
Item	Description	No.	Unit	Rate	Units	Cost	
6	Allowance for contingencies			10.00%	% x TDC	\$889.46	
Subtotal for Item 6:							\$889.46
TOTAL							\$11,874.29

			Millhollin Quarry Reclamation Plan, Atascadero, California							
			Financial Assurance Worksheet							
			Summary Table							
			Item	Brief Description						Cost
			1	Replace topsoil						\$2,052.60
			2	Hydroseed with grass/shrubs						\$6,842.00
			3	Plant oak trees						\$0.00
				Total Direct Costs						\$8,894.60
			4	Manage reclamation activities						\$667.10
			5	Profit & overhead						\$1,423.14
			6	Contingency						\$889.46
				TOTAL						\$11,874.29

OPERATIONS AGREEMENT

THIS OPERATIONS AGREEMENT (the "Operations Agreement") is made and entered into this 23 day of October, 1996, by and between the CITY OF ATASCADERO, a municipal corporation organized and existing under the laws of the State of California (the "City"), and GLENN MILLHOLLIN ("Property Owner").

RECITALS

A. California Government Code Section 65864, et seq., provides that the legislative body of a city may enter into an agreement for the development of real property in order to vest certain rights in the Property Owner and to meet certain public purposes of the local government. Property Owner has applied to the City pursuant to California Government Code Sections 65864-65869.5 for approval of such an agreement as set forth herein.

B. The Property Owner and the City desire to enter into this Agreement in order to address reclamation and operational issues related to the reclamation of certain property (the "Property") known as the "Millhollin Quarry," which Property is more fully described in Exhibit "A" and shown on the maps set forth in Exhibits "B" and "C," all of which Exhibits are attached hereto. The reclamation of the Property (the "Reclamation") includes removal of aggregate material in accordance with provisions of the 1980 Reclamation Plan, as amended in conjunction with this Agreement, consistent with the "Final Landform Plan," Exhibit C hereto.

C. The City has conducted duly noticed public hearings on this proposed Operations Agreement pursuant to Government Code Section 65867 and has found that the provisions of this Operations Agreement and its purposes are consistent with the objectives, policies, general land uses and programs specified in the City's General Plan (the "General Plan"). Concurrent with or prior to its approval of this Operations Agreement, the City Council of the City (the "City Council") has also approved:

1. An Environmental Document pursuant to CEQA.
2. Amendment to the 1980 Reclamation Plan.

D. Certain risks and uncertainties associated with the long-term nature of the reclamation of the Property could discourage and deter Property Owner or any subsequent owner of the Property from making the long-term commitments necessary to begin and complete Reclamation of the Property; therefore, the parties desire to enter into this Operations Agreement in order to reduce or eliminate uncertainties as to such Reclamation.

E. The City recognizes that Property Owner may sustain substantial losses if the City were to default in its obligations or commitments herein undertaken, including without limitation, the substantial investment made by Property Owner to discontinue mining operations and reclaim the mining site.

F. The City, by electing to enter into contractual agreements such as this one, acknowledges that the obligations of the City shall survive beyond the term or terms of the present City Council members, that such action will serve to bind the City and future City Councils to the obligations thereby undertaken, and this Operations Agreement shall limit the future exercise of certain governmental and proprietary powers of the City. By approving this Operations Agreement, the City Council has elected to exercise certain governmental powers at the time of entering into this Operations Agreement, rather than deferring its actions to some undetermined future date. The terms and conditions of this Operations Agreement have been found to be fair, just and reasonable, and the City has concluded that the pursuit of the Reclamation will serve the best interests of its citizens and the public health, safety and welfare will best be served by entering into this obligation. The City acknowledges that Property Owner would not consider or engage in the Reclamation without assurances that future development opportunities which the Reclamation is designed to enable will be available.

G. This Operations Agreement will promote and encourage the Reclamation of the Property by providing the Property Owner and his/her creditors with a greater degree of certainty of the Property Owner's ability to expeditiously and economically complete the Reclamation effort, and the parties agree that the consideration to be received by the City pursuant to this Operations Agreement and the rights secured to the Property Owner hereunder constitute sufficient consideration to support the covenants and agreements of the City and the Property Owner. By entering into this Operations Agreement, the City desires to allow the Reclamation and entertain future development proposals for the Property pursuant to the Operations Agreement, the relevant land use ordinances, rules, regulations and policies applicable on the "Effective Date" as defined in Section 3 hereof as amended, if at all, by this Operations Agreement and, pursuant to this Operations Agreement, to vest in Property Owner, to the fullest extent possible under the law, the identified development opportunities.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties do hereby agree as follows:

1. **Binding Effect of Operations Agreement.** The Operations Agreement pertains to the Property as described in Exhibit "A." The burdens of the Operations Agreement are binding upon, and the benefits of the Operations Agreement inure to all successors-in-interest of the parties to the Operations Agreement, and constitute covenants which run with the Property, and in order to provide continued notice thereof, this Operations Agreement will be recorded by the parties.

2. **Relationship of the Parties.** It is hereby specifically understood and acknowledged that the Reclamation is a private project and that neither the City nor Property Owner will be deemed to be the agent of the other for any purpose whatsoever.

3. **Term.**

(a) The "Effective Date" of this Operations Agreement shall be the date this agreement is approved by resolution of the City Council.

(b) The provisions of this Agreement relating to operation of the Quarry, including those conditions listed in Exhibit D hereto, shall remain in effect from the effective date of this Agreement until reclamation is complete to the satisfaction of the City. All other provisions, particularly those relating to Property Owner's development rights, shall remain in force and effect until ten (10) years from mine closure and site reclamation is deemed complete by the City, subject to earlier termination as hereinafter provided.

(c) The City and Property Owner may terminate this Operations Agreement pursuant to Section 19 hereof prior to expiration of the Term.

4. **Permitted Uses of the Property.** The parties agree that continued extraction of rock from the Property, consistent with the Final Landform Plan, the Amended Reclamation Plan and provisions of this Operations Agreement, as well as the uses designated in the City's current General Plan are permitted uses of the Property. The City agrees to allow such uses on the Property, subject to the right of the City to take appropriate action to abate any public nuisance and to enforce all laws which do not conflict with Existing Development Regulations as defined in Section 8 of this Operations Agreement. The vested rights granted to Property Owner under this Operations Agreement apply only to the Property.

5. **Processing of Application and Permits.** The City and its officers, agencies and departments shall not unreasonably delay the processing of any application for any permit or approval necessary to commence or complete the Reclamation or subsequent development of the Property.

6. Development Review. Nothing set forth herein shall impair or interfere with the right of the City to require the processing of building permits as required by law and to conduct its development review of any specific improvements proposed for the Property pursuant to the applicable provisions of the City's Municipal Code which are in effect as of the date hereof; provided, however, no such review shall authorize or permit the City to impose any condition and/or withhold approval to any proposed building, the result of which would be inconsistent with any term or provision of the Operations Agreement.

7. Vesting of Development Rights.

(a) General Statement. As a material inducement to Property Owner and its lenders to continue with diligent efforts to promote the Reclamation of the Property, the City desires to cause all development rights which may be required to reclaim and develop to completion the Property consistent with this Operations Agreement, to be deemed vested in Property Owner for the benefit of the Property, as of the Effective Date of this Operations Agreement, to the greatest extent permitted by law, and to be free of all subsequent building moratorium, ordinances, rules, regulations, policies, or restrictions on development which are inconsistent with this Operations Agreement.

(b) Existing Rules to Govern. In accordance with the terms of Government Code Section 65866, the City and Property Owner agree that the General Plan provisions, ordinances, rules, regulations and official policies of the City in effect as of the date of this Operations Agreement applicable to the Development (collectively, the "Existing Development Regulations") shall govern during the Term of this Operations Agreement. The City shall not, in subsequent actions applicable to the Property apply General Plan provisions, ordinances, rules, regulations and policies which conflict with the Existing Development Regulations, except with the mutual consent in writing of the City and the Property Owner. Except as otherwise provided in this Operations Agreement, no amendment to or revision of, or addition to any of the Existing Development Regulations without the mutual consent in writing of the City and the Property Owner, whether adopted or approved by the City Council or any office, board, commission or other agency of the City, or by the people of the City through referendum or initiative measure or other vote, shall be effective or enforceable by the City with respect to the future Development.

(c) Exclusions from "Existing Development Regulations." As used herein, "Existing Development Regulations" shall not include municipal laws and regulations which do not conflict with Property Owner's opportunities to subdivide and develop the Property or to otherwise use the Property in accordance with this Operations Agreement. Property Owner and its successors and assigns and all persons and entities in occupation of any portion

of the Property shall comply with such non-conflicting laws and regulations as may from time to time be enacted or amended hereafter. Specifically, but without limitation on the foregoing, such non-conflicting laws and regulations include the following:

(i) Taxes, assessments, fees, and assessment districts;

(ii) Building, electrical, mechanical, fire and similar codes based upon uniform codes incorporated by reference into the Atascadero Municipal Code;

(iii) Laws, including zoning code provisions, which regulate the manner in which business activities may be conducted or which prohibit any particular type of business activity on a city-wide basis, provided that nothing herein shall prevent continued mining on the Property consistent with the Amended 1980 Reclamation Plan and this agreement;

(iv) Procedural rules of general City-wide application.

(d) **Subsequent "Slow/No Growth" Measures.** Consistent with (a) and (b), above, the City and Property Owner specifically agree that any subsequently enacted initiatives, referendums, or amendments to the City's General Plan and/or Zoning Code which contain "slow/no growth" measures which by their terms are intended to or by operation having such effect or which otherwise conflict with the terms of this Operations Agreement, or limit the development of residential uses permitted by the existing Development Regulations shall have no application to the Property.

8. Environmental Compliance and Mitigation Measures.

(a) **Obligations of the Property Owner for Mitigation Measures.** The environmental mitigation approved as part of the approval of this Operations Agreement is incorporated herein by reference as though fully set forth at length.

9. Additional Property Owner Obligations and Representations

(a) The Property Owner anticipates removing 120,000 cubic yards of aggregate material from the Property. This amount may fluctuate, but will remain consistent with the Final Landform Plan, Phasing Plan, and Reclamation Plan.

(b) The Property Owner shall annually prepare and submit a cross-section giving slope, elevation and lateral extent of the current status of the Property and the status twelve months prior. This submittal shall be timed to coincide with the City's annual inspection, required by Public Resources Code Section 2774.

(c) All topsoil will continue to be stockpiled on site and used for revegetation activities.

(d) The removal of aggregate material from the Property, as provided above, will be completed within 6 to 15 years, depending on the rate at which the material is removed from the Property. It is anticipated that the Property Owner's principal operator shall remove aggregate material at the approximate rate of 20,000 cubic yards per year until the reclamation provided by this Operations Agreement is complete. With the advance, written consent of the City, not to be unreasonably withheld, up to an additional 10,000 cubic yards may be removed in any one year.

(e) The maximum depth of aggregate removal from the mine shall be as represented on the Final Landform Plan.

(f) The lands affected by the aggregate removal from the mine shall be as represented on the Final Landform Plan. The geology of the Property is 1) as represented by the Property Owner's consultants and 2) analyzed in the environmental documents approved by the City in conjunction with the Amended Reclamation Plan.

(g) Aggregate removal operations on the Property by the County shall be conducted in accordance with Exhibit D hereto. Should Property Owner request replacement of the County as an operator on the Property, reasonable operational standards of the type included in Exhibit D shall be negotiated between the City and the proposed new operator based on said new operator's operational needs and imposed either by separate agreement between the City and the new operator or by amendment of this Operations Agreement. As provided above, said new operator other than the County will be required to obtain a business license.

(h) Aggregate removal will proceed to completion in phases as shown on the Phasing Plan, until the topography shown and until slopes are created at no steeper than shown in the Final Landform Plan.

(i) The site will be reclaimed as grazing land and revegetated accordingly. In addition to grasses, a minimum of fifty (50) native oak trees will be planted in locations approved by planning staff.

(j) There are no known contaminants from the mining operation affecting streams. Regular monitoring of impacts on nearby streams has been and shall continue to be conducted as required by Regional Water Quality Control Board pursuant to the General Permit to Discharge Stormwater applicable to the Property. There are no mining wastes as there is no processing of the aggregate occurring on site. Erosion and sedimentation are addressed by the Amended Reclamation Plan and in mitigation

required by the environmental review approved for this Operations Agreement.

(k) There is no known effect on future mining in the area from implementation of the Reclamation as described herein.

10. Additional Obligations and Representations.

(a) The City shall conduct and file with the State annual inspections under SMARA, pursuant to Section 2774 of the Public Resources Code. In order to assist in such annual inspections, Property Owner agrees to cooperate with the City in allowing access to the Property and to provide in a timely manner any information in its possession regarding reclamation activities requested by the City. No new materials shall be requested of Property Owner in conjunction with such annual inspections except that mentioned above, nor shall Property Owner be charged any fee for such inspections.

11. Assignment; Release. This Operations Agreement shall not be severable from Property Owner's interest in the Property and its development. Any transfer of a portion of the Property shall automatically operate to transfer the benefits and burdens of this Operations Agreement in respect of such portion. Property Owner shall have the right to sell, assign, pledge as security or transfer all or any part of its interest in the Property along with all of its right, title and interest in and to all or any part of the Operations Agreement to any person, firm or corporation at any time during the term of this Operations Agreement without the consent of the City. Provided that Property Owner has provided the City with notice of such transfer, upon the sale, transfer or assignment of Property Owner's interest in all or any portion of the Property, Property Owner shall be released from its obligations under this Operations Agreement arising subsequent to such transfer in respect of the transferred portion. The City agrees to execute any documents reasonably required by an assignee, transferee, lender, or other party confirming the rights of such party under this Operations Agreement or providing notices of default and rights to cure for the benefit of such parties.

