



# **CITY OF ATASCADERO CITY COUNCIL**

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## **AGENDA**

**Tuesday, March 24, 2020**

**City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California  
(Entrance on Lewis Ave.)**

<b><u>City Council Regular Session:</u></b>	<b>6:00 P.M.</b>
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**REGULAR SESSION – CALL TO ORDER: 6:00 P.M.**

**PLEDGE OF ALLEGIANCE:** Mayor Moreno

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

**APPROVAL OF AGENDA:** Roll Call

Recommendation: Council:

1. Approve this agenda; and
2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

**PRESENTATIONS: None.**

- A. CONSENT CALENDAR:** (All items on the consent calendar are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Calendar and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken.)

**1. City Council Draft Action Minutes – March 10, 2020 and March 17, 2020**

- Recommendation: Council approve the March 10, 2020 Draft City Council Meeting Minutes and the March 17, 2020 Draft City Council Special Meeting Minutes. [City Clerk]

**2. February 2020 Accounts Payable and Payroll**

- Fiscal Impact: \$2,062,897.06
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for February 2020. [Administrative Services]

**3. 2020 Pavement Resurfacing Project Construction Award**

- Fiscal Impact: \$569,213.00
- Recommendations: Council:
  1. Award a construction contract for \$569,213 to Souza Engineering Contracting, Inc. for the 2020 Pavement Resurfacing Project and the remaining portion of the F-14 Pavement Rehabilitation Project.
  2. Authorize the City Manager to execute a contract with Souza Engineering Contracting, Inc. for \$569,213 for the construction of the 2020 Pavement Resurfacing Project and the remaining portion of the F-14 Pavement Rehabilitation Project. [Public Works]

**4. San Anselmo Road (West) Pavement Rehabilitation Construction Award**

- Fiscal Impact: \$479,775.00
- Recommendations: Council:
  1. Award a construction contract for \$368,755 to Papich Construction Company, Inc. for the San Anselmo Road (West) Pavement Rehabilitation Project (Project No. C2019R01).
  2. Authorize the City Manager to execute a contract for \$368,755 with Papich Construction Company, Inc. to construct the San Anselmo Road (West) Pavement Rehabilitation Project.
  3. Authorize the Director of Administrative Services to allocate an additional \$111,000 in Local Transportation Funds to the San Anselmo Road (West) Pavement Rehabilitation Project. [Public Works]

**5. Temporary Change of Cancellation Policy for Facility Rentals**

- Fiscal Impact: Although the City is experiencing significant downturns in facility rental income and recreation income, allowing refunds versus requiring the renters to book another date will only have a slight negative impact on City revenues.
- Recommendation: Council authorize the City Manager to allow refunds for facility rentals that were cancelled due to concerns regarding COVID-19 Coronavirus. [City Manager]

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

1. City Manager Rickard will discuss and request Council direction regarding City actions in response to COVID-19.

**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](mailto:cityclerk@atascadero.org).)

**B. PUBLIC HEARINGS: None.**

**C. MANAGEMENT REPORTS:**

**1. Results of Voter Opinion Survey on Feasibility of a Potential Future Tax Ballot Measure**

- Fiscal Impact: None.
- Recommendation: Council receive and file the Revenue Measure Feasibility Survey Summary Report prepared by True North Research. [City Manager]

**2. Proposed Sewer Service Rate Increases**

- Fiscal Impact: Approving staff recommendations will generate an estimated \$430,000 in additional revenue from sewer service charges collected in FY20/21 over FY19/20 amounts.
- Recommendations: Council:
  1. Direct staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system.
  2. Set a Public Hearing on May 26, 2020 for the City Council's consideration of the proposed wastewater rate increases.
  3. Approve a budget amendment and authorize the Director of Administrative Services to appropriate \$7,500 from the Wastewater Fund for costs related to the Proposition 218 majority protest process. [Public Works]

**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. Economic Vitality Corporation, Board of Directors (EVC)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Bourbeau

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

Council Member Fonzi

1. Air Pollution Control District
2. Atascadero Basin Ground Water Sustainability Agency (GSA)
3. City of Atascadero Design Review Committee
4. SLO Local Agency Formation Commission (LAFCo)

Council Member Funk

1. City of Atascadero Finance Committee
2. Homeless Services Oversight Council
3. League of California Cities – Council Liaison

Council Member Newsom

1. California Joint Powers Insurance Authority (CJPIA) Board
2. City / Schools Committee
3. City of Atascadero Design Review Committee
4. Visit SLO CAL Advisory Committee

- 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
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager

**F. ADJOURN**

**Please note:** Should anyone challenge any proposed development entitlement listed on this Agenda in court, that person may be limited to raising those issues addressed at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing. Correspondence submitted at this public hearing will be distributed to the Council and available for review in the City Clerk's office.

## City of Atascadero

### **WELCOME TO THE ATASCADERO CITY COUNCIL MEETING**

The City Council meets in regular session on the second and fourth Tuesday of each month at 6:00 p.m. Council meetings will be held at the City Hall Council Chambers, 6500 Palma Avenue, Atascadero. Matters are considered by the Council in the order of the printed Agenda. Regular Council meetings are televised live, audio recorded and videotaped for future playback. Charter Communication customers may view the meetings on Charter Cable Channel 20 or via the City's website at [www.atascadero.org](http://www.atascadero.org). Meetings are also broadcast on radio station KPRL AM 1230. Contact the City Clerk for more information at [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) or (805) 470-3400.

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 during City Hall business hours at the Front Counter of City Hall, 6500 Palma Avenue, Atascadero, and on our website, [www.atascadero.org](http://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 either read into the record or referred to in their statement will be noted in the minutes and available for review in the City Clerk's office.

In compliance with the Americans with Disabilities Act, **if you need special assistance to participate in a City meeting or other services offered by this City**, please contact the City Manager's Office or the City Clerk's Office, both at (805) 470-3400. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

#### **TO SPEAK ON SUBJECTS NOT LISTED ON THE AGENDA**

Under Agenda item, "COMMUNITY FORUM", the Mayor will call for anyone from the audience having business with the Council to approach the lectern and be recognized.

1. Give your name for the record (not required)
2. State the nature of your business.
3. All comments are limited to 3 minutes.
4. All comments should be made to the Mayor and Council.
5. No person shall be permitted to make slanderous, profane or negative personal remarks concerning any other individual, absent or present

This is the time items not on the Agenda may be brought to the Council's attention. A maximum of 30 minutes will be allowed for Community Forum (unless changed by the Council). If you wish to use a computer presentation to support your comments, you must notify the City Clerk's office at least 24 hours prior to the meeting. Digital presentations must be brought to the meeting on a USB drive or CD. You are required to submit to the City Clerk a printed copy of your presentation for the record. Please check in with the City Clerk before the meeting begins to announce your presence and turn in the printed copy.

#### **TO SPEAK ON AGENDA ITEMS (from Title 2, Chapter 1 of the Atascadero Municipal Code)**

Members of the audience may speak on any item on the agenda. The Mayor will identify the subject, staff will give their report, and the Council will ask questions of staff. The Mayor will announce when the public comment period is open and will request anyone interested to address the Council regarding the matter being considered to step up to the lectern. If you wish to speak for, against or comment in any way:

1. You must approach the lectern and be recognized by the Mayor
2. Give your name (not required)
3. Make your statement
4. All comments should be made to the Mayor and Council
5. No person shall be permitted to make slanderous, profane or negative personal remarks concerning any other individual, absent or present
6. All comments limited to 3 minutes

The Mayor will announce when the public comment period is closed, and thereafter, no further public comments will be heard by the Council.



# **CITY OF ATASCADERO CITY COUNCIL**

## **DRAFT MINUTES**

**Tuesday, March 10, 2020**

**City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California  
(Entrance on Lewis Ave.)**

**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 Council Member Fonzi led the Pledge of Allegiance.

### **ROLL CALL:**

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

Absent: None

Others Present: None

Staff Present: City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Public Works Director Nick DeBar, Police Chief Jerel Haley, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, City Attorney Brian Pierik, and Deputy City Manager/City Clerk Lara Christensen

### **APPROVAL OF AGENDA:**

**MOTION:** By Mayor Pro Tem Bourbeau and seconded by Council Member Newsom to:

- 1. Approve this agenda; and,**
- 2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.**

***Motion passed 5:0 by a roll-call vote.***

**PRESENTATIONS: None.**

**A. CONSENT CALENDAR:**

**1. City Council Draft Action Minutes – February 25, 2020**

- Recommendation: Council approve the February 25, 2020 Draft City Council Meeting Minutes. [City Clerk]

**2. Subrecipient Agreement with San Luis Obispo Regional Transit Authority**

- Fiscal Impact: The City receives approximately \$200,000 annually in FTA 5307 Program funds.
- Recommendation: Council approve Draft Resolution approving a Subrecipient Agreement with the San Luis Obispo Regional Transit Authority (RTA) to receive pass-through Federal Transit Administration (FTA) funding for FTA Section 5307 and 5339 Programs for Atascadero Transit services. [Public Works]

**3. Approve Final Map for Tract 3147 - Bosque Court**

- Fiscal Impact: None
- Recommendation: Council adopt Draft Resolution approving the Final Map for Tract 3147. [Public Works]

**MOTION: By Council Member Fonzi and seconded by Council Member Funk to approve the Consent Calendar. (#A-2 Resolution No. 2020-002 & Contract No. 2020-002)(#A-3 Resolution No. 2020-003).**  
***Motion passed 5:0 by a roll-call vote.***

**UPDATES FROM THE CITY MANAGER:**

City Manager Rachelle Rickard gave an update on projects and issues within the City.

**COMMUNITY FORUM:**

The following citizens spoke during Community Forum: Wendy Lewis, Maggie Payne, and Richard Mullins

***Mayor Moreno closed the COMMUNITY FORUM period.***

**B. CITY COUNCIL AD HOC COMMITTEE REPORT:**

**1. Mobile Home Rent Stabilization**

- Fiscal Impact: None.
- Recommendation: Council discuss the ad hoc Committee report and consider actions. [ad hoc Committee]

Mayor Pro Tem Bourbeau gave the report and he, Council Member Fonzi and City Attorney Pierik answered questions from the Council.

**PUBLIC COMMENT:**

The following citizens spoke on this item: Kathy Choate, Betty Lightfoot, Janice Whitely, Karen Levanway, Jared Gonzalez, and Brandon Sears

***Mayor Moreno closed the Public Comment period.***

**MOTION:** By Mayor Pro Tem Bourbeau and seconded by Council Member Fonzi to continue the ad hoc Committee to work with mobilehome park owners and tenants to develop mutually agreeable actions/action plan to bring back to Council at the May 12<sup>th</sup> City Council meeting and direct staff to undertake research regarding the development of disclosures that must be provided to mobile home purchasers and return to Council with a report on potential disclosures as soon as possible.  
***Motion passed 5:0 by a roll-call vote.***

Mayor Moreno recessed the meeting at 8:06 p.m.

Mayor Moreno reconvened the meeting at 8:16 p.m. with all present.

**C. PUBLIC HEARINGS:****1. 2020 Community Development Block Grant Funding Recommendations**

- Fiscal Impact: \$164,833.00.
- Recommendation: Council review and approve funding recommendations for the 2020 Community Development Block Grant (CDBG) as detailed in the staff report and authorize staff to adjust final award amounts proportionately upon receipt of the final funding amount. [Public Works]

Public Works Director DeBar gave the presentation and answered questions from the Council.

Ex Parte Communications

Council Member Newsom reported having no communications on this item.

Council Members Fonzi, Funk, Mayor Pro Tem Bourbeau and Mayor Moreno all reported speaking with Wendy Lewis of ECHO.

**PUBLIC COMMENT:**

The following citizens spoke on this item: Wendy Lewis and Tim Eckles

***Mayor Moreno closed the Public Comment period.***

**MOTION:** By Council Member Fonzi and seconded by Mayor Pro Tem Bourbeau to approve funding recommendations for the 2020 Community Development Block Grant (CDBG) program as detailed in the staff report and authorize staff to adjust final award amounts



proportionately upon receipt of the final funding amount with the following modification to the Public Services Funding Allocation:

<b>Public Services – Limited to 15% of 2020 Allocation (\$21,011)</b>	
City of Atascadero – Youth Activity Scholarships	<b>11,011</b>
El Camino Homeless Organization (ECHO) – Operation of Homeless Shelter	<b>10,000</b>

***Motion passed 5:0 by a roll-call vote.***

#### **D. MANAGEMENT REPORTS:**

##### **1. Del Rio Road/US 101 Interchange Traffic Sensitivity Analysis**

- Fiscal Impact: Abandoning the roundabout design for the Del Rio Road/US 101 Interchange and El Camino Real intersection in favor of Mitigation 2 improvements would result in substantial net savings.
- Recommendations: Council:
  1. Receive and file Draft Traffic Sensitivity Analysis for the Del Rio Road Interchange Report.
  2. Abandon work on the roundabout design for the Del Rio Road Interchange Project.
  3. Direct staff to amend the current agreement with Wallace Group to pursue alternative interchange improvements and prepare a plan line for the Del Rio Road/US 101 Interchange and Del Rio/El Camino Real Corridor that incorporate adding a westbound right-turn lane on Del Rio Road to northbound US 101 ramp, signal modifications, and lane reconfigurations on El Camino Real.
  4. Direct staff to investigate a plan line for a second phase to Del Rio/US 101 interchange improvements associated with bridge widening to determine future land acquisition needs.
  5. Direct staff to draft amendments to the Del Rio Specific Plan to accommodate Del Rio Road/US 101 Interchange and Del Rio Road/El Camino Real Corridor plan line setbacks, refined land uses, and a refined Master Plan of Development. [Public Works]

Public Works Director DeBar gave the presentation and answered questions from the Council.

#### **PUBLIC COMMENT:**

The following citizens spoke on this item: Wendy Lewis and Tim Eckles

***Mayor Moreno closed the Public Comment period.***

**MOTION: By Mayor Pro Tem Bourbeau and seconded by Council Member Newsom to:**

- 1. Receive and file Draft Traffic Sensitivity Analysis for the Del Rio Road Interchange Report.**
- 2. Abandon work on the roundabout design for the Del Rio Road Interchange Project.**

3. Direct staff to amend the current agreement with Wallace Group to pursue alternative interchange improvements and prepare a plan line for the Del Rio Road/US 101 Interchange and Del Rio/El Camino Real Corridor that incorporate adding a westbound right-turn lane on Del Rio Road to northbound US 101 ramp, signal modifications, and lane reconfigurations on El Camino Real.
4. Direct staff to investigate a plan line for a second phase to Del Rio/US 101 interchange improvements associated with bridge widening to determine future land acquisition needs.
5. Direct staff to draft amendments to the Del Rio Specific Plan to accommodate Del Rio Road/US 101 Interchange and Del Rio Road/El Camino Real Corridor plan line setbacks, refined land uses, and a refined Master Plan of Development.

*Motion passed 5:0 by a roll-call vote.*

## **2. SLO Countywide Regional Compact**

- Fiscal Impact: None.
- Recommendation: Council adopt Draft Resolution approving and authorizing the Mayor to sign the San Luis Obispo Countywide Regional Compact. [City Manager]

City Manager Rickard gave the staff report and answered questions from the Council.

### **PUBLIC COMMENT:**

The following citizens spoke on this item: Wade Horton, Loreli Cappel, Derek Kirk, Andrew Hackman, and Carolyn Berg

*Mayor Moreno closed the Public Comment period.*

**MOTION:** By Mayor Moreno and seconded by Council Member Fonzi to adopt Resolution No. 2020-004 approving and authorizing the Mayor to sign the San Luis Obispo Countywide Regional Compact.  
*Motion passed 5:0 by a roll-call vote.*

## **E. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:**

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

### Mayor Moreno

1. County Mayors Round Table
2. SLO Regional Transit Authority (RTA)

### Mayor Pro Tem Bourbeau

1. Integrated Waste Management Authority (IWMA)

Council Member Funk

1. Homeless Services Oversight Council
2. League of California Cities – Council Liaison

**F. INDIVIDUAL DETERMINATION AND / OR ACTION: None.**

**G. ADJOURN**

Mayor Moreno adjourned the meeting at 10:46 p.m.

**MINUTES PREPARED BY:**

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Lara K. Christensen  
Deputy City Manager / City Clerk

**APPROVED:**

# **SPECIAL MEETING**

## **Atascadero City Council**

**Tuesday, March 17, 2020  
1:00 P.M.**

**Atascadero City Hall Council Chambers, 4<sup>th</sup> Floor  
6500 Palma Avenue, Atascadero, California  
(Enter from Lewis Avenue)**

## **DRAFT MINUTES**

Mayor Moreno called the meeting to order at 1:00 p.m. and Mayor Pro Tem Bourbeau led the Pledge of Allegiance.

### **ROLL CALL:**

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

Absent: None

Staff Present: City Manager Rachelle Rickard, Police Chief Jerel Haley, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, Deputy City Manager/City Clerk Lara Christensen (by teleconference), and Deputy City Clerk Amanda Muther

### **DISCUSSION:**

#### **1. Declaration of the Existence of a Local Emergency**

- Recommendation: Council adopt Draft Resolution Declaring the existence of a local emergency within the City of Atascadero (COVID-19). [City Manager]

City Manager Rickard gave the presentation and answered questions from the Council. Police Chief Haley also answered questions from the Council. City Manager Rickard noted that a revised Draft Resolution, to include Sections 5 and 6, was provided to Council at the dais and a copy included in the Public Review book.

**PUBLIC COMMENT:**

The following citizens spoke on this item: Remi Sandri

***Mayor Moreno closed the Public Comment period.***

**MOTION:** By Council Member Newsom and seconded by Mayor Pro Tem Bourbeau to adopt Resolution No. 2020-005 declaring the existence of a local emergency within the City of Atascadero as revised to include the following Sections:

**SECTION 5.** This Resolution shall become effective immediately upon adoption, or if legally permissible, retroactive to March 4, 2020, when Governor Newsom declared an emergency in the State of California.

**SECTION 6.** A copy of this order and regulation shall be posted on all outside public access doors of City Hall of the City of Atascadero and in one public place within any area of the City within which this order and regulation applies and personnel of the City of Atascadero shall endeavor to make copies of this order and regulation available to the news media.

***Motion passed 5:0 by a roll-call vote.***

**ADJOURNMENT:**

Mayor Moreno adjourned the meeting at 1:23 p.m. to the next Regular Session scheduled for Tuesday, March 24, 2020 at 6:00 p.m.

**MINUTES PREPARED BY:**

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Lara K. Christensen  
Deputy City Manager/City Clerk

**APPROVED:**



# Atascadero City Council

## Staff Report - Administrative Services Department

### February 2020 Accounts Payable and Payroll

#### RECOMMENDATION:

Council approve certified City accounts payable, payroll and payroll vendor checks for February 2020.

#### DISCUSSION:

Attached for City Council review and approval are the following:

##### Payroll

Dated 2/6/2020	Checks # 34769 - 34786	\$ 12,399.04
	Direct Deposits	283,862.66
Dated 2/20/2020	Checks # 34787 - 34802	12,016.75
	Direct Deposits	286,955.52

##### Accounts Payable

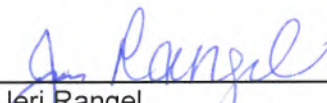
Dated 2/1/20-2/29/20	Checks # 163237 - 163510 & EFTs 3581 - 3607	1,467,663.09
	<b>TOTAL AMOUNT</b>	<b>\$ 2,062,897.06</b>

#### FISCAL IMPACT:

Total expenditures for all funds is \$ 2,062,897.06

#### CERTIFICATION:

The undersigned certifies that the attached demands have been released for payment and that funds are available for these demands.

  
Jeri Rangel  
Director of Administrative Services

#### ATTACHMENT:

February 2020 Eden Warrant Register in the amount of \$ 1,467,663.09

**City of Atascadero**  
**Disbursement Listing**

ITEM NUMBER: A-2  
DATE: 03/24/20  
ATTACHMENT: 1

For the Month of February 2020

Check Number	Check Date	Vendor	Description	Amount
163237	02/03/2020	ANTHEM BLUE CROSS HEALTH	Payroll Vendor Payment	186,416.36
163238	02/03/2020	LINCOLN NATIONAL LIFE INS CO	Payroll Vendor Payment	1,663.23
163239	02/03/2020	MEDICAL EYE SERVICES	Payroll Vendor Payment	1,737.33
163240	02/03/2020	PREFERRED BENEFITS INSURANCE	Payroll Vendor Payment	8,745.10
163242	02/04/2020	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	3,921.50
163243	02/04/2020	WEX BANK - 76 UNIVERSL	Accounts Payable Check	10,903.85
163244	02/04/2020	WEX BANK - WEX FLEET UNIVERSAL	Accounts Payable Check	7,423.31
3581	02/06/2020	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	9,017.61
3582	02/06/2020	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	209.54
163245	02/06/2020	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	60.00
163246	02/06/2020	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,916.25
163247	02/06/2020	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,013.05
163248	02/06/2020	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,645.50
163249	02/06/2020	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	538.86
163250	02/06/2020	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,600.88
163251	02/06/2020	SEIU LOCAL 620	Payroll Vendor Payment	857.16
163252	02/06/2020	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
163253	02/06/2020	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	4,553.17
163254	02/06/2020	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	146.00
3583	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,079.90
3584	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	35,778.19
3585	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,688.93
3586	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,914.94
3587	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,908.84
3588	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	4,566.43
3589	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	7,071.34
3590	02/07/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	12,390.41
3591	02/11/2020	RABOBANK, N.A.	Payroll Vendor Payment	49,843.90
3592	02/11/2020	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	13,999.78
3593	02/11/2020	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,276.86
163255	02/14/2020	AK & COMPANY	Accounts Payable Check	1,750.00
163256	02/14/2020	ALHOUSE & MEADE, INC.	Accounts Payable Check	330.00
163257	02/14/2020	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	30.63
163258	02/14/2020	ANTECH DIAGNOSTICS	Accounts Payable Check	85.45
163259	02/14/2020	DREW T. ARDOUIN	Accounts Payable Check	153.00
163260	02/14/2020	AT&T	Accounts Payable Check	290.64
163261	02/14/2020	AT&T	Accounts Payable Check	764.66
163262	02/14/2020	ATASCADERO GIRLS SOFTBALL	Accounts Payable Check	380.00
163263	02/14/2020	ATASCADERO HAY & FEED	Accounts Payable Check	1,137.88
163264	02/14/2020	ATASCADERO PICKLEBALL CLUB,INC	Accounts Payable Check	3,387.60

**City of Atascadero**  
Disbursement Listing

ITEM NUMBER: A-2  
DATE: 03/24/20  
ATTACHMENT: 1

For the Month of February 2020

Check Number	Check Date	Vendor	Description	Amount
163265	02/14/2020	ATASCADERO YOUTH SOCCER ASSC	Accounts Payable Check	367.00
163266	02/14/2020	AVTEC, INC.	Accounts Payable Check	1,031.00
163267	02/14/2020	TERRIE BANISH	Accounts Payable Check	62.00
163268	02/14/2020	BASSETT'S CRICKET RANCH, INC.	Accounts Payable Check	1,063.02
163269	02/14/2020	BAY AREA DRIVING SCHOOL, INC.	Accounts Payable Check	15.37
163270	02/14/2020	BELL'S PLUMBING REPAIR, INC.	Accounts Payable Check	635.00
163271	02/14/2020	KEITH R. BERGHER	Accounts Payable Check	260.00
163272	02/14/2020	BERRY MAN, INC.	Accounts Payable Check	1,868.00
163273	02/14/2020	BIG RED MARKETING, INC.	Accounts Payable Check	7,375.00
163274	02/14/2020	BOUND TREE MEDICAL, LLC	Accounts Payable Check	92.21
163275	02/14/2020	GREGORY A. BRAZZI	Accounts Payable Check	260.00
163276	02/14/2020	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	90.00
163277	02/14/2020	CA DEPT OF FISH & WILDLIFE	Accounts Payable Check	2,290.50
163278	02/14/2020	CAL-COAST IRRIGATION, INC	Accounts Payable Check	797.46
163279	02/14/2020	CALIFORNIA JPIA	Accounts Payable Check	341.59
163280	02/14/2020	CALPORTLAND COMPANY	Accounts Payable Check	1,790.02
163281	02/14/2020	CANNON	Accounts Payable Check	2,323.42
163282	02/14/2020	CHRISTOPHER M. CARNES	Accounts Payable Check	153.00
163283	02/14/2020	CED CONSOLIDATED ELECTRICAL	Accounts Payable Check	503.19
163284	02/14/2020	CENTRAL COAST BREWERS GUILD	Accounts Payable Check	5,000.00
163285	02/14/2020	GAVIN K. CHAN	Accounts Payable Check	120.00
163286	02/14/2020	CHARTER COMMUNICATIONS	Accounts Payable Check	59.99
163287	02/14/2020	CINDY CHAVEZ	Accounts Payable Check	117.00
163288	02/14/2020	MATTHEW L. CHESSON	Accounts Payable Check	179.00
163289	02/14/2020	LARA CHRISTENSEN	Accounts Payable Check	62.00
163290	02/14/2020	KATHLEEN J. CINOWALT	Accounts Payable Check	182.00
163291	02/14/2020	CITY OF ATASCADERO	Accounts Payable Check	1,385.00
163292	02/14/2020	CITY OF SAN LUIS OBISPO	Accounts Payable Check	182.74
163293	02/14/2020	CO OF SAN LUIS OBISPO SART PRG	Accounts Payable Check	1,781.00
163294	02/14/2020	COAST ELECTRONICS	Accounts Payable Check	271.19
163295	02/14/2020	MIGUEL A. CORDERO GALARZA	Accounts Payable Check	108.00
163296	02/14/2020	CREWSENSE, LLC	Accounts Payable Check	193.35
163297	02/14/2020	CRYSTAL SPRINGS WATER	Accounts Payable Check	20.00
163298	02/14/2020	CULLIGAN/CENTRAL COAST WTR TRT	Accounts Payable Check	70.00
163299	02/14/2020	JAROM M. DAMERY	Accounts Payable Check	42.00
163300	02/14/2020	NAOMI S. DAMERY	Accounts Payable Check	42.00
163301	02/14/2020	SHARON J. DAVIS	Accounts Payable Check	325.50
163302	02/14/2020	DCS TESTING & EQUIPMENT, INC.	Accounts Payable Check	2,512.50
163303	02/14/2020	NICHOLAS DEBAR	Accounts Payable Check	300.00
163304	02/14/2020	DELTA LIQUID ENERGY	Accounts Payable Check	878.43
163305	02/14/2020	DESTINATION TRAVEL NETWORK	Accounts Payable Check	200.00



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163306	02/14/2020	DFM ASSOCIATES	Accounts Payable Check	57.11
163307	02/14/2020	DOCUTEAM	Accounts Payable Check	398.31
163308	02/14/2020	PHILIP DUNSMORE	Accounts Payable Check	300.00
163309	02/14/2020	ESCUELA DEL RIO	Accounts Payable Check	660.00
163310	02/14/2020	BRIAN FERRELL	Accounts Payable Check	97.66
163311	02/14/2020	ELIAS E. GONZALES	Accounts Payable Check	224.00
163312	02/14/2020	TRISTAN M. GUILLORY	Accounts Payable Check	280.00
163313	02/14/2020	BRADLEY A. HACKLEMAN	Accounts Payable Check	716.27
163314	02/14/2020	HAMNER, JEWELL & ASSOCIATES	Accounts Payable Check	65.19
163315	02/14/2020	ROY A. HANLEY	Accounts Payable Check	2,645.50
163316	02/14/2020	HARRIS STAGE LINES, LLC	Accounts Payable Check	500.00
163317	02/14/2020	HART IMPRESSIONS PRINTING	Accounts Payable Check	682.59
163318	02/14/2020	JUSTIN HENDRIX	Accounts Payable Check	73.00
163319	02/14/2020	HOME DEPOT CREDIT SERVICES	Accounts Payable Check	831.64
163320	02/14/2020	JOHN S. HURLBURT JR.	Accounts Payable Check	80.00
163321	02/14/2020	J. CARROLL CORPORATION	Accounts Payable Check	1,090.52
163322	02/14/2020	JK'S UNLIMITED, INC.	Accounts Payable Check	1,325.57
163323	02/14/2020	RACHEL M. JONES	Accounts Payable Check	270.00
163324	02/14/2020	TARYN P. KALMAN	Accounts Payable Check	228.00
163325	02/14/2020	JUSTIN KAMP	Accounts Payable Check	200.00
163326	02/14/2020	JOCELYN KATZAKIAN	Accounts Payable Check	200.00
163327	02/14/2020	WADE S. KNOWLES	Accounts Payable Check	281.00
163328	02/14/2020	KTU+A	Accounts Payable Check	6,192.50
163329	02/14/2020	L.N. CURTIS & SONS	Accounts Payable Check	212.96
163330	02/14/2020	LAYNE LABORATORIES, INC.	Accounts Payable Check	907.26
163331	02/14/2020	COLETTE LAYTON	Accounts Payable Check	179.00
163332	02/14/2020	LEHIGH HANSON	Accounts Payable Check	171.84
163333	02/14/2020	LIFE ASSIST, INC.	Accounts Payable Check	89.71
163334	02/14/2020	JACKSON LIGHT	Accounts Payable Check	218.93
163335	02/14/2020	ANDREW M. LUCAS	Accounts Payable Check	174.00
163336	02/14/2020	MADRONE LANDSCAPES, INC.	Accounts Payable Check	387.00
163337	02/14/2020	MBS LAND SURVEYS	Accounts Payable Check	18,000.00
163338	02/14/2020	METROPOLITAN TRANSP COMM	Accounts Payable Check	2,500.00
163339	02/14/2020	MICHAEL K. NUNLEY & ASSC, INC.	Accounts Payable Check	3,912.32
163340	02/14/2020	MID-COAST GEOTECHNICAL, INC.	Accounts Payable Check	210.00
163341	02/14/2020	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	59.84
163342	02/14/2020	MINER'S ACE HARDWARE	Accounts Payable Check	394.84
163343	02/14/2020	MISSION UNIFORM SERVICE	Accounts Payable Check	222.08
163344	02/14/2020	MUFG UNION BANK, N.A.	Accounts Payable Check	2,730.00
163345	02/14/2020	MV TRANSPORTATION, INC.	Accounts Payable Check	17,194.32
163346	02/14/2020	NEWTON CONSTRUCTION & MGMT INC	Accounts Payable Check	50,540.00