12. Periodic Review of Compliance. In accordance with Government Code Section 65865.1, the City Council shall review this Operations Agreement at least once each calendar year hereafter. At such periodic reviews, Property Owner must demonstrate its good faith compliance with the terms of this Operations Agreement. Property Owner agrees to furnish such evidence of good faith compliance as the City, in the reasonable exercise of its discretion and after reasonable notice to Property Owner, may require. Property Owner shall be deemed to be in good faith compliance with this Operations Agreement if the City is not entitled by the terms and provisions of this Operations Agreement or other applicable law to terminate this Operations Agreement. It

is understood that Property Owner is under an obligation to complete Reclamation of the property, but that Property Owner is not under any obligation to commence construction of any development within any time period or at all, and that failure to institute or complete construction of the development of the Property is not a basis for the City to determine that Property Owner is not in good faith compliance with this Operations Agreement.

13. Amendment or Cancellation. Except as otherwise provided for herein, this Operations Agreement may be amended or canceled in whole or in part only by mutual consent of the parties, or their successors in interest, and in the manner provided in Government Code Sections 65865.1, 65867, 65867.5 and 65868.

14. Enforcement. Unless amended or canceled as provided in Section 20, this Operations Agreement shall continue to be enforceable by any party to it, including citizens of the City of Atascadero, notwithstanding any change or other regulations adopted by the City which alter or amend the rules, regulations or policies applicable to the Property.

15. Supersession of the Agreement by Changes in State or Federal Law. In the event that State or federal laws, ordinances, rules, policies or regulations or the laws, ordinances, rules, policies, or regulations of any other governmental or quasi-governmental entity are enacted after the Effective Date of this Operations Agreement, or the action or inaction of any other affected governmental jurisdiction prevents or precludes compliance with one or more provisions of this Operations Agreement, or imposes a requirement on the Reclamation or future development of the Property materially different than as otherwise contemplated by this Operations Agreement, or required changes in plans, maps or permits approved by the City or the development standards set forth in the Operations Agreement, the parties shall:

(a) Provide the other party with written notice of such restrictions, together with a copy of the applicable law, rule, regulation or policy and a statement in reasonable detail setting forth the conflict of same with the provisions of the Operations Agreement; and

(b) Promptly meet and confer with the other party in good faith and make a reasonable attempt to modify or suspend this Operations Agreement to comply with such law, ordinance, rule, policy or regulation. Thereafter, regardless of whether the parties reach agreement on the effect of such law, ordinance, rule, policy or regulation upon this Operations Agreement, the matter shall be scheduled for a hearing before the City Council upon thirty (30) days notice for the purposes of determining the exact modification or suspension which is required by such law, ordinance, rule policy or regulation. It is the express intent of

the parties to modify the Operations Agreement to allow for the Reclamation in as close conformity to the terms and conditions of this Operations Agreement as reasonably possible. Nothing herein shall preclude Property Owner from challenging the conflicting law, rule, regulation or policy.

16. Enforced Delay and Extension of Time Performance. In addition to specific provisions of this Operations Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to:

(a) War, insurrection, civil commotion, riot, flood, severe weather, earthquake, fire, casualty, acts of public enemy, acts of God, governmental restriction, litigation (including without limitation, litigation contesting the validity, or seeking the enforcement or clarification of, this Operations Agreement whether instituted by Property Owner, the City or any person or entity), acts or failures to act of any governmental agency or entity;

(b) Inability to secure necessary labor, materials or tools, strikes, lockouts, other labor disputes, or delays of any contractor, subcontractor or supplier.

An extension of time in writing for any such cause shall be granted for the period of the enforced delay, or longer as mutually agreed upon, which period shall commence to run from the time of commencement of cause.

17. Notices. Any notice or instrument required to be given or delivered to either party to the Operations Agreement may be given or delivered by depositing the same in the United States mail, certified mail, postage prepaid, addressed to:

City: City Manager
City of Atascadero
6500 Palma Avenue
Atascadero, CA 93422

Property Owner: Glenn Millhollin
8758 E. Barstow Avenue
Clovis, CA 93611

Notice of a change of address shall be delivered in the same manner as any other notice provided herein, and shall be effective three days after mailing by the above-described procedure.

18. Default and Remedies.

(a) **Property Owner's Default.** Property Owner shall be in default under this Operations Agreement upon the happening of one or more of the following events or conditions:

(i) If a material warranty, representation or statement made or furnished by Property Owner to the City is false or proves to have been false in any material respect when it was made;

(ii) A finding and determination by the City Council made following a periodic review under Section 13 that upon the basis of substantial evidence, Property Owner has not complied in good faith with a material requirement of this Operations Agreement; or

(iii) An express repudiation, refusal or renunciation of this Operations Agreement, if the same is in writing and signed by the Property Owner.

(b) City's Default. The City shall be in default under this Operations Agreement if it shall:

(i) fail to comply in good faith with its obligations and requirements hereof regarding the Reclamation and future Development opportunities specified herein, or any other of City's obligations herein;

(ii) expressly repudiate, refuse or renounce this Operations Agreement in writing.

19. Procedure Upon Default.

(a) Notwithstanding any provision of the Operations Agreement to the contrary, except for the Property Owner's default under Section 18(a)(iii), Property Owner shall not be deemed to be in default under this Operations Agreement and the City may not terminate Property Owner's rights under this Operations Agreement unless the City shall have first delivered a written notice of any alleged default to Property Owner, which shall specify the nature of such default. Except for the Property Owner's default under Section 18(b)(ii), if such default is not cured by Property Owner within ninety (90) days of service of such notice of default, or with respect to defaults which cannot be cured within such period, Property Owner fails to commence to cure the default within sixty (60) days after service of the notice of default, or thereafter fails to diligently pursue the cure of such default until completion, the City may terminate Property Owner rights under this Operations Agreement. Notwithstanding any provision of the Operations Agreement to the contrary, except for the City's default under Section 19(b)(iii), the City shall not be deemed to be in default under this Operations Agreement and the Property Owner may not terminate the City's rights under this Operations Agreement unless the Property Owner shall have first delivered a written notice of any alleged default to City, which shall specify the nature of such default. Except for the City's default under Section 19(b)(iii), if such default is not cured by the City within

ninety (90) days of service of such notice of default, or with respect to defaults which cannot be cured within such period, the City fails to commence to cure the default within sixty (60) days after service of the notice of default, or thereafter fails to diligently pursue the cure of such default until completion, the Property Owner may terminate this Operations Agreement.

(b) In the event a default of this Operations Agreement occurs, irreparable harm is likely to occur to the nondefaulting party and damages may be an inadequate remedy. To the extent permitted by law, therefore, it is expressly recognized that specific enforcement of this Operations Agreement is a proper and desirable remedy.

(c) In no event shall either party be entitled to damages against the other party based on the other party's default under this Operations Agreement.

(d) In the event this Operations Agreement is terminated, except by default of the Property Owner, all rights to continue mining by the Property Owner, consistent with the 1980 Reclamation Plan, or any approved amendments thereto, and unimpaired by any provisions of this Operations Agreement, shall remain in force and effect, subject to all rights reserved by the City to challenge the 1980 Reclamation Plan or Property Owner's activities on the Property.

20. Entire Agreement. This Operations Agreement and the Exhibits therein referenced contain the entire agreement between the parties, and are intended by the parties to completely state the Operations Agreement in full. Any agreement or representation respecting the matters dealt with herein or the duties of any party in relation thereto, not expressly set forth in this Operations Agreement, is null and void.

21. Severability. If any term, provision, condition, or covenant of this Operations Agreement, or the application thereof to any party or circumstances, shall to any extent be held invalid or unenforceable, the remainder of the instrument, or the application of such term, provision, condition or covenants or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Operations Agreement shall be valid and enforceable to the fullest extent permissible by law.

22. Counterparts. This Operations Agreement has been executed in one or more counterparts, each of which has been deemed an original, but all of which constitute one and the same instrument.

23. **Estoppel Certificate.** Either party may, at any time, and from time to time, deliver written notice to the other party requesting such party to certify in writing that, to the knowledge of the certifying party, (i) the Operations Agreement is in full force and effect and a binding obligation of the parties, (ii) this Operations Agreement has not been amended or modified either orally or in writing, or, if so amended, identifying the amendments, and (iii) the requesting party is not in default in the performance of its obligations under this Operations Agreement, or if in default, to describe therein the nature and amount of any such defaults. A party receiving a request hereunder shall execute and return such certificate within ten (10) days following the receipt thereof. The City Attorney of the City shall have the right to execute any certificate requested by the Property Owner hereunder. The City acknowledges that a certificate hereunder may be relied upon by transferees, mortgagees, or other parties.

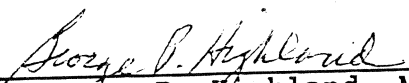
24. **Reservation of Rights.** By execution of this Operations Agreement, both parties reserve any and all rights they may have to rely upon or challenge said 1980 Reclamation Plan and operations on the Property in relationship to said plan. Nothing herein affects the reservations of rights previously acknowledged by both parties, including those set forth in the letter of December 22, 1993 from the Property Owner's attorney to the City Attorney; the Interim Operations Agreement, effective October 12, 1994 by and between the City and the Property Owner; and the City Attorney's letter of March 15, 1994 to the Property Owner's attorney.

IN WITNESS WHEREOF, the undersigned have executed this Operations Agreement, in conjunction with the approval of the Reclamation and Closure Plan, as of the day and year first above written.

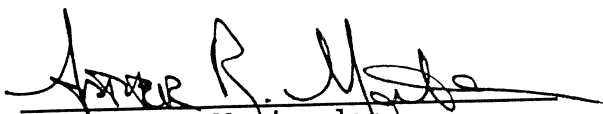
ATTEST:

CITY OF ATASCADERO


 Lee Price, City Clerk

By: 
 George P. Highland, Mayor

APPROVED AS TO FORM:


 Arther R. Montandon,
 City Attorney



 Glenn Millhollin,
 Property Owner

EXHIBIT A

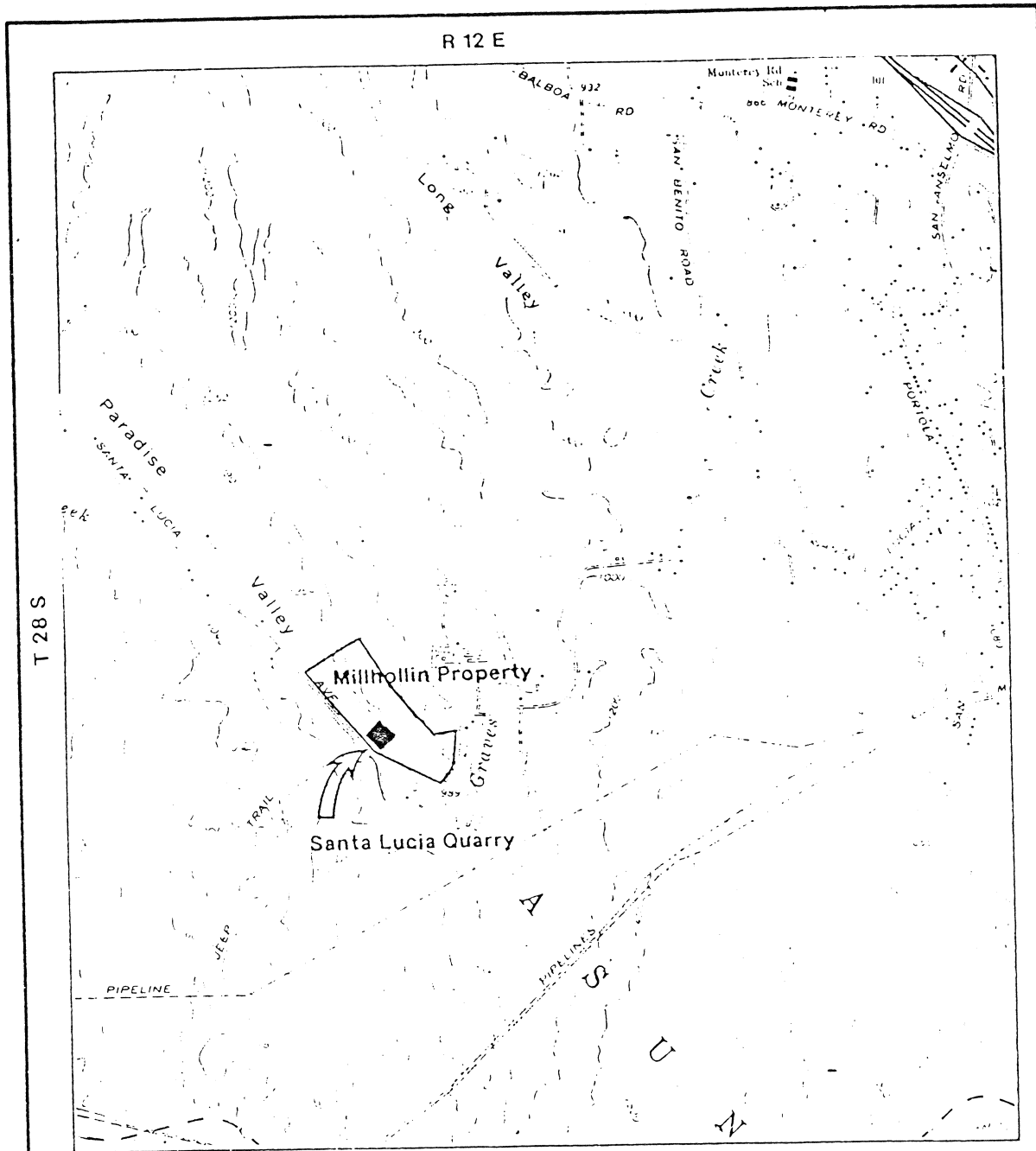
Millhollin Quarry Legal Description:

The property is Parcel 6 of Parcel Map recorded in 28/PM/30 and Lots 20 & 21 of Tract Map (Tract 1422) recorded in 14/MB/63 in the City of Atascadero, County of San Luis Obispo, State of California.

Assessor's Parcel Numbers:

APN 055-451-006, APN 055-451-030 & APN 055-451-031

EXHIBIT B



SCALE 1:24,000

<p>FIGURE 2 ATASCADERO 7.5 MINUTE QUADRANGLE SAN LUIS OBISPO COUNTY, CALIFORNIA</p>	
<p>PREPARED BY:</p>	<p>REVIEW BY: <i>[Signature]</i></p>
<p>CAD NO: CAD027B.DWG</p>	<p>REV DATE: 10/24/92</p>

EXHIBIT C

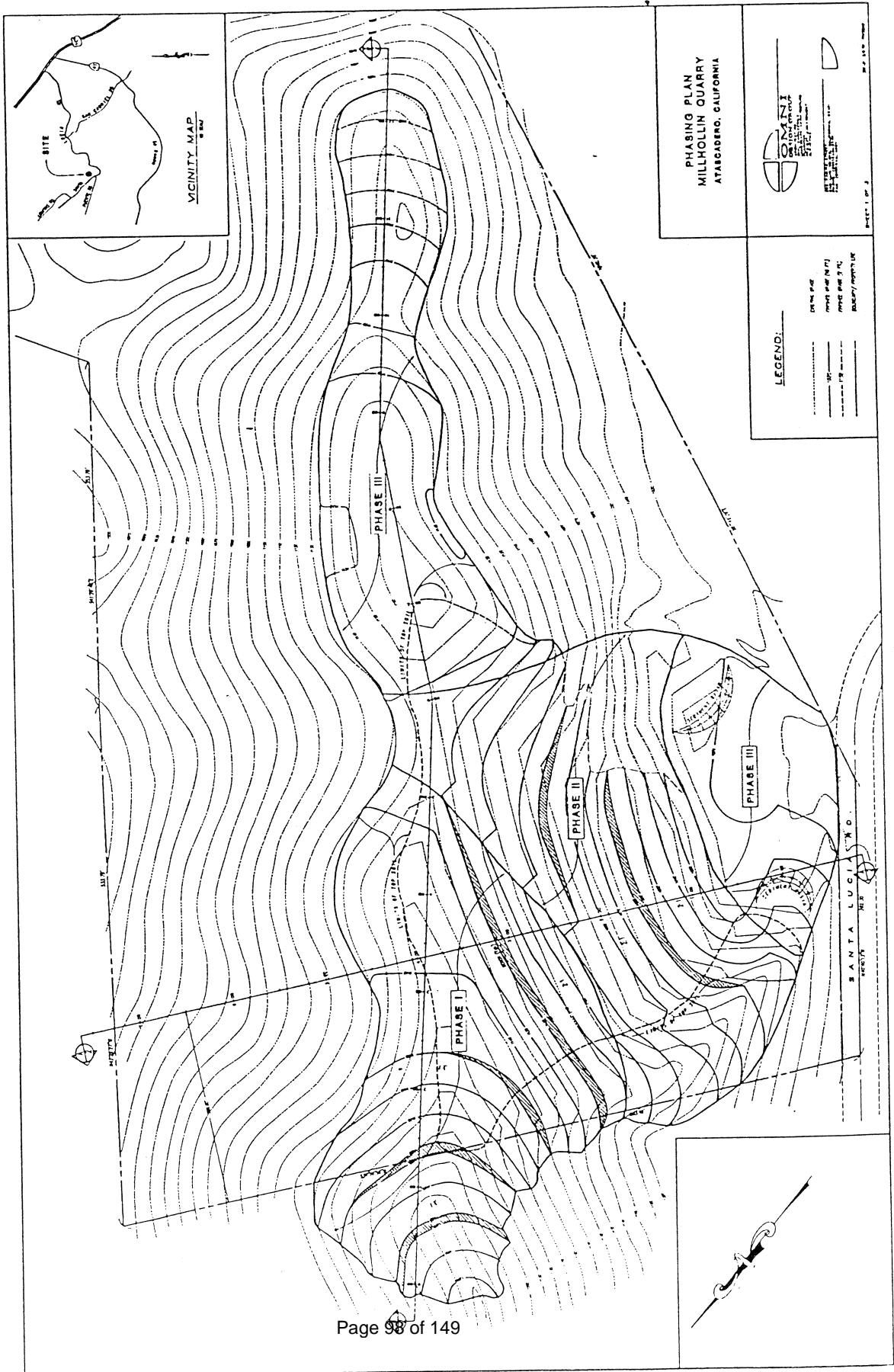


EXHIBIT DHOURS OF OPERATION

The quarry shall only be operated 7:00 a.m. to 4:30 p.m. Monday through Saturday. Trucks which haul gravel, whether empty or not, shall traverse Santa Lucia Road only between said hours. The operator shall coordinate with the Atascadero Unified School District and attempt to minimize the presence of trucks along Santa Lucia Road when school children are likely to be present awaiting bus pick-up and/or following bus drop-off; an effort shall be made by the operator to adjust workers' lunch breaks to avoid truck traffic altogether during and immediately following the noontime drop-off of younger school children along said road.

AMOUNT OF MATERIAL REMOVED

There shall be no more than 20,000 cubic yards of material removed from the quarry during a calendar year of operation, unless advance permission is obtained from the City. There shall be no more than thirty (30) truck trips per day. The operator shall provide City with truck counts and purchase orders or invoices as proof of compliance, when requested.

SAFETY

All truck drivers shall turn vehicle headlights on when driving within the City of Atascadero and observe the posted speed limit at 35 MPH speed limit on Santa Lucia where the posted speed limit is 35 and 40 MPH. During quarry operations, flashing truck traffic warning signs shall be placed along Santa Lucia Road, on both sides of the quarry entrance, to advise motorists of trucking activity. The type and placement of said warning signs shall be subject to continued review by the City to ensure their effectiveness is maximized and location safe. There shall be no parking of quarry vehicles along Santa Lucia Road. The quarry site shall remain fenced and the gate locked when the quarry is not in use and the aforementioned warning sign shall be folded or otherwise obscured.

DUST CONTROL

Quarry operations shall maintain continued compliance with Air Pollution Control District requirements relative to airborne particulate and California Highway Patrol requirements relative to the covering of loaded vehicles with tarps to prevent/minimize the occurrence of errant materials during transport.

Exhibit D
Page 2 of 2

EQUIPMENT NOISE

Operator will attempt, where possible, to limit noise. All equipment motors and back-up alarms (to the extent allowed by law) shall be muffled to prevent excessive noise.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

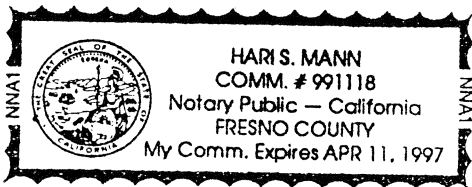
State of CALIFORNIA

County of FRESNO

On NOVEMBER 19, 1996 before me, HARI S. MANN
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared GLENN MILLHOLLIN
Name(s) of Signer(s)

personally known to me – **OR** – proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Hari S. Mann
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: OPERATIONS AGREEMENT

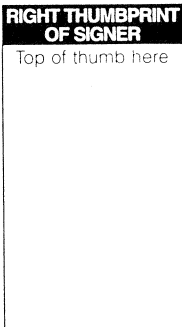
Document Date: OCT. 23, 1996 Number of Pages: 12

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

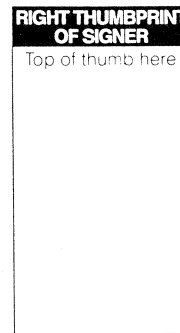
- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

Signer's Name: _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

V. ENVIRONMENTAL ASSESSMENT

A. FORWARD

It could be argued that the project is categorically exempt from the requirements of California's Environmental Quality Act (CEQA) as an action taken by a regulatory agency for the protection of the environment. Given the project's regulatory background, such an exemption would indeed seem to accurately describe the situation. Nevertheless, the CEQA process has been used and, as a result, a better project has emerged.

B. THE PROCESS

The CEQA process begins with an Initial Study to determine whether the project would have a significant effect on the environment. According to CEQA, a "significant effect on the environment" is a "substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance."

Upon review of the Initial Study materials, the lead agency (City) must make a determination as to the appropriate environmental document that should be prepared for the project. If there is substantial evidence in the record that the project may have a significant effect on the environment, an Environmental Impact Report (EIR) must be prepared. If there is no substantial evidence in the record that the project may have a significant effect on the environment a Negative Declaration must be prepared. A Negative Declaration is also the appropriate environmental document for projects that do have the potential to have significant effects on the environment but would not in the particular case because of mitigation measures incorporated into the design of the project.

C. INITIAL STUDY

The City of Atascadero's Initial Study is a two-part ordeal consisting first of a series of "yes," "no" or "maybe" questions in a checklist format (Attachment A). The project's potential effects on each of the individual components of the environment are then disclosed and analyzed on separate sheets with numbers that correspond to Checklist questions (Attachment B).

"Yes" and "maybe" Checklist responses indicate a potential impact but do not necessarily indicate a potentially significant impact. In several cases, the explanatory responses refer to information under separate cover. Part VI of this document, TECHNICAL REFERENCES, lists such items and includes information as to how they can be obtained/reviewed on request.

D. ENVIRONMENTAL DETERMINATION

Based on the Initial Study, and in light of the record as a whole, no substantial evidence has been presented to indicate that the project, as proposed, could have a significant adverse effect on the environment.

Any adverse environmental effects of project approval, including those which may be perceived by some to be significant but for which quantifiable, "substantial" evidence cannot be produced to substantiate such perceptions, have been avoided or minimized through project design to the extent possible and practical. The project was conceived as a means to remedy existing adverse environmental conditioned and, as planned, the project's net effects on the environment are beneficial.

Pending public review and comment, staff will recommend that a Negative Declaration be adopted for the project.

ATTACHMENT A

Environmental Assessment



COMMUNITY DEVELOPMENT DEPT. 6500 PALMA AVE. ATASCADERO, CA 93422 (805) 461-5035

I. BACKGROUND:

1. Proposal Title: MILLHOLLIN QUARRY
2. File Number(s): CUP # 96003
3. Brief Description of Proposal: RECLAMATION AND CLOSURE PLAN AND OPERATIONS AGREEMENT

II. ENVIRONMENTAL IMPACTS:

(Explanations of all "yes" and "maybe" answers are provided on attached sheets.)

	<u>YES</u>	<u>MAYBE</u>	<u>NO</u>
1. <u>Earth</u> . Will the proposal result in:			
a. Unstable earth conditions or in changes in geologic substructures?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Disruptions, displacements, compaction or overcovering of the soil?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Change in topography or ground surface relief features?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. The destruction, covering or modification of any unique geologic or physical features?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Any increase in wind or water erosion of soils, either on or off the site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of any lake?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g. Exposure of people or property to geological hazards such as earthquakes, landslides, mudslides, ground failure, or similar hazards?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. <u>Air</u> . Will the proposal result in:			
a. Substantial air emissions or deterioration of ambient air quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. The creation of objectionable odors?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Alteration of air movement, moisture, temperature, or any change in climate, either locally or regionally?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	<u>YES</u>	<u>MAYBE</u>	<u>NO</u>
3. <u>Water</u> . Will the proposal result in:			
a. Changes in currents, or the course or direction of water movements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Changes in absorption rates, drainage patterns, or the rate and amount of surface runoff?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Alterations to the course or flow of flood water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Change in the amount of surface water in any water body?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Discharge into surface waters or in any alteration of surface water quality, including but not limited to, temperature, dissolved oxygen or turbidity?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Alteration of the direction or rate of flow of ground waters?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h. Substantial reduction in the amount of water otherwise available for public water supplies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i. Exposure of people or property to water related hazards such as flooding?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. <u>Plant Life</u> . Will the proposal result in:			
a. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, aquatic plants)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Reduction of the numbers of any unique, rare, or endangered species of plants?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Reduction in acreage of any agricultural crop?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. <u>Animal Life</u> . Will the proposal result in:			
a. Change in the diversity of species, or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms, or insects)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Reduction of the numbers of any unique, rare, or endangered species of animals?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. <u>Noise</u> . Will the proposal result in:			
a. Increases in existing noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Exposure of people to severe noise?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. <u>Light and Glare</u> . Will the proposal produce new light or glare?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	<u>YES</u>	<u>MAYBE</u>	<u>NO</u>
8. <u>Land Use</u> . Will the proposal result in a substantial alteration of the present or planned land use of an area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. <u>Natural Resources</u> . Will the proposal result in:			
a. Increase in the rate of use of any natural resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Substantial depletion of any nonrenewable natural resource?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10. <u>Risk of Upset</u> . Will the proposal involve:			
a. A risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals or radiation) in the event of an accident or upset conditions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Possible interference with an emergency response plan or an emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. <u>Population</u> . Will the proposal alter the location, distribution, density, or growth rate of the human population of an area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. <u>Housing</u> . Will the proposal affect existing housing, or create a demand for additional housing?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13. <u>Transportation/Circulation</u> . Will the proposal result in:			
a. Generation of substantial additional vehicular movements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Effects on existing parking facilities or demand for new parking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Substantial impact upon existing transportation systems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Alterations to present patterns of circulation or movement of people and/or goods?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. Alterations to waterborne, rail or air traffic?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Increase in traffic hazards to motor vehicles, bicyclists or pedestrians?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. <u>Public Services</u> . Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:			
a. Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Schools?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Parks or other recreational facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Maintenance of public facilities, including roads?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. Other governmental services?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

YES MAYBE NO

15. Energy. Will the proposal result in:

a. Use of substantial amounts of fuel or energy?

b. Substantial increase in demand upon existing sources of energy, or require the development of new sources of energy?