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163347	02/14/2020	NORTH COAST ENGINEERING INC.	Accounts Payable Check	532.00
163348	02/14/2020	OFFICE DEPOT INC.	Accounts Payable Check	917.04
163350	02/14/2020	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	41,410.52
163351	02/14/2020	PASO ROBLES FORD LINCOLN MERC	Accounts Payable Check	1,632.40
163352	02/14/2020	RICARDO PAZ	Accounts Payable Check	144.00
163353	02/14/2020	PEAKWIFI, LLC	Accounts Payable Check	650.00
163354	02/14/2020	PRAXAIR DISTRIBUTION, INC.	Accounts Payable Check	52.37
163355	02/14/2020	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	1,434.15
163356	02/14/2020	PROSOUND BUSINESS MEDIA, INC.	Accounts Payable Check	99.00
163357	02/14/2020	SHIRLEY L. RADCLIFF-BRUTON	Accounts Payable Check	748.80
163358	02/14/2020	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	7,092.00
163359	02/14/2020	JERI RANGEL	Accounts Payable Check	434.00
163360	02/14/2020	READYREFRESH BY NESTLE	Accounts Payable Check	57.11
163361	02/14/2020	REPUBLIC ELEVATOR COMPANY	Accounts Payable Check	443.89
163362	02/14/2020	RICK ENGINEERING COMPANY	Accounts Payable Check	64,302.74
163363	02/14/2020	RACHELLE RICKARD	Accounts Payable Check	562.00
163364	02/14/2020	JOHN C. SIEMENS	Accounts Payable Check	90.30
163365	02/14/2020	SOUZA CONSTRUCTION, INC.	Accounts Payable Check	36,584.16
163366	02/14/2020	SPEAKWRITE, LLC.	Accounts Payable Check	441.60
163367	02/14/2020	SPECIALIZED EQUIPMENT REPAIR	Accounts Payable Check	2,431.80
163368	02/14/2020	STANLEY CONVERGENT SECURITY	Accounts Payable Check	992.58
163369	02/14/2020	STATE WATER RES CONTROL BOARD	Accounts Payable Check	1,949.00
163370	02/14/2020	STEVE SCHMIDT TOPSOIL, INC.	Accounts Payable Check	1,294.92
163371	02/14/2020	TERRA VERDE ENVIRONMENTAL CONS	Accounts Payable Check	4,668.75
163372	02/14/2020	THOMA ELECTRIC, INC.	Accounts Payable Check	418.50
163373	02/14/2020	CHRISTOPHER DANIEL THOMAS	Accounts Payable Check	200.00
163374	02/14/2020	STEVE TIROTTA	Accounts Payable Check	172.39
163375	02/14/2020	THE TRIBUNE	Accounts Payable Check	830.06
163376	02/14/2020	TRUE NORTH RESEARCH, INC.	Accounts Payable Check	25,000.00
163377	02/14/2020	TYLER TECHNOLOGIES, INC.	Accounts Payable Check	18,780.83
163382	02/14/2020	U.S. BANK	Accounts Payable Check	17,370.09
163383	02/14/2020	ULTREX BUSINESS PRODUCTS	Accounts Payable Check	87.15
163384	02/14/2020	EMILIO S. VELCI	Accounts Payable Check	168.00
163385	02/14/2020	VERDIN	Accounts Payable Check	10,293.46
163386	02/14/2020	VERIZON WIRELESS	Accounts Payable Check	286.73
163387	02/14/2020	VISIT SLO CAL	Accounts Payable Check	32,956.63
163388	02/14/2020	VISITOR TELEVISION LLC	Accounts Payable Check	595.00
163389	02/14/2020	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	305.00
163390	02/14/2020	HEATH T. WEST	Accounts Payable Check	112.00
163391	02/14/2020	WHITLOCK & WEINBERGER TRANS.	Accounts Payable Check	4,885.00
163392	02/14/2020	MARTHA Y. WRIGHT	Accounts Payable Check	79.80

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163393	02/14/2020	KAREN B. WYKE	Accounts Payable Check	563.10
163394	02/14/2020	ZOO MED LABORATORIES, INC.	Accounts Payable Check	561.77
3594	02/20/2020	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	9,017.61
163395	02/20/2020	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	60.00
163396	02/20/2020	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,916.25
163397	02/20/2020	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,013.05
163398	02/20/2020	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	6,645.50
163399	02/20/2020	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	492.11
163400	02/20/2020	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,600.88
163401	02/20/2020	SEIU LOCAL 620	Payroll Vendor Payment	861.78
163402	02/20/2020	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	357.85
163403	02/20/2020	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	4,568.81
163404	02/20/2020	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	296.00
3595	02/21/2020	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	209.54
3596	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,265.68
3597	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	35,690.81
3598	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,702.50
3599	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,914.94
3600	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,908.84
3601	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	4,799.72
3602	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	7,071.34
3603	02/21/2020	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	12,470.02
3604	02/21/2020	BANK OF NEW YORK MELLON	Accounts Payable Check	216,024.03
3605	02/25/2020	RABOBANK, N.A.	Payroll Vendor Payment	51,312.08
3606	02/25/2020	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	14,572.02
3607	02/25/2020	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,257.26
163405	02/28/2020	A & R CONSTRUCTION	Accounts Payable Check	11,393.00
163406	02/28/2020	A SUPERIOR CRANE, LLC	Accounts Payable Check	480.00
163407	02/28/2020	AFSS SOUTHERN DIVISION	Accounts Payable Check	30.00
163408	02/28/2020	AGM CALIFORNIA, INC.	Accounts Payable Check	3,716.00
163409	02/28/2020	AGM CALIFORNIA, INC.	Accounts Payable Check	990.00
163410	02/28/2020	AGP VIDEO, INC.	Accounts Payable Check	2,902.50
163411	02/28/2020	ALL SIGNS AND GRAPHICS	Accounts Payable Check	375.50
163412	02/28/2020	ALLIANT INSURANCE SERVICES INC	Accounts Payable Check	346.00
163413	02/28/2020	ALPHA ELECTRIC SERVICE	Accounts Payable Check	1,062.50
163414	02/28/2020	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	2,006.98
163415	02/28/2020	ANTECH DIAGNOSTICS	Accounts Payable Check	710.14
163416	02/28/2020	ASSOCIATED TRAFFIC SAFETY, INC	Accounts Payable Check	4,384.07
163418	02/28/2020	AT&T	Accounts Payable Check	962.03
163419	02/28/2020	AT&T	Accounts Payable Check	1,065.20
163420	02/28/2020	ATASCADERO HAY & FEED	Accounts Payable Check	828.42

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163421	02/28/2020	BASSETT'S CRICKET RANCH, INC.	Accounts Payable Check	1,751.73
163422	02/28/2020	BERRY MAN, INC.	Accounts Payable Check	803.68
163423	02/28/2020	BORJON AUTO CENTER	Accounts Payable Check	55.59
163424	02/28/2020	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	65.00
163425	02/28/2020	CA DEPT OF TAX AND FEE ADMIN.	Accounts Payable Check	381.72
163426	02/28/2020	CAL-COAST REFRIGERATION, INC	Accounts Payable Check	2,123.92
163427	02/28/2020	CARQUEST OF ATASCADERO	Accounts Payable Check	98.47
163428	02/28/2020	CASEY PRINTING, INC.	Accounts Payable Check	1,905.02
163429	02/28/2020	CCI OFFICE TECHNOLOGIES	Accounts Payable Check	267.28
163430	02/28/2020	CHARTER COMMUNICATIONS	Accounts Payable Check	6,179.57
163431	02/28/2020	CJN EVENT PLANNING	Accounts Payable Check	500.00
163432	02/28/2020	COASTAL COPY, INC.	Accounts Payable Check	469.12
163433	02/28/2020	COASTAL REPROGRAPHIC SERVICES	Accounts Payable Check	77.82
163434	02/28/2020	COLE INFORMATION SERVICES	Accounts Payable Check	321.10
163435	02/28/2020	DELTA LIQUID ENERGY	Accounts Payable Check	80.00
163436	02/28/2020	DRIVE CUSTOMS	Accounts Payable Check	110.00
163437	02/28/2020	EARTH SYSTEMS PACIFIC	Accounts Payable Check	1,375.00
163438	02/28/2020	EIKHOF DESIGN GROUP, INC.	Accounts Payable Check	1,720.00
163439	02/28/2020	ELECTRICRAFT, INC.	Accounts Payable Check	1,723.96
163440	02/28/2020	ESCUELA DEL RIO	Accounts Payable Check	60.00
163441	02/28/2020	JENNIFER FANNING	Accounts Payable Check	164.00
163442	02/28/2020	FARM SUPPLY COMPANY	Accounts Payable Check	1,086.24
163443	02/28/2020	FGL ENVIRONMENTAL	Accounts Payable Check	504.00
163444	02/28/2020	FOREST SERVICE	Accounts Payable Check	37,483.98
163445	02/28/2020	FRANCHISE TAX BOARD	Accounts Payable Check	180.00
163446	02/28/2020	GAS COMPANY	Accounts Payable Check	3,250.65
163447	02/28/2020	GHD, INC.	Accounts Payable Check	1,754.00
163448	02/28/2020	GOLDEN WEST COLLEGE	Accounts Payable Check	395.00
163449	02/28/2020	JEREL HALEY	Accounts Payable Check	103.00
163450	02/28/2020	HAMNER, JEWELL & ASSOCIATES	Accounts Payable Check	203.84
163451	02/28/2020	HART IMPRESSIONS PRINTING	Accounts Payable Check	138.77
163452	02/28/2020	AUSTIN TOBEY ISBELL	Accounts Payable Check	200.00
163453	02/28/2020	JK'S UNLIMITED, INC.	Accounts Payable Check	333.10
163454	02/28/2020	JOEL SWITZER DIESEL REPAIR, INC	Accounts Payable Check	849.31
163455	02/28/2020	K & M INTERNATIONAL	Accounts Payable Check	2,548.26
163456	02/28/2020	KEY TERMITE & PEST CONTROL, INC	Accounts Payable Check	380.00
163457	02/28/2020	KOFF & ASSOCIATES, INC.	Accounts Payable Check	2,240.00
163458	02/28/2020	KPRL 1230 AM	Accounts Payable Check	920.00
163459	02/28/2020	L.N. CURTIS & SONS	Accounts Payable Check	411.19
163460	02/28/2020	LAWSON PRODUCTS, INC.	Accounts Payable Check	561.13
163461	02/28/2020	COLETTE LAYTON	Accounts Payable Check	160.00

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163462	02/28/2020	LIFE ASSIST, INC.	Accounts Payable Check	646.27
163463	02/28/2020	LARISSE LOPEZ	Accounts Payable Check	164.00
163464	02/28/2020	BECKY MAXWELL	Accounts Payable Check	47.19
163465	02/28/2020	WADE MCKINNEY	Accounts Payable Check	317.34
163466	02/28/2020	MID-COAST GEOTECHNICAL, INC.	Accounts Payable Check	2,520.00
163467	02/28/2020	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	269.32
163468	02/28/2020	MIG	Accounts Payable Check	12,802.05
163470	02/28/2020	MINER'S ACE HARDWARE	Accounts Payable Check	1,829.36
163471	02/28/2020	MISSION UNIFORM SERVICE	Accounts Payable Check	460.12
163472	02/28/2020	MONSOON CONSULTANTS	Accounts Payable Check	1,050.00
163473	02/28/2020	RICKY D. MONTIJO	Accounts Payable Check	500.00
163474	02/28/2020	MWI ANIMAL HEALTH	Accounts Payable Check	25.99
163475	02/28/2020	MY JEEP CHRYSLER DODGE RAM	Accounts Payable Check	34,406.69
163476	02/28/2020	NEW TIMES	Accounts Payable Check	424.00
163477	02/28/2020	NORTH COAST ENGINEERING INC.	Accounts Payable Check	910.00
163478	02/28/2020	NORTH COUNTY GLASS	Accounts Payable Check	50.51
163479	02/28/2020	OASIS EQUIPMENT RENTAL	Accounts Payable Check	948.00
163480	02/28/2020	OFFICE DEPOT INC.	Accounts Payable Check	286.75
163481	02/28/2020	O'REILLY AUTOMOTIVE, INC.	Accounts Payable Check	233.60
163482	02/28/2020	TARA ORLICK	Accounts Payable Check	48.30
163483	02/28/2020	PAPE KENWORTH	Accounts Payable Check	1,561.05
163484	02/28/2020	PERRY'S PARCEL & GIFT	Accounts Payable Check	38.83
163485	02/28/2020	PETERSON U-CART	Accounts Payable Check	118.58
163486	02/28/2020	PLACEWORKS, INC.	Accounts Payable Check	1,010.00
163487	02/28/2020	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	699.31
163488	02/28/2020	PRW STEEL SUPPLY, INC.	Accounts Payable Check	56.86
163489	02/28/2020	QUINCY ENGINEERING, INC.	Accounts Payable Check	7,388.69
163490	02/28/2020	RAMINHA CONSTRUCTION, INC.	Accounts Payable Check	3,132.26
163491	02/28/2020	RAVATT, ALBRECHT, & ASSC., INC.	Accounts Payable Check	1,757.50
163492	02/28/2020	READYREFRESH BY NESTLE	Accounts Payable Check	360.81
163493	02/28/2020	RIVERBANKS ZOO & GARDEN	Accounts Payable Check	164.06
163494	02/28/2020	SCHLEGEL SAND, GRAVEL, & LAND	Accounts Payable Check	509.53
163495	02/28/2020	SCOTT O'BRIEN FIRE & SAFETY CO	Accounts Payable Check	857.48
163496	02/28/2020	SLO COUNTY SHERIFF'S OFFICE	Accounts Payable Check	53.00
163497	02/28/2020	SMART AND FINAL	Accounts Payable Check	6.98
163498	02/28/2020	SOUTH COAST EMERGENCY VEH SVC	Accounts Payable Check	65.22
163499	02/28/2020	SOUZA CONSTRUCTION, INC.	Accounts Payable Check	1,591.25
163500	02/28/2020	STATEWIDE TRAFFIC SAFETY&SIGNS	Accounts Payable Check	313.46
163501	02/28/2020	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	1,171.00
163502	02/28/2020	TULSA ZOO MANAGEMENT, INC.	Accounts Payable Check	154.06
163503	02/28/2020	ULTREX LEASING	Accounts Payable Check	260.76

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163504	02/28/2020	USA BLUE BOOK	Accounts Payable Check	17,399.02
163505	02/28/2020	WALLACE GROUP	Accounts Payable Check	13,243.10
163506	02/28/2020	WALSH ENGINEERING	Accounts Payable Check	6,996.57
163507	02/28/2020	WARM FUZZY TOYS	Accounts Payable Check	776.88
163508	02/28/2020	WCJ PROPERTY SERVICES	Accounts Payable Check	540.00
163509	02/28/2020	WELL SEEN SIGN CO., LLC	Accounts Payable Check	201.92
163510	02/28/2020	WORKTERRA	Accounts Payable Check	40.00
				<hr/> <hr/> <b>\$ 1,467,663.09</b>



# ***Atascadero City Council***

## ***Staff Report – Public Works Department***

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### **2020 Pavement Resurfacing Project Construction Award**

#### **RECOMMENDATIONS:**

Council:

1. Award a construction contract for \$569,213 to Souza Engineering Contracting, Inc. for the 2020 Pavement Resurfacing Project and the remaining portion of the F-14 Pavement Rehabilitation Project.
2. Authorize the City Manager to execute a contract with Souza Engineering Contracting, Inc. for \$569,213 for the construction of the 2020 Pavement Resurfacing Project and the remaining portion of the F-14 Pavement Rehabilitation Project.

#### **DISCUSSION:**

##### Background

The City of Atascadero maintains approximately 140 miles of roadway, ranging from small residential roads to major arterials. An important and cost-effective component of keeping the roadway system in good condition is timely resurfacing treatments on roadways before the pavement deteriorates to a condition that requires structural rehabilitation.

The 2020 Pavement Resurfacing Project combines six separate arterial and collector streets with a total of 710,000 square feet of pavement into a single resurfacing project. The majority of work will be microsurfacing, with preparatory grinding of raised cracks and crack sealing. Due to significant pavement failures on Ardilla Road and at the eastern end of San Anselmo Road near Monterey Road, these two roadway segments will be milled and receive an asphalt overlay. Other work on this project includes removal and replacement of existing striping. The following table itemizes the roadway segments in the project.

### 2020 Resurfacing Project Roadways

Roadway Segment			PCI	Dimensions		
Street	From	To		Length (lf)	Width* (lf)	Area (sf)
Curbaril Ave	Highway 101	Acacia Rd	66	6,480	29	187,920
Portola Rd	Highway 41	Ardilla Rd	70	9,790	25	244,750
Ardilla Rd	Portola Rd	San Anselmo Rd	48	1,170	25	29,250
San Anselmo Rd	Ardilla Rd	Monterey Rd	69	1,625	29	47,125
Monterey Rd**	Campo Rd	Del Rio Rd	52	3,314	25	78,350
Garcia Rd**	San Gregorio	Santa Cruz Rd	55	2,695	24	110,340

\* Widths vary. Dimension shown is average along segment.

\*\*Road segments approved with 2019 Measure F-14 Rehabilitation Project

### 2019 Pavement Rehabilitation Project

The sections of Monterey Road and Garcia Road were included on the 2019 Measure F-14 Rehabilitation Project that was constructed last year. These sections were the only two sections in that project planned for microsurfacing work, but an error in the estimated quantities for microsurfacing was found that was significantly higher than calculated quantities. The error was discovered after construction award, and the microsurfacing unit price was subject to re-evaluation per the contract conditions. Since the new estimated quantities were significantly less than that bid, coupled with no local subcontractors who perform microsurfacing work, the unit price nearly quadrupled. A change order was executed to remove the microsurfacing (and associated pavement marking) work from the original contract for the 2019 F-14 Pavement Rehabilitation Project, with the intention of re-bidding the work with the 2020 Resurfacing Project. Although the work is included in the scope of this contract, the expenses related to the Measure F-14 work will be separately tracked, are estimated to be about \$70,000 of the contract total, and will be charged to the 2019 F-14 Pavement Rehabilitation Project. There is an estimated \$200,000 remaining budget in the 2019 F-14 Pavement Rehabilitation Project.

### Design Analysis

Design engineering and preparation of construction plans and specifications were performed in-house by City staff. Staff reviewed the six roadway segments to determine actual condition and recommended maintenance measures. Microsurfacing was selected as the preferred resurfacing method due to the extended life expectancy and the shorter curing time – which will allow traffic to drive on the treated pavement surfaces sooner. Typically, microsurfacing is expected to extend the existing pavement life from four to seven years, depending on existing roadway and subgrade conditions.

Given the higher traffic levels on the project roadway segments, inconvenience is expected to motorists, but traffic delays and lane closure times will be minimized considerably by utilizing microsurfacing rather than slurry seal or chip seal treatments. The Contractor will be required to prepare a traffic control plan, and City staff will work with the Contractor to minimize travel delays and impediments to driveways. Property owners on each roadway segment will be notified of the construction schedule prior to work beginning.

### Bid Analysis



The project was publicly bid starting January 29, 2020 for a minimum of 30 days in accordance with State Contracting Laws and Atascadero Purchasing Policy. A public bid opening occurred on March 5, 2020 and six bids were received ranging from \$569,213 to \$806,208. The bids were reviewed for accuracy and compliance with project bidding requirements, and the City Engineer has determined that Souza Engineering Contracting, Inc. of San Luis Obispo is the lowest responsive bidder at \$569,213. The engineer's estimate of probable construction costs was \$630,300.

Staff recommends awarding the project to Souza Engineering Contracting, Inc. If approved by Council, construction is anticipated to occur in the late spring and summer months. There will be traffic impacts and inconveniences since the project roads principally include arterials and collectors. Staff and the contractor will provide notifications to businesses and motorists throughout construction.

## ENVIRONMENTAL REVIEW:

The proposed project is Categorically Exempt (Class 1) from the provisions of the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA Guidelines (Title 14 California Code of Regulations §§ 15000, et seq.) pursuant to CEQA Guidelines Section 15301, because it is limited to repair and maintenance of existing facilities. A finding of exemption is on file in the project records.

## FISCAL IMPACT:

As mentioned above, the microsurfacing-related work to finish out the 2019 Project is estimated to be \$70,000 per contract unit prices. The Measure F-14 Funding allocation in the above table for \$85,000 includes a 20% construction contingency. The following table summarizes the project costs and funding sources:

	2020 Resurfacing Project	2019 Rehabilitation Project
<b>ESTIMATED EXPENDITURES</b>		
Design and Bid Phase	\$ 8,000	\$ -
Construction Contract	499,213	70,000
Construction Inspection/Testing/Management (10%)	57,000	-
Construction Contingency (20%)	98,787	15,000
Total Estimated Expenditures:	\$ 663,000	\$ 85,000
<b>FUNDING SOURCES</b>		
Local Transportation Funds (LTF)	\$ 810,000	\$ -
Budgeted Measure F-14 Funds (estimated remaining)	-	200,000
Total Funding Sources:	\$ 810,000	\$ 200,000
NET PROJECT FUNDING SURPLUS (LTF)	\$ 147,000	\$ 115,000

**ALTERNATIVES:**


Council may cancel the project or direct staff to rebid the project. Neither alternative is recommended since bids were determined to be reasonable and fair, and a rebid will likely result in higher bid proposals.

**ATTACHMENT:**

Bid Summary

ITEM NUMBER: A-3  
DATE: 03/24/20  
ATTACHMENT: 1

***City of Atascadero***  
***Office of the City Clerk***  
***Bid Summary***

TO: Public Works  
FROM: Amanda Muther, Deputy City Clerk   
BID NO.: 2020-001  
OPENED: 3/5/2020  
PROJECT: 2020 Pavement Resurfacing (C2019R04)

Bids were received and opened today, as follows:

<u>Name of Bidder</u>	<u>Bid Total</u>
Souza Construction, Inc.	\$569,213.00
Papich Construction Co., Inc.	\$615,510.00
Ferravanti Grading & Paving	\$670,383.65
Hardy & Harper, Inc.	\$719,400.00
Granite Construction	\$786,989.50
R. Burke	\$806,207.50



# ***Atascadero City Council***

## ***Staff Report – Public Works Department***

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### **San Anselmo Road (West) Pavement Rehabilitation Construction Award**

#### **RECOMMENDATIONS:**

Council:

1. Award a construction contract for \$368,755 to Papich Construction Company, Inc. for the San Anselmo Road (West) Pavement Rehabilitation Project (Project No. C2019R01).
2. Authorize the City Manager to execute a contract for \$368,755 with Papich Construction Company, Inc. to construct the San Anselmo Road (West) Pavement Rehabilitation Project.
3. Authorize the Director of Administrative Services to allocate an additional \$111,000 in Local Transportation Funds to the San Anselmo Road (West) Pavement Rehabilitation Project.

#### **DISCUSSION:**

##### Background

San Anselmo Road between Monterey Road and El Camino Real, is a roughly 0.25 mile minor arterial functional classification roadway running east to west in the north central portion of the City, and serves as one of nine interchanges with US 101 in Atascadero. The section of the roadway east of El Camino Real was improved two years ago, and the portion west of 101 was last paved in 2004. However, in an effort to minimize project delays, the 2004 project did not include work within the Caltrans right-of-way, nor did it include the section of San Anselmo Road between El Camino Real and the northbound 101 freeway ramps. Subsequently, the roadway has multiple failed sections and has become one of the most significant ongoing maintenance concerns in town.

##### Design Analysis

Design for the project was performed in-house by City engineering staff. Consultants performed topographic survey, geotechnical testing and provided recommendations to assist with developing a cost-effective project that would provide a sufficient pavement service life. Based upon recommendations from the geotechnical engineer, a mix of pavement rehabilitation methods are being recommended.

Pavement rehabilitation work for the roadway segments on both sides of US 101 is generally comprised of a 2-inch deep asphalt grind and a 2-inch thick asphalt overlay with 6-inch full-depth digouts in areas where pavement has failed.

Pavement conditions at the intersection of the southbound ramps and San Anselmo Road have deteriorated to the point that a full section removal and replacement is required by Caltrans based upon their design standards and calculations. This work scope is very similar to the work performed on the Santa Barbara Road ramp intersections several years ago. Due to heavy traffic volume at this intersection, the required asphalt pavement section is significantly thicker and more costly than that of a typical city roadway. Additionally, due to the businesses within close proximity (notably In N Out), staff is proposing to do pavement reconstruction at this intersection as night work to minimize traffic impacts. As a result, construction will likely be delayed until temperatures are consistently warm enough at night to allow for paving.

#### Bid Analysis

The project was publicly bid for a minimum of 30 days, starting January 29, 2020 in accordance with State Contracting Laws and Atascadero Purchasing Policy, with the bid opening occurring on March 5, 2020. A total of four bids were received ranging from \$368,755 to \$480,797. The bids were reviewed for accuracy and compliance with the City of Atascadero bidding requirements, and the City Engineer has determined that Papich Construction Company, Inc. of Arroyo Grande is the lowest responsive bidder at \$368,755.

The adopted Budget includes \$400,000 in total funding for this project. The project budget was developed based upon the 2019 Pavement Condition Index (PCI) of 29 and 50 assuming a medium rehabilitation would be needed and applying a unit cost per square yard of total pavement. Geotechnical testing performed during the design phase identified that portions of the pavement required more extensive rehabilitation techniques. This, coupled with Caltrans ramp intersection requirements and night work, increased construction costs. In addition, it was determined that rehabilitation work triggered replacement of the two existing curb ramps at the intersection of San Anselmo Road and El Camino Real to meet requirements of the Americans with Disabilities Act (ADA).

Although the total project budget amount of \$400,000 is more than the bid price of \$368,755, there are other costs associated with the design phase, construction inspection, and construction contingencies that need to be included in the Project budget. Typically, 10% is recommended for construction administration, inspection, and material testing services. However, since it is anticipated that a portion of this work will be completed at night, staff anticipates hiring a construction manager to provide inspection for nighttime construction. This will result in higher than typical construction costs, so 15% is being recommended for this work.

Staff recommends awarding the project to Papich Construction Company. If approved by Council, construction is anticipated to occur as soon as weather temperatures allow (late spring/early summer). The Contractor will be responsible for preparing and providing traffic control as well as acquiring a "double permit" from Caltrans for work within the State right-of-way. There will be traffic impacts and inconveniences, but the contract documents indicate US 101 ramp construction to be performed during nighttime hours. Staff and Papich will provide notifications to businesses and motorists throughout construction.

## ENVIRONMENTAL REVIEW:

The proposed project is Categorically Exempt (Class 1) from the provisions of the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA Guidelines (Title 14 California Code of Regulations §§ 15000, et seq.) pursuant to CEQA Guidelines Section 15301, because it is limited to repair and maintenance of existing facilities. A finding of exemption is on file in the project records.

## FISCAL IMPACT:

Staff is estimating total project expenditures to be \$511,000, leaving a funding shortfall of \$111,000 due to the above discussed reasons. However, the 2020 Pavement Resurfacing Project has a project-funding surplus of \$147,000 in Local Transportation Funds (LTF) monies. Staff recommends allocating \$111,000 in LTF balance to the San Anselmo Road (West) project. The net impact of these two projects to budgeted LTF monies in the adopted Budget will result in a surplus of \$36,000.

The following tables summarize the proposed expenditures and funding for the project.

ESTIMATED EXPENDITURES	
Design, Soils Testing, Survey	\$ 12,500
Construction Contract	368,755
Inspection / Testing / Construction Admin. @ 15%	55,500
Construction Contingency @ 20%	74,245
Total Estimated Expenditures:	\$ 511,000

FUNDING SOURCES	
Local Transportation Funds (LTF)	\$ 150,000
Urban State Highway Account (USHA) Grant – FY19/20	250,000
Additional LTF Allocation (Fund Balance)	111,000
Total Funding Sources	\$ 511,000


## ALTERNATIVES:

1. Council may reallocate other funding sources to supplement the project budget.
2. Council could cancel the project.

## ATTACHMENT:

Bid Summary

***City of Atascadero***  
***Office of the City Clerk***  
***Bid Summary***

TO: Public Works  
FROM: Amanda Muther, Deputy City Clerk   
BID NO.: 2020-002  
OPENED: 3/5/2020  
PROJECT: San Anselmo West Pavement Rehabilitation (C2019R01)

4 Bids were received and opened today, as follows:

<u>Name of Bidder</u>	<u>Bid Total</u>
Papich Construction Co., Inc.	\$368,754.80
Hardy & Harper, Inc.	\$390,267.00
Ferravanti Grading & Paving	\$407,012.00
S. Chaves Construction, Inc.	\$480,797.14



## ***Atascadero City Council***

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### ***Staff Report – City Manager’s Office***

#### **Temporary Change of Cancellation Policy for Facility Rentals**

#### **RECOMMENDATION:**

Council authorize the City Manager to allow refunds for facility rentals that were cancelled due to concerns regarding COVID-19 Coronavirus.

#### **DISCUSSION:**

On May 10, 2016, the City Council approved the current City Facility Rental Policies and Procedures (Policy). As a part of the services provided to the community, the City takes reservations and rents many City facilities, including the Pavilion on the Lake, the Colony Park Community Center, Historic City Hall, Atascadero Lake Park and other park facilities.