16. Utilities. Will the proposal result in a need for new systems, or substantial alterations to the following utilities:

a. Power or natural gas?

b. Communications systems?

c. Water?

d. Sewer or septic tanks?

e. Storm water drainage?

f. Solid waste and disposal?

17. Human Health. Will the proposal result in:

a. Creation of any health hazard or potential health hazard (excluding mental health)?

b. Exposure of people to potential health hazards?

18. Aesthetics. Will the proposal result in the obstruction of any scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?

19. Recreation. Will the proposal result in an impact upon the quality or quantity of existing recreational opportunities?

20. Cultural Resources.

a. Will the proposal result in the alteration of or the destruction of a prehistoric archaeological site?

b. Will the proposal result in adverse physical or aesthetic effects to a prehistoric or historic building, structure, or object?

c. Does the proposal have the potential to cause a physical change which would affect unique ethnic cultural values?

d. Will the proposal restrict existing religious or sacred uses within the potential impact area?

YES MAYBE NO

21. Mandatory Findings of Significance.

a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

b. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals? (A short-term impact on the environment is one which occurs in a relatively brief, definitive period of time while long-term impacts will endure well into the future.)

c. Does the project have impacts which are individually limited, but cumulatively considerable? (A project may impact on two or more separate resources where the impact on each resource is relatively small, but where the effect of the total of those impacts on the environment is significant.)

d. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

III. DETERMINATION

On the basis of this initial study:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment mitigation measures have been incorporated into the design of the project which are adequate to preclude such significant effects. A NEGATIVE DECLARATION will therefore be prepared.

I find the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

Date: AUGUST 14, 1996



STEVEN L. DECAMP
CITY PLANNER/
ENVIRONMENTAL COORDINATOR

ATTACHMENTS: Explanations
Location Map
Project Map
Environmental Information Form

Following is an elaboration of "yes," "no" and "maybe" responses to the Initial Study Checklist:

Earth Resources

1. (a) no

As described in the Plan, a geotechnical report was prepared by Purcell, Rhoades & Associates for a previous plan to subdivide the subject property for single family residential use (Geotechnical Reconnaissance Study, January 31, 1995). Except for the deletion of building sites and new street, the grading now being proposed is substantially the same as that proposed for the subdivision. The report concludes that "the proposed grading and residential development at the subject property are feasible from a geotechnical engineering standpoint provided that prudent engineering practices are followed during construction."

If proposed slopes would be safe for residential use they would certainly be safe for open grazing land use. Based on the geotechnical report, information contained in the Report of Results document, and fact that permits will be required to ensure all grading will be in accordance with the Uniform Building Code (UBC), it can be reasonably concluded that no significant geologic problems would result from project approval.

1. (b,c) yes

A substantial amount earthwork is proposed in order to prepare the site for final reclamation. This earthwork would be considered a disruption and displacement of existing slopes and a change in topography/ground surface relief features.

Over a period of six (6) years or so, approximately 120,000 cubic yards of material would be removed from the site and an additional 20,000 cubic yards would be relocated from one portion of the site to another.

The Plan contains topographic maps that show existing grades, interim grades and the proposed final grades. As shown by these maps, the existing scarred hillside will be lowered so that slopes can be laid back and recontoured to blend into the surrounding hillside and appear natural rather than abrupt and artificial as they do now (and as they would under the existing 1980 Reclamation Plan).

Although the amount of earthwork is significant, it's effect on the site would not be because of existing site conditions. Although some may object to the proposed lowering of the existing ridgeline, as mining (grading) activities would then be visible and audible from the other (north) side of the ridge, there does not appear to be a feasible alternative that meets the project objectives. The "no project" alternative -- which is the continuation of mining activities pursuant to the 1980 Reclamation Plan -- would have the same effect only worse as no operational parameters exist nor does a "sunset date." The proposed project will ensure the site is reclaimed to an acceptable condition, with provisions to ensure that the effects of earthwork in the interim are kept to less-than-significant levels. This is considered an environmental benefit.

With respect to overcovering of the soil, the site is presently "undercovered" (i.e., disturbed areas lack topsoil). The proposed Plan calls for the stockpiling of topsoil from newly disturbed areas and redispersal of the topsoil on disturbed areas (including those which are pre-existing) prior to revegetation. This is also considered an environmental benefit.

1. (d) no

Although not unique, the site has been in the process of being destroyed for many years. The project presents a practical plan to end the destruction and repair past damage.

1. (e) no

The Plan speaks at length to the issues of erosion control and the quality of stormwater runoff. As explained in the Plan, the Quarry presently operates, and will continue to operate, under the permit/monitoring requirements of the Central Coast Regional Water Quality Control Board. In addition, the Plan proposes that interim erosion control measures be in place during the rainy season and that those interim erosion control measures be subject to the continued review and approval of the City Engineer.

The Plan's provisions for erosion control and continued monitoring are adequate to ensure that no significant erosion/sedimentation problems result from project approval. Erosion from the Quarry site has not been a significant problem in the past and there is nothing in the record indicating it would be following approval.

1. (f) no

Refer to #1(e) above. The Plan together with the Operations Agreement and this Environmental Assessment have been referred to the CA Department of Fish and Game and Regional Water Quality Control Board for review and comment pertinent to this issue.

1. (g) no

See response to item #1(a) above.

Air Resources

2. (a) no

Dust and vehicle emissions would be associated with day-to day quarry operations, but not to the extent that significant adverse effects could result. The City has referred the project to the San Luis Obispo County Air Pollution Control District (APCD) for review and comment pertinent to this issue.

2. (b) no

Refer to #2(a) above. There will be no hazardous nor noxious materials on-site during, or after, mining operations. Odors from the Quarry site have never existed, at least not to the extent to which they are readily noticeable or objectionable, and there is no evidence indicating they would exist following project approval.

2. (c) no

Public comments have been received in the past expressing a concern that the proposed lowering of the existing ridgeline could alter the micro-climate of the area. This is one of those "potential impacts" which are perceived by some but for which quantifiable, substantial evidence cannot be produced. It is highly unlikely that there would be a discernible difference in the micro-climate of the area upon project approval/completion and no substantial evidence has been presented to indicate that it could become a significant problem. Ridgelines have been altered throughout the state, in fact the world, yet no conclusive studies are known to exist which indicate a discernable change in climate results from such alterations. Common sense dictates that any such effect in this case would be insignificant.

Water Resources

3. (a) no

The project proposes nothing that would change the currents, course or direction of water movements within existing waterways.

3. (b) yes

On-site runoff is presently directed to one of two sedimentation ponds before it is released from the site as a means of controlling erosion. As reclamation proceeds, settling ponds and other erosion control devices (i.e., straw bales) would be relocated as necessary, as would the channels directing runoff to and from the erosion control devices, but the same (or lessor) amount of runoff would continue to leave the site in the same location and at the same rate. Such changes in water movement on-site are not potentially significant and there would be no changes in off-site water movement whatsoever.

Upon completion of the Plan, slopes which are now excessively steep and barren would be flattened, benched and revegetated. This will have a positive effect on absorption rates and surface runoff.

3. (c,d) no

The project site is not potentially affected by floodwaters nor are floodwaters potentially affected by the project since the project would not result in an increase in the amount nor rate of runoff from the site. Sedimentation ponds designed to control erosion are not deep enough nor are the sidewalls steep enough to pose a significant safety impact.

3. (e) no

Although the project -- continued surface mining for an additional six (6) to fifteen (15) years -- could conceivably result in excessive sediment discharges into Graves Creek, the Plan and Agreement include adequate provisions to prevent that from happening. See #1(e), #1(f), #3(b) and #3(c,d) above. The project would not change water temperatures or dissolved oxygen content.

3. (f,g) no

Several soil borings were done on the site during preparation of a preliminary soils report (Twin Cities Engineering, July 13, 1992). These borings went as deep as fifteen (15) feet yet no free groundwater was encountered. Although some of the proposed cuts are deeper than fifteen (15) feet they would be restricted to the ridge where the presence of shallower groundwater would not be expected. The project should have no affect whatsoever on groundwater resources.

3. (h) no

The Final Environmental Impact Report prepared for the recent update of the City's General Plan Land Use, Conservation & Open Space Elements examines the groundwater supply and concludes that "the available supply of groundwater greatly exceeds demand (Page 95)." Other than that used for dust control and the initial placement of revegetation materials, the project would use no water and would therefore have no effect on the public water supply.

3. (i) no

Refer to #3(c,d) above. Project approval would neither expose people nor property to water related hazards such as flooding.

Plant Life

4. (a) yes

It is estimated that some fifty-five (55) native trees (some already dead or dying) would be removed. In addition, all shrubs and grasses within the lateral boundaries of the final plan will necessarily have to be removed for mining/recontouring to occur.

The revegetation component of the Plan describes the type, method and phasing of revegetation. Prior to completion of the Plan and the release of financial assurances, the initial revegetation of Phase 1 areas would have existed and been inspected for several years to ensure success. In the end, all disturbed areas would be revegetated, including those areas which have been barren for many years and which would probably be for many more years if the project is not approved. Although non-native grasses are proposed for erosion control, they are proposed to be applied to slopes after the placement of native topsoil which will include native mineral and organic content. Following the initial application of revegetation materials, natural succession will begin resulting in the site's eventual coverage with native plants.

The Operations Agreement obligates the mine owner to plant at least fifty (50) native Oaks on the property as part of final site reclamation. This is intended to offset the effects of tree removal. Certainly, the removal of a single tree would constitute a significant impact on that particular tree. Putting things in perspective, however, the effect of this project on the health and abundance of Atascadero's Oak woodlands would be insignificant after "mitigation," which in this case means implementation of the proposed project.

The existing 1980 Reclamation Plan does not mandate that topsoil be salvaged and re-used, that revegetation be done with natives nor does it establish a clear "sunset" date whereby revegetation would actually occur. Compared to the "no project" alternative, therefore, the proposed project is viewed as having a beneficial impact on site vegetation, whether native species are naturally replenished through succession or not. From a vegetation standpoint (but not from an erosion control standpoint), use of only native species would be preferred. However, the potential adverse effects of proposed revegetation are not considered potentially significant as to warrant preparation of an Environmental Impact Report.

4. (b) no

The Plan describes biology reports and field surveys done on the Quarry site and on similar sites nearby. No rare or endangered plant species were observed on the Quarry property nor were such plants observed on nearby sites. In fact, the reports state that the sites all lacked presence of suitable habitat for such plants.

Once again, the project's effects on site vegetation are beneficial compared to the "no project" alternative, which would result in equal or greater vegetation removal without sufficient assurances for timely and successful revegetation.

4. (c) yes

Disturbed slopes would be revegetated through hydroseeding a standard erosion control mix which is intended primarily to control erosion and eliminate the visual blight caused by the presence of barren slopes. Thus, new plant species would be introduced to the area. These new plants species (identified in the Plan) are intended to assist in the natural replenishment of existing, native plant species by controlling erosion of native topsoil to be placed on disturbed slopes prior to revegetation. If the introduction of non-native plants does impede the replenishment of native plants, the adverse environmental effects would still be less than significant.

4. (d) no

The site was never used for crop production nor is it well-suited for such use because of severe slopes. If feed for grazing livestock is considered an agricultural crop, the project would increase the available acreage for such use.

Animal Life

5. (a,b,c) no

A wildlife report was prepared for a recent proposal to subdivide the site for residential use. The report states that "no rare, threatened or endangered species, or signs of them, were detected on the property and, according to range maps and habitat types used by such species, none would be expected on the site." The report concludes that "the plan is well thought out as far as wildlife values are concerned."

If no significant wildlife impacts were thought to exist for a residential subdivision of the site involving the same grading and vegetation removal plus residences, driveways and a new street, it is reasonable to assume that the proposed creation of open grazing land also would not have a significant effect on wildlife. The proposed project will be referred to the CA Department of Fish and Game for review and comments. The existing Quarry may be somewhat of a barrier to animal movement, but the Plan is to make the Quarry go away. The project's net effects on wildlife should also be positive.

Noise

6. (a,b) no

Although noise from the Quarry may be bothersome to some, it has never been severe nor beyond thresholds contained in the City's Noise Ordinance. Noise from the Quarry does not, and will not, constitute a significant environmental impact.

Although the mine operator has been reasonable in his use of the quarry, the 1980 Reclamation Plan under which the quarry presently operates does not limit the hours of operation nor does it limit the amount of material that may be extracted over time. Inasmuch as the proposed Operation Agreement would limit the hours of operation and the intensity of operations, potential noise impacts would be reduced substantially. The project would eliminate noise altogether upon completion.

Light and Glare

7. no

The quarry will continue to operate during daytime hours only. No additional light or glare would result from project approval before or after final site reclamation with the possible exception of a warning light along Santa Lucia Road to warn traffic that slow trucks may be present. The warning light will be used during daytime quarry operations only. Light and glare is not potentially significant.

Land Use

8. yes

The project would convert use of the site from an active surface mine to that of reclaimed grazing land. Since the former requires but lacks an approved conditional use permit and the latter is allowed "by right," use of the site would move from nonconforming to conforming. Considering the substantial public opposition to the existing use, the proposed land use change is considered very much positive. Grazing is certainly more compatible with other land use patterns in the area than is surface mining.

The project site lies within an area that is designated by the General Plan for Suburban Single Family use. The General Plan and its implementing ordinances ensure the preservation of large lot sizes in this area and therefore a low residential density with plenty of open space for the keeping of animals. The General Plan also discourages grading that results in the creation of slopes that appear artificial and unnatural. The project's effect on planned land use is therefore the same as it's effect on present land use -- a move from nonconformance to conformance.

Any proposed reuse of the site following mining and final site reclamation except grazing would have to undergo separate environmental review. Land use changes proposed at this time are positive.

Natural Resources

9. (a) no

The 1980 Reclamation Plan does not set clear limits as to the quantity of material that may be removed or the rate at which the material may be removed. In addition, the 1980 Reclamation Plan does not specify a sunset date upon which the quarry use would cease. The proposed Plan specifies clear and enforceable amounts, rates and timeframes which, based on extraction rates over the past few years, would not constitute significant increases in the rate of material extraction.

9. (b) no

No lands in the City limits have been designated by the State Mining and Geology Board as containing mineral deposits of "regional or statewide significance." The Salinas River channel is classified as being within Mineral Resource Zone #2 (MRZ-2), but that is several miles from the Quarry site (Division of Mines and Geology, Special Report 162, 1989). The Quarry site is within MRZ #3 and its commodity is crushed shale which would not be depleted upon mine closure. The project would not substantially deplete nonrenewable natural resources; in fact, the project is to establish a closure date and cease production upon the removal of approximately 120,000 cubic yards of additional material.

Risk of Upset

10. (a) maybe

Heavy equipment (tractor, loader, haulers) working on the site contain hazardous materials (fuel, oil) would be used during project construction. Therefore, the risk of a spill or leak in the event of an accident or equipment failure would be present. This risk is not unusually high and is not considered a potentially significant effect of project approval.

10. (b) no

The Plan would not have a significant effect on emergency response/evacuation.

Population Characteristics

11. no

For the past several years, the Quarry has been used exclusively by the County of San Luis Obispo and does not appear to be the sole livelihood of anyone. The County will eventually have to go elsewhere for their road base, but no one should have to relocate for jobs or housing.

Should grazing become undesirous in the future for whatever reason, there could be an impetus to pursue residential use. Such residential use, although not being proposed at this time, would indeed also be compatible with surrounding land uses. As mentioned above, any future use other than grazing would be subject to separate review and approval pursuant to the Operations Agreement and the City's General Plan and zoning regulations in effect today. This constitutes more than adequate assurance that the Plan will have no effect on the planned location, distribution, density or growth rate of the human population in the area.

Housing Availability

12. no

The project will not affect existing housing or create a demand for additional housing that is significant. Refer to #11 above.

Transportation Systems/Circulation Patterns

13. (a) no

As mentioned above, the amount of material proposed to be extracted and rate at which it is proposed to be extracted will not exceed current levels. After Plan completion, there would be no more mining and thus no more need for hauling trucks. This would constitute a significant but positive reduction in vehicular movement in the area.

The Operations Agreement would establish a legal limit of thirty (30) truck trips per day from the Quarry. In addition, the Agreement would establish legal limits as to the hours of operation and include provisions for reduced speed, warning signs and dust/debris control. The impact of the project on vehicular movements is less than significant in the short-term and positive in the long-term.

13. (b) no

The project would have no effect on existing parking nor would it create a demand for new parking.

13. (c) maybe

See response to item #13(a) above. Although the project does not propose a significant increase in vehicular movements, it would allow existing vehicular movements to continue until Plan completion. Provisions for traffic safety seem adequate, but use of City roads by haul trucks probably cause more wear and tear on those roads than the typical "conforming" use. The City may consider the reasonableness of collecting fees from the Quarry operator to offset increased road maintenance costs, but that would be a fiscal/political decision not having a potentially significant bearing on the physical environment.

13. (d) maybe

The project would not directly alter the present patterns of circulation or movement of people and/or goods in the short-term. In the long-term, however, the project may result in a change in the movement of goods, as the road base shale commodity produced at the Quarry will have to be acquired elsewhere. There is no evidence that this could have significant effects on the environment, but it could result in an increased cost of that material.

13. (e) no

The project would not alter waterborne, rail or air traffic

13. (f) maybe

Refer #13 (a & c) above. The Operations Agreement also proposes to coordinate with the School District so that the presence of trucks along Santa Lucia Road when school children awaiting bus pick-up and/or following bus drop-off are likely to be present can be minimized. Past correspondence from the City to the School District requested that additional pick-up/drop-off points on either side of the Graves Creek bridge become part of the normal bus routing plan to eliminate the need for children to cross that narrow bridge. The School District agreed to alter bus routing accordingly. Any potential increases in traffic hazards are within acceptable thresholds considering the "no-project" alternative and long-term (estimated six years) benefit of closing the Quarry indefinitely.

Public Services

14. (a) no

The project would not have a significant effect on fire protection services. According to the Fire Department, the ability to access the ridgeline for emergency access after project completion by way of a contoured bench is considered a benefit. The Plan has been referred to the Fire Department for review and comment.

14. (b) no

The project would have no affect on police services. The Plan has been referred to the Police Department for review and comment.

14. (c) maybe

Refer to #13(f) above. Bus routing has been altered for safety in the past. Continued cooperation from the school district is hoped for. The project would not result in a need for new or substantially altered School District services, but has been referred to them for formal review and comment.

14. (d) no

The project would have no affect on parks and recreational facilities.

14. (e) maybe

Refer to #13 (c) above. This is not a potentially significant adverse effect on the environment.

14. (f) no

City staff time would be needed to conduct inspections of the Quarry at least annually and report the results of those inspections to the State. This is not a potentially significant impact. Compared to the exorbitant amount of staff time spent on the Quarry without the Plan, this would be a significant public benefit.

Energy Resources

15. (a,b) no

The project would not have a significant affect on energy use.

Utilities

16. (a through f) no

The project would not result in a need for new systems or substantial alterations to existing electric, gas, communications, water, sewer, storm drainage or solid waste disposal utilities. Refer to Earth and Water sections above for storm drainage.

Human Health

17. (a,b) no

Human health issues, truck traffic in particular, are addressed above under several different categories. No other health hazards other than those already discussed are known to be potentially associated with project approval.

Aesthetics

18. maybe

The project would significantly alter the topography of the site by recontouring the existing scar in the hillside such that finished slopes are softened and blended to appear natural. The Visual Assessment performed as part of the review for Tract 2181, minus the new street and homes, shows finished site conditions and confirms it would not be aesthetically offensive or unacceptable, especially compared to existing site conditions and those potential under the "no project" alternative.

To accomplish the final landform, however, it is necessary that the existing ridgeline be lowered. This could make interim earthwork activities more visible (and perhaps more audible) from lands to the north of the site. The aesthetic effects of project approval would therefore be both positive and negative; positive effects would be significant but negative ones would not be.

Recreation

19. no

Refer to #14(d) above. The project would have no affect on the quality or quantity of recreational opportunities.

Cultural Resources

20. (a) no

The site has already been disturbed to the point that archaeological resources, if ever present prior to the commencement of mining, have already been destroyed. Although the project proposes to disturb new areas, the site is not representative of areas where such resources are likely to be found (see EIRs for Long Valley II 3F Meadows projects). There is no evidence indicating the project could affect archaeological resources, and adequate zoning regulations exist to ensure that if any such resources are discovered they will be handled properly (AMC Sec. 9-4.162).

20. (b) no

Refer to #20 (a) above. There are no buildings or historically significant structures on the site.

20. (c,d) no

The project does not have the potential to affect unique ethnic cultural values or religious uses/practices in the area.

Mandatory Findings of Significance

21. (a) no

The project does not have the potential to degrade the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.

21. (b) no

The project does not have the potential to achieve short-term, to the disadvantage of long-term, environmental goals.

21. (c) no

The project's limited individual impacts are not "cumulatively considerable" as defined by CEQA (State CEQA Guidelines, Section 15065(c)).

21. (d) no

The project does not have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.

VI. TECHNICAL REFERENCES

Below is a list of documents and technical studies referenced in the Plan, the Operations Agreement and/or the Environmental Assessment. These materials will be kept on file in the City's Community Development Department (6500 Palma Avenue, Atascadero, (805) 461-5035) and will be made available to interested parties upon request.

In addition to these materials, the record as whole includes all applicable state and local plans, policies, codes and regulations as well as the City's long history of dealing with the Quarry and all of the reports, hearings and other correspondence that has compiled since the City first sought to assume lead agency responsibilities pursuant to SMARA in 1991.

Report of Results: Mined Land Reclamation and Compliance, Sierra-Pacific Groundwater Consultants, Inc., May 12, 1993.

Geotechnical Reconnaissance Study, Purcell, Rhoades and Associates, January 31, 1995.

Preliminary Soils Report for Tract 2012, Twin Cities Engineering, Inc., July 13, 1992.

Storm Water Pollution Prevention Plan and Monitoring Program prepared pursuant to General Industrial Storm Water Permit No. CAS000001, PRA Group, Inc., January 31, 1994 and Revised July 1, 1995.

1993-1994 & 1994-1995 Annual Reports for General Industrial Storm Water Permit, PRA Group, Inc..

Water Quality Sampling and Analysis, PRA Group and Cirrus Laboratories, March 10, 1995.

Wildlife on the Millhollin Site and Quarry, Michael T. Hansen, March 16, 1995.

Traffic Study for Tract 2181, Gerald W. Skiles, April 3, 1995.

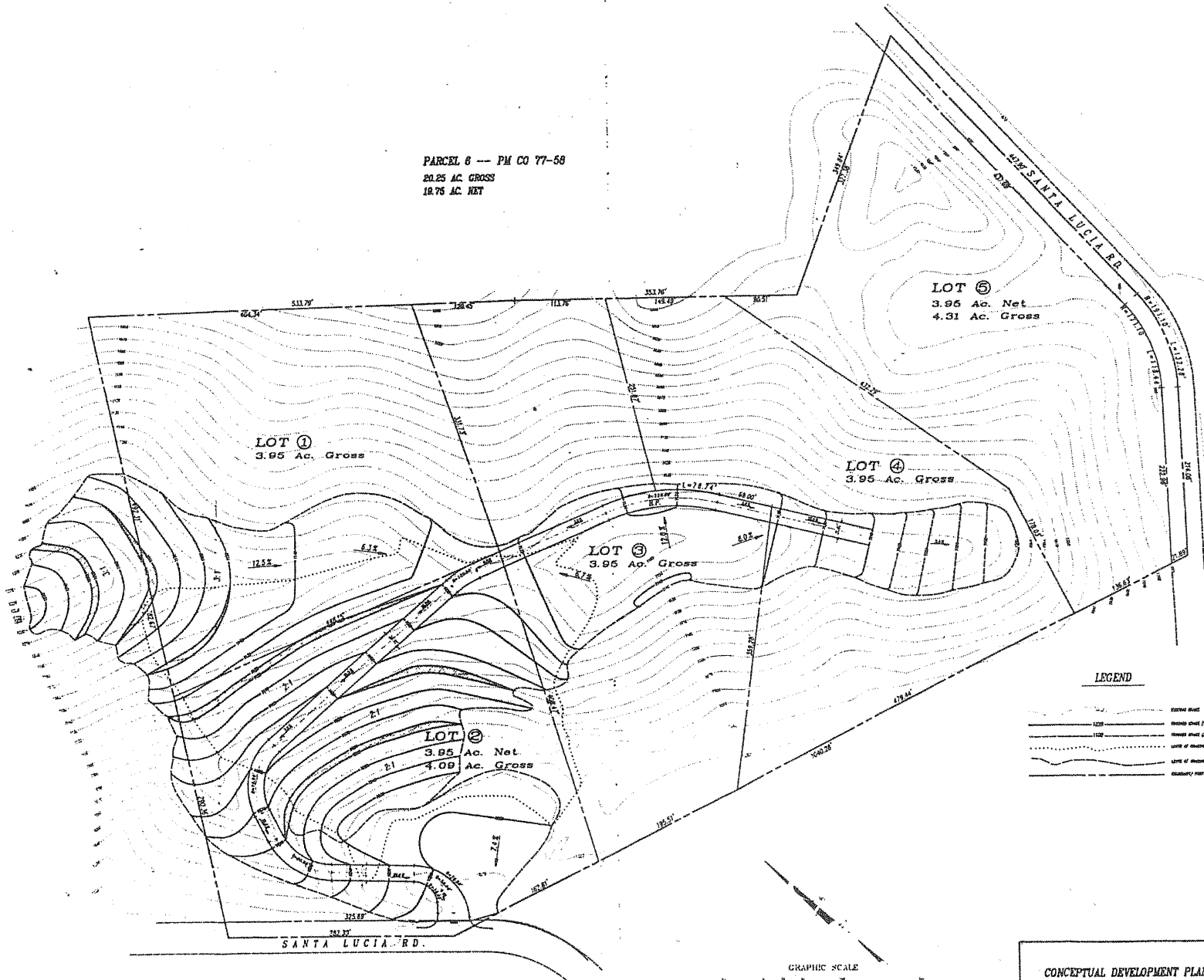
Visual Assessment of Tract 2181, Vaughan Surveys, June 15, 1995.

Final Environmental Impact Report for the City of Atascadero General Plan Land Use, Conservation and Open Space Elements, Crawford, Multari and Starr, December, 1991.