Given the current COVID-19 outbreak status, which has been accompanied with changing social distancing and/or isolation guidelines and group-size restrictions, the City has received many cancellations initiated by parties renting these facilities. The current Policy, does not allow for refunds if someone chooses to cancel a reservation. The Policy, instead, allows for the rescheduling of events and activities for another date. Below is an excerpt from our Policy:

#### **FEES AND PERMIT PROCEDURES:**

##### **16. CANCELLATION OF PERMIT:** **BY PERMITTEE:**

*To cancel a reservation or change the date of a facility usage permit, the permittee must give a **minimum of twenty (20) business days** written notice for all indoor/outdoor facility reservations. A reservation deposit (if applicable) may be transferred, but is not refundable if permittee cancels. A reservation change or modification fee, based on the City's current fee schedule, will be applied.*

*To change the time of an event, a **minimum of 7 days notice** is required and a reservation change or modification fee, based on the City's current fee schedule, will be applied.*

*In the case of inclement weather, for outdoor facility reservations, the applicant may request a refund of usage fees, subject to an administrative fee, or reschedule the reservation date.*



The COVID-19 guidance and directives related to gatherings have been evolving and the renters of the City facilities are trying to prepare, at times in advance of State or County directives requiring cancellation. In these instances we are unable to provide a refund, but instead may offer them the opportunity to reschedule. Renters may be reluctant to book another date until more information is available about when the restrictions will be lifted. Staff is recommending that the City Manager be given authorization to approve refunds to those renters who would like a refund and who cancelled their reservation/rental due to COVID-19. The City would continue to provide refunds to those renters where the City cancelled the event due to directives from the County Health Officer and would continue to provide pro-rated refunds for those classes and activities that were cancelled by the City.

### **FISCAL IMPACT:**

Although the City is experiencing significant downturns in facility rental income and recreation income, allowing refunds versus requiring the renters to book another date will only have a slight negative impact on City revenues.

### **ALTERNATIVES:**

The City Council may choose to not allow refunds due to COVID-19, and have staff continue to implement the current Policy.

### **ATTACHMENT:**

2016 Rental Policies & Procedures

# **CITY OF ATASCADERO**

## **FACILITY RENTAL POLICIES & PROCEDURES**



*May 10, 2016*

## FACILITY RENTAL POLICIES & PROCEDURES

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## FACILITIES AVAILABLE FOR RENTAL

### ANZA ESTATES:

**Equestrian Arena:**  
No facilities.

### ATASCADERO LAKE PARK:

**Alvord Field (Babe Ruth):**  
High school-sized baseball field with field lights, bleachers, and restrooms. Seasonal availability.

**Barbeque Area #1:**  
Barbeque pit with seating for approximately 150 people. Electricity and lights available.

**Barbeque Area #2:**  
Barbeque pit with seating for approximately 150 people. Electricity and lights available.

**Barbeque Area #3:**  
Barbeque pit with seating for approximately 50 people. Electricity available. No lights.

**Bandstand:**  
Covered stage suitable for outdoor concerts. Electricity and lights available.

**Gazebo:**  
An area suitable for outdoor wedding ceremonies. Chairs available for rent. No electricity or lights available.

**Pavilion:**  
10,000 Sq. Ft. facility, suitable for receptions, dances, meetings, and special events. Kitchen facility and several various sized meeting rooms available. (See page 12 for room capacities)

**Ranger House/Meeting Room:**  
A house setting with a conference room. Kitchen and bathroom available. Maximum capacity 20 people. 500 Sq Ft.

**Veteran's Memorial:**  
Grass area surrounding the Memorial site. Two light poles in grass area with electricity. Group picnic area to be developed.

### CITY HALL:

**Public Meeting Room (Conference Room #104 & #106):**  
Available for rental from 8:30am-5:00pm, Monday - Friday **ONLY**. Room #104 seats 24 people with meeting room tables and Room #106 seats 29 people. Access to public restrooms. Audio/visual available.

**City Hall Council Chambers (Upper Rotunda):**  
Available for rental from 8:30am-5:00pm, Monday - Friday **ONLY**. Seats 200 people assembly style. Access to public restrooms. Audio/visual available. For special events and weddings in the Upper Rotunda, please refer to the Historic Atascadero City Hall Saturday and Sunday rentals policy.

### COLONY PARK:

**Softball Fields #1 and #2:**  
Two youth-sized softball fields. No field lighting. Bleachers and restrooms are available. Seasonal availability.

**Barbeque Area:**  
4 small barbeque pits and one large barbeque pit with shade and seating for approximately 20 people per pit. Adjacent to outdoor basketball courts. Restrooms may **NOT** be available depending on rental time/day.

**COLONY PARK COMMUNITY CENTER:**

**Conference Room:**

Meeting room with a maximum capacity of 25 people. Equipped with 12 lap top computers and white board.

**Arts & Crafts Room:**

Classroom designed for art classes with stools, tables and sinks with a maximum capacity of 39 people.

**Dance & Exercise Room:**

Dance room with a maximum capacity of 50 people. Equipped with mirrors, dance bars and spring floor.

**Gymnasium:**

Full size gymnasium with a maximum capacity of 450 sport, 600 banquet. Equipped with 6 basketball hoops, scoreboard, bleachers, volleyball nets, referee stands, illuminated score table, optional floor cover and other sport or banquet options.

**PALOMA CREEK PARK:**

**Softball Fields #1 and #2:**

Two adult-sized softball fields with field lighting, bleachers, and restrooms.

**Sports Open Fields:**

Two large multi-purpose open space fields suitable for sports activities or special events.

**Baseball Field (Little League):**

Fenced, youth-sized baseball field with bleachers. Seasonal availability.

**Equestrian Arena:**

Multi-purpose equestrian arena available for daily use and special events. Arena lighting and announcer's booth may be rented upon availability and Railhead Riders approval.

**Barbeque at Equestrian Arena:**

Barbeque area with 3 tables to accommodate 25 people. Reservations are not required.

**PAVILION:**

**Great Room:**

Lakeview room with a maximum capacity of 300 banquet, 250 reception, 400 assembly/theatre.

**Rotary Room:**

Lakeview room with a maximum capacity of 200 banquet, 150 reception, and 250 assembly/theatre.

**Gronstrand Room:**

Lakeview room accommodates a maximum of 75 banquet, 100 assembly/theatre.

**Community Room:**

Meeting room accommodates a maximum of 40 people classroom style or 70 assembly/theatre.

**STADIUM PARK:**

Large, undeveloped area suitable for special events. No barbeque, electricity or restroom facilities available. Available seasonally based upon fire season.

**SUNKEN GARDENS PARK:**

Large, multi-purpose grass area adjacent to City Administration Building, suitable for special events. No barbeque facility or restrooms available.

## GENERAL CONDITIONS GOVERNING USE OF FACILITIES

The following conditions shall govern the use of facilities, which are administered by the City of Atascadero.

### **AVAILABILITY OF FACILITIES:**

When use of facilities does not conflict with the City's operations, programs, activities, or maintenance schedule, they shall be available for use by individuals or groups.

Reservations will be granted at the discretion of the City Manager, or designee, on a first-come, first-served basis for no more than one year in advance.

Applications for use of public facilities will be approved based on availability, without discrimination or regard to the applicant's viewpoint or subject matter, including religious or political viewpoints or subject matter. In the case of conflicting usage, facility authorization is at the discretion of the City Manager, or designee.

### **GENERAL POLICY:**

It is the objective of the City that facilities are primarily used by groups and individuals for community recreation activities regardless of race, color, creed, national origin, religion, sex, economic status, or area of residence of said group and/or individual.

### **RULES OF ENFORCEMENT:**

The City Manager, or designee, shall enforce, or cause to have enforced, the provisions herein; and shall have the authority to deny use of any facility to an individual or group who refuses to comply with the rules and regulations.

### **RIGHT OF FULL ACCESS:**

City staff has the right of full access to activities at all times to ascertain compliance with rules, regulations, City and state laws.

### **HOURS OF OPERATION:**

Dawn to Dusk:	Outdoor facilities without lighting
6:00 a.m. to 10:00 p.m.:	Outdoor facilities with lighting
6:00 a.m. to 12:00 midnight:	Indoor facilities (excluding City Hall meeting room or Council Chambers)

The above are the standard hours of operation, unless extended by authorization of the City Manager, or designee.

### **SUPERVISION:**

A City of Atascadero employee shall be in attendance at any facility whenever it is deemed necessary by the City Manager, or designee. Said City employee will determine if all rules, regulations, and laws governing use of the facilities are being complied with. However, primary responsibilities for conformance with said rules, regulations, and laws rest with the permittee.

### **CEREMONIAL OCCASIONS:**

There shall be **NO** use of City facilities that will unconstitutionally discourage any religious sect, church, or sectarian denomination. Performances, activities, services and presentations conducted or given at facilities shall not unconstitutionally promote, support, or discourage particular religious or philosophical beliefs.

### **CAPACITY OF FACILITIES:**

Permittee shall not admit a greater number of persons than the maximum capacity posted or documented on the facility confirmation. Premises and events are subject to inspection by the Fire Marshall.

### **CONCESSIONS:**

The City of Atascadero reserves all concession rights. Programs, records, tapes, books, and related items may be sold in conjunction with an event if they relate to a performance or meeting if prior written approval has been received. Arrangements must be made in advance, and may be subject to a payment of a percentage of the gross receipts, which will be determined by the City Manager, or designee. Business licenses are required for concessions on City property.

For profit vendor concessions that take place at the Pavilion are subject to a 10% sales fee.

**ADMISSION CHARGES:**

Unless specifically stated and approved in the permit, it is understood that activities or events will not be benefit affairs, that no admission will be charged, that no tickets will be sold, and that no collection or donation will be made.

Charitable Fundraisers at the Veteran's Memorial are exempt from this policy.

**DISPLAYING COMMERCIAL WRITTEN MATERIALS (SIGNS, POSTERS, ETC.):**

No written commercial or advertising materials or signs shall be placed in, on, or distributed about parks/facilities, except by special agreement approved by the City Manager, or designee.

The Veteran's Memorial facility is exempt from this if it is in conjunction with a charitable sponsorship of an event, during the time of the event only.

**DISPLAYING NON-COMMERCIAL WRITTEN MATERIALS (PAMPHLETS, POSTERS, ETC.):**

Non-commercial written material shall not be affixed to any park structure. Such material is allowed only in conjunction with a permitted event. It shall not be displayed or offered in a manner to cause damage to the park structures, flora, or facilities; nor shall the material create a litter, safety, or access problem. The distributor of material shall be responsible for cleaning up any litter caused by the display or distribution of this material.

**SIGNAGE:**

Posting of signage related to advertising any event on City-owned property must be authorized by the City Manager, or designee.

If advertising signage is approved, signs can only be placed at the facility where the event is to be held. No signage is allowed to be posted on streets, utility poles, traffic signs, or other traffic control devices. Signs can only be posted a maximum of 20 days prior to the event, and are required to be removed immediately after the event. Signs shall be reviewed and approved by the Community Development Department staff for professional quality. Sign maximum size is 20 square feet. Directional and safety signage is allowed at the event site only. Refer to the City's Sign Ordinance for further details.

**TEMPORARY BANNER(S):**

1. Banner Permit Procedures:

- a. A banner permit is required for all organizations or individuals reserving the Sunken Gardens and Atascadero Lake Park temporary banner holders. These general procedures shall also apply to the flag holders on El Camino Real, along the front of the Sunken Gardens. The flags shall only be allowed for display for one day only, during an event. No temporary banners shall be permitted at these facilities that are not displayed in the banner holders. Unauthorized banners will be taken down.
- b. All banner permit requests for the Sunken Gardens and Atascadero Lake Park Temporary Banner Holders shall be authorized by the Deputy City Manager, or designee, and subject to availability. Application forms are available at the Colony Park Community Center.
- c. **A written application is required by applicant, and must be submitted before a reservation will be considered.**
- d. Banner permits for the Sunken Gardens and Atascadero Lake Park Temporary Banner Holders shall be made in the order of receipt of application by the Deputy City Manager and subject to the availability of the facility. Specific date reservations can be submitted a maximum of one (1) calendar year in advance from date of application. Temporary event banners for City sponsored activities have priority. In the event the Farmers Market returns to the Sunken Gardens, the Farmer's Market banners will be placed over all permitted banners on Wednesdays only, and will be removed the same day.
- e. **Only banners announcing events or activities taking place in the Sunken Gardens/Colony District may be displayed in the Sunken Gardens. Only banners for events or activities taking place at the Atascadero Lake Park/Zoo may be displayed in the Lake Park banner holders.** Only when space allows, will banners be approved announcing events or activities taking place in opposite locations. Events and activities taking place in their geographic locations will have priority over the banner locations.
- f. A permit will not be issued under the following conditions:
  - i. Insufficient Notice – When City staff cannot be scheduled, facilities prepared, or other conditions relating to such use cannot be completed in the time between the date of the request and the proposed event.
  - ii. When Temporary Banners are Posted Prior to Approval - When a temporary event banner has been posted on the Sunken Gardens or Atascadero Lake Park Banner Holders prior to receiving approval.

2. Temporary Event Banner Requirements:

- a. All temporary event banners mounted on the Sunken Gardens and Atascadero Lake Park Temporary banner holders must comply with the conditions and requirements specified:



- i. Banners intended for the announcement of community special events and activities conducted by organizations only. For-profit/commercial banners will not be allowed. Banners of a political nature (for candidates, political events and messages) are prohibited.
  - ii. Banners may be posted 21 days prior to the event and no sooner.
  - iii. The permit holder is responsible for posting and removing the temporary event banner.
  - iv. Banners must be removed within one day after the event. **If the banner is left up more than one day after the event, City personnel will remove the banner and a \$25 fee will be charged. The banner will not be released to the owner until the fee is paid.**
- b. Banners must be: Width - 8 ft., height - 3 ft. and be of professional quality. Banners at the Atascadero Lake Park area must be 2-sided.
- c. All temporary event banners must be posted on the established banner holders only, unless expressly approved by the Deputy City Manager.
- 3. Cancellation of Permit by the City:
  - a. A permit may be cancelled based upon any of the following conditions:
    - i. If the permit is found to contain false or misleading information.
    - ii. If any individual, group, member or guest willfully, or through gross negligence, mistreats the facility/equipment, or violates any of the rules, policies, regulations, terms and conditions established for use of the facility.
    - iii. If the banner is torn, ripped or unsightly. If the content of the banner is offensive to the public.
    - iv. If permittee defaults on, or has not completed all conditions and requirements for use of the temporary banner holders.
    - v. If the temporary event banner holder is needed for public necessity or emergency use.

**STORAGE:**

No receipt, handling, care, or custody of property of any kind shipped, or otherwise delivered to any facility, either prior to, during, or subsequent to the use of facilities by any permittee is allowed, unless authorized by the City Manager, or designee. The City or its officers, agents, or employees shall not be liable for any loss, damage, or injury of such property.

**DAMAGE:**

Permittee will be responsible for all damage to facility, and shall be responsible for reimbursement to the City for any loss or damage to City property caused by such use.

**CLEAN-UP:**

Permittee is responsible for leaving the facility in a clean and orderly condition. A portion or all of the security deposit may be withheld if the facility is not left clean and without damage to furnishings. At specific facilities, a cleaning fee may be charged at the City Manager's discretion.

**EQUIPMENT USE:**

Special requests for equipment should be noted on the permit application. At specific facilities, an equipment rental fee may be charged.

**DANCES:**

Dances will be allowed at the discretion of the City Manager. Persons under 21 will not be permitted at dances serving alcoholic beverages.

Dances for minors require chaperones over 21 years of age to be present during the entire event at a ratio of 1 chaperone to 25 minors, unless amended by the City Manager, or designee. Security guards may also be required at the discretion of the City Manager, or designee.

**DECORATIONS OR STAGE PROPS:**

Existing facility decorations may not be removed without the prior approval of the City Manager, or designee.

When decorating, **DO NOT** fasten any decorations to light fixtures. Scotch tape, masking tape, hold-it, thumb tacks, staples, etc., are not allowed. Decorations belonging to the permittee must be disposed of immediately after the event. Any decorations left may be discarded by the City staff, and the removal effort could affect the amount of the security deposit refunded.

Exit doors, exit lights, fire alarm sending stations, wet standpipe hose cabinets, and fire extinguishers shall not be concealed or obstructed by any decorative material or props. Use of candles or fuel lamps is prohibited at all indoor facilities except the Pavilion, if Fire Department requirements are met.

Any special effects, including curtains, hangings, or props shall be made of non-flammable material and approved by the Fire Marshall.

**PROHIBITED BEHAVIOR:**

Illegal and immoral activities, the use of obscene language, gestures or behavior shall not be permitted at any time.

**SMOKING:**

City Ordinance No. 235 prohibits smoking in all City-owned indoor facilities. Smoking is prohibited within 20 feet of any public entrance.

City Ordinance No. 543 prohibits smoking and tobacco products in the Charles Paddock Zoo and in the City's outdoor recreation areas and parks. Smoking is permitted in paved parking lots only.

**ALCOHOLIC BEVERAGE SALES POLICY:**

Individuals or organizations may request permission to sell alcoholic beverages in conjunction with the use of City facilities (except the City Administration Building). Permittee shall follow the procedures hereinafter set forth. It shall be the full responsibility of the individual or organization to contact the Department of Alcoholic Beverages to determine the exact requirements pertinent to the type of use.

1. Groups or individuals wishing to sell alcoholic beverages must submit an application for permit to use City facilities a minimum of **twenty (20) business days** prior to the event. Applications may be obtained at the Atascadero City Hall.
2. The City Manager, or designee, approves or disapproves all requests for the sale of alcoholic beverages at City facilities.
3. If approved, a completed ABC form (221-2010) will be provided to the City for signature to the Deputy City Manager will be signed and approved. Once signatures are completed, the ABC form will be returned to the permittee for submittal to the Department of Alcoholic Beverages.
4. A copy of the final Department of Alcoholic Beverages sales permit must be presented to the Deputy City Manager a minimum of **ten (10) business days** prior to confirmation for use of the facility.
5. A copy of liability insurance in the amount of \$1,000,000 dollars, listing the City as additional insured, for the date(s) of the event, is required prior to confirmation for the use of the facility.
6. Security guards will be required for any event selling or serving alcoholic beverages in any City facility.

**FACILITY POLICIES FOR ALCOHOLIC BEVERAGES:**

Sale of alcoholic beverages are not allowed in City parks and facilities unless specifically designated. Authorization to sell alcoholic beverages at all City facilities may be requested in coordination with a facility request application for a special event. If alcoholic beverages are for sale, a permit from the State of California, Alcohol Beverage Control, will be required. Proof of liability insurance in the amount of one million dollars (\$1,000,000) is also required for the sale of alcoholic beverages, naming the City as an additional insured. No one under the age of 21 is allowed to consume alcoholic beverages. Authorization for such a permit will be at the discretion of the City Manager, or designee.

**Pavilion & Colony Park Community Center Alcohol Policy:**

- Hard Liquor is **NOT** permitted. Beer, wine and champagne are permitted at functions including weddings, birthday parties, and other private events.
- A certified bartender is required to serve alcohol at all Pavilion and Colony Park Community Center functions. The Pavilion Coordinator may waive this requirement if the event is a "low risk", non-profit function and a sober supervisor is present to serve the alcohol and monitor consumption.
- State certified security guards are a requirement at all events in which alcohol is served. A minimum of one security guard is required per 100 guests. Additional security guards may be required at the discretion of the Chief of Police. Security guard(s) are required to remain on site until all guests and renters have left the premises. The expense for said security guard(s) shall be assumed by the permittee. Security guard requirements may be waived at the discretion of the Chief of Police for low risk, non-profit events of two hours or less.
- Special event insurance must be purchased at all events in which alcohol is served. The insurance includes a general liability and liquor liability premiums. Insurance may be purchased through the City of Atascadero as an additional insured for one million dollars (\$1,000,000).
- No alcohol of any kind may be served to minors.

**Major Special Events Alcohol Sales:**

- If alcohol is sold at a major special event, the applicant is responsible for providing to the City of Atascadero, and to post at the event, a copy of the State Alcoholic Beverages Sales Permit. To secure this permit, the applicant must provide the ABC License form for City signatures and submit to the Alcoholic Beverage Commission for approval. The City will need to receive the final approved ABC License before the event can take place.
- State certified security guards are a requirement at all events in which alcohol is served. A minimum of two security guards are required per 500 guests. Additional security guards may be required at the discretion of the Chief of Police. Security guard(s) are required to remain on site until all guests and renters have left the premises. The expense for said security guard(s) shall be assumed by the permittee.

**ABANDONED EQUIPMENT:**

Any equipment, effects, or decorations of the permittee remaining on the premises after the expiration of the permit will be deemed abandoned and disposed of by the City.

**PERMITS AND LICENSES:**

The permittee has the responsibility to obtain any additional permits and/or licenses required by City ordinances or State laws, and shall furnish evidence of having obtained same to the City of Atascadero.

**AMPLIFIED SOUND AT INDOOR FACILITY:**

Amplified sound is allowed in certain indoor City facilities, upon the approval of the Director City Manager, or designee, and are also subject to approval by the Atascadero Police Department. Amplified sound is allowed in indoor facilities from 8:00 a.m. to 12:00 a.m., unless extended by the Director City Manager, or designee.

**AMPLIFIED SOUND AT OUTDOOR FACILITIES:**

Amplified sound is **not** allowed at outside facilities, unless authorized specifically by the City Manager, or designee, or unless the request meets one of the following criteria:

1. The amplified sound is conducted during an approved Major Special Event. All provisions of the Major Special Event policies must be met.
2. The amplified sound is conducted at the Atascadero Lake Park Bandstand on Fridays, Saturdays, Sundays from noon until 9:00 p.m.
3. The amplified sound is associated with the annual City-sponsored Concerts in the Park Series.
4. The permit holder is required to immediately comply with requests by City staff to reduce the sound volume. Failure to comply will result in denial of future requests for amplified sound by the permit holder.
5. Amplified sound is not allowed in outdoor areas at Colony Park due to the nearby residences.

**INFLATABLE BOUNCER POLICY (OUTDOOR FACILITIES):**

Inflatable bouncers are only authorized in the following City of Atascadero parks:

- Atascadero Lake Park - Next to large reservation areas only, unless associated with a major special event.
- Sunken Gardens Park

The following rules apply:

1. Use of an inflatable bouncer is **ONLY** allowed with reservation of a park site.
2. If site has electrical outlets, they must be used to power the inflatable bouncer and the additional utilities fee will apply. If site does not have an electrical outlet, a "quiet" style generator must be provided.
3. Only **ONE** inflatable bouncer is allowed in a park, per day, unless special authorization is given by the City Manager, or designee.
4. **Stakes are strictly prohibited** in City parks. All inflatable bouncers are to be **weighted** down.
5. The City of Atascadero must have a valid copy of the vendor's liability insurance policy on file.
6. Inflatable bouncers with water features are strictly prohibited in all parks.

**RULES AND REGULATIONS:**

In order that activities at City facilities can best be enjoyed by everyone, basic rules of good conduct must be observed. These include, but are not limited to, the following:

1. All City ordinances must be observed.
2. Gambling, the use of obscene language, dangerous conduct, unusually loud amplified music, or any other activity that creates a disturbance will not be permitted.
3. The sale of alcoholic beverages without the proper permits is prohibited.
4. No equipment or furnishings shall be removed from a facility without the City Manager, or designee, approval.
5. Animals are not allowed in City buildings, except for service animals for the disabled, unless the City Manager, or designee, approval has been given.
6. Organized flea markets and rummage sales are permitted in the Sunken Gardens, no more than twice a year. Flea Markets need to be organized by a non-profit organization, with clearly marked spaces, subject to the approval of the City Manager, or designee.

Failure to comply with the rules and regulations may result in termination of a facility use permit.

## FEE AND PERMIT PROCEDURES

1. A Facility Use Permit is required for all groups or individuals reserving City facilities.
2. All use permit requests for usage of City facilities shall be authorized by the City Manager, or designee, and subject to the availability of the facility. Application forms are available at the Atascadero City Hall or online at [www.atascadero.org](http://www.atascadero.org).
3. **A written application is required by applicant, and payment submitted before a reservation date can be considered.**
4. In the case of a group or organization, it is recommended that one spokesperson be designated, and all arrangements made through this representative.
5. Reservations shall be made in the order of receipt of application by the City and subject to the availability of the facility. All required fees must be paid prior to the facility being utilized.

Specific date reservations can be submitted a maximum of one (1) calendar year in advance from date of application. Pavilion reservations can be submitted a maximum of eighteen (18) calendar months in advance from the date of application.

Continuing multiple-date reservations can be submitted for a maximum time period of one (1) calendar year in advance from date of application.

Recognized non-profit organizations (see Classification of Users Section) continuing multiple-date reservations are to be submitted for a maximum time period of one (1) calendar year in advance.
6. A **non-refundable** reservation deposit is required on certain City facilities and is due at the time of permit application submittal. This deposit will be applied towards the facility usage fee if the application is approved. If an application is not accepted, the reservation deposit will be refunded to applicant in full. If event is cancelled by applicant, the reservation deposit will not be refunded.
7. A security deposit may be required at certain facilities and must be paid in full **twenty (20) business days** prior to the facility being confirmed. This fee shall be refunded only if the facility is left clean and without damage to the building or its furnishings. The City reserves the right to retain all or part of the security deposit if facility is left unclean or damaged, or the Police Department is dispatched to the event. If event runs over the agreed-upon time, fees will be deducted from the security deposit.
8. All facility use rental fees are due a minimum of **twenty (20) business days** prior to the event date. If all rental fees are not paid within this time period, the facility application may be canceled and the reservation deposit (if applicable) will be retained in whole by the City.
9. All other permits, insurance certificates, licenses, etc., required in relation to a facility use permit are to be submitted a minimum of **twenty (20) business days** prior to the event date.
10. Rental time period must include decorating and cleanup time. Rental time is adjusted to the next full half hour. The facility must be vacated promptly at the time specified on the permit.
11. When applicable, persons utilizing City facilities are to receive necessary City keys from the Department of Public Works immediately prior to the scheduled facility use. All keys must be returned to the Department by the first business day after the rental. A key deposit of \$50.00 may be charged.
12. At special events, City staff may be assigned to assist at a rate of their fully allocated hourly rate. This fee must be paid prior to the event date.
13. Permits granted on a continuing basis are valid for a maximum period of **twelve (12) months**.
14. Fees for indoor facilities will be based on a one-hour minimum rental time frame. Fees for the Pavilion will be based on a four-hour minimum on Friday and Sunday. (See page 15 for facility minimum charge.)

15. A permit will not be issued under the following conditions:

**Insufficient Notice:** When City staff cannot be scheduled, facilities prepared, or other conditions relating to such use cannot be completed in the time between the date of the request and the date of the proposed event.

**For Hazardous Activities:** When permittee has mistreated a facility or violated facility use policies during a previous occupancy.

**When Event Publicized Prior to Approval:** When an event has been publicized prior to receiving approval for facility use and the facility is not available.

16. **CANCELLATION OF PERMIT:**

**BY PERMITTEE:**

To cancel a reservation or change the date of a facility usage permit, the permittee must give a **minimum of twenty (20) business days** written notice for all indoor/outdoor facility reservations. A reservation deposit (if applicable) may be transferred, but is not refundable if permittee cancels. A reservation change or modification fee, based on the City's current fee schedule, will be applied.

To change the time of an event, a **minimum of 7 days notice** is required and a reservation change or modification fee, based on the City's current fee schedule, will be applied.

In the case of inclement weather, for outdoor facility reservations, the applicant may request a refund of usage fees, subject to an administrative fee, or reschedule the reservation date.

**BY THE CITY:**

A permit may be canceled for any of the following conditions:

- A. If the permit is found to contain false or misleading information.
- B. If the use or proposed use will be detrimental to the health, safety or general welfare of the City, or to the efficient operation of the facility for the public welfare.
- C. If any individual, group, member or guest willfully, or through gross negligence, mistreats the equipment/facility, or violates any of the rules, policies, regulations, terms and conditions established for use of the facility.
- D. Failure to make rental fee payments within the minimum time provided.
- E. If permittee defaults on, or has not completed, all conditions and requirements for use of a facility.
- F. If the facility is needed for public necessity or emergency use.
- G. If required permits and/or licenses are not obtained.

## **FEES**

### **CLASSIFICATION OF USERS:**

Facility users are classified by group type. The classification of users is for the purpose of determining fees and charges for facility rental.

When a facility use application is approved, an hourly or set fee shall be charged in accordance with the user's classification.

### **CLASSIFICATION A (Non-Profit/Government Rate):**

This class encompasses incorporated non-profit/governmental organizations recognized for fee discounts by the City. Groups in this class, whose activities are not for profit, provide a community service for the residents of the City of Atascadero. Organizations must have a minimum of 51 percent Atascadero residents as members. (This requirement may be waived if the organization is providing a public service to Atascadero residents). This class is intended for the normal activities of non-profit service clubs and similar organizations. Reservations and security deposits will be charged, if applicable. All non-profit 501 (c) (3) organizations will be charged the same fee for leasing or usage of public facilities, irrespective of the applicant's viewpoint or subject matter, including religious or political viewpoints or subject matter.

### **CLASSIFICATION B (Private/Commercial/Resident):**

This class includes private parties for individuals or families who reside within the boundaries of Atascadero City limits. This class includes commercial and private groups whose activities are for financial gain, or groups conducting religious, political or union meetings. Reservations and security deposits will be charged, if applicable.

### **CLASSIFICATION C (Private/Commercial/Non-Resident):**

This class includes private parties for individuals or families who reside outside the boundaries of the Atascadero City limits. This class includes commercial and private groups, whose activities are for financial gain, or groups conducting religious, political or union meetings. This class may also include non-profit groups with less than 51% Atascadero residents. Reservations and security deposits will be charged, if applicable.

Field rental fees will be at full rate for **ALL** user groups, regardless of classification.

### **CO-SPONSORED STATUS AND SPECIAL EVENT SPONSORSHIP CRITERIA:**

The purpose of establishing Co-Sponsored Status or Special Event Sponsorship Criteria is to be able to attract a variety of events and travel shows to the City.