Final Environmental Impact Report for 3F Meadows, Sedes, December, 1994.

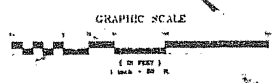
Final Focused Environmental Impact Report for Long Valley II, Sedes, December, 1992.

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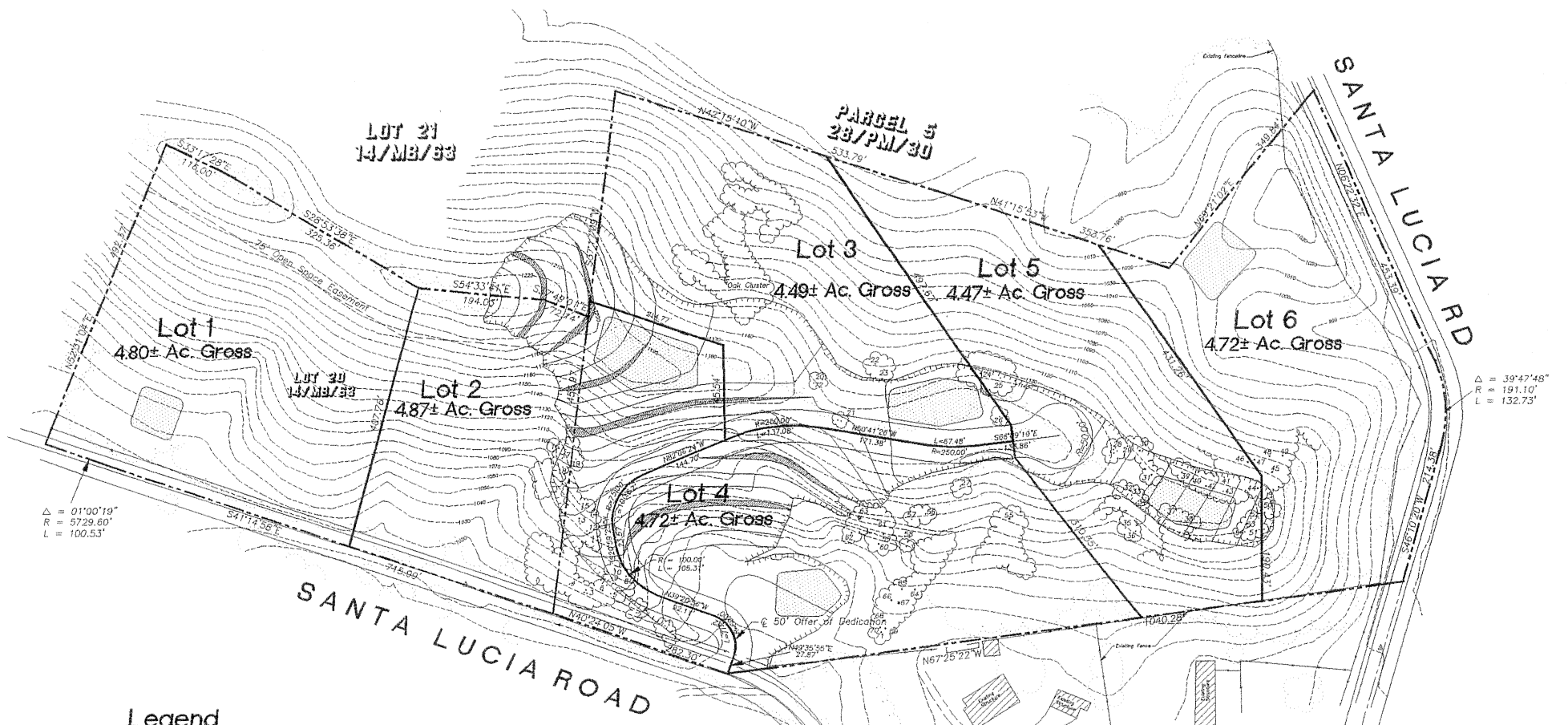


LEGEND

- Contour lines
- Section line (by PL)
- Section line (by PL)
- Line of street (by PL)
- Line of street (proposed)
- Boundary return line





<p>CONCEPTUAL DEVELOPMENT PLAN Millhallin Property Atascadero, California May 18, 1994</p>	
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Δ = 01°00'19"
 R = 5729.60'
 L = 100.53'

Δ = 39°47'48"
 R = 191.10'
 L = 132.73'

Legend

-  Indicates Probable Building Site
-  Indicates Area Predominately Covered By Brush & Intermixed Trees.

Indicates Approximate Limits of Proposed Grading

State of California
DEPARTMENT OF CONSERVATION
DIVISION OF MINE RECLAMATION
FACE-1 (06/18) Page 1 of 11

FINANCIAL ASSURANCE COST ESTIMATE FOR

MILLHOLLIN QUARRY
(Mine Name)

CA Mine ID # 91-40-0001

Reclamation Plan #/Name REVISED FINAL RECLAMATION CLOSURE PLAN

Prepared by: (Name & Affiliation):

ROBERT C. TARTAGLIA

TARTAGLIA ENGINEERING

P.O. BOX 1930

ATASCADERO, CA 93423

Date: JUNE 3, 2019

This financial assurance cost estimate prepared and submitted pursuant to (choose one):

A new or amended reclamation plan approved on (Date): _____

An annual mine inspection performed on (Date): _____

Other: Please Specify: _____

Most Recent Approved Financial Assurance Cost Estimate

Date: N/A

Amount: \$ -0-

Amount of existing Financial Assurance Mechanism(s)

Date: OCTOBER 1996

Amount: \$ 11,874.29



I. SUPPORTING DOCUMENTS

This estimate represents the cost of conducting and completing reclamation in accordance with the Surface Mining and Reclamation Act (SMARA) and the following supporting documents:

Reclamation Plan Approval Date and Number REVISED FINAL RECLAMATION CLOSURE

PLAN, 5/24/2019 - 89-30

Permits and/or Environmental Documents Approved as, or Conditioned upon, the Reclamation Plan

FINAL RECLAMATION AND CLOSURE PLAN, OPERATIONS AGREEMENT AND ENVIRONMENTAL ASSESSMENT, OCTOBER 1996.

Other Agency Financial Assurances Securing Reclamation of Disturbed Lands

NONE

Wage Rates used in Cost Estimate* (cost estimates are required to use current 'General prevailing wage determinations made by the director of industrial relations' where applicable (<http://www.dir.ca.gov/OPRL/PWD/index.htm>) with employer labor surcharge added, or greater)

TRACTOR OPERATOR (D-8L), \$75.23 - SKIP LOADER OPERATOR, \$75.12

HYDROSEED TRUCK DRIVER, \$75.12 - WATER TRUCK DRIVER, \$60.13

LOW BED TRUCK DRIVER, \$60.16

Equipment Rates used in Cost Estimate* (Use current 'Labor Surcharge and Equipment Rental Rates (Cost of Equipment Ownership)' equipment rates published by Caltrans (<http://www.dot.ca.gov/hq/construc/equipmnt.html>) or other publicly available and verifiable local rates)

CRAWLER TRACTOR (D-8L), \$183.28 - SKIP LOADER CRAWLER (JD 555A), \$43.64

HYDROSEED TRUCK, \$61.92 - WATER TRUCK, \$68.12 - LOW BED (C), \$33.93

Equipment Production Rates used in Cost Estimate (Use of current Caterpillar Performance Handbook or equivalent published production rates is required)

D-8L = 200 CU.YD/HR

* Many mine sites are remote projects that require hours of travel (to and from) and sometimes require additional time to prepare for even the simplest of tasks. In accordance with Labor Code Sections 1773.1 and 1773.9, contractors are required to make travel and/or subsistence (per diem) payments to each worker to execute the work. These arrangements can be quite variable and site specific.

Attachments:

MINE SITE IS LOCATED APPROXIMATELY 15 MILES FROM CONTRACTOR'S YARD, THEREFORE, DRIVING TIME IS LESS THAN ONE (1) HOUR.

State of California
DEPARTMENT OF CONSERVATION
DIVISION OF MINE RECLAMATION
FACE-1 (06/18) Page 3 of 11

II. Description of Current Site Conditions

(i.e., disturbed acres, slope conditions, excavation depths, topsoil and overburden stockpiles, equipment and facilities, reclamation in progress, erosion control status, required corrective actions, etc.)

THE SITE CONTAINS AN AREA OF 14,166 S.F. THAT HAS BEEN DESIGNATED FOR RECLAMATION BY THE CITY OF ATASCADERO. THE UN-RECLAIMED AREA HAS SLOPES THAT EXCEED 2:1 (H-V) AND WILL BE EXCAVATED AND RE-GRADED TO A SLOPE OF 2:1 OR FLATTER. THE AVERAGE EXCAVATION DEPTH WILL BE APPROXIMATELY 5.9 FT. (MORE OR LESS).

THE REMAINDER OF THE SITE HAD PREVIOUSLY BEEN RECLAIMED.

THE SITE ALSO CONTAINS TOPSOIL THAT WILL BE USED IN THE FINAL RECLAMATION PRIOR TO THE APPLICATION OF A NATURAL GRASS SEED MIX.

III. Description of Anticipated Site Conditions (12 months from date of estimate)

(i.e., increase of disturbed acres, increase of depth, increases in amount of equipment and/or facilities, required corrective actions, etc.)

THE SITE CONDITIONS ARE NOT ANTICIPATED TO CHANGE WITHIN 12 MONTHS AFTER THE SITE HAS BEEN RECLAIMED OR FROM THE DATE OF THIS ESTIMATE. THERE SHOULD NOT BE ANY CHANGE IN SITE CONDITIONS WITHIN THE FOLLOWING 12 MONTH PERIOD.

IV. Description/Justification of Cost Increase/Decrease

NO INCREASE OR DECREASE IN COSTS ARE ANTICIPATED OR SHOULD OCCUR AFTER THE RECLAMATION WORK IS COMPLETED.

(add additional pages as needed)

V. PLANT STRUCTURES AND EQUIPMENT REMOVAL *(use multiple sheets as needed)*
Provide documentation showing that rates, prices, and wages are available locally to all persons, including the lead agency and/or the Department.

Current Site Condition:

THERE ARE NO PLANT STRUCTURES OR EQUIPMENT THAT EXIST ON THE SITE.
THEREFORE THERE WILL BE NO REMOVAL WORK. THIS SECTION DOES NOT APPLY.

Reclamation Plan Performance Standard (End Use):

THE END USE OF THE SITE WILL BE FOR CATTLE GRAZING. NO OTHER USE IS
PLANNED OR PROPOSED FOR THE SITE.

Describe tasks:

NO TASKS.

Equipment on site wholly owned by operator?: YES NO

(If no, please provide the name/s and contact information for any lien holder)

THERE IS NO EQUIPMENT ON THE SITE. THE SITE IS WHOLLY OWNED BY THE
OPERATOR AND ANY EQUIPMENT THAT WAS THERE WAS USED FOR GRAVEL
EXTRACTION ONLY AND HAS BEEN REMOVED.

(add additional pages as needed)

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 DEPARTMENT OF CONSERVATION
 DIVISION OF MINE RECLAMATION
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V. PLANT STRUCTURES AND EQUIPMENT REMOVAL (use multiple sheets as needed)

Methods to be used:

- A. Equipment – List equipment required to complete identified task. For large reclamation projects, separate mine areas.

Equipment	Unit of Measure	\$/Unit	# of Units	Cost (\$)
N/A NO EQUIPMENT ON SITE TO BE REMOVED				

Total Equipment Cost for this Task = \$ - 0 -

- B. Labor – List all labor categories to complete identified task

Labor Category	\$/Hour (prevailing wage)	Labor Surcharge/Hr (where applicable) (enter % of wage)		# of Hours	Cost (\$)
			%		
N/A					

Total Labor Cost for this Task = \$ - 0 -

- C. Demolition – List all structures and equipment to be dismantled or demolished and removed from site

Structure/Equipment to be Removed	Type of Material	Volume/ Quantity	Unit Cost Basis	Disposal Cost	Cost (\$)
N/A					

Total Materials Cost for this Task = \$ - 0 -

- D. Total Direct Cost of Structure and Equipment Removal (Total A+B+C)

Equipment Costs + Labor Cost + Demolition Cost = \$ - 0 -

- E. Net Salvage Value* (Supported by properly prepared third party estimate, bid, or cost calculation.)

Net Salvage Value = \$ - 0 -

- F. Total Cost of Structure and Equipment Removal (Subtract Line D from Line E)

Total Cost of Structure and Equipment Removal = \$ - 0 -

*NOTE: Salvage value may only be used to offset the direct cost of removing the single item for which salvage value is being claimed. Salvage value shall not be used to offset any other demolition, general cleanup, or reclamation costs.

VI. PRIMARY RECLAMATION ACTIVITY

Use multiple sheets as necessary to estimate the cost of each activity required. Provide documentation showing that rates, prices, and wages are available locally to the lead agency and/or the Department if necessary.

Current Site Conditions:

THE CURRENT CONDITION OF THE SITE IS THAT IT IS VACANT WITH NO STRUCTURES OR EQUIPMENT ON SITE. THE REQUIRED RECLAMATION IS TO BE CONCENTRATED ON THE UN-RECLAIMED AREA WHERE THE EXISTING SLOPES EXCEED THE 2:1 MINIMUM STANDARD. THE REMAINDER OF THE SITE HAD PREVIOUSLY BEEN RECLAIMED.

Reclamation Plan Performance Standard (End Use):

THE END USE OF THE SITE WILL BE FOR CATTLE GRAZING. THE FINAL RECLAMATION AND CLOSURE PLAN, 1996 WILL BE THE BASIS FOR THE FINAL WORK ACTIVITY TO COMPLETE THE RECLAMATION OF THE SITE.