#### **Co-Sponsored Status:**

Due to the cost of operations and maintenance, fee waivers are generally discouraged. However, on a case-by-case basis, events by other government agencies or non-profit organizations may qualify for co-sponsored status with the City. Co-Sponsored events are events that attract local and county residents as well as tourism to our City. These are events that are marketed both inside and/or outside the area to bring visitors to Atascadero. Events qualifying for Co-Sponsored Status may be eligible for fee waivers. Fee waivers will be determined on a case-by-case basis.

In order to qualify for Co-Sponsored Status, the event must meet one or all of the following criteria and be approved by the Deputy City Manager – Promotions, Outreach & Events:

1. Governmental cooperation.
2. The event might otherwise be conducted by the City of Atascadero and directly benefits City of Atascadero facilities, programs or services.
3. The event is conducted by an organization with a formal agreement with the City to conduct such events or activities.

#### **Special Event Sponsorship Criteria:**

Special Events Sponsorship applies to events where the City is working collaboratively with the event organizers to cross promote the City in their marketing efforts as well as bring new events to our area. Though these events might already be established elsewhere, there may be an interest to add or bring an event that would be new to the City, drawing media value that reaches a considerable amount of people in and outside the County. The venue may be offered as part of the value of the sponsorship program being considered.

In order to qualify for a Special Event Sponsorship, the event must meet the following criteria and be approved by the Deputy City Manager – Promotions, Outreach & Events:

1. New and emerging events may be considered based on these criteria:
  - Regional appeal.
  - National or Tourism appeal.
  - Event has promotional ability:
    - Secured marketing funds to promote event via a solid advertising campaign that provides exposure over a minimum of two media vehicles.
    - Media exposure is measureable and includes at a minimum a City logo and/ or City tourism logo. Logo is included on event website, and logo is included in all promotional material and in all media where the event is promoted (i.e., print, radio, television, online, etc.)
    - Other sponsors.
  - Potential for growth and sustainability.
2. If the event qualifies, the City may provide the following as part of the sponsorship:
  - Venue options to be determined (i.e., The Pavilion, Sunken Gardens, Atascadero Lake Bandstand).
  - City Press Release to promote the event to the Media for Editorial exposure.
  - At a minimum included on City's Facebook and Website. Inclusion on our Visit Atascadero Website and Facebook pages is not a guarantee and is subject to the type of event as it must be tourism specific to be included on anything related to "Visit Atascadero."

If the special event does not meet the above guidelines, regular Rental Rates that apply to the venue being considered for the inquiring organization will apply. If it does qualify, there will be a sponsorship agreement that will be completed detailing sponsor obligations and the City of Atascadero obligations.

The Veteran's Memorial reservation fee will be waived for use of the Veteran's Memorial by Veteran's organizations, individual Veteran's or families of Veterans for services and events. No security deposit will be required.



## EXPLANATION OF BASIC FEES

Fees have been established considering that only the basic facility is to be furnished. This includes:

1. Normal utilities
2. Normal maintenance
3. Standard table and chair set-up
4. General supervision

### **ADDITIONAL CHARGES:**

Charges may be assessed over the standard City fee schedule for additional set-up, supervision or technical support provided by City staff.

### **INDOOR FACILITY MINIMUM CHARGE:**

Fees for indoor facility reservations are based on an hourly rate. There is a **minimum of two (2) hours** rental fee for the Pavilion Gronstrand and Rotary Rooms. All other meeting rooms may be reserved for a **one (1) hour minimum rental fee**. There is a **Four (4) hour minimum** on Friday and Sunday at the **Pavilion**. Non-profit groups must reserve the Pavilion for a minimum of twelve (12) hours on Saturdays. Private group rentals on Saturdays are a flat fee for the entire day. Rooms may be booked at an hourly rate (with a 4 hour minimum) on Saturdays if the reservation is made within 30 days of the event.

### **OUTDOOR FACILITY MINIMUM CHARGE:**

Usage fees are charged for reserving various City outdoor facilities. Fee rates do not include equipment unless specifically stated.

No facility usage fee is charged to City-sponsored softball teams for reserving City softball fields for softball practice.

## SOFTBALL TOURNAMENT GUIDELINES

The City of Atascadero encourages organized sports tournaments for youth and adults, utilizing City recreational facilities. The following guidelines include application procedures, general information and fees.

### TOURNAMENT APPLICATION PROCESS:

1. Submittal of tournament application form, approval of proposed tournament dates, location, fields used, and payment of application fees.
2. Sponsor to meet with Community Services staff no later than one (1) week prior to tournament to review event schedule, services requested, and options desired. Fees for the services and options are listed in the current City of Atascadero Fee Schedule.
3. Managers are responsible for their dumpster fees.

## FOOD SERVICE POLICY

### FACILITIES SUITED FOR FOOD AND BEVERAGE SERVICE:

#### Pavilion on the Lake:

Catering services are available through a caterer of the renter's choice unless the City is in contract with an exclusive caterer. When no catering service is contracted by the City, outside caterers are welcome and must be licensed and insured. Copies of all documentation must be provided to the Pavilion Coordinator prior to the event date.

Renters may have the option to rent the kitchen (if available) and prepare their own food without the services of an outside commercial caterer. Accessories such as plates and utensils are **not** included as part of the kitchen rental.

#### Picnic Areas:

Barbeque pits, electricity outlets and water are available.

### FOOD PREPARATION FOR SALE:

Individuals or organizations may request permission to sell or collect donations for providing food services at the above locations.

Permittee shall follow the procedures hereinafter set forth. It shall be the full responsibility of the individual or organization to contact San Luis Obispo County Environmental Health Services to determine the exact requirements pertinent to the type of use.

1. Individuals or organizations wishing to sell or collect donations for food services must submit an application for a permit to use a City facility a minimum of **twenty (20) business days** prior to the event. Applications may be obtained at the Atascadero City Hall, or online at [www.atascadero.org](http://www.atascadero.org). The sale of food or beverages on City property must not conflict with existing concessions or contracts already in place for City facilities.
2. The City Manager, or designee, shall approve or disapprove all requests for the sale or collection of donations for food services at City facilities.
3. If approved, the applicant will be required to contact San Luis Obispo County Environmental Health Services to receive a permit for food sales for a temporary event.
4. A copy of the San Luis Obispo County Environmental Health Services permit must be provided to the Division a minimum of **ten (10) business days** prior to confirmation for use of the facility.

## **MAJOR SPECIAL EVENT PROCEDURES**

Individuals, organizations, or businesses may request the use of Atascadero Lake Park, Sunken Gardens Park, Stadium Park or the Veteran's Memorial for major special events.

Applicants may request permission to hold a major special event by submitting an "Outdoor Facility Use Agreement Application." Applications describing the event details are to be submitted to Atascadero City Hall.

### **DEFINITION OF MAJOR SPECIAL EVENT:**

The City Manager, or designee, based on one or more of the following criteria may determine Major Special Event status:

1. Estimated attendance of over 250 people.
2. The event organizers will receive fees or donations.
3. Amplified music or entertainers will be present.
4. Paid entertainment will be present.
5. Food or alcoholic beverages are to be sold.
6. Special event involves special security or public safety controls.
7. Precludes any other uses at the Park or Facility.

### **APPROVAL PROCESS:**

If Major Special Event Status is determined, it is at the discretion of the City Manager, or designee, to approve or deny the event application. Recommendations and comments will be sought from the Police, Fire and Public Works Departments and the Recreation Division prior to approval by the City Manager, or designee.

If a group picnic area, the bandstand or the gazebo have already been reserved at the Atascadero Lake Park, the application may not be approved.

### **STATE AND COUNTY REQUIREMENTS AND PERMITS:**

If approved, the applicant will be notified and a confirmed permit will be mailed. All approved major special events will be required to comply with all established local, County, and State laws and regulations including, but not limited to, food sales, alcohol beverage sales, and sales tax.

### **FOOD SALES:**

Upon City approval, the applicant is responsible for acquiring all necessary food sales permits. A copy of the permit must be provided to the City of Atascadero and posted at the event. Food sales permits may be obtained from the County of San Luis Obispo Environmental Health Services.

### **ALCOHOLIC BEVERAGE SALES:**

Please see Alcoholic Beverage Sales Policy, page 9.

### **SALES TAX:**

Intended for applicants who sell any personal property that will require the application of sales or use tax. You may obtain information regarding the application of tax to your business by contacting the State Board of Equalization. It is the responsibility of the applicant to notify any and all vendors who may participate in the proposed special event about the sales tax requirements.

### **CITY OF ATASCADERO REQUIREMENTS:**

In addition, by abiding to all pertinent State and County laws and regulations, the event holder must also abide by all applicable City ordinances, policies and procedures. Additional requirements may be applied at the discretion of the City Manager, or designee, and/or the Police or Fire Chief, or their designee.

### **INFLATABLE BOUNCER POLICY (OUTDOOR FACILITIES):**

Please see Inflatable Bouncer Policy (Outdoor Facilities), page 10.

### **BUSINESS LICENSE:**

The applicant is responsible to obtain a City of Atascadero Business License if any food, personal property, or services will be sold. The applicant must provide a copy of their business license to the Recreation Division. Business licenses may be obtained at the Atascadero City Hall, Community Development Department.

### **LIABILITY INSURANCE:**

The applicant is responsible for obtaining a comprehensive liability insurance policy in the amount of \$1,000,000, listing the City of Atascadero as additionally insured. A certificate of insurance must be provided to the City of Atascadero at least ten (10) business days prior to the event.

**PLOT PLAN/FACILITY DIAGRAM:**

It is the responsibility of the applicant to submit a plot plan of the proposed major special event depicting the approximate location of all activities, booths, vehicles, tables, and other related equipment, at least (20) business days prior to the event date. City staff will meet with the applicant to review the plan and make any necessary revisions.

**CLEAN-UP/TRASH DISPOSAL:**

It is the general policy of the City of Atascadero that the facility be returned in the same or better condition than received. It will be the responsibility of the event coordinator to remove all refuse generated by the major special event. Failure of the event holder to leave the park in a clean and un-littered condition may result in additional charges to applicant.

At the discretion of the City Manager, or designee, a minimum of one commercial grade, three yard capacity, refuse container may be required to be provided by the event coordinator. The container(s) is to be delivered no more than two (2) days before the event and picked up no later than two (2) days following the event. Refuse containers may be obtained at Atascadero Waste Alternatives, (466-3636), located at 7625 San Luis Avenue, Atascadero. Confirmation of refuse container rental must be provided to the City at least (20) business days prior to the event date. Trash pickup and emptying of facility trash cans during and after the event will be the responsibility of the event holder. Recycling containers must also be provided at all approved major special events held at City facilities. The event holder is responsible for all fees associated with renting said equipment.

**PORTABLE SANITATION UNITS:**

At the discretion of the City Manager, or designee, portable sanitation units may be required at major special events conducted at City facilities. The number of portable sanitation units will be determined by the number of expected persons, length of event and the type of activity. A minimum of two portable sanitation units is to be provided at any event of 250 people or less. Two additional units will be required for every additional 250 persons expected. Portable sanitation units can be rented from several local companies, and confirmation of rental must be provided to the City no later than (20) business days prior to the event. The units are to be delivered no more than (2) days before the event, and must be picked up no later than (2) days after the event. The event holder is responsible for all fees associated with renting said equipment.

**SIGNAGE:**

All signs posted for major special events held at City facilities must conform to the City's sign ordinance and be approved in advance by the City Manager, or designee. Below is a brief outline of the guidelines regarding special event signage.

1. Signs will not be allowed that are off-site from the actual event. For example, signs in the Sunken Gardens cannot advertise an event at Atascadero Lake Park.
2. Signs providing directions to an event are not allowed. Directional signs are allowed only on the actual event site.
3. No signs can be posted on trees, utility poles, traffic signs, or any other traffic control devices.
4. Portable signs such as sandwich boards are not allowed.

**TEMPORARY BANNER(S):**

Please see Temporary Banner(s), pages 6-7.

**DECORATIONS:**

Attaching decorations to trees, signs, pole, buildings, tables, or other park equipment with nails, tacks, staples, or eyebolts is strictly prohibited. All decorations must be removed immediately after the event.

**AMPLIFIED SOUND:**

Any Major Special Event that includes amplified sound may be required to have-state certified security guards on site during the entire event. The number of security guards will be determined at the discretion of the Chief of Police.

**EQUIPMENT STORAGE:**

No equipment is to be stored at the facility, either prior to, or after the event. All delivery, set-up, tear-down, and removal of equipment must occur on the day of the event. The City of Atascadero will not be responsible for any equipment left at the facility.

**PARKING:**

At the discretion of the City Manager, or designee, special arrangements for parking such as off-site parking lots and shuttle service may be required. For all major special events at the Atascadero Lake Park, parking spaces may be reserved exclusively for Charles Paddock Zoo visitors or Pavilion on the Lake. Parking lot attendants may be required. At no time can parking space be reserved exclusively for patrons of the Major Special Event. All City park facility parking spaces are to remain available for general public park use. Vehicles are not allowed onto grass areas unless the applicant receives permission from the City Manager, or designee.

**STREET CLOSURE:**

Any requests for road closure are to be listed on a Street Closure Request Form, available at Atascadero City Hall and submitted along with the special event application form and payment. Additional fees are required for street closures. Street closure requests must include suggested alternate routes, an emergency access plan, and proposed traffic controls.

City staff will review street closure requests and determine appropriate process for approval (Code sections below). Applicant will be notified about any special traffic control requirements.

**4-2.1501 Authority to Temporarily Close Streets.**

Pursuant to Vehicle Code Section 21101, subsection (e), the City Manager, or designate thereof, with the written concurrence of the Public Works Director, Fire Chief and Police Chief, may temporarily close a portion of any street, except a state highway, for celebrations, parades, local special events and other purposes when, in the opinion of the City Manager, or a designate thereof, the closing is necessary for the safety and protection of persons who are to use that portion of the street during the temporary closing. (Ord. 92§ 1, 1984).

**7-12.412 Road Closure or Interference with Street Use.**

All encroachments shall be planned and executed in such a manner that they will not unreasonably interfere with the safe and convenient travel of the public or unreasonably interfere with, or cause inconvenience to, the occupants of adjoining property. At no time shall a street be temporarily closed or the use thereof be denied to the public, except by permission of the City Council or in the event the Council is unable to act in the time required by law, by the Engineer or his designee. (Ord. 438 § 4 (part), 2004: Ord. 332 § 2 (part), 1997)

**FEES AND CHARGES:**

All facility rental fees are due and payable upon submission of the rental application, unless otherwise authorized by the City Manager, or designee. Applications for use of City facilities will not be accepted without the submission of the Major Special Event Security Deposit Authorization Form.

The Security Deposit Authorization Form is required to be filled out for all major special events. This Authorization Form is due upon reservation of the facility. If the facility is not returned clean and in its' original condition, the cost for any damages, additional staff time or extraordinary Police or Fire emergency services will be charged to the credit card listed on the form.

**ON-SITE STAFF SUPERVISION:**

At certain events, City staff may be assigned to assist at a rate of their fully allocated hourly rate. If applicable, this fee must be paid prior to the event.

**EMERGENCY SERVICES:**

Any extraordinary police or fire services required as a result of the event (riot, etc.) may be charged (in full) to the event organizer.

**FIRE DEPARTMENT PERMIT INSPECTION FEES:**

If a permit is required by the City of Atascadero Fire Department for inspection of the major special event site, specific fees may apply. Examples of permit inspection fees include, but are not limited to; inspection of tents over 200 square feet, inspection of circuses, and use of open flame in an assembly area.

Any City equipment requested for the event will be charged to the applicant at the rate established in the City's facility rental policies and procedures.



# ***Atascadero City Council***

## ***Staff Report – City Manager’s Office***

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### **Results of Voter Opinion Survey on Feasibility of a Potential Future Tax Ballot Measure**

#### **RECOMMENDATION:**

Council receive and file the Revenue Measure Feasibility Survey Summary Report prepared by True North Research.

#### **DISCUSSION:**

Local governments must obtain the approval of voters to levy or raise taxes. When considering whether to place a ballot measure before the voters, cities generally survey a statistically valid sample of residents to objectively evaluate the viability of passing a local tax measure and to understand voter’s preferences for the funds raised by the measure. Moving forward with a statistically valid survey assists the Council in identifying community views on City provided services, the direction of the City, and voter support of a potential, future tax measure. The goal is to use a survey to produce an unbiased, statistically reliable evaluation of voters’ interest in supporting a local tax measure to provide funding for City services and facilities, as well as identify how to prepare a measure so that it is consistent with the electorate’s priorities and sensitivities.

Staff contacted professional firms who specialize in public opinion surveys and/or assessing community support through public opinion research. After reviewing the proposals submitted, and speaking with references, staff determined True North Research would best meet the City’s needs. The City Council approved a contract with True North in November 2019.

True North, in close consultation with the City, designed the questionnaire to be used to conduct the survey. The questionnaire identified the issues that voters felt are most important, how providing additional funding for City projects and services ranks next to other important issues, baseline (natural) support for a measure, the tax rate that voters will support, the specific projects and improvements that voters are most interested in funding with measure proceeds, the information items that shape voter support for a measure, as well as how voter support for a measure may change once voters are exposed to the type of discussion and debate they will undoubtedly encounter during the election cycle.

In January, True North conducted a professional, statistically valid survey of Atascadero voters to find out what City programs, services and projects are most important to our

residents. With City resources very limited, the survey was also designed to find out if voter passage of a one-cent General Sales Tax Measure would be likely to help make those services feasible, if we were to put one on the November 2020 ballot. Almost 800 individual surveys were completed and statistically speaking, the results are a good representation of likely November voters. True North presented the initial, topline results to the City Council at their Mid-Cycle Update Workshop on January 31 and these results were reported out again at the February 11 City Council Meeting.

True North has finalized the data compilation from the survey and the Revenue Measure Feasibility Survey Summary Report is attached to this report. At tonight's meeting, Timothy McLarney, President of True North Research, will be providing the City Council with a presentation on the final report.

**FISCAL IMPACT:**

None.

**ATTACHMENT:**

Revenue Measure Feasibility Survey Summary Report



**REVENUE MEASURE FEASIBILITY SURVEY**  
SUMMARY REPORT

PREPARED FOR THE  
**CITY OF ATASCADERO**



**FEBRUARY 4, 2020**

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## INTRODUCTION

Located along California's scenic central coast, the City of Atascadero is committed to building community by fostering an outstanding quality of life with excellent public service, stewardship of the environment, preservation of local heritage, and promotion of economic prosperity. Founded in 1913 and incorporated in 1979, the City provides a full suite of municipal services to an estimated 30,405 residents<sup>1</sup> and local businesses.

Over the past decade, the City of Atascadero's revenues have not kept pace with the growing costs associated with providing municipal services and facilities. Although the City has been proactive in responding to this challenge by reducing its costs where feasible, reducing staff positions, and through effective financial management practices, the practical reality is that existing revenues simply do not support the high quality services that residents have come to expect. To provide the funding required to maintain and improve the quality of essential city services, the City of Atascadero is considering establishing a local revenue measure.

**MOTIVATION FOR RESEARCH** The primary purpose of this study was to produce an unbiased, statistically reliable evaluation of voters' interest in supporting a general sales tax measure to provide the funding noted above. Additionally, should the City decide to move forward with a revenue measure, the data provide guidance as to how to structure the measure so it is consistent with the community's priorities and expressed needs. Specifically, the study was designed to:

- Gauge current, *baseline* support for enacting a local sales tax measure to ensure adequate funding for general municipal services;
- Identify the types of services voters are most interested in funding, should the measure pass;
- Expose voters to arguments in favor of, and against, the proposed tax measure to assess how information affects support for the measure; and
- Estimate support for the measure once voters are presented with the types of information they will likely be exposed to during an election cycle.

It is important to note at the outset that voters' opinions about tax measures are often somewhat fluid, especially when the amount of information they initially have about a measure is limited. How voters think and feel about a measure today may not be the same way they think and feel once they have had a chance to hear more information about the measure during the election cycle. Accordingly, to accurately assess the feasibility of establishing a sales tax increase to fund municipal services, it was important that in addition to measuring *current* opinions about the measure (Question 5), the survey expose respondents to the types of information voters are likely to encounter during an election cycle, including arguments in favor of (Question 8) and opposed to (Question 10) the measure, and gauge how this type of information ultimately impacts their voting decision (Questions 9 & 11).

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1. Source: California Department of Finance estimate, January 2019.

**OVERVIEW OF METHODOLOGY** For a full discussion of the research methods and techniques used in this study, turn to *Methodology* on page 30. In brief, the survey was administered to a random sample of 787 voters in the City of Atascadero who are likely to participate in the November 2020 election. The survey followed a mixed-method design that employed multiple recruiting methods (telephone and email) and multiple data collection methods (telephone and online). Administered between January 18 and January 23, 2020, the average interview lasted 16 minutes.

**ORGANIZATION OF REPORT** This report is designed to meet the needs of readers who prefer a summary of the findings as well as those who are interested in the details of the results. For those who seek an overview of the findings, the sections titled *Just the Facts* and *Conclusions* are for you. They provide a summary of the most important factual findings of the survey in bullet-point format and a discussion of their implications. For the interested reader, this section is followed by a more detailed question-by-question discussion of the results from the survey by topic area (see *Table of Contents*), as well as a description of the methodology employed for collecting and analyzing the data. And, for the truly ambitious reader, the questionnaire used for the interviews is contained at the back of this report (see *Questionnaire & Toplines* on page 33) and a complete set of crosstabulations for the survey results is contained in Appendix A.

**ACKNOWLEDGMENTS** True North thanks the City of Atascadero for the opportunity to assist the City in this important effort. The collective expertise, local knowledge, and insight provided by city staff and representatives improved the overall quality of the research presented here.

**DISCLAIMER** The statements and conclusions in this report are those of the authors (Dr. Timothy McLarney and Richard Sarles) at True North Research, Inc. and not necessarily those of the City of Atascadero. Any errors and omissions are the responsibility of the authors.

**ABOUT TRUE NORTH** True North is a full-service survey research firm that is dedicated to providing public agencies with a clear understanding of the values, perceptions, priorities, and concerns of their residents and voters. Through designing and implementing scientific surveys, focus groups, and one-on-one interviews as well as expert interpretation of the findings, True North helps its clients to move with confidence when making strategic decisions in a variety of areas—such as planning, policy evaluation, performance management, establishing fiscal priorities, passing revenue measures, and developing effective public information campaigns.

During their careers, Dr. McLarney and Mr. Sarles have designed and conducted over 1,000 survey research studies for public agencies, including more than 350 revenue measure feasibility studies. Of the measures that have gone to ballot based on Dr. McLarney’s recommendation, 97% have been successful. In total, the research that Dr. McLarney has conducted has led to over \$32 billion in successful local revenue measures.



## JUST THE FACTS

The following section is an outline of the main factual findings from the survey. For the reader's convenience, we have organized the findings according to the section titles used in the body of this report. Thus, if you would like to learn more about a particular finding, simply turn to the appropriate report section.

### QUALITY OF LIFE & CITY SERVICES

- Eight-in-ten voters shared favorable opinions of the quality of life in Atascadero, with 17% reporting it is excellent and 64% stating it is good. Approximately 16% of voters surveyed said the quality of life in the City is fair, whereas about 2% used poor or very poor to describe the quality of life in Atascadero.
- When asked what changes the City could make to improve the quality of life in Atascadero, 12% of respondents could not think of a desired change (9%) or reported that no changes are needed (2%). Among specific changes desired, addressing the homeless issue was the most common (21%), followed closely by improving and maintaining infrastructure, streets, and roads (19%) and improving shopping and dining opportunities (17%).
- More than three-quarters (76%) of Atascadero voters surveyed indicated that they were satisfied with the City's efforts to provide municipal services, with 19% saying they were very satisfied and 57% somewhat satisfied. Approximately 18% reported that they were dissatisfied with the City's overall performance, and 6% were unsure or unwilling to state their opinion.

### INITIAL BALLOT TEST

- With only the information provided in the ballot language, 67% of likely November 2020 voters surveyed indicated that they would support the proposed one-cent sales tax, whereas 27% stated that they would oppose the measure and 7% were unsure or unwilling to share their vote choice.
- Among voters who initially opposed the sales tax or were unsure, a belief that taxes are already too high, a perception that city funds have been/will be mismanaged or misspent, and a desire for additional information about the measure were the most common reasons mentioned for their position.

### SERVICES

When presented with a list of 10 services that could be funded by the sales tax measure, voters were most interested in using the money to:

- Provide fire protection and paramedic services
- Provide quick responses to 911 emergencies
- Repair and maintain public facilities and infrastructure

## POSITIVE ARGUMENTS

When presented with arguments in favor of the measure, voters found the following arguments to be the most persuasive:

- *Fast emergency response times for 911 calls are critical for saving lives. This measure will ensure that we have enough police officers, firefighters, dispatchers, and paramedics to respond quickly to 911 emergencies.*
- *We have fewer police officers today than we did 10 years ago, meanwhile our population and the number of 911 emergency calls continues to grow. We need more police officers to keep our community safe.*
- *The City of Atascadero has just three police officers on duty at a time, which is less than half the number of police officers that experts agree is needed to keep a community of our size safe. This measure will improve our public safety.*

## INTERIM BALLOT TEST

- After learning more about the services that could be funded, as well as hearing arguments in favor of the measure, overall support for the proposed sales tax among likely November 2020 voters increased slightly to 68%, with 36% of voters indicating that they would *definitely* vote yes on the measure. Approximately 24% of respondents opposed the measure at this point in the survey, and an additional 8% were unsure or unwilling to state their vote choice.

## NEGATIVE ARGUMENTS

Of the arguments in opposition to the measure, voters found the following arguments to be the most persuasive:

- *There are no guarantees on how funds will be spent, which means the City can divert the money to pet projects.*
- *Taxes are already too high, we can't afford another tax increase. This is especially true for seniors and others on fixed incomes.*
- *This tax will last forever. There is not expiration date.*

## FINAL BALLOT TEST

- After providing respondents with the wording of the proposed measure, a list of services that could be funded by the measure, as well as arguments in favor of and against the proposal, support for the one-cent sales tax measure was found among 65% of likely November 2020 voters, with 33% indicating that they would *definitely* support the measure. Approximately 26% of respondents were opposed to the measure at the Final Ballot Test, and 9% were unsure or unwilling to state their vote choice.

## SUPPORT AT LOWER RATE

- Voters who did not support the proposed measure at the Final Ballot Test were asked if they would support the measure at a lower tax rate of one-half cent. An additional 6% of voters indicated they would support the measure under this condition.

## RELEVANT ATTITUDES

- After being informed that the City currently spends approximately \$500,000 each year to operate and maintain the zoo, two-thirds of voters (68%) favored keeping the zoo open despite the cost, whereas 21% preferred to close the zoo to save money, and 11% preferred to not answer the question.
- When asked to rate the job the City of Atascadero had done in managing its financial resources, approximately one-quarter of respondents confided that they were unsure (24%) or preferred to not answer the question (2%). The remaining respondents were divided between those who provided an excellent (4%) or good rating (31%), those who offered fair (25%), and those who felt the City's performance in this respect has been poor (9%) or very poor (4%).

## CONCLUSIONS

The bulk of this report is devoted to conveying the details of the study findings. In this section, however, we attempt to ‘see the forest through the trees’ and note how the collective results of the survey answer the key questions that motivated the research. The following conclusions are based on True North’s interpretations of the survey results and the firm’s experience conducting revenue measure studies for public agencies throughout the State.

*Is it feasible to place a local sales tax measure on the ballot in 2020?*

Yes. Atascadero voters have a high opinion of the quality of life in the community, with eight-in-ten voters rating the quality of life in the City as excellent or good. Voters also value the services they receive from the City and see opportunities to strengthen public safety and public works. Together, these sentiments translate into strong *natural* support (67%) for establishing a one cent sales tax to provide funding for general city services such as police and crime prevention, fire protection, paramedics, and 911 emergency response, maintenance of parks, public facilities and infrastructure, and recreation, community services, and other city services.

The results of this study indicate that, if structured appropriately and combined with an effective public outreach/education effort and a solid independent campaign, the proposed sales tax measure has a very good chance of passage if placed on the November 2020 ballot.

Having stated that a general sales tax measure is feasible, it is important to note that the measure’s prospects will be shaped by external factors and that a recommendation to place the measure on the November 2020 ballot comes with several qualifications and conditions. Indeed, although the results are promising, all revenue measures must overcome challenges prior to being successful. The proposed measure is no exception. The following paragraphs discuss some of the challenges and the next steps that True North recommends.

*Which services do Atascadero voters view as priorities?*

A general tax is “any tax imposed for general governmental purposes”<sup>2</sup> and is distinguished from a special tax in that the funds raised by a general tax are not earmarked for a specific purpose(s). Thus, a general tax provides a municipality with a great deal of flexibility with respect to what is funded by the measure on a year-to-year basis.

Although the Atascadero City Council would have the discretion to decide how to spend the revenues, the survey results indicate that voters are most interested in using the proceeds to fund public safety and public works. Specifically, voters most strongly favored using measure proceeds to provide fire protection and paramedic services, provide quick responses to 911 emergencies, repair and maintain public facilities and

2. Section 1, Article XIII C, California Constitution.

infrastructure, maintain parks and recreation facilities including courts, fields and playgrounds, and keep public areas clean and free of graffiti.

*How might a public information campaign affect support for the proposed measure?*

As noted in the body of this report, individuals' opinions about revenue measures are often not rigid, especially when the amount of information presented to the public on a measure has been limited. Thus, in addition to measuring current support for the measure, one of the goals of this study was to explore how the introduction of additional information about the measure may affect voters' opinions about the proposal.

It is clear from the survey results that voters' opinions about the proposed revenue measure are somewhat sensitive to the nature, and amount, of information they have about the measure. Information about the specific services and infrastructure improvements that could be funded by the measure, as well as arguments in favor of the measure, were found by many voters to be compelling reasons to support the proposed sales tax. However, voters also exhibited some sensitivity to opposition arguments designed to reduce support for the measure. Accordingly, one of the keys to building and *sustaining* support for the proposed measure will be the presence of an effective, well-organized public outreach effort and a separate, independent campaign that focuses on the need for the measure as well as the many benefits that it will bring.

*How might the economic or political climate alter support for the measure?*

A survey is a snapshot in time—which means the results of this study and the conclusions noted above must be viewed in light of the current economic and political climates. Should the economy and/or political climate improve, support for the measure could increase. Conversely, negative economic and/or political developments, especially at the local level, could dampen support for the measure below what was recorded in this study.

## QUALITY OF LIFE & CITY SERVICES

The opening section of the survey was designed to gauge voters' opinions regarding the City of Atascadero's performance in providing municipal services, as well as their perceptions of the quality of life in the City.

**QUALITY OF LIFE** At the outset of the interview, voters were asked to rate the quality of life in the City of Atascadero using a five-point scale of excellent, good, fair, poor, or very poor. As shown in Figure 1 below, eight-in-ten voters shared favorable opinions of the quality of life in Atascadero, with 17% reporting it is excellent and 64% stating it is good. Approximately 16% of voters surveyed said the quality of life in the City is fair, whereas about 2% used poor or very poor to describe the quality of life in Atascadero.

**Question 2** *How would you rate the overall quality of life in Atascadero? Would you say it is excellent, good, fair, poor or very poor?*

FIGURE 1 QUALITY OF LIFE

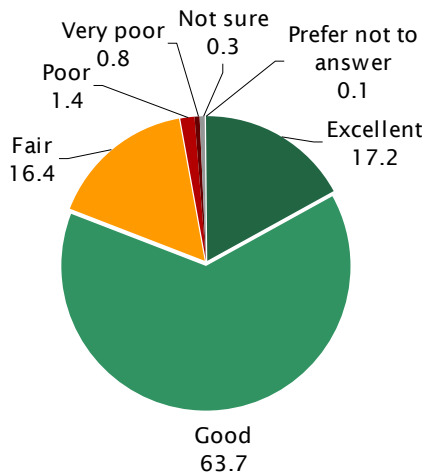
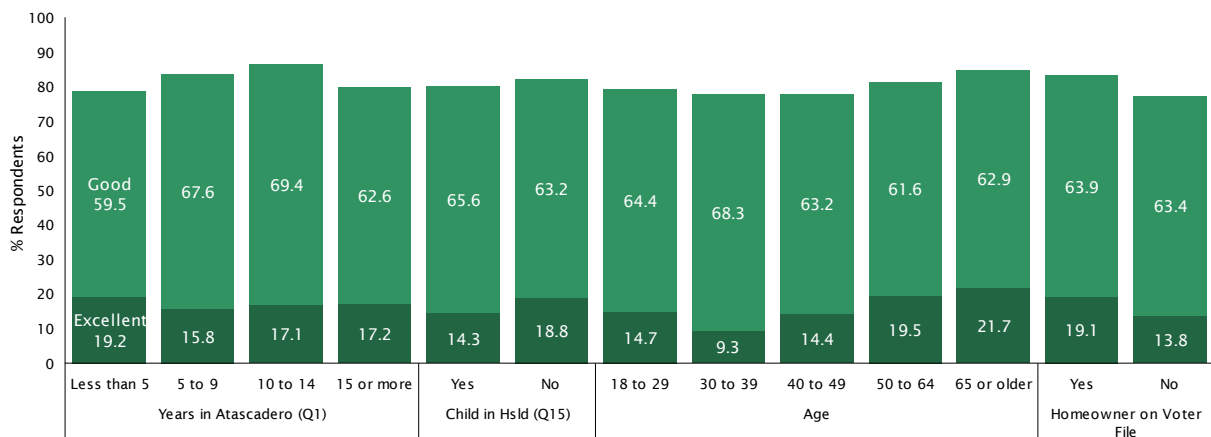


Figure 2 shows how ratings of the quality of life in Atascadero varied according to length of residence, presence of a child in the home, age, and home ownership status. Although some subgroups (e.g., those over the aged 65 or older and homeowners) were more likely than their counterparts to rate the quality of life in the City as excellent, the most striking pattern in the figure is the *consistency* of opinion. Approximately eight-in-ten respondents in every subgroup rated the quality of life in Atascadero as excellent or good.

FIGURE 2 QUALITY OF LIFE BY YEARS IN ATASCADERO, CHILD IN HSLD, AGE & HOMEOWNER ON VOTER FILE



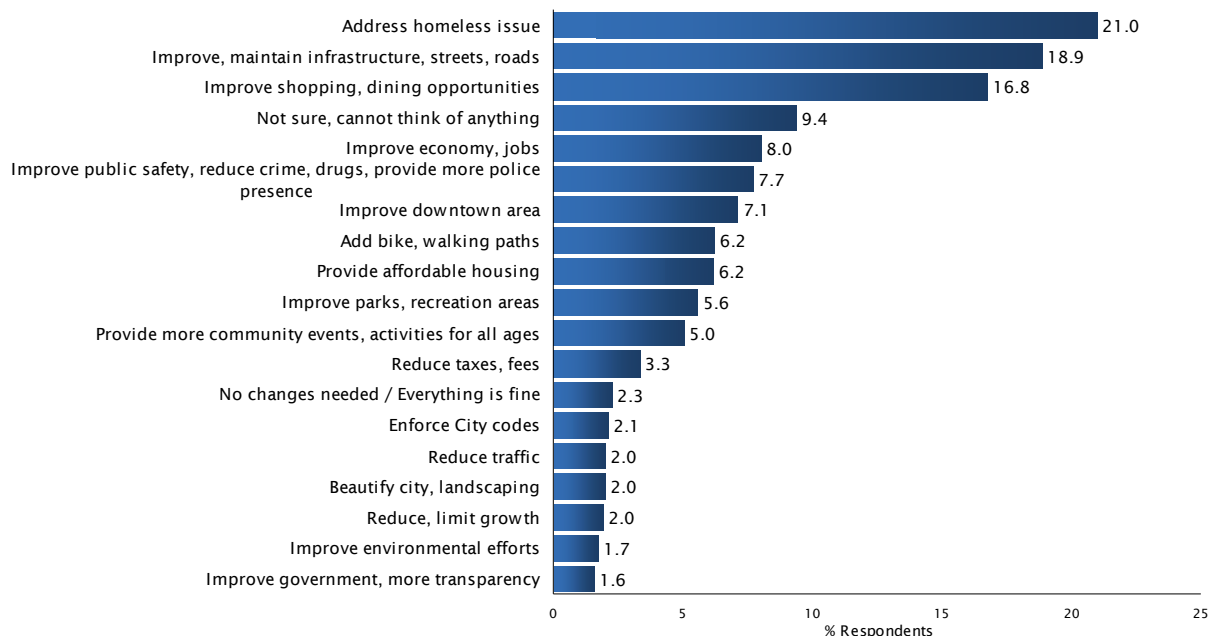
**CHANGES TO IMPROVE ATASCADERO** The next question in this series asked voters to indicate the one thing that city government could *change* to make Atascadero a better place to live, now and in the future. Question 3 was posed in an open-ended manner, allowing residents to mention any aspect or attribute that came to mind without being prompted by or restricted to a particular list of options. True North later reviewed the verbatim responses and grouped them into the categories shown in Figure 3 below.

Overall, 12% of respondents could not think of any desired changes (9%) or reported that no changes are needed (2%) to make Atascadero a better place to live. Among specific changes desired, addressing the homeless issue was the most common (21%), followed closely by improving and maintaining infrastructure, streets, and roads (19%) and improving shopping and dining opportunities (17%).

Other changes mentioned by at least 5% of respondents included improving the local economy and jobs (8%), improving public safety (8%), improving the downtown area (7%), adding bike and walking paths (6%), providing affordable housing (6%), improving parks and recreation areas (6%), and providing more community events and activities for residents of all ages (5%).

**Question 3** *If the city government could change one thing to make Atascadero a better place to live now and in the future, what change would you like to see?*

**FIGURE 3 CHANGES TO IMPROVE CITY**

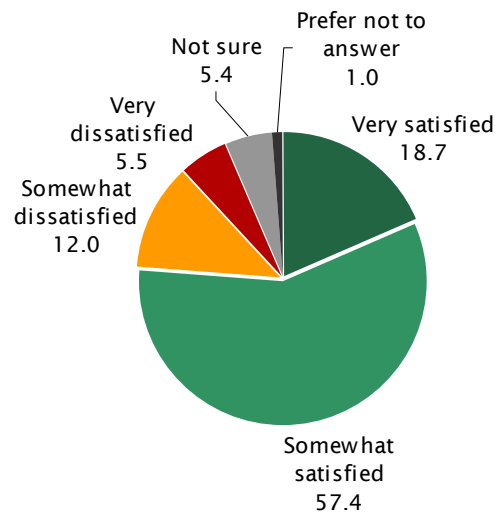


**OVERALL PERFORMANCE RATING** The final question in this series asked respondents to indicate if, overall, they were satisfied or dissatisfied with the job the City of Atascadero is doing to provide city services. Because this question does not reference a specific program, facility, or service and requested that the respondent consider the City's performance in general, the findings of this question may be regarded as an *overall performance rating* for the City.

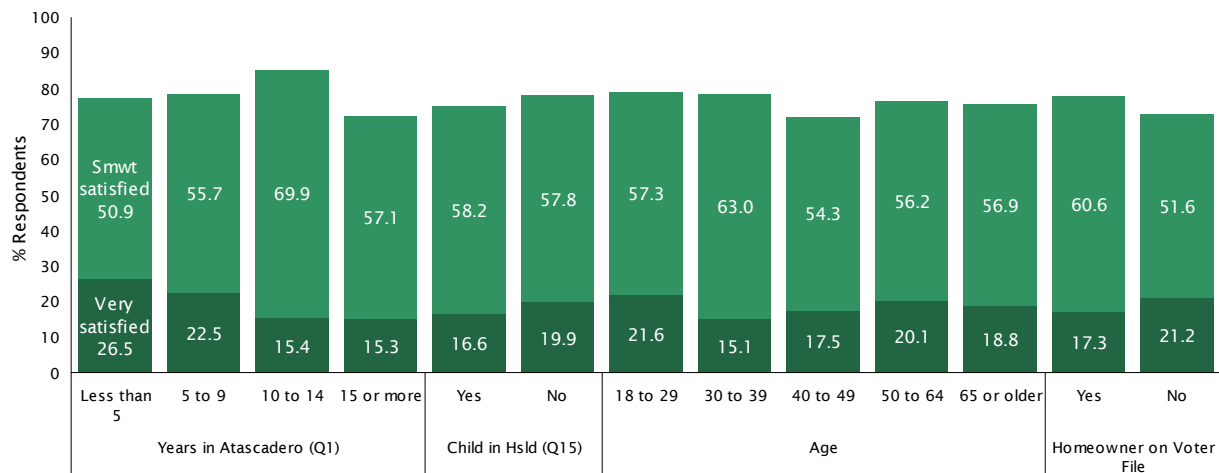
As shown in Figure 4 below, 76% of Atascadero voters surveyed indicated that they were satisfied with the City's efforts to provide municipal services, with 19% saying they were very satisfied and 57% somewhat satisfied. Approximately 18% reported that they were dissatisfied with the City's overall performance, and 6% were unsure or unwilling to state their opinion. For the interested reader, Figure 5 displays how the percentage of respondents satisfied with the City's overall performance varied across several demographic subgroups.

**Question 4** *Generally speaking, are you satisfied or dissatisfied with the job the City of Atascadero is doing to provide city services?*

**FIGURE 4 OVERALL SATISFACTION**



**FIGURE 5 OVERALL SATISFACTION BY YEARS IN ATASCADERO, CHILD IN HSLD, AGE & HOMEOWNER ON VOTER FILE**





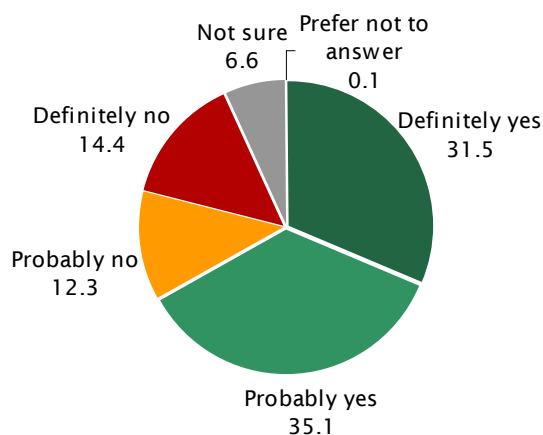
## INITIAL BALLOT TEST

The primary research objective of this survey was to estimate voters' support for establishing a one-cent sales tax to provide funding for general city services in the City of Atascadero, such as police and crime prevention, fire protection, paramedics, and 911 emergency response, maintenance of parks, public facilities and infrastructure, and recreation, community services, and other city services. To this end, Question 5 was designed to take an early assessment of voters' support for the proposed measure.

The motivation for placing Question 5 near the front of the survey is twofold. First, voter support for a measure can often depend on the amount of information they have about a measure. At this point in the survey, the respondent has not been provided information about the proposed measure beyond what is presented in the ballot language. This situation is analogous to a voter casting a ballot with limited knowledge about the measure, such as what might occur in the absence of an effective campaign. Question 5, also known as the Initial Ballot Test, is thus a good measure of voter support for the proposed measure *as it is today*, on the natural. Because the Initial Ballot Test provides a gauge of natural support for the measure, it also serves a second purpose in that it provides a useful baseline from which to judge the impact of various information items conveyed later in the survey on voter support for the measure.

**Question 5** *Later this year, voters in Atascadero may be asked to vote on a local ballot measure. Let me read you a summary of the measure. To provide funding for general city services in the City of Atascadero, such as police and crime prevention; fire protection, paramedics, and 911 emergency response; maintenance of parks, public facilities and infrastructure; and recreation, community services, and other city services; shall an ordinance establishing a one-cent sales tax be adopted, providing approximately 5 million dollars annually for city services until ended by voters, with annual independent audits and all money locally controlled? If the election were held today, would you vote yes or no on this measure?*

FIGURE 6 INITIAL BALLOT TEST



As shown in Figure 6, 67% of likely November 2020 voters surveyed indicated that they would definitely or probably support the proposed one-cent sales tax, whereas 27% stated that they would oppose the measure and 7% were unsure or unwilling to share their vote choice. For general taxes in California, the level of support recorded at the Initial Ballot Test is approximately 17 percentage points above the simple majority (50%+1) required for passage.

**SUPPORT BY SUBGROUPS** For the interested reader, Table 1 shows how support for the measure at the Initial Ballot Test varied by key demographic traits. The blue column (Approximate % of Universe) indicates the percentage of the electorate that each subgroup category comprises. The most striking pattern is that support for the proposed measure exceeded the 50% threshold in every identified subgroup with the exception of those dissatisfied with the City's overall performance (43%). That said, initial support for the sales tax measure did vary somewhat across voter subgroups, with the largest differences found among partisan subgroups (household and individual), length of residence categories, age, and voter registration year.

**TABLE 1 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT INITIAL BALLOT TEST**

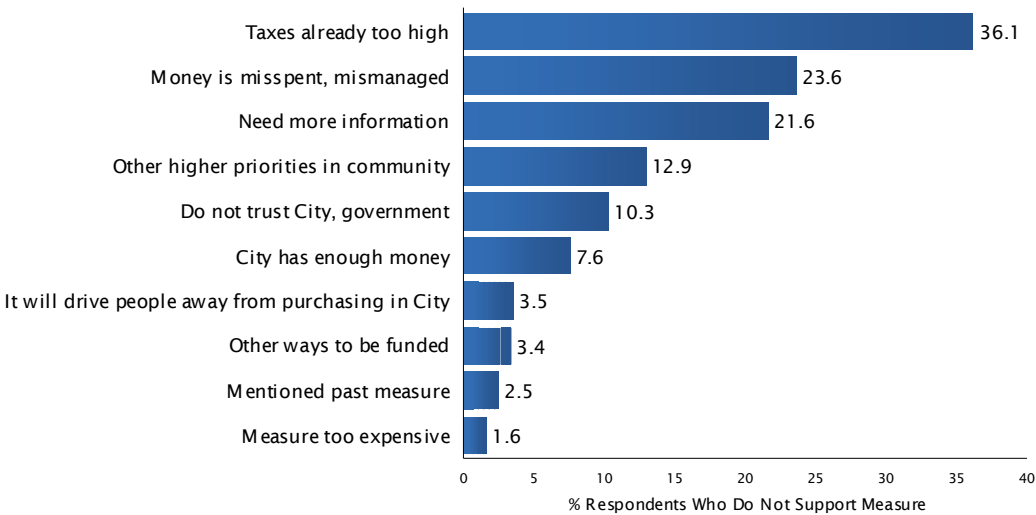
		Approximate % of Voter Universe	% Probably or Definitely Yes	% Not sure
Overall		100.0	66.6	6.6
Years in Atascadero (Q1)	Less than 5	19.5	76.5	5.8
	5 to 9	17.6	72.1	4.5
	10 to 14	13.0	67.8	7.0
	15 or more	49.8	60.3	7.7
Overall Satisfaction (Q4)	Satisfied	81.3	71.7	6.5
	Dissatisfied	18.7	42.6	5.6
Child in Hsld (Q15)	Yes	29.9	71.1	6.0
	No	70.1	65.0	6.9
Party	Democrat	32.9	77.2	5.9
	Republican	39.7	56.4	6.6
	Other / DTS	27.4	68.6	7.5
Household Party Type	Single dem	15.7	74.1	6.5
	Dual dem	9.7	80.0	4.5
	Single rep	13.2	54.3	6.9
	Dual rep	16.4	50.5	7.6
	Other	19.0	69.0	6.8
	Mixed	25.9	71.7	6.6
Age	18 to 29	11.8	77.7	4.8
	30 to 39	16.5	76.8	5.1
	40 to 49	14.3	65.5	6.0
	50 to 64	25.9	62.1	9.3
	65 or older	31.5	61.3	6.1
Registration Year	Since Nov 16	12.8	81.6	2.7
	Jun 10 to <Nov 16	16.9	76.7	5.5
	Jun 04 to <Jun 10	17.8	65.6	7.5
	Before June 04	52.5	60.0	7.6
Homeowner on Voter File	Yes	64.2	63.8	7.9
	No	35.8	71.6	4.2
Likely to Vote by Mail	Yes	81.0	66.3	6.3
	No	19.0	67.6	8.1
Likely Mar 2020 Voter	Yes	82.8	64.6	7.1
	No	17.2	76.0	4.3
Likely Nov 2020 Voter	Yes, natural	95.0	66.2	6.8
	Yes, GOTV	5.0	74.1	3.6
Gender	Male	47.6	62.5	4.6
	Female	52.4	73.4	7.8

**REASONS FOR OPPOSING MEASURE** Respondents who opposed the measure (or were unsure) at the Question 5 Initial Ballot Test were asked if there was a particular reason for their position. Question 6 was asked in an open-ended manner, allowing respondents to mention any reason that came to mind without being prompted by, or restricted to, a particular list of options.

Among specific reasons offered for not supporting the measure, a belief that taxes are already too high was the most common, mentioned by 36% of voters who received the question, followed by the perception that city funds have been/will be mismanaged or misspent (24%) and a desire for additional information about the measure (22%).

**Question 6** *Is there a particular reason why you do not support or are unsure about the measure I just described?*

**FIGURE 7 REASONS FOR NOT SUPPORTING MEASURE**



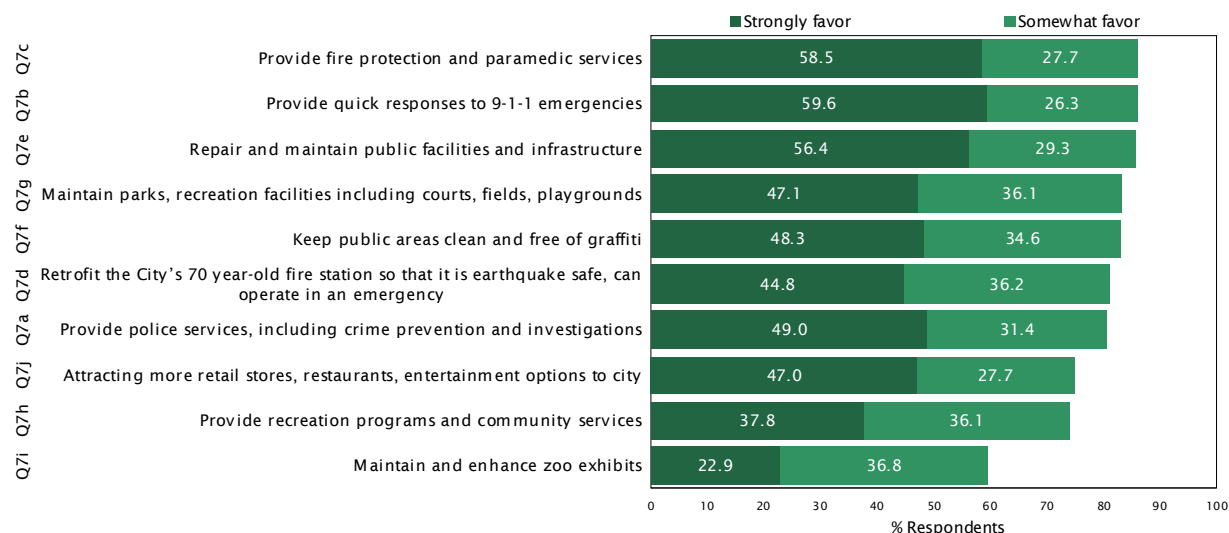
## SERVICES

The ballot language presented in Question 5 indicated that the proposed measure would provide funding for general city services in the City of Atascadero, such as police and crime prevention, fire protection, paramedics, and 911 emergency response, maintenance of parks, public facilities and infrastructure, and recreation, community services, and other city services. The purpose of Question 7 was to provide respondents with a full range of services that may be funded by the proposed measure, as well as identify which of these services voters most favored funding with the proceeds of the measure.

After reading each service, respondents were asked if they would favor or oppose spending some of the money on that particular item assuming that the measure passed. Descriptions of the services tested, as well as voters' responses, are shown in Figure 8 below. The order in which the services were presented to respondents was randomized to avoid a systematic position bias.

**Question 7** *The measure we've been discussing will provide funding for a variety of services in your community. If the measure passes, would you favor or oppose using some of the money to: -----, or do you not have an opinion?*

FIGURE 8 SERVICES



Overall, the services that resonated with the largest percentage of respondents were providing fire protection and paramedic services (86% strongly or somewhat favor), providing quick responses to 911 emergencies (86%), and repairing and maintaining public facilities and infrastructure (86%).

**SERVICE RATINGS BY INITIAL SUPPORT** Table 2 presents the top five services (showing the percentage of respondents who *strongly* favor each) by position at the Initial Ballot Test. Not surprisingly, individuals who initially opposed the measure were generally less likely to favor spending money on a given service when compared with supporters. Nevertheless, initial supporters, opponents, and the undecided did agree on three of the top five priorities for funding.

**TABLE 2 TOP SERVICES BY POSITION AT INITIAL BALLOT TEST**

Position at Initial Ballot Test (Q5)	Item	Project or Improvement Summary	% Strongly Favor
Probably or Definitely Yes (n = 524)	Q7c	Provide fire protection and paramedic services	69
	Q7b	Provide quick responses to 9-1-1 emergencies	69
	Q7e	Repair and maintain public facilities and infrastructure	66
	Q7f	Keep public areas clean and free of graffiti	58
	Q7g	Maintain parks, recreation facilities including courts, fields, playgrounds	58
Probably or Definitely No (n = 210)	Q7j	Attracting more retail stores, restaurants, entertainment options to city	37
	Q7b	Provide quick responses to 9-1-1 emergencies	36
	Q7e	Repair and maintain public facilities and infrastructure	32
	Q7c	Provide fire protection and paramedic services	31
	Q7a	Provide police services, including crime prevention and investigations	29
Not Sure (n = 52)	Q7c	Provide fire protection and paramedic services	59
	Q7b	Provide quick responses to 9-1-1 emergencies	58
	Q7e	Repair and maintain public facilities and infrastructure	54
	Q7f	Keep public areas clean and free of graffiti	50
	Q7a	Provide police services, including crime prevention and investigations	50

## POSITIVE ARGUMENTS

If the City chooses to place a measure on an upcoming ballot, voters will be exposed to various arguments about the measure in the ensuing months. Proponents of the measure will present arguments to try to persuade voters to support a measure, just as opponents may present arguments to achieve the opposite goal. For this study to be a reliable gauge of voter support for the proposed sales tax measure, it is important that the survey simulate the type of discussion and debate that will occur prior to the vote taking place and identify how this information ultimately shapes voters' opinions about the measure.

The objective of Question 8 was thus to present respondents with arguments in favor of the proposed measure and identify whether they felt the arguments were convincing reasons to support it. Arguments in opposition to the measure were also presented and are discussed later in this report (see *Negative Arguments* on page 20). Within each series, specific arguments were administered in random order to avoid a systematic position bias.

**Question 8** *What I'd like to do now is tell you what some people are saying about the measure we've been discussing. Supporters of the measure say: \_\_\_\_\_. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to SUPPORT the measure?*

**FIGURE 9 POSITIVE ARGUMENTS**

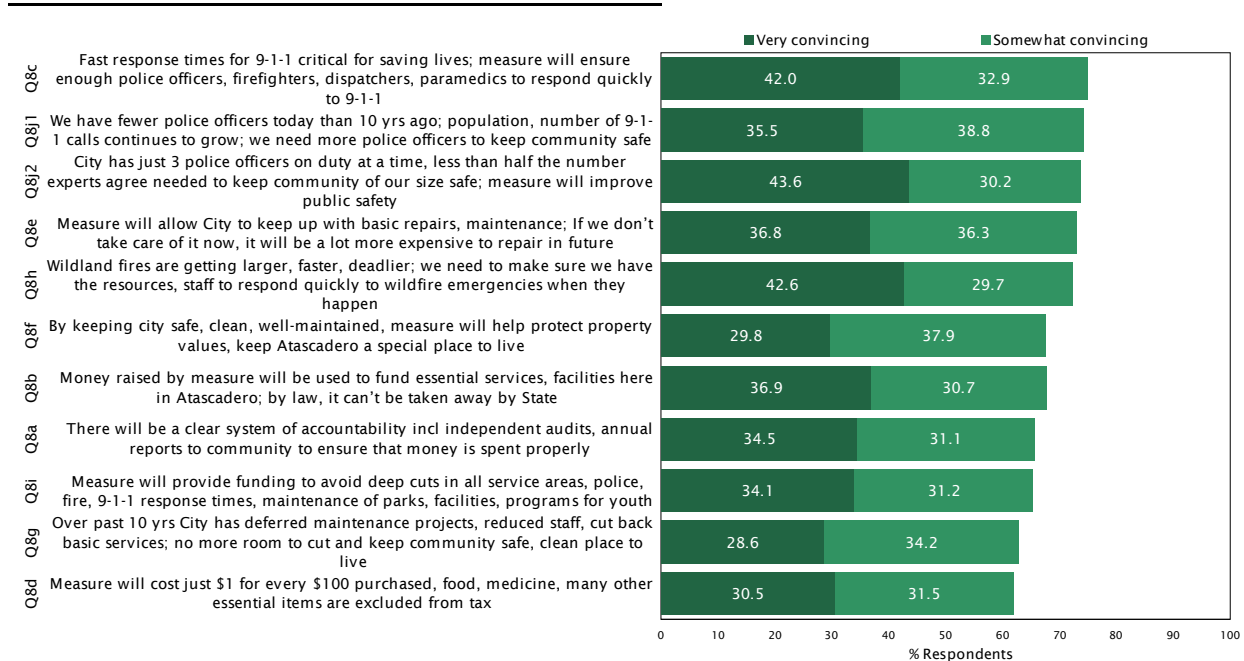


Figure 9 presents the truncated positive arguments tested, as well as voters' reactions to the arguments. The arguments are ranked from most convincing to least convincing based on the percentage of respondents who indicated that the argument was either a 'very convincing' or 'somewhat convincing' reason to support the sales tax measure. Using this methodology, the most compelling positive arguments were: *Fast emergency response times for 911 calls are critical for saving lives. This measure will ensure that we have enough police officers, firefighters, dispatchers, and paramedics to respond quickly to 911 emergencies* (75% very or somewhat convincing), *We have fewer police officers today than we did 10 years ago - meanwhile our popula-*

tion and the number of 911 emergency calls continues to grow. We need more police officers to keep our community safe (74%), The City of Atascadero has just three police officers on duty at a time, which is less than half the number of police officers that experts agree is needed to keep a community of our size safe. This measure will improve our public safety (74%), The funding raised by this measure will allow the City to keep up with basic repairs and maintenance to public facilities and infrastructure. If we don't take care of it now, it will be a lot more expensive to repair in the future (73%), and Wildland fires are getting larger, faster, and deadlier. We need to make sure we have the resources and staff to respond quickly to wildfire emergencies when they happen (72%).

**POSITIVE ARGUMENTS BY INITIAL SUPPORT** Table 3 lists the top five most convincing positive arguments (showing the percentage of respondents who cited it as very convincing) according to respondents' vote choice at the Initial Ballot Test. The positive arguments resonated with a higher percentage of voters initially inclined to support the measure compared with those who initially opposed the measure or were unsure. Nevertheless, three arguments were ranked among the top five most compelling by all three groups.