Describe tasks, methods, equipment, etc.:

Decompaction, cut, fill, haul, slope reduction, compaction, grading, topsoil placement, drainage work, soil amendments, special requirements, etc. Separate sheets may be used for each task if necessary.

THE CITY OF ATASCADERO HAS IDENTIFIED THE REMAINING AREA THAT HAS TO BE RECLAIMED. THE SUBJECT AREA CONTAINS SLOPES THAT ARE STEEPER THAN 2:1. THE CONTRACTOR THAT HAS BEEN RETAINED WILL USE A D-8 CRAWLER TRACTOR TO RIP AND PUSH THE EXCAVATED MATERIAL DOWN SLOPE AND CONSTRUCT A FLAT AREA AT THE BOTTOM OF THE SLOPE. A TRACK MOUNTED EXCAVATOR MAY ALSO BE USED. AFTER THE AREA IS PROCESSED A HYDROSEED MIX WILL BE APPLIED TO THE PROCESSED AREA.

Provide quantities:

Overburden and topsoil, cut and fill, import or export (cubic yards), area (acres), haul distances (feet), equipment production rates (cubic yards/hour, or as applicable), etc.

THERE IS NO TOPSOIL IN THE DESIGNATED RECLAMATION AREA. STOCKPILED TOPSOIL EXISTS ON THE PROPERTY AND WILL BE USED IN THE FINAL RECLAMATION ACTIVITY. THE TOTAL AMOUNT OF EARTH TO BE MOVED IS 3,100 CU.YD. THE AREA OF DISTURBANCE IS 0.33 ACRES WITH NO APPRECIABLE HAUL DISTANCE. THE CONTRACTOR ESTIMATES THAT HE CAN MOVE 200 CU.YD/HR. HYDROSEED APPLICATION CAN BE PERFORMED IN 4 HOURS.

(add additional pages as needed)

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FINAL GRADING AND RECLAMATION
 FOR THE MILLHOLLIN QUARRY

VI. PRIMARY RECLAMATION ACTIVITY () (use multiple sheets as needed)
 (Describe Reclamation Activity Being Estimated)

Acres:	0.33 Ac.	Overburden (cy):	-0-
Haul Distance (ft):	-0-	Topsoil (cy):	175
Production Rate (cy/hr):	200		

Methods to be used:

A. Equipment – List equipment required to complete identified task. For large reclamation projects, separate mine areas.

Equipment	Unit of Measure	\$/Unit	# of Units	Cost (\$)
(1) D-8L	HR.	183.28	16.0	2,932.48
(2) JD 555A	HR.	43.64	16.0	698.24
(3) WATER TRUCK	HR.	68.12	16.0	1,089.92

Total Equipment Cost for this Task = \$4,720.64

B. Labor – List all labor categories to complete identified task

Labor Category	\$/Hour (prevailing wage)	Labor Surcharge/Hr (where applicable) (enter % of wage)	# of Hours	Cost (\$)
		33%		
(1) D-8L OPERATOR	75.23	100.16	16.0	1,600.89
(2) JD 555A OPERATOR	75.12	99.91	16.0	1,598.55
(3) WATER TRUCK DRIVER	60.13	79.97	16.0	1,279.57

Total Labor Cost for this Task = \$4,479.01

C. Materials – List all materials required to complete identified task

Item	\$/Unit	Sales tax (enter local rate in %)	Quantity	Cost (\$)
N/A NONE		%		

Total Materials Cost for this Task = \$ -0-

D. Total Direct Cost for this Task

Equipment Costs + Labor Cost + Materials Cost = \$9,199.65

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VII. REVEGETATION *(use multiple sheets as needed)*
Provide documentation showing that rates, prices, and wages are available locally to all persons, including the lead agency and/or the Department.

Current Site Condition:

THE CONDITION OF THE MINE SITE IS SUCH THAT ALL OF THE SITE AREA HAS PREVIOUSLY BEEN RECLAIMED WITH THE EXCEPTION OF THE AREA DESIGNATED BY THE CITY FOR RECLAMATION AT THIS TIME. THE AREA DESIGNATED FOR RECLAMATION IS 0.33 ACRES (14,166 S.F.) IN SIZE. THE AMOUNT OF TOP SOIL THAT WILL BE NEEDED FOR THE FINAL RECLAMATION IS ON SITE AND NO IMPORT WILL BE REQUIRED.

Reclamation Plan Performance Standard (End Use):

THE SITE WILL BE RECLAIMED BY REGRADING OF THE DESIGNATED AREA THEN AN APPLICATION OF 4" OF TOP SOIL WILL BE PLACED OVER THE GRADED AREA. PRIOR TO THE WINTER RAIN SEASON, THE RECLAIMED AREA WILL BE SEEDED WITH A NATURAL GRASS SEED MIX APPROVED BY THE CITY OF ATASCADERO. THE NATURAL GRASS SEED MIX WILL PROVIDE FEED FOR CATTLE GRAZING IN MINE SITE AREA.

Describe tasks:

WORK REQUIRED TO RECLAIM THE SITE WILL CONSIST OF GRADING THE DESIGNATED AREA AND TRACK WALKING THE SLOPES TO PROVIDE ADEQUATE COMPACTION TO PREVENT EROSION BUT SUFFICIENT TO PROVIDE GROWTH OF THE GRASSES TO BE PLANTED. THE SLOPES WILL BE COVERED WITH A 4" LAYER OF TOPSOIL TO PROVIDE A BASE FOR THE NATURAL GRASSES TO BE PLANTED. THE SITE CONTAINS FENCES, SOME WHICH MAY HAVE TO BE UPGRADED. NO IRRIGATION IS PROPOSED FOR THE RECLAMATION OF THE SITE.

(add additional pages as needed)

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VII. REVEGETATION (use multiple sheets as needed)

Methods to be used:

- A. Equipment – List equipment required to complete identified task. For large reclamation projects, separate mine areas.

Equipment	Unit of Measure	\$/Unit	# of Units	Cost (\$)
HYDRO-SEED TRUCK	HR	61.92	4.0	247.68

Total Equipment Cost for this Task = \$ 247.68

- B. Labor – List all labor categories to complete identified task.

Labor Category	\$/Hour (prevailing wage)	Labor Surcharge/Hr (where applicable) (enter % of wage)		# of Hours	Cost (\$)
		33 %			
HYDRO-SEED TRUCK DRIVER	75.12	99.91		4.0	399.64
LABORER (FIBER ROLL INSTALLER)	55.73	74.12		6.0	444.73

Total Labor Cost for this Task = \$ 844.37

- C. Materials – List all materials required to complete identified task

Item/Plant Species	Unit of measure	\$/Unit	Sales tax (enter local rate in %)		Quantity	Cost (\$)
			7.75 %			
HYDRO-SEED MIX	LB	3.20	3.45		27.0	93.10
FERTILIZER	LB	0.13	0.14		66.0	9.24
FIBER & TACKIFIER	LB	0.10	0.11		330	35.56
FIBER ROLL	FT	1.26	1.36		225	305.47

Total Materials Cost for this Task = \$ 443.37

- D. Total Direct Cost for this Task

Equipment Costs + Labor Cost + Materials Cost = \$ 1,535.42

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VIII. MISCELLANEOUS COSTS (use multiple sheets as needed)

Provide documentation showing that rates, prices, and wages are available locally to all persons, including the lead agency and/or the Department.

Examples of this type of cost may include temporary storage of equipment and materials off site, special one-time permits (i.e. transportation permits for extra wide overweight loads, etc.), decommissioning a process mill (i.e. decontamination of equipment), disposal of warehouse inventories, well abandonment, remediation of fueling and waste oil storage sites, septic system removal, costs to prepare closure and monitoring reports, site security, preserving potable water and maintaining utilities, etc.

Item / Task	Quantity	\$/Unit	Cost (\$)
THERE WILL NOT BE ANY TEMPORARY STORAGE OF EQUIPMENT ON SITE FOR THE RECLAMATION WORK.	-0-		-0-
THE CONTRACTOR WILL MOVE IN WITH EQUIPMENT THEN MOVE OUT. ONLY STORAGE OF EQUIPMENT WOULD BE OVERNIGHT PARKING. FUELING WILL BE FROM A PORTABLE SOURCE. THERE IS NO SEPTIC ON SITE OR FACILITIES THAT WILL HAVE TO BE MAINTAINED OR ABANDONED.			

Total Miscellaneous Costs = \$ -0-

IX. MONITORING COSTS

Monitoring Task	\$/Visit	# of Visits/Year	# of Monitoring Years	Cost (\$)
THE OWNER WILL RETAIN THE SERVICES OF THE DESIGN ENGINEER FOR SITE VISITS DURING CONSTRUCTION TO OBSERVE THE CONTRACTOR'S OPERATIONS.	114.00	3	1.0	342.00

Total Monitoring Costs = \$ 342.00

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X. SUMMARY OF COSTS

This section shall be used to summarize all the cost sheets in one place.

(V) Total of all Plant Structures & Equipment Removal Costs	\$ -0-
(VI) Total of all Primary Reclamation Activities Costs	\$ 9,199.65
(VII) Total of all Revegetation Costs	\$ 1,535.42
(VIII) Total of all Miscellaneous Costs	\$ -0-
(IX) Total of all Monitoring Costs	\$ 342.00
Total of Direct Costs	\$11,077.07

XI. Supervision / Profit & Overhead / Contingencies / Mobilization

(A) Supervision (<u>7.0</u> %)	\$ 775.39
(B) Profit/Overhead (<u>14.8</u> %)	\$ 1,639.41
(C) Contingencies (<u>10.0</u> %)	\$ 1,107.71
(D) Mobilization (<u>5.0</u> %)	\$ 553.85
Total of Indirect Costs	\$ 4,076.36
Total of Direct and Indirect Costs	\$15,153.53
(E) Lead Agency and/or Dept. of Conservation Administrative Costs	\$ 2,273.01
Total Estimated Cost of Reclamation	\$17,426.44

DUPLICATE **WELLS FARGO BANK**
Special Purpose TITLE CHANGE 12/16/93
Certificate of Deposit

Acct. No. **1-195-068416-001**

Office Clovis Date 1/21/93 Amount \$ 2,500.00

Payable to *City of Atascadero or Department of Conservation**
 Received from Glenn Millhollin*

Renewal term 12 months Maturity date 1/21/94 Interest rate 2.80 % Annual percentage yield 2.838 %

Interest will be computed on a 360 day year basis. Interest will be paid monthly and credited to account number 0195-019179
 or paid by check.

This certificate is non-transferable. Presentation of the original certificate, signed by the payee, is required to withdraw funds. If the deposit is withdrawn before maturity, there may be an early withdrawal fee. At maturity, this deposit will automatically renew. The terms of the certificate, including the interest rate and annual percentage yield, are subject to change on the maturity date. Please refer to the Disclosure Statement for additional information about your account.

Bank Representative's Signature *[Signature]*
 PAYEE COPY

Member FDIC

DUPLICATE **WELLS FARGO BANK**
Special Purpose TITLE CHANGE 12/16/93
Certificate of Deposit

Acct. No. **1195-074075-000**

Office Clovis Date June 14, 1993 Amount \$ 9,388.00

Payable to *City of Atascadero or Department of Conservation**
 Received from Glenn Millhollin*

Renewal term 12 months Maturity date 6/14/94 Interest rate 2.71 % Annual percentage yield 2.75 %

Interest will be computed on a 360 day year basis. Interest will be paid monthly and credited to account number 0195-019179
 or paid by check.

This certificate is non-transferable. Presentation of the original certificate, signed by the payee, is required to withdraw funds. If the deposit is withdrawn before maturity, there may be an early withdrawal fee. At maturity, this deposit will automatically renew. The terms of the certificate, including the interest rate and annual percentage yield, are subject to change on the maturity date. Please refer to the Disclosure Statement for additional information about your account.

Bank Representative's Signature *[Signature]*
 PAYEE COPY

Member FDIC

CERTIFICATE OF DEPOSIT/CASH ACCOUNT

California Mine ID No.: 91-40-0001
Account or Deposit No.: 48000/6067
Issued Date: 3/13/20
Permit No.: Grandfather / OTC CD-0249
Reclamation Plan Name/No.: Final Reclamation and Closure Plan

This certificate of deposit or cash account (CD) (account or deposit number) is issued on behalf of Glenn Millhollin and may only be released or encashed through the following procedures:
(Name of APPLICANT)

Pacific Premier Bank, a federally insured depository institution authorized to do business in the State of California using federally insured accounts, issues this CD (account or deposit number), in the amount of \$ 6,000.00, which shall automatically renew each year, unless released or encashed according to the terms and conditions set forth below.
(FINANCIAL INSTITUTION)

This CD is for the benefit of payees City of Atascadero and the Department of Conservation, Division of Mine Reclamation. Glenn Millhollin hereby consents to the provision by Pacific Premier Bank to the City of Atascadero and the Department of Conservation, Division of Mine Reclamation of such information concerning the CD as the City of Atascadero and the Department of Conservation, Division of Mine Reclamation may request in writing information regarding the status of the CD, including but not limited to the amount, the account number, the maturity date, and the rate of interest.
(Name of LEAD AGENCY)
(Name of APPLICANT)
(Name of LEAD AGENCY)

Pacific Premier Bank shall be authorized to encash the CD at any time at the request of either the City of Atascadero or the Department of Conservation, Division of Mine Reclamation, and to deliver such funds to the City of Atascadero or the Department of Conservation, Division of Mine Reclamation but only upon written consent for the encashment and certification from both the City of Atascadero and the Department of Conservation, Division of Mine Reclamation that Glenn Millhollin has been determined to be financially incapable of reclamation or has abandoned the mining operation following a noticed public hearing, all in accordance with the provisions of Public Resources Code Section 2773.1(b).
(FINANCIAL INSTITUTION)
(Name of LEAD AGENCY)
(Name of LEAD AGENCY)
(Name of APPLICANT)

Pacific Premier Bank shall be authorized to encash the CD at the instance and request of Glenn Millhollin, and to deliver such funds to Glenn Millhollin, only upon receipt of a written release from both the City of Atascadero and the Department of Conservation, Division of Mine Reclamation relinquishing their claim and interest to this CD.
(FINANCIAL INSTITUTION)
(Name of APPLICANT)
(Name of APPLICANT)
(Name of LEAD AGENCY)

Interest earned under this CD is not subject to the terms and conditions above. Any interest paid to the applicant in accordance with the financial institution's practices may not reduce the initial principal amount of this CD. Where an applicant elects to have earned interest subject to the terms and conditions above, they shall do so by indicating here GM at the time this CD is issued.