**TABLE 3 TOP POSITIVE ARGUMENTS BY POSITION AT INITIAL BALLOT TEST**

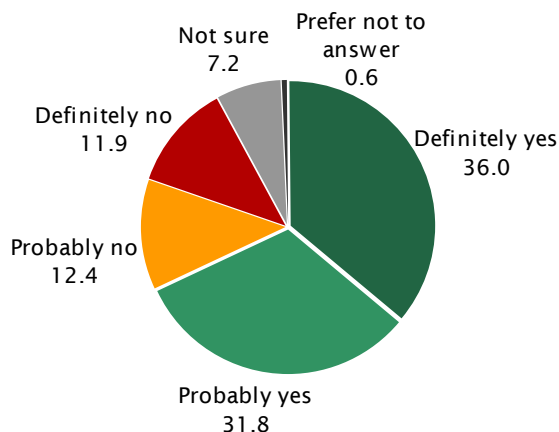
Position at Initial Ballot Test (Q5)	Item	Positive Argument Summary	% Very Convincing
Probably or Definitely Yes (n = 524)	Q8j2	City has just 3 police officers on duty at a time, less than half the number experts agree needed to keep community of our size safe; measure will improve public safety	57
	Q8h	Wildland fires are getting larger, faster, deadlier; we need to make sure we have the resources, staff to respond quickly to wildfire emergencies when they happen	54
	Q8c	Fast response times for 9-1-1 critical for saving lives; measure will ensure enough police officers, firefighters, dispatchers, paramedics to respond quickly to 9-1-1	53
	Q8e	Measure will allow City to keep up with basic repairs, maintenance; If we don't take care of it now, it will be a lot more expensive to repair in future	48
	Q8b	Money raised by measure will be used to fund essential services, facilities here in Atascadero; by law, it can't be taken away by State	48
Probably or Definitely No (n = 210)	Q8h	Wildland fires are getting larger, faster, deadlier; we need to make sure we have the resources, staff to respond quickly to wildfire emergencies when they happen	15
	Q8c	Fast response times for 9-1-1 critical for saving lives; measure will ensure enough police officers, firefighters, dispatchers, paramedics to respond quickly to 9-1-1	15
	Q8j1	We have fewer police officers today than 10 yrs ago; population, number of 9-1-1 calls continues to grow; we need more police officers to keep community safe	14
	Q8a	There will be a clear system of accountability incl independent audits, annual reports to community to ensure that money is spent properly	14
	Q8j2	City has just 3 police officers on duty at a time, less than half the number experts agree needed to keep community of our size safe; measure will improve public safety	12
Not Sure (n = 52)	Q8h	Wildland fires are getting larger, faster, deadlier; we need to make sure we have the resources, staff to respond quickly to wildfire emergencies when they happen	38
	Q8a	There will be a clear system of accountability incl independent audits, annual reports to community to ensure that money is spent properly	38
	Q8j2	City has just 3 police officers on duty at a time, less than half the number experts agree needed to keep community of our size safe; measure will improve public safety	37
	Q8c	Fast response times for 9-1-1 critical for saving lives; measure will ensure enough police officers, firefighters, dispatchers, paramedics to respond quickly to 9-1-1	37
	Q8j1	We have fewer police officers today than 10 yrs ago; population, number of 9-1-1 calls continues to grow; we need more police officers to keep community safe	32

## INTERIM BALLOT TEST

After exposing respondents to services that could be funded by the measure as well as the types of positive arguments voters may encounter during an election cycle, the survey again presented respondents with the ballot language used previously to gauge how support for the proposed sales tax measure may have changed. As shown in Figure 10, overall support among likely November 2020 voters increased slightly to 68%, with 36% of voters indicating that they would *definitely* vote yes on the measure. Approximately 24% of respondents opposed the measure at this point in the survey, and an additional 8% were unsure or unwilling to state their vote choice.

**Question 9** *Sometimes people change their mind about a measure once they have more information about it. Now that you have heard a bit more about the measure, let me read you a summary of it again. To provide funding for general city services in the City of Atascadero, such as police and crime prevention; fire protection, paramedics, and 911 emergency response; maintenance of parks, public facilities and infrastructure; and recreation, community services, and other city services; shall an ordinance establishing a one-cent sales tax be adopted, providing approximately 5 million dollars annually for city services until ended by voters, with annual independent audits and all money locally controlled? If the election were held today, would you vote yes or no on this measure?*

FIGURE 10 INTERIM BALLOT TEST



**SUPPORT BY SUBGROUPS** Table 4 on the next page shows how support for the measure at this point in the survey varied by key voter subgroups, as well as the change in subgroup support when compared with the Initial Ballot Test. Positive differences appear in green and negative differences appear in red. As shown in the table, support for the sales tax measure increased or decreased by modest amounts (less than 5 percentage points) between the Initial and Interim Ballot Test for nearly all voter subgroups.



TABLE 4 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT INTERIM BALLOT TEST

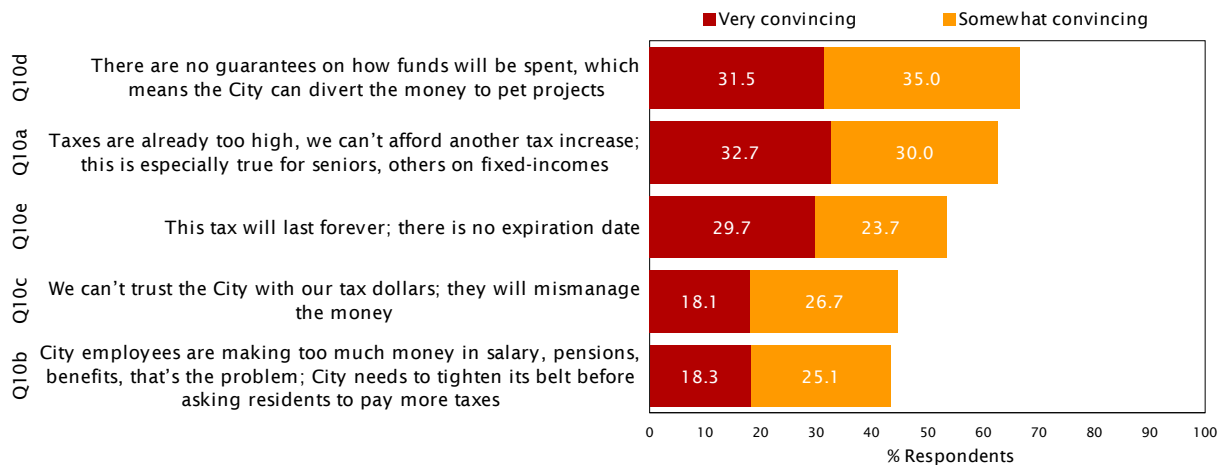
		Approximate % of Voter Universe	% Probably or Definitely Yes	Change From Initial Ballot Test (Q5)
Overall		100.0	67.8	+1.3
Years in Atascadero (Q1)	Less than 5	19.5	81.0	+4.4
	5 to 9	17.6	69.9	-2.3
	10 to 14	13.0	65.0	-2.9
	15 or more	49.8	62.6	+2.3
Overall Satisfaction (Q4)	Satisfied	81.3	73.4	+1.7
	Dissatisfied	18.7	42.3	-0.4
Child in Hsld (Q15)	Yes	29.9	69.6	-1.5
	No	70.1	67.7	+2.7
Party	Democrat	32.9	80.6	+3.4
	Republican	39.7	55.3	-1.1
	Other / DTS	27.4	70.7	+2.1
Household Party Type	Single dem	15.7	77.2	+3.1
	Dual dem	9.7	83.5	+3.5
	Single rep	13.2	53.3	-1.0
	Dual rep	16.4	50.3	-0.2
	Other	19.0	71.2	+2.2
	Mixed	25.9	72.3	+0.7
Age	18 to 29	11.8	79.1	+1.5
	30 to 39	16.5	77.9	+1.1
	40 to 49	14.3	66.0	+0.5
	50 to 64	25.9	64.7	+2.5
	65 or older	31.5	61.8	+0.6
Registration Year	Since Nov 16	12.8	87.0	+5.4
	Jun 10 to <Nov 16	16.9	75.7	-1.0
	Jun 04 to <Jun 10	17.8	65.5	-0.2
	Before June 04	52.5	61.5	+1.5
Homeowner on Voter File	Yes	64.2	66.1	+2.3
	No	35.8	70.9	-0.7
Likely to Vote by Mail	Yes	81.0	68.0	+1.7
	No	19.0	66.9	-0.6
Likely Mar 2020 Voter	Yes	82.8	64.9	+0.2
	No	17.2	82.2	+6.2
Likely Nov 2020 Voter	Yes, natural	95.0	67.1	+0.9
	Yes, GOTV	5.0	81.4	+7.2
Gender	Male	47.6	62.3	-0.2
	Female	52.4	76.0	+2.6

## NEGATIVE ARGUMENTS

Whereas Question 8 of the survey presented respondents with arguments in favor of the sales tax measure, Question 10 presented respondents with arguments designed to elicit opposition to the measure. In the case of Question 10, however, respondents were asked whether they felt that the argument was a very convincing, somewhat convincing, or not at all convincing reason to *oppose* the measure. The arguments tested, as well as voters' opinions about the arguments, are presented below in Figure 11.

**Question 10** *Next, let me tell you what opponents of the measure are saying. Opponents of the measure say: \_\_\_\_\_. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to OPPOSE the measure?*

FIGURE 11 NEGATIVE ARGUMENTS



Most voters found the negative arguments tested to be less convincing than the positive arguments. The most compelling negative arguments were: *There are no guarantees on how funds will be spent, which means the City can divert the money to pet projects* (67% very or somewhat convincing) and *Taxes are already too high - we can't afford another tax increase. This is especially true for seniors and others on fixed incomes* (63%).

**NEGATIVE ARGUMENTS BY INITIAL SUPPORT** Table 5 on the next page ranks the negative arguments (showing the percentage of respondents who cited each as very convincing) according to respondents' vote choice at the Initial Ballot Test.

TABLE 5 NEGATIVE ARGUMENTS BY POSITION AT INITIAL BALLOT TEST

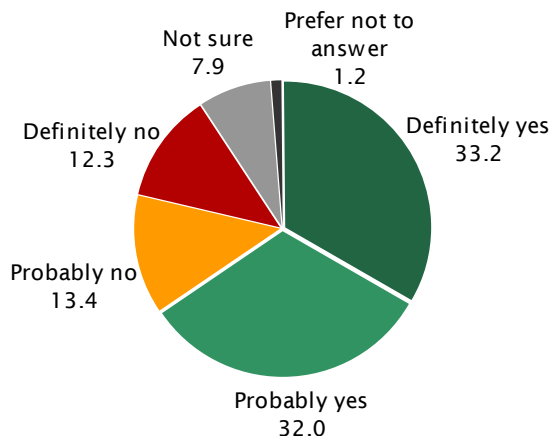
Position at Initial Ballot Test (Q5)	Item	Negative Argument Summary	% Very Convincing
Probably or Definitely Yes (n = 524)	Q10d	There are no guarantees on how funds will be spent, which means the City can divert the money to pet projects	21
	Q10a	Taxes are already too high, we can't afford another tax increase; this is especially true for seniors, others on fixed-incomes	18
	Q10e	This tax will last forever; there is no expiration date	16
	Q10b	City employees are making too much money in salary, pensions, benefits, that's the problem; City needs to tighten its belt before asking residents to pay more taxes	10
	Q10c	We can't trust the City with our tax dollars; they will mismanage the money	8
Probably or Definitely No (n = 210)	Q10a	Taxes are already too high, we can't afford another tax increase; this is especially true for seniors, others on fixed-incomes	68
	Q10e	This tax will last forever; there is no expiration date	60
	Q10d	There are no guarantees on how funds will be spent, which means the City can divert the money to pet projects	57
	Q10c	We can't trust the City with our tax dollars; they will mismanage the money	44
	Q10b	City employees are making too much money in salary, pensions, benefits, that's the problem; City needs to tighten its belt before asking residents to pay more taxes	39
Not Sure (n = 52)	Q10a	Taxes are already too high, we can't afford another tax increase; this is especially true for seniors, others on fixed-incomes	42
	Q10d	There are no guarantees on how funds will be spent, which means the City can divert the money to pet projects	35
	Q10e	This tax will last forever; there is no expiration date	29
	Q10c	We can't trust the City with our tax dollars; they will mismanage the money	16
	Q10b	City employees are making too much money in salary, pensions, benefits, that's the problem; City needs to tighten its belt before asking residents to pay more taxes	16

## FINAL BALLOT TEST

Voters' opinions about ballot measures are often not rigid, especially when the amount of information presented to the public on a measure has been limited. A goal of the survey was thus to gauge how voters' opinions about the proposed measure may be affected by the information they could encounter during the course of an election cycle. After providing respondents with the wording of the proposed measure, services that could be funded, and arguments in favor of and against the proposal, the survey again asked voters whether they would vote 'yes' or 'no' on the proposed sales tax measure.

**Question 11** *Now that you have heard a bit more about the measure, let me read you a summary of it one more time. To provide funding for general city services in the City of Atascadero, such as police and crime prevention; fire protection, paramedics, and 911 emergency response; maintenance of parks, public facilities and infrastructure; and recreation, community services, and other city services; shall an ordinance establishing a one-cent sales tax be adopted, providing approximately 5 million dollars annually for city services until ended by voters, with annual independent audits and all money locally controlled? If the election were held today, would you vote yes or no on this measure?*

FIGURE 12 FINAL BALLOT TEST



At this point in the survey, support for the one-cent sales tax measure was found among 65% of likely November 2020 voters, with 33% indicating that they would *definitely* support the measure. Approximately 26% of respondents were opposed to the measure at the Final Ballot Test, and 9% were unsure or unwilling to state their vote choice.

## CHANGE IN SUPPORT

Table 6 provides a closer look at how support for the proposed measure changed over the course of the interview by calculating the difference in support between the Initial, Interim, and Final Ballot tests within various subgroups of voters. The percentage of support for the measure at the Final Ballot Test is shown in the column with the heading *% Probably or Definitely Yes*. The columns to the right show the difference between the Final and the Initial, and the Final and Interim Ballot Tests. Positive differences appear in green, and negative differences appear in red.

**TABLE 6 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT FINAL BALLOT TEST**

		Approximate % of Voter Universe	% Probably or Definitely Yes	Change From Initial Ballot Test (Q5)	Change From Interim Ballot Test (Q9)
Overall		100.0	65.2	-1.4	-2.6
Years in Atascadero (Q1)	Less than 5	19.5	76.4	-0.2	-4.6
	5 to 9	17.6	69.1	-3.0	-0.8
	10 to 14	13.0	64.3	-3.5	-0.6
	15 or more	49.8	59.7	-0.5	-2.9
Overall Satisfaction (Q4)	Satisfied	81.3	71.0	-0.7	-2.4
	Dissatisfied	18.7	39.3	-3.4	-3.0
Child in Hsld (Q15)	Yes	29.9	66.1	-5.0	-3.6
	No	70.1	65.1	+0.1	-2.6
Party	Democrat	32.9	77.5	+0.3	-3.1
	Republican	39.7	53.7	-2.7	-1.6
	Other / DTS	27.4	67.1	-1.5	-3.6
Household Party Type	Single dem	15.7	74.3	+0.2	-2.9
	Dual dem	9.7	80.5	+0.4	-3.1
	Single rep	13.2	50.3	-4.0	-3.0
	Dual rep	16.4	48.4	-2.1	-1.9
	Other	19.0	69.0	+0.0	-2.2
	Mixed	25.9	69.4	-2.2	-2.9
Age	18 to 29	11.8	75.9	-1.8	-3.3
	30 to 39	16.5	75.1	-1.7	-2.8
	40 to 49	14.3	64.5	-1.0	-1.5
	50 to 64	25.9	62.9	+0.7	-1.8
	65 or older	31.5	58.3	-3.0	-3.5
Registration Year	Since Nov 16	12.8	82.0	+0.4	-5.0
	Jun 10 to <Nov 16	16.9	74.5	-2.2	-1.2
	Jun 04 to <Jun 10	17.8	64.5	-1.2	-1.0
	Before June 04	52.5	58.4	-1.6	-3.1
Homeowner on Voter File	Yes	64.2	63.2	-0.5	-2.9
	No	35.8	68.7	-2.9	-2.2
Likely to Vote by Mail	Yes	81.0	65.2	-1.2	-2.8
	No	19.0	65.3	-2.3	-1.7
Likely Mar 2020 Voter	Yes	82.8	62.2	-2.4	-2.6
	No	17.2	79.4	+3.4	-2.7
Likely Nov 2020 Voter	Yes, natural	95.0	64.6	-1.6	-2.6
	Yes, GOTV	5.0	77.5	+3.4	-3.9
Gender	Male	47.6	59.5	-3.0	-2.7
	Female	52.4	73.1	-0.3	-2.9

As expected, voters generally responded to the negative arguments with a reduction in their support for the sales tax measure when compared with levels recorded at the Interim Ballot Test. The trend over the course of the entire survey (Initial to Final Ballot Test) was also one of modestly declining support for many voter subgroups, averaging -1 percentage points overall. Nevertheless, support for the proposed measure at the Final Ballot Test remained 15 percentage points above the simple majority required for passage of a general tax.

Whereas Table 6 displays change in support for the measure over the course of the interview at the subgroup level, Table 7 displays the individual-level changes that occurred between the Initial and Final Ballot tests for the measure. On the left side of the table is shown each of the response options to the Initial Ballot Test and the percentage of respondents in each group. The cells in the body of the table depict movement within each response group (row) based on the information provided throughout the course of the survey as recorded by the Final Ballot Test. For example, in the first row we see that of the 31.5% of respondents who indicated that they would definitely support the measure at the Initial Ballot Test, 26.1% also indicated they would definitely support the measure at the Final Ballot Test. Approximately 4.1% moved to the probably support group, 0.3% moved to the probably oppose group, 0.0% moved to the definitely oppose group, and 0.9% stated they were now unsure of their vote choice.

To ease interpretation of the table, the cells are color coded. Red shaded cells indicate declining support, green shaded cells indicate increasing support, whereas white cells indicate no movement. Moreover, within the cells, a white font indicates a fundamental change in the vote: from yes to no, no to yes, or not sure to either yes or no.

**TABLE 7 MOVEMENT BETWEEN INITIAL & FINAL BALLOT TEST**

Initial Ballot Test (Q5)		Final Ballot Test (Q11)				
		Definitely support	Probably support	Probably oppose	Definitely oppose	Not sure
Definitely support	31.5%	26.1%	4.1%	0.3%	0.0%	0.9%
Probably support	35.1%	6.9%	24.4%	0.7%	0.4%	2.7%
Probably oppose	12.3%	0.0%	1.6%	7.9%	1.5%	1.3%
Definitely oppose	14.4%	0.0%	0.1%	3.5%	10.3%	0.5%
Not sure	6.7%	0.2%	1.7%	1.0%	0.1%	3.6%

As one might expect, the information conveyed in the survey had the greatest impact on individuals who either weren't sure about how they would vote at the Initial Ballot Test or were tentative in their vote choice (probably yes or probably no). Moreover, Table 7 makes clear that although the information did impact some voters, it did not do so in a consistent way for all respondents. Some respondents found the information conveyed during the course of the interview to be a reason to become more supportive of the measure, whereas a slightly larger percentage found the same information to be a reason to be less supportive. Despite 12% of respondents making a *fundamental*<sup>3</sup> shift in their opinion about the measure over the course of the interview, the net impact is that support for the measure at the Final Ballot Test was approximately one percentage points lower than support at the Initial Ballot Test.

3. This is, they changed from a position of support, opposition or undecided at the Initial Ballot Test to a different position at the Final Ballot Test.

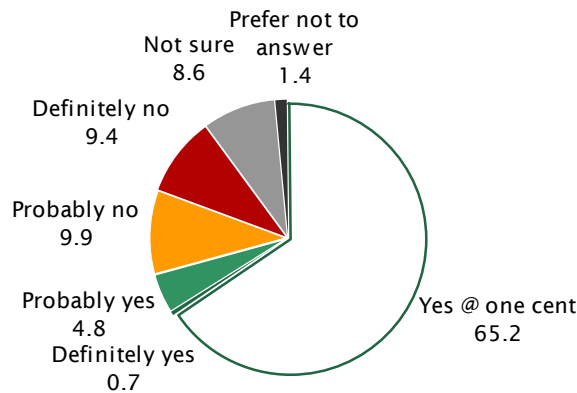
## FINAL BALLOT TEST AT LOWER RATE

The ballot language tested throughout the survey indicated that the measure would increase the local sales tax rate by one cent and be used to fund general city services. Voters who did not support the proposed measure at the Final Ballot Test (Question 11) were subsequently asked if they would support the measure if the rate were set at a lower amount: one-half cent.

As shown in Figure 13, lowering the tax rate to one-half cent generated a modest amount of additional support for the proposed measure. An additional 6% of voters indicated they would support the measure if the tax rate were lowered to one-half cent, although nearly all of the additional support for the measure was 'soft' (probably yes).

**Question 12** *What if the measure I just described raised the sales tax by a lower amount: one-half cent? Would you vote yes or no on the measure?*

**FIGURE 13 FINAL BALLOT TEST AT ONE-HALF CENT**



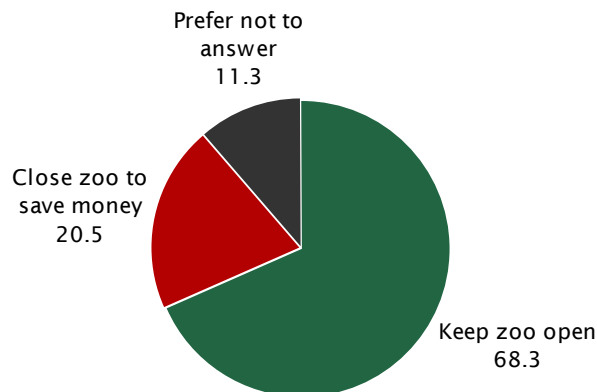
## RELEVANT ATTITUDES

The final substantive section of the survey focused on the City's financial management practices in general, as well as the use of General Fund dollars to operate and maintain the Charles Paddock Zoo.

**SHOULD THE CITY CONTINUE TO OPERATE THE ZOO?** When placed into competition with public safety and public works services earlier in survey (see *Services* on page 14), respondents rated operating the zoo as being a comparatively low priority for future sales tax revenues. Anticipating that this might be the case, Question 13 first informed voters that the City currently spends approximately \$500,000 each year to operate and maintain the zoo, then asked if they think the City should remain open or be closed to save money. As shown in Figure 14, two-thirds of voters (68%) favored keeping the zoo open despite the cost, whereas 21% preferred to close the zoo to save money, and 11% preferred to not answer the question.

**Question 13** *The City of Atascadero operates the Charles Paddock zoo, which is the Central Coast's only accredited zoo. In a typical year, the City spends about 500 thousand dollars of its general fund budget to operate and maintain the zoo. In your opinion, should the City keep the zoo open or should the zoo be closed to save money?*

FIGURE 14 OPINION OF ZOO



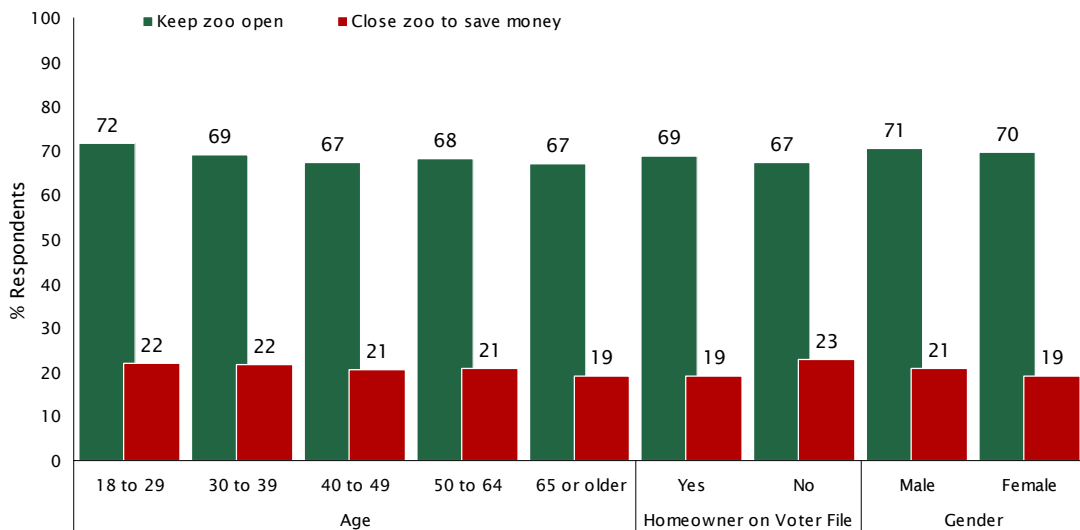
Support for keeping the zoo open were strikingly similar across subgroups of Atascadero residents, as shown in figures 15 and 16 on the next page. Supporters of the zoo outnumbered those who prefer it be closed by a large margin in every subgroup.



**FIGURE 15 OPINION OF ZOO BY YEARS IN ATASCADERO, OVERALL SATISFACTION & CHILD IN HSLD**



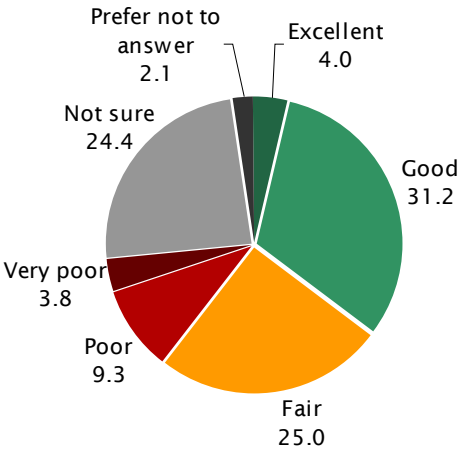
**FIGURE 16 OPINION OF ZOO BY AGE, HOMEOWNER ON VOTER FILE & GENDER**



**FINANCIAL MANAGEMENT** Respondents were also asked to rate the job the City of Atascadero had done in managing its financial resources (see Figure 17). Approximately one-quarter of respondents confided that they were unsure (24%) or preferred to not answer the question (2%). The remaining respondents were divided between those who provided an excellent (4%) or good rating (31%), those who offered fair (25%), and those who felt the City's performance in this respect has been poor (9%) or very poor (4%).

**Question 14** *In your opinion, has the City of Atascadero done an excellent, good, fair, poor or very poor job of managing its financial resources?*

**FIGURE 17 FISCAL MANAGEMENT**



## BACKGROUND & DEMOGRAPHICS

TABLE 8 DEMOGRAPHICS OF SAMPLE

<i>Total Respondents</i>	787
<b>Years in Atascadero (Q1)</b>	
Less than 5	19.4
5 to 9	17.5
10 to 14	13.0
15 or more	49.6
Prefer not to answer	0.5
<b>Child in Hsld (Q15)</b>	
Yes	29.1
No	68.1
Prefer not to answer	2.8
<b>Gender</b>	
Male	44.4
Female	48.8
Prefer not to answer	6.8
<b>Age</b>	
18 to 29	11.8
30 to 39	16.5
40 to 49	14.3
50 to 64	25.9
65 or older	31.5
<b>Party</b>	
Democrat	32.9
Republican	39.7
Other / DTS	27.4
<b>Homeowner on Voter File</b>	
Yes	64.2
No	35.8
<b>Registration Year</b>	
Since Nov 16	12.8
Jun 10 to <Nov 16	16.9
Jun 04 to <Jun 10	17.8
Before June 04	52.5
<b>Likely to Vote by Mail</b>	
Yes	81.0
No	19.0
<b>Likely Mar 2020 Voter</b>	
Yes	82.8
No	17.2
<b>Likely Nov 2020 Voter</b>	
Yes, natural	95.0
Yes, GOTV	5.0
<b>Household Party Type</b>	
Single dem	15.7
Dual dem	9.7
Single rep	13.2
Dual rep	16.4
Other	19.0
Mixed	25.9

In addition to questions directly related to the proposed measure, the study collected basic demographic information about respondents and their households. Some of this information was gathered during the interview, although much of it was collected from the voter file. The profile of the likely November 2020 voter sample used for this study is shown in Table 8.

## M E T H O D O L O G Y

The following sections outline the methodology used in the study, as well as the motivation for using certain techniques.

**QUESTIONNAIRE DEVELOPMENT** Dr. McLarney of True North Research worked closely with the City of Atascadero to develop a questionnaire that covered the topics of interest and avoided possible sources of systematic measurement error, including position-order effects, wording effects, response-category effects, scaling effects, and priming. Several questions included multiple individual items. Because asking items in a set order can lead to a systematic position bias in responses, items were asked in random order for each respondent.

Some of the questions asked in this study were presented only to a subset of respondents. For example, only individuals who did not support the sales tax or were unsure at the Final Ballot Test (Question 11) were asked if they would support the measure at a lower tax rate (Question 12). The questionnaire included with this report (see *Questionnaire & Toplines* on page 33) identifies the skip patterns that were used during the interview to ensure that each respondent received the appropriate questions.

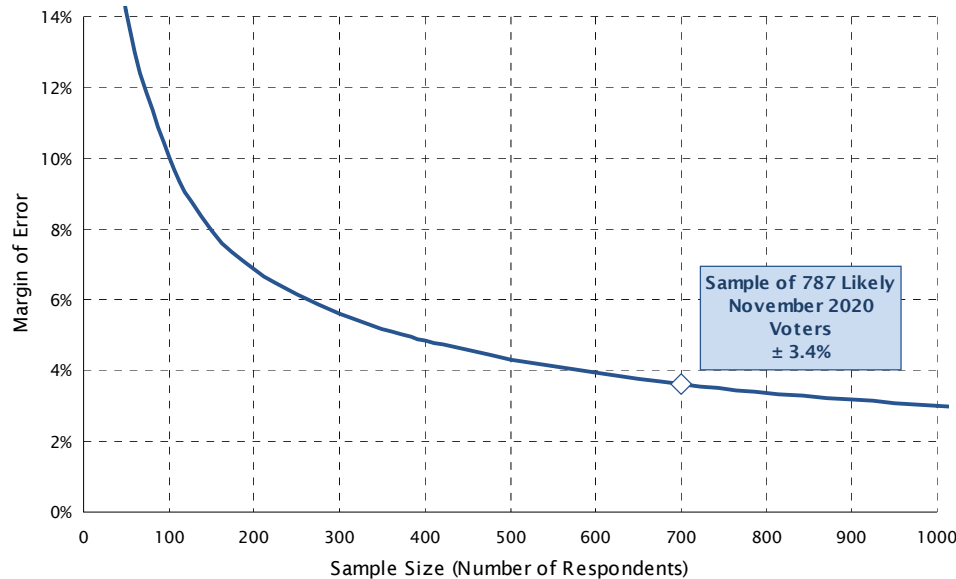
**PROGRAMMING & PRE-TEST** Prior to fielding the survey, the questionnaire was CATI (Computer Assisted Telephone Interviewing) programmed to assist interviewers when conducting telephone interviews. The CATI program automatically navigates skip patterns, randomizes the appropriate question items, and alerts the interviewer to certain types of keypunching mistakes should they occur. The survey was also programmed into a passcode-protected online survey application to allow online participation for sampled voters. The integrity of the questionnaire was pre-tested internally by True North and by dialing into voter households in the City prior to formally beginning the survey.

**SAMPLE** The survey was administered to a random sample of 787 registered voters in the City likely to participate in the November 2020 election. Consistent with the profile of this universe, the sample was stratified into clusters, each representing a combination of age, gender, and household party-type. Individuals were then randomly selected based on their profile into an appropriate cluster. This method ensures that if a person of a particular profile refuses to participate in the study, they are replaced by an individual who shares their same profile.

**STATISTICAL MARGIN OF ERROR** By using the probability-based sampling design noted above, True North ensured that the final sample was representative of voters in the City who are likely to participate in the November 2020 election. The results of the sample can thus be used to estimate the opinions of *all* voters likely to participate in this election. Because not all voters participated in the study, however, the results have what is known as a statistical margin of error due to sampling. The margin of error refers to the difference between what was found in the survey of 787 voters for a particular question and what would have been found if all 16,119 likely November 2020 voters identified in the City had been surveyed for the study.

Figure 18 provides a graphic plot of the *maximum* margin of error in this study. The maximum margin of error for a dichotomous percentage result occurs when the answers are evenly split such that 50% provide one response and 50% provide the alternative response. For this survey, the maximum margin of error is  $\pm 3.4\%$ .

**FIGURE 18 MAXIMUM MARGIN OF ERROR DUE TO SAMPLING**



Within this report, figures and tables show how responses to certain questions varied by subgroups such as age, gender, and partisan affiliation. Figure 18 is thus useful for understanding how the maximum margin of error for a percentage estimate will grow as the number of individuals asked a question (or in a particular subgroup) shrinks. Because the margin of error grows exponentially as the sample size decreases, the reader should use caution when generalizing and interpreting the results for small subgroups.

**RECRUITING & DATA COLLECTION** The survey followed a mixed-method design that employed multiple recruiting methods (telephone and email) and multiple data collection methods (telephone and online). Telephone interviews averaged 16 minutes in length and were conducted during weekday evenings (5:30PM to 9PM) and on weekends (10AM to 5PM). It is standard practice not to call during the day on weekdays because most working adults are unavailable and thus calling during those hours would likely bias the sample.

Voters recruited via email were assigned a unique passcode to ensure that only voters who received an invitation could access the online survey site, and that each voter could complete the survey only one time. During the data collection period, an email reminder notice was also sent to encourage participation among those who had yet to take the survey. A total of 787 surveys were completed between January 18 and January 23, 2020.

**DATA PROCESSING** Data processing consisted of checking the data for errors or inconsistencies, coding and recoding responses, weighting, and preparing frequency analyses and cross-tabulations.

**ROUNDING** Numbers that end in 0.5 or higher are rounded up to the nearest whole number, whereas numbers that end in 0.4 or lower are rounded down to the nearest whole number. These same rounding rules are also applied, when needed, to arrive at numbers that include a decimal place in constructing figures and tables. Occasionally, these rounding rules lead to small discrepancies in the first decimal place when comparing tables and charts for a given question. Due to rounding, some figures and narrative include numbers that add to more than or less than 100%.

# QUESTIONNAIRE & TOPLINES



City of Atascadero  
Revenue Measure Feasibility Survey  
Final Toplines (n=787)  
January 24, 2020

## Section 1: Introduction to Study

Hi, may I please speak to \_\_\_\_\_. My name is \_\_\_\_\_ and I'm calling from TNR, an independent public opinion research firm. We're conducting a survey of voters about important issues in the City of Atascadero (Uh-TASK-uh-DAIR-Oh) and I'd like to get your opinions.

*If needed:* This is a survey about important issues in your community. I'm NOT trying to sell anything and I won't ask for a donation.

*If needed:* The survey should take about 12 minutes to complete.

*If needed:* If now is not a convenient time, can you let me know a better time so I can call back?

*If needed:* Your answers will be confidential. The City will be provided with a summary of all survey responses, not individual responses.

*If the person asks why you need to speak to the listed person or if they ask to participate instead, explain:* For statistical purposes, at this time the survey must only be completed by this particular individual.

*If the person says they are an elected official or is somehow associated with the survey, politely explain that this survey is designed to measure the opinions of those not closely associated with the study, thank them for their time, and terminate the interview.*

## Section 2: Quality of Life & City Services

I'd like to begin by asking you a few questions about what it is like to live in Atascadero.

Q1 How long have you lived in the City of Atascadero?

1	Less than 1 year	2%
2	1 to 4 years	17%
3	5 to 9 years	18%
4	10 to 14 years	13%
5	15 years or longer	50%
99	Prefer not to answer	0%

Q2 How would you rate the overall quality of life in Atascadero? Would you say it is excellent, good, fair, poor or very poor?

1	Excellent	17%
2	Good	64%
3	Fair	16%
4	Poor	1%
5	Very Poor	1%
98	Not sure	0%
99	Prefer not to answer	0%

City of Atascadero Survey

January 2020

Q3	If the city government could change one thing to make Atascadero a better place to live now and in the future, what change would you like to see? <i>Verbatim responses recorded and later grouped into categories shown below.</i>	
	Address homeless issue	21%
	Improve, maintain infrastructure, streets, roads	19%
	Improve shopping, dining opportunities	17%
	Not sure, cannot think of anything	9%
	Improve public safety, reduce crime, drugs, provide more police presence	8%
	Improve economy, jobs	8%
	Improve downtown area	7%
	Provide affordable housing	6%
	Improve parks, recreation areas	6%
	Add bike, walking paths	6%
	Provide more community events, activities for all ages	5%
	Reduce taxes, fees	3%
	Reduce traffic	2%
	Beautify city, landscaping	2%
	Improve environmental efforts	2%
	Reduce, limit growth	2%
	Enforce City codes	2%
	Improve government, more transparency	2%
	No changes needed / Everything is fine	2%
Q4	Generally speaking, are you satisfied or dissatisfied with the job the City of Atascadero is doing to provide city services? <i>Get answer, then ask: Would that be very (satisfied/dissatisfied) or somewhat (satisfied/dissatisfied)?</i>	
	1 Very satisfied	19%
	2 Somewhat satisfied	57%
	3 Somewhat dissatisfied	12%
	4 Very dissatisfied	6%
	98 Not sure	5%
	99 Prefer not to answer	1%



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### Section 3: Initial Ballot Test

Later this year, voters in Atascadero may be asked to vote on a local ballot measure. Let me read you a summary of the measure.

Q5	To provide funding for general city services in the City of Atascadero, such as:		
	<ul style="list-style-type: none"> <li>• Police and crime prevention</li> <li>• Fire protection, paramedics, and 9-1-1 emergency response</li> <li>• Maintenance of parks, public facilities and infrastructure</li> <li>• And recreation, community services, and other city services</li> </ul>		
Q5	shall an ordinance establishing a one-cent sales tax be adopted, providing approximately 5 million dollars annually for city services until ended by voters, with annual independent audits and all money locally controlled?		
	If the election were held today, would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?		
	1	Definitely yes	31% Skip to Q7
	2	Probably yes	35% Skip to Q7
	3	Probably no	12% Ask Q6
	4	Definitely no	14% Ask Q6
	98	Not sure	7% Ask Q6
	99	Prefer not to answer	0% Skip to Q7
Q6	Is there a particular reason why you do <u>not</u> support or are unsure about the measure I just described? <i>If yes, ask:</i> Please briefly describe your reason? <i>Verbatim responses recorded and later grouped into categories shown below.</i>		
	Taxes already too high		36%
	Money is misspent, mismanaged		24%
	Need more information		22%
	Other higher priorities in community		13%
	Do not trust City, government		10%
	City has enough money		8%
	It will drive people away from purchasing in City		4%
	Other ways to be funded		3%
	Measure too expensive		2%
	Mentioned past measure		2%

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#### Section 4: Services

Q7	The measure we've been discussing will provide funding for a variety of services in your community.						
	If the measure passes, would you favor or oppose using some of the money to: _____, or do you not have an opinion? <i>Get answer, if favor or oppose, then ask: Would that be strongly (favor/oppose) or somewhat (favor/oppose)?</i>						
	<i>Randomize</i>	Strongly Favor	Somewhat Favor	Somewhat Oppose	Strongly Oppose	Not sure	Prefer not to answer
A	Provide police services, including crime prevention and investigations	49%	31%	7%	7%	3%	3%
B	Provide quick responses to 9-1-1 emergencies	60%	26%	5%	3%	4%	2%
C	Provide fire protection and paramedic services	58%	28%	5%	4%	3%	2%
D	Retrofit the City's 70-year-old fire station so that it is earthquake safe and can operate in an emergency	45%	36%	8%	6%	4%	2%
E	Repair and maintain public facilities and infrastructure	56%	29%	5%	4%	3%	2%
F	Keep public areas clean and free of graffiti	48%	35%	7%	5%	3%	2%
G	Maintain parks and recreation facilities including courts, fields, and playgrounds	47%	36%	8%	4%	3%	2%
H	Provide recreation programs and community services	38%	36%	11%	7%	6%	2%
I	Maintain and enhance zoo exhibits	23%	37%	15%	15%	8%	2%
J	Attracting more retail stores, restaurants and entertainment options to our city	47%	28%	11%	8%	5%	2%

#### Section 5: Positive Arguments

What I'd like to do now is tell you what some people are saying about the measure we've been discussing.

Q8	Supporters of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to <b>SUPPORT</b> the measure?						
	<i>Randomize. Split sample J1/J2</i>	Very Convincing	Somewhat Convincing	Not At All Convincing	Don't Believe	Not sure	Prefer not to answer
A	There will be a clear system of accountability including independent audits and annual reports to the community to ensure that the money is spent properly.	34%	31%	17%	12%	3%	2%

City of Atascadero Survey

January 2020

B	All money raised by the measure will be used to fund essential services and facilities here in Atascadero. By law, it can't be taken away by the State.	37%	31%	16%	10%	3%	3%
C	Fast emergency response times for 9-1-1 calls are critical for saving lives. This measure will ensure that we have enough police officers, firefighters, dispatchers, and paramedics to respond quickly to 9-1-1 emergencies.	42%	33%	14%	6%	3%	3%
D	This measure will cost just 1 dollar for every 100 dollars purchased – and food, medicine and many other essential items are excluded from the tax.	31%	31%	22%	9%	4%	3%
E	The funding raised by this measure will allow the City to keep up with basic repairs and maintenance to public facilities and infrastructure. If we don't take care of it now, it will be a lot more expensive to repair in the future.	37%	36%	14%	7%	2%	3%
F	By keeping our city safe, clean and well-maintained, this measure will help protect our property values and keep Atascadero a special place to live.	30%	38%	19%	8%	2%	3%
G	The City has done a good job keeping costs down. Over the past 10 years it has deferred maintenance projects, reduced staff, and cut back on basic services. There is no more room to cut if we want to keep our community a safe, clean place to live. We need to support this measure.	29%	34%	20%	11%	4%	3%
H	Wildland fires are getting larger, faster, and deadlier. We need to make sure we have the resources and staff to respond quickly to wildfire emergencies when they happen.	43%	30%	15%	7%	3%	3%
I	This measure will provide the funding needed to avoid deep cuts in all service areas, including police, fire protection, 9-1-1 emergency response times, the maintenance of parks and public facilities, as well as programs for youth.	34%	31%	19%	11%	3%	3%
J1	We have fewer police officers today than we did 10 years ago – meanwhile our population and the number of 9-1-1 emergency calls continues to grow. We need more police officers to keep our community safe.	36%	39%	13%	8%	2%	2%
J2	The City of Atascadero has just three police officers on duty at a time, which is less than <i>half</i> the number of police officers that experts agree is needed to keep a community of our size safe. This measure will improve our public safety.	44%	30%	11%	11%	2%	2%

**Section 6: Interim Ballot Test**

Sometimes people change their mind about a measure once they have more information about it. Now that you have heard a bit more about the measure, let me read you a summary of it again.

Q9	To provide funding for general city services in the City of Atascadero, such as:	
	<ul style="list-style-type: none"> <li>• Police and crime prevention</li> <li>• Fire protection, paramedics, and 9-1-1 emergency response</li> <li>• Maintenance of parks, public facilities and infrastructure</li> <li>• And recreation, community services, and other city services</li> </ul>	
	shall an ordinance establishing a one-cent sales tax be adopted, providing approximately 5 million dollars annually for city services until ended by voters, with annual independent audits and all money locally controlled?	
	If the election were held today, would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?	
	1	Definitely yes 36%
	2	Probably yes 32%
	3	Probably no 12%
	4	Definitely no 12%
98	Not sure 7%	
	99 Prefer not to answer 1%	

**Section 7: Negative Arguments**

Next, let me tell you what opponents of the measure are saying.

Q10 Opponents of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to OPPOSE the measure?							
	<i>Randomize</i>	Very Convincing	Somewhat Convincing	Not At All Convincing	Don't Believe	Not sure	Prefer not to answer
A	Taxes are already too high – we can't afford another tax increase. This is especially true for seniors and others on fixed incomes.	33%	30%	23%	9%	3%	2%
B	City employees are making too much money in salary, pensions and benefits – that's the problem. The City needs to tighten its belt before asking residents to pay more taxes.	18%	25%	27%	19%	8%	3%
C	We can't trust the City with our tax dollars. They will mismanage the money.	18%	27%	28%	19%	6%	3%
D	There are no guarantees on how funds will be spent, which means the City can divert the money to pet projects.	32%	35%	17%	9%	6%	2%

City of Atascadero Survey

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*Only odd clusters receive item E.*

E	This tax will last forever. There is no expiration date.	30%	24%	30%	9%	6%	1%
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**Section 8: Final Ballot Test**

Now that you have heard a bit more about the measure, let me read you a summary of it one more time.

Q11	To provide funding for general city services in the City of Atascadero, such as:			
	<ul style="list-style-type: none"><li>• Police and crime prevention</li><li>• Fire protection, paramedics, and 9-1-1 emergency response</li><li>• Maintenance of parks, public facilities and infrastructure</li><li>• And recreation, community services, and other city services</li></ul>			
	shall an ordinance establishing a one-cent sales tax be adopted, providing approximately 5 million dollars annually for city services until ended by voters, with annual independent audits and all money locally controlled?			
	If the election were held today, would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?			
	1	Definitely yes	33%	<i>Skip to Q13</i>
	2	Probably yes	32%	<i>Skip to Q13</i>
	3	Probably no	13%	<i>Ask Q12</i>
	4	Definitely no	12%	<i>Ask Q12</i>
	98	Not sure	8%	<i>Ask Q12</i>
	99	Prefer not to answer	1%	<i>Skip to Q13</i>
Q12	What if the measure I just described raised the sales tax by a lower amount: <b>one-half cent?</b> Would you vote yes or no on the measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?			
		Def, prob yes @ one-cent (Q11)	65%	
	1	Definitely yes	1%	
	2	Probably yes	5%	
	3	Probably no	10%	
	4	Definitely no	9%	
	98	Not sure	9%	
	99	Prefer not to answer	1%	

City of Atascadero Survey

January 2020

### Section 9: Background & Demographics

Thank you so much for your participation. I have just few background questions for statistical purposes.

**Q13** The City of Atascadero operates the Charles Paddock zoo, which is the Central Coast's only accredited zoo. In a typical year, the City spends about 500 thousand dollars of its general fund budget to operate and maintain the zoo.  
 In your opinion, should the City keep the zoo open or should the zoo be closed to save money?

1	Keep the zoo open	68%
2	Close the zoo to save money	20%
99	Prefer not to answer	11%

**Q14** In your opinion, has the City of Atascadero done an excellent, good, fair, poor or very poor job of managing its financial resources?

1	Excellent	4%
2	Good	31%
3	Fair	25%
4	Poor	9%
5	Very poor	4%
98	Not Sure	24%
99	Prefer not to answer	2%

**Q15** Do you have children under the age of 18 living in your household?

1	Yes	29%
2	No	68%
99	Prefer not to answer	3%

Those are all of the questions that I have for you. Thanks so much for participating in this important survey.

### Post-Interview & Sample Items

**S1** Gender

1	Male	44%
2	Female	49%
3	Prefer not to answer	7%

City of Atascadero Survey

January 2020

S2	Party		
	1	Democrat	33%
	2	Republican	40%
	3	Other	8%
	4	DTS	20%
S3	Age on Voter File		
	1	18 to 29	12%
	2	30 to 39	17%
	3	40 to 49	14%
	4	50 to 64	26%
	5	65 or older	32%
S4	Registration Date		
	1	Since Nov 2016	13%
	2	Jun 2010 to before Nov 2016	17%
	3	Jun 2004 to before Jun 2010	18%
	4	Before June 2004	52%
S5	Household Party Type		
	1	Single Dem	16%
	2	Dual Dem	10%
	3	Single Rep	13%
	4	Dual Rep	16%
	5	Single Other	13%
	6	Dual Other	6%
	7	Dem & Rep	5%
	8	Dem & Other	8%
	9	Rep & Other	11%
	0	Mixed (Dem + Rep + Other)	2%
S6	Homeowner on Voter File		
	1	Yes	64%
	2	No	36%

City of Atascadero Survey

January 2020

S7	Likely to Vote by Mail		
	1	Yes	81%
	2	No	19%
S8	Likely March 2020 Voter		
	1	Yes	83%
	2	No	17%
S9	Likely November 2020 Voter		
	1	Yes, natural	95%
	2	Yes, GOTV	5%





# ***Atascadero City Council***

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## ***Staff Report - Public Works Department***

### **Proposed Sewer Service Rate Increases**

#### **RECOMMENDATIONS:**

Council:

1. Direct staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system.
2. Set a Public Hearing on May 26, 2020 for the City Council's consideration of the proposed wastewater rate increases.
3. Approve a budget amendment and authorize the Director of Administrative Services to appropriate \$7,500 from the Wastewater Fund for costs related to the Proposition 218 majority protest process.

#### **REPORT IN BRIEF:**

The City is proposing to increase wastewater rates in order to accommodate the costs of providing wastewater services due to a number of key factors including but not limited to rising treatment and energy costs; impacts of regulation and legislation; and past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure. Sanitary sewer rates for Atascadero customers have been increased only three times in nearly 40 years. Increasing wastewater rates must comply with Proposition 218, which requires certain procedures to be followed with regard to "property-related" fee increases imposed by governmental agencies. This report provides the analysis for the rate increases and identifies the procedures to implement the new rates.

#### **DISCUSSION:**

##### Background

The City of Atascadero provides wastewater collection and treatment service for most non-residential properties and a portion of the City's residential population serving a combined area consisting of approximately 2,000 acres of the roughly 15,000 acres within the City boundary. Customers of the wastewater collection and treatment system are comprised of approximately 5,000 parcels that include residential, commercial, and light industrial customers. The remainder of the City's population is served by on-site wastewater treatment systems (septic systems).

The City of Atascadero assumed ownership and operation of the wastewater collection and treatment system from the Atascadero County Sanitation District in 1982 shortly after incorporation (1979). While there have been upgrades, modifications, and additions to wastewater treatment facilities, the overall process has not changed significantly since 1982 and is considered a stabilization pond treatment system.

The wastewater collection system (also referred to as the sanitary sewer system) is currently comprised of approximately 63 miles of four to 21-inch diameter gravity sewer pipe, 1,460 manholes, 12 lift stations, 7 miles of four to 16-inch diameter forcemain, and 5,000 sewer service connections. This system has expanded since 1982 but still has original pipes in service from the 1930's.

Utilities that have customer water consumption data customarily use consumption during winter months as a basis for the year-round sewer service charges at a volumetric rate. Customers connected to the City's sanitary sewer system are billed a fixed charge for the City's service to collect and treat the wastewater, which is called a sewer service charge or wastewater service charge. This fixed rate methodology is used since the City is not the water supplier and does not have access to individual customer water consumption data without the customer's consent. The fixed charge used by the City is based upon Equivalent Dwelling Units (EDUs), where one EDU is the basis for a single family residence (SFR) service charge, based upon an estimated average daily flow of 240 gallons of wastewater and wastewater strength provided by the residence. Other connection users are assigned a multiple or fraction of an EDU based upon expected average daily flow and strength of wastewater compared to that of SFR. For example, an apartment or condo is 0.75 EDUs and charged 0.75 times that of a SFR service charge, and a restaurant with less than 40 seats is four EDUs and charged 4 times that of a SFR service charge. The City currently has about 8,400 EDUs in the system.

Sewer service charges are collected by placing a levy each year on the property taxes of individual customers through San Luis Obispo County. The City provides data to the County including the Assessor's Parcel Number (APN) and the associated sewer service charge being levied on the property. The charge is included as a line item on the customer's property tax statements. Revenue from sewer service charges are paid to the City twice each year.

The sewer service charges have been adjusted only three times since 1982. Council adopted the current monthly rate of \$24.01 per EDU last year. Prior to that, the current rates had remained unchanged since 1994.

#### Wastewater Rate Analysis

The City is dedicated to keeping rates low by maintaining lean staffing levels, absorbing increasing operational and maintenance costs, and using reserves when necessary. However, much like other utilities and services delivered to homes and businesses, the costs involved to collect and treat wastewater have risen and continue to rise.

As part of the Wastewater Master Plan process, an independent engineering consultant, MKN, assessed and analyzed the capital needs of the wastewater collection and treatment systems. A Capital Improvement Program (CIP) was developed that identified numerous capital facility replacements and upgrades to provide a safe and reliable wastewater system. In addition to other projects, the most significant capital projects

identified consist of the Water Reclamation Facility treatment process improvements totaling in excess of \$23 million, and Lift Station No. 13 and Force Main project totaling about \$5.5 million. Both projects are expected to be completed within the next five years. The CIP cost estimates exceed \$52 million over the next ten years.

Tuckfield & Associates, an independent financial consultant, completed a comprehensive wastewater rate study for the City's wastewater enterprise in May 2019 (see attached). This study analyzed the City's wastewater services, wastewater enterprise revenue and revenue requirements, and current rate structure. The study also analyzed and determined the cost of providing wastewater services and their corresponding impacts to customer's bills. This analysis identified a number of key factors that result in the proposed rates. These key factors include, but are not limited to:

- Rising treatment and energy costs
- Impacts of regulation and legislation
- Past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure

The wastewater rate study recommends increasing the current monthly sewer service charge of \$24.01 per SFR (or EDU) by \$4.56 for a total monthly rate of \$28.57. The report further recommends similar percentile increases for each of the following years through FY23/24. The table below shows the current and proposed FY20/21 sewer service charges for the various connection user categories.

CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES				
Classification Description	EDU <sup>3</sup> Multiple	Unit of Measure	Monthly Rate	
			Current	Proposed <sup>1</sup>
Residential Fixed Charges				
Single Family	1.00	Dwelling Unit	\$ 24.01	\$ 28.57
Apartment, Condo	0.75	Dwelling Unit	\$ 18.00	\$ 21.43
Mobile Home	0.60	Spaces	\$ 14.41	\$ 17.14
Senior Apartment Unit	0.35	Dwelling Unit	\$ 8.40	\$ 10.00
Non-Residential Fixed Charges				
Financial Institutions	2.00	Unit	\$ 48.03	\$ 57.14
Bars	1.50	Unit	\$ 36.02	\$ 42.86
Carwash	7.50	Unit	\$ 180.11	\$ 214.28
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 31.93	\$ 38.00
150 to 250 seats	2.66	Seats	\$ 63.87	\$ 76.00
> 250 seats	3.00	Seats	\$ 72.15	\$ 85.71
Commercial Unit	1.00	Unit	\$ 24.01	\$ 28.57
Funeral Home	9.00	Unit	\$ 216.13	\$ 257.13
Gas Station	2.00	Unit	\$ 48.02	\$ 57.14
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 192.08	\$ 228.56
Gymnasium	10.00	Unit	\$ 240.11	\$ 285.70
Laundry	9.00	Unit	\$ 216.13	\$ 257.13
Motel (per room)	0.33	Room	\$ 7.93	\$ 9.43
Office Unit	1.00	Unit	\$ 24.01	\$ 28.57
Rest Home (per bed)	0.35	Bed	\$ 8.40	\$ 10.00
Restaurants				
< 40 seats	4.00	Seats	\$ 96.04	\$ 114.28
40 to 60 seats	6.00	Seats	\$ 144.06	\$ 171.42
61 to 100 seats	8.00	Seats	\$ 192.08	\$ 228.56
> 100 seats	10.00	Seats	\$ 240.11	\$ 285.70
Schools (per student on Mar. 1)	0.05	Student	\$ 1.20	\$ 1.43
Theater	4.00	Unit	\$ 96.04	\$ 114.28
Veterinarians	3.00	Unit	\$ 72.04	\$ 85.71
Unlisted Uses <sup>2</sup>	1.00	Unit	\$ 24.01	\$ 28.57

<sup>1</sup> Proposed Rates effective July 1, 2020

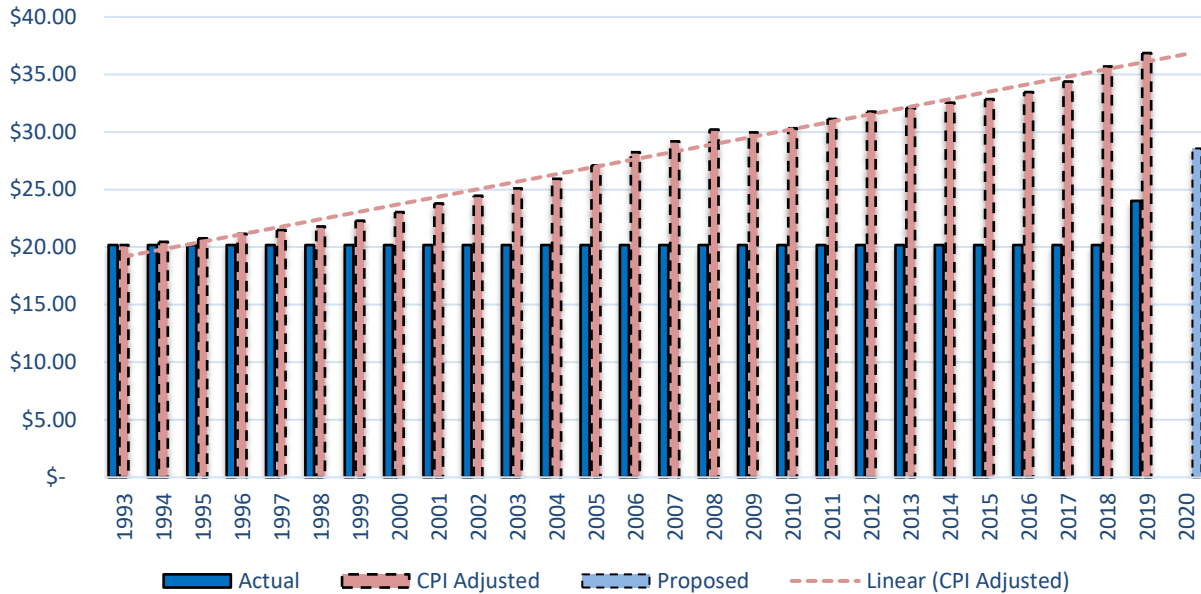
<sup>2</sup> Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

<sup>3</sup> EDU = Equivalent Dwelling Unit is the average daily flow of wastewater discharge from a single family residence (240 gallons per day).

Staff analyzed what the current SFR monthly sewer service charge would be if Consumer Price Index (CPI) values were applied each year since the last rate adjustment in 1993. Using the Los Angeles-Long Beach-Anaheim area CPI values, the CPI-adjusted monthly SFR sewer service rate would be \$36.86 on July 1, 2019, an increase of \$12.85 or 54%

higher than the current \$24.01 rate. The following graph compares the actual and CPI-adjusted rates.

### Monthly SFR Sewer Service Charge Comparison (1993 to 2020)



Tuckfield & Associates conducted a wastewater rate survey for neighboring communities to the City of Atascadero. The rate survey includes rate schedules in effect in April 2019. The following chart compares the City's monthly sewer service charge for a SFR to those neighboring communities at the same use for rates in effect February 2020. As the chart depicts, the current and proposed FY20/21 monthly sewer service bill is among the lowest in San Luis Obispo County.

### Comparison of Single-family Residential Monthly Wastewater Bills For Rates in Effect February 2020



The study also analyzed capacity charges, or connection fees, that are one-time charges paid by new customers as a capital contribution for capacity in the wastewater system. These charges are similar to development impact fees and can be assessed to existing wastewater customers requiring increased capacity to serve changes in their development or use occupancy. The proceeds from capacity charges are a financing source for future facilities. The study recommends a capacity charge of \$5,584 per SFR (or EDU) with an annual adjustment based upon the Engineering News Record Construction Cost Index. The City Council adopted new capacity charges on September 24, 2019, which went into effect on November 23, 2019.

The City has updated the customer database and performed a full audit and inventory of all wastewater connection user classifications. The City and its consultants are coordinating with Atascadero Mutual Water Company (AMWC) and utilizing water records to complete a volumetric analysis of the water use patterns of the various groups of connection user classifications. After this process, wastewater rates are recommended to be re-evaluated and established for a four or five-year period, ideally FY21/22 through FY25/26, with built-in CPI adjustments.