(APPLICANT INITIALS)

The individuals signing below certify they agree to the terms mentioned above and that the signatories are authorized to sign this agreement on behalf of their respective entity.

Glenn Millhollin
(Name of APPLICANT)

Date: 3/13/20

Glenn Millhollin
(Signature)

Glenn Millhollin
(Typed or Printed Name)

Owner - Operator
(Title)

9259 Santa Margarita Rd, Atascadero, CA 93422
(Mailing Address)


805-423-1958
(Phone)

gmillhollin@aol.com
(Email)

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City of Atascadero
(Name of LEAD AGENCY)

Date: 3-17-20


(Signature)

PHIL DUNSMORE
(Typed or Printed Name)

COMMUNITY DEVELOPMENT DIRECTOR
(Title)

6500 Palma AVE ATASCADERO 93422
(Mailing Address)

805 470 - 3488
(Phone)

PDUNSMORE @ ATASCADERO.ORG
(Email)

Pacific Premier Bank
(Name of FINANCIAL INSTITUTION)

[SEAL]

Date: 3/13/20


(Signature)

Shawn Ray
(Typed or Printed Name)

VP / Sr. Branch Manager
(Title)

7480 El Camino Real, Atascadero, CA 93422
(Mailing Address)

805-466-7087
(Phone)

Sray@ppbi.com
(Email)

Pacific Premier Bank
7480 El Camino Real
Atascadero, CA 93422

Certificate of Deposit Receipt

This receipt is issued to:

Glenn H Millhollin ASSIGNED TO DEPARTMENT OF CONSERVATION
DIVISION OF MINE RECLAMATION ASSIGNED TO City of Atascadero
9259 Santa Margarita Rd
Atascadero, CA 93422-6413

Account Number: 4800016067

IRA Number: _____

Amount \$ 6,000.00

Date Opened 03/13/2020

Term 24 Months

Maturity Date 3/13/2022

Interest Rate .100 %

Annual Percentage Yield .10 %



PACIFIC PREMIER BANK

7480 El Camino Real
Atascadero, CA 93422

The account evidenced by this receipt is subject to and further explained in the terms and conditions contained in the account agreement and account disclosures. The account is Not Negotiable and Not Transferable. Only the items checked apply.

- Fixed Interest Rate** **Variable Interest Rate**
- Additions Permitted**
- Automatically Renewable** **Single Maturity** (not automatically renewable) **Callable** **Notice Account**

Interest will be:

- mailed to the owner(s).
- added to principal (compounded).
- paid to _____ account No. _____
- _____

Date Inspection Conducted: 05/08/2024	CA Mine ID Number: 91- 40-0001
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SURFACE MINING INSPECTION REPORT

I. Mine Name: Millhollin Quarry

II. Mine Operator: Glenn Millhollion (Deceased)		
Mailing Address: 9259 Santa Margarita Road		
City: Atascadero	State: CA	ZIP Code: 93422
Name of Onsite Contact Person: Charles Millhollin (Deceased Operator's son)	Email Address: cmillho@msn.com	Telephone: 559-593-3690

III. SMARA Lead Agency Name: City of Atascadero		
Inspector's Name: Xzandrea Fowler		
Name of Entity or Organization: Community Development Department		
Inspector's Mailing Address: 6500 Palma Avenue		
City: Atascadero	State: CA	ZIP Code: 93422
E-mail Address: xfowler@atascadero.org	Telephone: (805) 470-3160	

IV. Approved Documents	
Permit Number: CUP 96003 <input type="checkbox"/> Not Applicable	Expiration Date, if Applicable: 10/23/2011
Vested Right: <input checked="" type="checkbox"/> Not Applicable	Date of Lead Agency Determination:
Reclamation Plan Number:	Date Approved: 10/23/1996
Interim Management Plan: <input type="checkbox"/> Not Applicable <input type="checkbox"/> Initial <input type="checkbox"/> 1 st Renewal <input type="checkbox"/> 2 nd Renewal	Date Approved:

V. Is this operation located partly or solely on Federal land?	Check One: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there any Federal authorizations associated with this operation? If yes, explain:	Check One: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Inspecting Agency Code(s): None	Reason for Inspection: AI. OA
Land Use Designation/Zoning for Surface Mine Operation: Residential Suburban	

Date Inspection Conducted: 05/08/2024	CA Mine ID Number: 91- 40-0001
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SURFACE MINING INSPECTION REPORT

VI. Financial Assurances	
A. Information on Financial Assurance Cost Estimate	
Date and Amount of Most Recently Approved Financial Assurance Cost Estimate	
Date: 03/03/2020	Amount: \$ 16,000
<input type="checkbox"/> Other Information?	Explanation:

B. Information on Financial Assurance Mechanism(s)				
Type of Financial Assurance Mechanism(s): CD	Financial Assurance Mechanism Number(s):	Amount of Mechanism: \$17,888.00	Date of Expiration:	Date of Approval by the Lead Agency: 03/03/2020
Total Amount of Mechanism(s):		\$17,888.00		
Has there been a change of operator since the last inspection? If yes, provide the date of notice.			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Date of Change: 11/30/2020				

VII. Non-SMARA facility operations conditions solely of local concern (e.g. hours of operation) do not need to be noted here. See Instructions for Block VII.		
[Use separate sheet(s) where necessary. Refer to item numbers below]		
Potential Reclamation Plan Requirements	List Reclamation Plan Requirements (Recommended to be filled out prior to field inspection)	Note current site observations. Describe site conditions and aspects of the operation that are or may be inconsistent with the reclamation plan or SMARA. (Note additional comments on Section VIII as necessary)
A) General Information		No mining has taken place for more than 13 years. Reclamation activities began in March 2020 and ceased in 2022. The slopes have been regraded for stabilization and smoothed for a natural appearance. Topsoil was added to the ridgeline to support revegetation. Approximately 60 oak trees were planted with drip irrigation.
1) Approved mineral type(s)	Sand and Gravel	
2) Approved production amount (Annual/Gross)		
3) Termination date of operations	Termination date: 10/23/2011	
4) Permit end date		

Date Inspection Conducted: 05/08/2024	CA Mine ID Number: 91- 40-0001
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SURFACE MINING INSPECTION REPORT

<p>VII. Non-SMARA facility operations conditions solely of local concern (e.g. hours of operation) do not need to be noted here. See Instructions for Block VII.</p> <p>[Use separate sheet(s) where necessary. Refer to item numbers below]</p>		
Potential Reclamation Plan Requirements	List Reclamation Plan Requirements (Recommended to be filled out prior to field inspection)	Note current site observations. Describe site conditions and aspects of the operation that are or may be inconsistent with the reclamation plan or SMARA. (Note additional comments on Section VIII as necessary)
5) Anticipated/approved use of mined lands after reclamation	Grazing and/or the construction of a residential structure is the anticipated end use after reclamation.	The re-graded slopes have revegetated naturally with native grasses and shrubs, consistent with the intent of the Reclamation Plan.
6) Description of pre-SMARA disturbances, if any		
B) Boundaries		
1) Property boundary	Approximately 2.7 acre reclamation plan boundary was approved in 1996.	Within the RPB, the slopes have been regraded for stabilization and smoothed out for a natural appearance. Topsoil was added to the ridgeline to support revegetation. 60 oak trees were planted with an approximate 2/3 survival rate.
2) Permit boundary		
3) Reclamation plan boundary (RPB)		
4) Setbacks		
C) Slopes – Grading		
1) Fill Slopes –		Mine has been closed for 13 years. No active mining persists.
i. Slopes – Active (max/current)		
ii. Slopes – Reclaimed		
iii. Compaction		
2) Cut Slopes –		
i. Slopes – Active (max/current)		
ii. Slopes – Reclaimed		
D) Erosion Control		
1) Best management practices (BMPs)		Site has been fully naturalized.
2) Grading		
3) Vegetation		
E) Ponds		
1) Design – Function		Small and shallow catch basin has been created at the base of the site which captures all onsite drainage.
2) Capacity (area/depth/volume)		
3) Maintenance		
F) Stream & Wetland Protection		
1) Buffers (distance to channel)		None on site.
2) Berms (distance/length/height)		
3) BMPs		
4) Drainage		

Date Inspection Conducted: 05/08/2024	CA Mine ID Number: 91- 40-0001
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SURFACE MINING INSPECTION REPORT

VII. Non-SMARA facility operations conditions solely of local concern (e.g. hours of operation) do not need to be noted here. See Instructions for Block VII. [Use separate sheet(s) where necessary. Refer to item numbers below]		
Potential Reclamation Plan Requirements	List Reclamation Plan Requirements (Recommended to be filled out prior to field inspection)	Note current site observations. Describe site conditions and aspects of the operation that are or may be inconsistent with the reclamation plan or SMARA. (Note additional comments on Section VIII as necessary)
5) Grading and slopes		
6) Stockpiles		
7) Stream diversions		
G) Sensitive Wildlife & Plant Protection		None identified on site.
1) List species		
2) Protection measures		
H) Soil/Overburden Stockpile Management		None. Mine has been inactive for 13 years.
1) Topsoil		
i. Location		
ii. Slope stability		
iii. BMPs		
2) Overburden		
i. Location		
ii. Slope stability		
iii. BMPs		
3) Topsoil Application		
i. Amendments		
ii. Depth		
iii. Moisture		
iv. Application methods		
I) Revegetation		Site has fully naturalized with native grasses and shrubs.
1) Test plots		
2) Species mix		
3) Density		
4) Percent cover		
5) Species richness		
6) Protection		
7) Success monitoring		
8) Invasive species control		
J) Structures	None	
K) Equipment	None	

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SURFACE MINING INSPECTION REPORT

VII. Non-SMARA facility operations conditions solely of local concern (e.g. hours of operation) do not need to be noted here. See Instructions for Block VII.

[Use separate sheet(s) where necessary. Refer to item numbers below]

Potential Reclamation Plan Requirements	List Reclamation Plan Requirements (Recommended to be filled out prior to field inspection)	Note current site observations. Describe site conditions and aspects of the operation that are or may be inconsistent with the reclamation plan or SMARA. (Note additional comments on Section VIII as necessary)
L) Closure of Adits	None	
M) Other Reclamation Plan Requirements	None	

VIII. A. Use this space to describe general observations and sketches of the operation:

The mine has been closed for 13-years. Since that time, the mined slopes have been regraded and 60 trees have been planted. The mine operator passed away prior to hydroseeding slopes, however, the site has fully naturalized at this point and all slopes contain native vegetation.

Additional observations/sheets/documents/sketches/photographs attached? Yes No

B. Describe areas of the operation that have been disturbed since the last inspection:

Approximate total disturbed acreage since last inspection: None

Approximate total acreage of mined lands: None

C. Describe areas of the operation that have been reclaimed since the last inspection:

Approximate reclaimed acreage since last inspection: All

Approximate total reclaimed acreage: All

D. Describe areas where the operator plans to conduct operations in the upcoming year:

None

E. Describe the extent of mined lands with respect to the permitted/approved reclamation plan boundaries:

No additional mining has occurred since 2011

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<p>F. Describe the fee category reported in the most recent Annual Report and its consistency with the conditions observed during the inspection.</p>	
<p>G. Describe any limitations encountered during the inspection: None</p>	
<p>H. Describe conditions or aspects of the operation that are or may be inconsistent with the approved reclamation plan or SMARA: Man applied hydroseeding did not occur prior to the death of the mine operator, however, in the 13 years since the mining operation ceased, the re-graded slopes have fully naturalized and are vegetated. All slopes within the past mining area remain stable.</p>	
<p>I. Do any of those conditions or aspects require further evaluation? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, describe (For example, further evaluation or analysis may be required by a state-licensed professional or specialist):</p>	
<p>J. Was a Notice of Violation issued for any of the above? <input checked="" type="checkbox"/> No, describe: <input type="checkbox"/> Yes, describe:</p>	
<p>K. Describe remedial activities for any pre-existing or existing enforcement actions:</p>	
<p>L. Duration of Inspection: Start Time: Finish Time:</p>	
<p>M. Weather Code(s): CR</p>	<p>N. Status of Mine Code(s): AB</p>
<p>O. Inspection Attendees and Affiliations SMARA and city Staff</p>	

<p>IX. Inspector's "Certificate of Completion of Inspection Workshop" Number:</p>	<p>Inspectors Signature:</p>	<p>If the inspector is a State-licensed person or a contractor for the lead agency, provide license type and number:</p>
<p>Certification Expiration Date:</p>	<p>Date Signed:</p>	

2005 Site Photos



2010 Site Photos



2024 Site Photos