#### Proposition 218 Process

Sanitary sewer rate increases must follow the Proposition 218 majority protest process that requires certain procedures be followed with regard to "property-related" fee increases imposed by governmental agencies. Those rate increases are subject to a "majority protest" process that provides if a majority of the parcels subject to the City fee protest the proposed rate increase, the City cannot impose the increase.

Proposition 218 requires that the City provide all properties receiving the sewer service for which the fee is charged with a minimum of 45 days written notice prior to the City Council holding a Public Hearing on a proposed rate increase. The property owners (and record owners) have the ability to "protest" the proposed rate increase until the close of the Public Hearing. If a majority of the parcels file written protests with the City prior to the close of the Public Hearing, the Proposition states that the City cannot implement the proposed increase. If a majority of the parcels do not protest the proposed increase, the City Council has the authority to implement the proposed rate increase.

The majority protest process is part of the California Constitution (Article XIII D) and it is mandatory that the City adhere to this voter-enacted process. As reference, the specific relevant text from Proposition 218 is included below:

#### *ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)*

*SEC. 6. Property Related Fees and Charges. (a) Procedures for New or Increased Fees and Charges. An agency shall follow the procedures pursuant to this section in imposing or increasing any fee or charge as defined pursuant to this article, including, but not limited to, the following:*

*(1) The parcels upon which a fee or charge is proposed for imposition shall be identified. The amount of the fee or charge proposed to be imposed upon each parcel shall be calculated. The agency shall provide written notice by mail of the proposed fee or charge to the record owner of each identified parcel upon which the fee or charge is proposed for imposition, the amount*

*of the fee or charge proposed to be imposed upon each, the basis upon which the amount of the proposed fee or charge was calculated, the reason for the fee or charge, together with the date, time, and location of a public hearing on the proposed fee or charge.*

*(2) The agency shall conduct a public hearing upon the proposed fee or charge not less than 45 days after mailing the notice of the proposed fee or charge to the record owners of each identified parcel upon which the fee or charge is proposed for imposition. At the public hearing, the agency shall consider all protests against the proposed fee or charge. If written protests against the proposed fee or charge are presented by a majority of owners of the identified parcels, the agency shall not impose the fee or charge.*

The Council created a majority protest process on May 14, 2019 (Resolution 2019-033) that establishes procedures for the submission and tabulation of protests in connection with rate hearings conducted pursuant to the requirements of Proposition 218. This provides clarity and transparency in the City's compliance with this process, and could avoid invalidating proposed rate increases from minor technicalities or other challenges.

The City levies the sewer service charges to property taxes and the parcel owner is billed by the County twice annually. Every party listed on the parcel ownership will be mailed a notice. However, the City is only required to count one protest per parcel. Accordingly, even if all parties listed on an individual parcel file a protest, only one protest shall be counted for purposes of determining whether there is a majority protest.

Listed in the table below is the proposed schedule to implement the proposed rates:

March 24, 2020	Direct staff to administer the Proposition 218 process
March 24 - April 10, 2020	Obtain current parcel owner data from County, prepare and print Notices, and ready Notices for mailing
April 10 or before	Mail Notices to wastewater parcel (and record) owners
April 11 – May 25, 2020	45 day requirement prior to election
May 26, 2020	Public Hearing and Protest Results; Council adopts New Rates
June 9 or 23, 2020	Council adopts Resolution to levy sewer service charges
July 1, 2020	New rates become effective (30+ days after adoption of new rates)
July 15, 2020	County deadline to levy sewer service charges to property tax rolls

In accordance with Title 7, Chapter 10 of the Municipal Code, the wastewater rates are adopted by resolution. To avoid confusion, the City Attorney's office recommends that the new rates are not effective for 30 days following adoption.

### Conclusion

The City has operated the wastewater collection and treatment systems in a very economical manner for nearly 40 years with only three increases to sewer service rates during that time. The sewer service rates have not kept up with the increasing costs of maintaining, operating and replacing the wastewater collection and treatment systems. The 2019 rate study shows that the City will have to continue to incrementally increase the sewer service rates in order to continue operating, and replacing the existing system. As discussed at this time last year, this proposed rate increase is the second of five proposed rate increases intended to phase-in the necessary higher sewer service rates

needed to align revenues and expenses in the wastewater system. Even with this increase, the proposed FY20/21 wastewater rates are much less than that of CPI-adjusted values, and will still be among the lowest in San Luis Obispo County.

### **FISCAL IMPACT:**

Approving staff recommendations will generate an estimated \$400,000 in additional revenue from sewer service charges collected in FY20/21 over FY19/20 amounts. The recommendations will also approve expenditures of up to \$7,500 related to the Proposition 218 majority protest process from the Wastewater Fund in the current fiscal year.

### **ALTERNATIVES:**

1. If the Proposition 218 majority protest process results in a non-majority protest, the Council may reduce the proposed sewer service charge rate increase for FY20/21, but cannot increase the rate over that proposed.
2. Council may direct staff to include proposed rate increases through FY23/24 as described in the study. However, staff recommends waiting until the City has completed the volumetric analysis of the water use patterns of the various groups of connection user classifications (estimated January 2021).
3. Council could take no action.

### **ATTACHMENT:**

Report on Wastewater Rate Study (May 2019)



ITEM NUMBER: C-2  
DATE: 03/24/20  
ATTACHMENT: 1



# Report on Wastewater Rate Study

May 2019



Prepared For:  
**City of Atascadero**

6500 Palma Avenue  
Atascadero, CA 93422  
(805) 470-3456

Submitted By:  
**Tuckfield & Associates**

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FINANCIAL CONSULTING  
**TUCKFIELD &  
ASSOCIATES**  
MANAGEMENT CONSULTING

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## Tuckfield & Associates

2549 Eastbluff Drive, Suite 450B, Newport Beach, CA 92660  
Phone (949) 760-9454 Fax (949) 760-2725  
Email [ctuckfield@tuckfieldassociates.com](mailto:ctuckfield@tuckfieldassociates.com)

May 10, 2019

Mr. Nick DeBar  
Public Works Director/City Engineer  
City of Atascadero  
6500 Palma Avenue  
Atascadero, CA 93422

Dear Mr. DeBar:

I am pleased to submit this report on the Wastewater Rate Study (Study) for the City of Atascadero (City). The wastewater service charges presented in this report have been developed based on industry methods that result in fair and equitable rates for the users of the wastewater utility in accordance with Proposition 218.

The Study included a review and analysis of the wastewater enterprise revenue and revenue requirements, number of equivalent dwelling units, and current rate structure. This report presents the findings and recommendations for the City's wastewater service charges to meet the on-going operational needs of the wastewater enterprise and the funding of the capital infrastructure requirements. Tables and figures throughout the report are provided to demonstrate the calculations.

It has been a pleasure working with the City on this project. If there are any questions regarding this report, please contact me at (949) 760-9454.

Very Truly Yours,

TUCKFIELD & ASSOCIATES



G. Clayton Tuckfield  
President/Project Consultant

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# Executive Summary

The City of Atascadero (City) engaged Tuckfield & Associates to conduct a comprehensive Wastewater Rate Study (Study) for its wastewater system (System). This Study includes development of a pro forma statement of revenues and revenue requirements for the wastewater enterprise and design of wastewater service charges for implementation.

The last time that wastewater service charges were increased was in 1994, or about 25 years ago. It is recommended that the City conduct an update to this Study at least every three to five years for prudent rate planning

## Wastewater Financial Plan

Current wastewater charges consist of monthly fixed charges which are collected through the county of San Luis Obispo tax rolls. Fixed charges for all customers are established as a multiple of the single-family residential (SFR) dwelling unit fixed charge. The City currently serves about 8,400 Equivalent Dwelling Units (EDUs) and the number of EDUs is expected to increase by 115 annually.

The City has prepared a five-year capital improvement program (CIP) spending plan for the wastewater utility. The capital expenditures consist of various repair, replacement, and rehabilitation projects in addition to two large projects consisting of Water Reclamation Facility (WRF) Process Improvements and the Lift Station #13 and Force Main Project estimated to cost about \$23.15 million and \$5.8 million respectively. The WRF Process Improvements are planned to be financed with proposed debt issues in FY 2021-22 and in FY 2023-24. The Lift Station #13 and Force Main Project is partially financed with the FY 2021-22 debt issue. Debt service related to the projects is estimated to be \$919,000 beginning in FY 2021-22 and an additional \$707,100 in FY 2023-24.

A forward looking financial plan was created that identifies the revenue and revenue requirements of the wastewater enterprise. Annual revenue includes wastewater service charge revenue and miscellaneous revenue. Annual revenue requirements include operation and maintenance (O&M) expense, annual capital replacement, and new debt service. Future O&M expenses were projected recognizing escalation in expenses as well as changes in operations staffing.

From the analysis of the financial plan, revenue increases are recommended to adequately meet future obligations and cash reserve targets. These proposed revenue adjustments include 19 percent annual increases beginning August 8, 2019 and then on each July 1 for the next four years July 2020 and continuing through July 2023. The wastewater financial plan is presented in Table 7.

## Current Wastewater Service Charges

The City's current wastewater service charges consist of monthly fixed charges to residential and non-residential customers. All customers are charged a fixed charge as a multiple of the single-family residential (SFR) charge. The fixed charge EDU methodology is used since the City is not the public water supplier for Atascadero and does not have access to individual customer's water consumption data.

The wastewater service charge for an SFR dwelling unit is defined as one EDU. One EDU is the sewer flow and strength of a single-family residence stated in terms of maximum discharge flow in gallons per day (gpd) and

strength consisting of bio-chemical oxygen demand (BOD) and suspended solids (SS). Service charges for other customers are based on their proportion of flow and strength relative to the single-family residence. The current wastewater charges are presented in Table 3.

## Proposed Wastewater Service Charges

Table ES-1 presents the wastewater service charges to be implemented by the City to meet future operations and capital spending needs of the System. The current charges are also shown for comparison purposes. The wastewater service charges reflect the forecast of the cost of providing wastewater service presented in this Study.

Where a new wastewater customer does not fit the wastewater classifications identified in Table ES-1, it is recommended that the City reserve the right to calculate the monthly service charge through the use of fixture units using the California Uniform Plumbing Code, or by means deemed appropriate by the City Engineer.

Table ES-1  
Current and Proposed Wastewater Service Charges

Description	Unit of Measure	Current	Date of Increase				
			Aug 8, 2019	July 1, 2020	July 1, 2021	July 1, 2022	July 1, 2023
Residential Fixed Charges							
Single Family	Dwelling Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Apartment, Condo	Dwelling Unit	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Mobile Home	Spaces	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Senior Apt Unit	Dwelling Unit	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
Non-Residential Fixed Charges							
Financial Institutions	Unit	\$40.36	\$48.03	\$57.15	\$68.01	\$80.94	\$96.31
Bars	Unit	\$30.27	\$36.02	\$42.87	\$51.01	\$60.70	\$72.23
Carwash	Unit	\$151.35	\$180.11	\$214.33	\$255.05	\$303.51	\$361.17
Churches/Meeting Halls							
< 150 seats	Seats	\$26.83	\$31.93	\$37.99	\$45.21	\$53.80	\$64.03
150 to 250 seats	Seats	\$53.67	\$63.87	\$76.00	\$90.44	\$107.63	\$128.08
> 250 seats	Seats	\$60.63	\$72.15	\$85.86	\$102.17	\$121.58	\$144.68
Commercial Unit	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Funeral Home	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Gas Station	Unit	\$40.35	\$48.02	\$57.14	\$68.00	\$80.92	\$96.29
Grocery Store > 10,000 sf	1,000 sf	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
Gymnasium	Unit	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
Laundry	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Motel (per room)	Room	\$6.66	\$7.93	\$9.43	\$11.22	\$13.36	\$15.89
Office Unit	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Rest Home (per bed)	Bed	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
Restaurants							
< 40 seats	Seats	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
41 to 60 seats	Seats	\$121.06	\$144.06	\$171.43	\$204.01	\$242.77	\$288.89
61 to 100 seats	Seats	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
> 100 seats	Seats	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
School (per student on 3/1)	Student	\$1.01	\$1.20	\$1.43	\$1.70	\$2.03	\$2.41
Theater	Unit	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
Veterinarians	Unit	\$60.54	\$72.04	\$85.73	\$102.02	\$121.40	\$144.47
Unlisted Uses [1]	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16

[1] Determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

## Wastewater Residential Bill Impacts

Table ES-2 presents the impacts to SFR bills from the implementation of the proposed August 8, 2019 wastewater service charges. The table shows that the wastewater bill of an SFR customer will increase from \$20.18 to \$24.01, an increase of \$3.83, or 19 percent.



**Table ES-2**  
**Comparison of Current Residential Monthly Bill with**  
**Proposed Monthly Bill Using August 2019 Proposed Wastewater Charges**

Residential Classification	Current Bill	Aug 2019 Proposed Bill	Dollar Change	Percent Change
Single Family	\$20.18	\$24.01	\$3.83	19.0%
Apartment, Condo	\$15.13	\$18.00	\$2.87	19.0%
Mobile Home	\$15.13	\$18.00	\$2.87	19.0%
Senior Apt Unit	\$7.06	\$8.40	\$1.34	19.0%

## Wastewater Rate Survey

Chart ES-1 has been prepared to compare the City's SFR wastewater bill with those of other communities at the same consumption where appropriate. The chart indicates that with the implementation of the August 2019 wastewater service charges, an SFR customer will experience a bill that is among the lowest in San Luis Obispo County.

**Chart ES-1**  
**Comparison of Single-family Residential Monthly Wastewater Bills**  
**For Rates in Effect April 2019**



Note: Above table uses wastewater rates in effect April 2019. City's August 2019 bill is based on the wastewater service charges in Table 8. San Luis Obispo, Cambria, Paso Robles, Arroyo Grande, and Los Osos have a variable wastewater rate component and an average water consumption of 15 HCF and an average winter water use of 7 HCF have been assumed.

## Capacity Charges

Capacity charges, sometimes referred to as connection fees, are one-time charges paid by a new customer connecting to the wastewater system for capacity in the System. Capacity charges are also charged to existing customers that require increased capacity from changes in their development.

The capacity charges determined in this report follow industry standard methods and are based the current value of the City's existing facilities and include the cost of future replacement facilities and future facilities that that serve new development. Capacity charges for implementation by the City are provided in Table 12 of this report and include capacity charges for other residential and non-residential development types.

# Introduction

The City of Atascadero (City) engaged Tuckfield & Associates to conduct a comprehensive Wastewater Rate Study (Study) for its wastewater system (System). This Study includes development of a pro forma statement of revenues and revenue requirements of the wastewater enterprise and design of new wastewater service charges for implementation.

## Background

The City of Atascadero was incorporated in 1979 and is located approximately 15 miles north of the City of San Luis Obispo. The City provides wastewater collection and treatment service to a portion of the City's population serving an area consisting of about 1,900 acres out of the total 5,000 acres within the City limits. Customers of the System include residential, commercial, and light industrial customers.

The wastewater collection system consists of about 63 miles of sewer pipe, 7 miles of sewer force main, and twelve lift stations that conveys wastewater to the City owned wastewater treatment plant. The treatment plant facilities consist of flow metering, headworks, lagoons, ponds, aeration facilities, percolation basins, and sludge drying beds. Facilities also include public works buildings, RV waste receiving station, and an irrigation well to serve a mixture of treated effluent and groundwater to Chalk Mountain Golf Course.

Current wastewater charges consist of monthly fixed charges collected through the county of San Luis Obispo tax rolls. Fixed charges for all customers are established as a multiple of the single-family residential (SFR) dwelling unit fixed charge. For example, a multifamily dwelling unit is charge 0.75 times that of the SFR charge whereas a restaurant with less than 40 seats is charged 4 times the SFR charge.

## Objectives

The objectives of this Study are to (1) review the current and future financial status of the wastewater enterprise, (2) make any adjustments to the revenue being received to ensure that financial obligations are being met now and in the future, including adequate reserves and debt service coverage, and (3) design rates and charges that generate the required revenue while being fair and equitable for its customers. Additionally, the Study also sought to provide the following.

- Revenue sufficiency to fund operating and capital needs
- Appropriate levels of operating and capital reserves
- Rates and charges that are consistent with industry practice
- Stable revenue stream similar to the existing rate structure
- Ease of understanding and administration

## Scope of the Study

This Study includes the findings and recommendations of analyzing the wastewater enterprise financial status and related capital improvement program (CIP) financing of the System. Historical trends were analyzed from data supplied by the City including current year's budget showing revenue and revenue requirements, financial audits, System master plans, and capital improvement plans.

Revenue requirements include operation and maintenance expense, annual replacement, and additions to reserves. Changing conditions such as additional facilities, utility growth, employee additions/reductions, and non-recurring maintenance expenditures are recognized. Inflation for ongoing expenditures is included to reflect cost escalation.

The financial plans and rates developed herein are based on funding of the capital improvement plan as stated as well as estimates of operation and maintenance expenses developed from information provided by the City. Deviation from the planning assumptions, financial plans, construction cost estimates and funding requirements, major operational changes, or other financial policy changes that were not foreseen, may result in the need for lower or higher revenue than anticipated. It is recommended that the City conduct an update to the rate study at least every three to five years for prudent rate planning.

# Assumptions

## Planning Factors

Several assumptions and planning factors were used to conduct the Study for the period FY 2019-20 to FY 2023-24. The assumptions include customer growth rates, expense inflation factors, debt terms, and other assumptions. Assumptions and financial planning factors are provided in Table 1.

Table 1  
Assumption and Planning Factors

Description	Value
<b>Account Growth</b>	
Annual Account & Demand growth (EDUs) [1]	115
<b>Interest Earnings Rate</b>	
Interest earnings on fund reserves (annual)	1.5%
<b>Escalation Factors</b>	
Salaries and Wages [2]	5.0%
Benefits, Insurance, Taxes	10.0%
Electrical Power	3.0%
Chemicals	3.0%
All Other Operations and Maintenance	3.0%
Capital	3.0%
<b>New Revenue Bond Debt</b>	
Interest Rate	5.0%
Repayment Period (Term) - years	30
Bond Proceeds as a % of Issue Amount	92.0%
Bond Reserve (1 year's payment)	7.1%
Cost of Issuance	1.5%

[1] Growth in number of Equivalent Dwelling Units (EDUs) is based on October 2014 Wastewater Treatment Plant Master Plan Update.

[2] Escalation in a City personnel position is 5% percent annually.

## City Reserve Policy

A reserve policy provides a basis to deal with unanticipated reductions in revenues, changes in the costs of providing services, fixed asset repair and replacement, natural disaster, and other issues. It also provides guidelines to maintain the financial health and stability of the enterprise fund. The City's goal is to maintain appropriate reserves related to wastewater operations and capital spending developed in this Study. These reserve types and their targets are described below.

**Operating Reserve** – The purpose of the Operating Reserve is to provide working capital to meet cash flow needs during normal operations and support the operation, maintenance and administration of the utility. This reserve ensures that operations can continue should there be significant events that impact cash flows. The target balance to be maintained is 180 days of annual O&M expense. Since O&M expense increases each year, the reserve to be maintained will increase annually also.

**Capital Replacement Reserve** – The Capital Replacement Reserve is used to fund future replacement of assets and capital projects. The City currently provides reserves related to capital spending by earmarking 26 percent of the revenue received from wastewater service charges as capital related, which is available for annual capital spending or accumulation as a capital reserve. This policy is utilized in this Study and the minimum reserve level used is average annual replacement expenditures, excluding the WRF Process Improvements and Lift Station #5 and #13 projects, is estimated at \$1,600,000.

**Capital Emergency Reserve** – The purpose of the emergency capital reserve is to provide protection against catastrophic loss and to provide a cushion for inaccuracy in long range replacement program. The Target reserve is established at 5 percent of the value of current capital fixed asset value. The amount is currently estimated at \$800,000 and will increase as CIP is booked into fixed assets.

## City Beginning Balances

From the City's 2017 – 2019 Budget, the estimated beginning cash balances as of June 30, 2019 is \$10,112,000 shown in Table 2. This amount has been separated into beginning balances by reserve type as stated below. The City has accumulated capital replacement reserves for the specific purpose of their use towards the capital improvements identified in this Study. The operating and capital cash balances are used in the development of the financial plans for the System with the intent to meet the Target Reserves. Target Reserves are also shown below for the first year of the financial plan.

**Table 2**  
**Wastewater Enterprise Reserves**

Reserve Type	Est. Reserve Balance June 30, 2019	Target Reserve
Operating	\$826,000	\$826,000
Capital Replacement	\$8,486,000	\$1,600,000
Capital Emergency	\$800,000	\$800,000
Total [1]	\$10,112,000	\$3,226,000

[1] Estimated Reserve Balance from FY 17-19 Budget, page C-10.

# Wastewater Financial Planning

This section discusses the current wastewater service charges, user classifications, revenues and revenue requirements, planned capital improvement expenditures and associated financing sources, used in developing the wastewater utility financial plan. Revenue adjustments are discussed and proposed to sustain the wastewater enterprise.

## Existing Wastewater Service Charges

The City's current wastewater service charges consist of monthly fixed charges to residential and non-residential customers. All customers are charged a fixed charge as a multiple of the SFR charge. The fixed charges can be adjusted annually and are billed through the San Luis Obispo County tax rolls.

The charge for an SFR dwelling unit is defined as one Equivalent Dwelling Unit (EDU). One EDU is the sewer flow and strength of a single-family residence stated in terms of maximum discharge flow in gallons per day (gpd) and strength consisting of bio-chemical oxygen demand (BOD) and suspended solids (SS). Service charges for other customers are based on their proportion of flow and strength relative to the single-family residence. The current wastewater charges are presented in Table 3.

## Wastewater User Classifications

### Number of Customers

Wastewater customers are currently classified as Residential and Non-Residential. The Residential classification is further separated into single-family residential, multifamily residential (apartment and condo), mobile home, and senior apartment. Non-Residential classifications consist of 18 separate classifications shown in Table 3.

### Number of Equivalent Dwelling Units

The total number of EDUs are deduced from City information. Since each customer classification is charged a multiple of the SFR dwelling unit charge as listed in Table 3, the total number of EDUs can be determined from the revenue received from wastewater service charges and the current SFR dwelling unit charge.

From the City's FY 2017-19 Budget, the City expects to generate wastewater service charge revenue of \$2,038,500 in FY 2019-20. Dividing this revenue by the SFR monthly charge of \$20.18, or \$242.16 annually, the total number of EDUs is about 8,418 EDUs. The number of EDUs are planned to increase by 115 annually following the planning factors shown in Table 1.

Table 3  
Current Monthly Wastewater Service Charges

Description	Current Charge	EDU Multiple	Unit of Measure
<b>Residential Fixed Charges</b>			
Single Family	\$20.18	1.00	Dwelling Unit
Apartment, Condo	\$15.13	0.75	Dwelling Unit
Mobile Home	\$15.13	0.75	Spaces
Senior Apt Unit	\$7.06	0.35	Dwelling Unit
<b>Non-Residential Fixed Charges</b>			
Financial Institutions	\$40.36	2.00	Unit
Bars	\$30.27	1.50	Unit
Carwash	\$151.35	7.50	Unit
Churches/Meeting Halls			
< 150 seats	\$26.83	1.33	Seats
150 to 250 seats	\$53.67	2.66	Seats
> 250 seats	\$60.63	3.00	Seats
Commercial Unit	\$20.18	1.00	Unit
Funeral Home	\$181.62	9.00	Unit
Gas Station	\$40.35	2.00	Unit
Grocery Store > 10,000 sf	\$161.41	8.00	1,000 sf
Gymnasium	\$201.77	10.00	Unit
Laundry	\$181.62	9.00	Unit
Motel (per room)	\$6.66	0.33	Room
Office Unit	\$20.18	1.00	Unit
Rest Home (per bed)	\$7.06	0.35	Bed
Restaurants			
< 40 seats	\$80.71	4.00	Seats
41 to 60 seats	\$121.06	6.00	Seats
61 to 100 seats	\$161.41	8.00	Seats
> 100 seats	\$201.77	10.00	Seats
School (per student on 3/1)	\$1.01	0.05	Student
Theater	\$80.71	4.00	Unit
Veterinarians	\$60.54	3.00	Unit
Unlisted Uses [1]	\$20.18	1.00	Unit

[1] Determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

## Revenues

The City receives revenue from wastewater service charges and miscellaneous revenues. Table 4 presents the projected revenue from current wastewater service charges of the wastewater utility. The revenue is projected by applying the current wastewater charges from Table 3 to the projected number of EDUs.

Table 4  
Projected Wastewater Service Charge Revenues Using Existing Charges

Description	Estimated	Projected			
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Service Charge Revenues</b>					
Number of EDUs	8,418	8,533	8,648	8,763	8,878
Charge per EDU	\$20.18	\$20.18	\$20.18	\$20.18	\$20.18
<b>Total Service Charge Revenues</b>	<b>\$2,038,500</b>	<b>\$2,066,400</b>	<b>\$2,094,200</b>	<b>\$2,122,000</b>	<b>\$2,149,900</b>

In addition to revenue from wastewater service charges, the City receives miscellaneous revenue from several sources including sewer connection fees, sewer extension fees, tap-in fees, permit and inspection fees, and other miscellaneous revenue. Table 5 provides the estimated and projected revenue from miscellaneous sources.

Table 5  
Projected Miscellaneous Revenues

Description	Budget	Projected			
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Miscellaneous Revenues [1]</b>					
Permits and Inspections	\$5,200	\$5,400	\$5,600	\$5,800	\$6,000
Sewer Extension Fees [2]	138,000	144,900	152,100	159,700	167,700
Sewer Connection Fees [2]	642,000	642,000	642,000	642,000	642,000
Well Water	40,000	40,000	40,000	40,000	40,000
Tap-in Fees	5,500	5,500	5,500	5,500	5,500
Total Miscellaneous Revenues	\$830,700	\$837,800	\$845,200	\$853,000	\$861,200

[1] Interest income is included in Table 8.

[2] FY 2019-20 includes revised Sewer Connection Fees from Table 11.

## Revenue Requirements

Revenue requirements of the wastewater utility include operation and maintenance expense and annual replacement capital spending. Additionally, new debt is proposed to meet the capital improvement spending that is planned by the City. Each of these items are discussed below.

### Operation and Maintenance Expense

Operation and maintenance (O&M) expenses are an on-going obligation of the wastewater utility and such costs are normally met from wastewater service revenue. O&M expenses include the cost to operate and maintain the wastewater collection system, lift stations, and wastewater treatment facilities. Costs also include technical services and other general and administrative expenses.

O&M expense for FY 2019-20 is provided from the City's Budget. Future O&M expense has been projected recognizing the major expense categories of personnel services, electricity, chemicals, and all other expenses. Personnel costs consist of salaries and benefits expense of those personnel directly involved with providing wastewater service. Cost inflation for personnel services costs are projected to increase by 5 percent annually beginning in FY 2020-21.

Annual escalation in electricity, chemicals, and all other expense is projected to increase by 3 percent based on expectations of future expense inflation. Table 6 below summarizes projected O&M expense for the wastewater utility. Table A-1 in Appendix A provides the detailed projections of historical and projected wastewater O&M expense.

### Annual Replacement

The City provides for annual capital replacement by allocating 26 percent of wastewater service charge revenue for this purpose. This amount is spent annually towards replacement, identified in the capital improvement plan discussed below, or is accumulated in the capital reserve for future replacement spending.



Table 6  
Summary of Projected Operation and Maintenance Expense

Description	Budget	Projected			
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Operation and Maintenance Expense</b>					
Collection	\$270,400	\$281,300	\$292,600	\$304,400	\$316,600
Treatment	288,100	301,500	315,600	330,200	345,400
General Operations [1]	1,182,600	1,270,500	1,476,700	1,571,100	1,910,300
Total Projected O&M Expense	\$1,741,100	\$1,853,300	\$2,084,900	\$2,205,700	\$2,572,300

[1] Salaries & wages are included in General Operations costs. Includes new Wastewater Operator positions in FY 2021-22 and new Operator and Maintenance worker (1 and 1/2 positions) in FY 2023-24.

## Debt Service

The City does not currently have any outstanding debt. However, new debt is proposed to partially finance certain capital improvements as discussed below. The debt service payments associated with the proposed debt is paid from revenues and is a revenue requirement of the utility. Future debt service payments are expected to include \$919,000 beginning in FY 2021-22 and an additional \$707,100 in FY 2023-24. The debt issue in FY 2021-22 is planned to provide \$13 million in proceeds while the debt issue in FY 2023-24 is expected to provide \$10 million in proceeds. The debt payments assume an interest rate of 5 percent, term of 30 years, 2 percent issuance costs, and a debt service reserve. While the City may be able to secure less expensive financing from other sources, traditional loan financing is assumed for this debt issue to ensure sufficient funds are provided at the appropriate time.

## Wastewater Capital Improvement Program

The City has developed a CIP plan that lists capital expenditures for FY 2019-20 through FY 2028-29. The first five years of the CIP plan is summarized in Table 7 however the complete listing of projects is provided in Appendix A-2. Both tables include 3 percent annual inflation in the project costs to the year of expenditure. The CIP plan consists of various repair, replacement and rehabilitation projects with the largest project consisting of the Water Reclamation Facility (WRF) Process Improvements totaling \$23.15 million in inflated dollars.

Table 7  
Summary of Capital Improvement Program Expenditures and Sources of Funding

Description	Projected				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total Capital Improvement Spending [1]	\$3,079,000	\$4,044,100	\$8,321,600	\$10,065,600	\$10,622,000
<b>Sources and Uses of Capital Funds</b>					
Beginning Year Balance [2]	\$9,286,000	\$7,479,700	\$4,838,400	\$11,076,400	\$2,759,200
Transfer In Annual Capital Replacement	630,700	760,800	917,600	1,106,400	1,334,000
Transfer In Sewer Connection Fees	642,000	642,000	642,000	642,000	642,000
New Bond Proceeds (net of issuance costs)	-	-	13,000,000	-	10,000,000
CIP Project Expenditures	(3,079,000)	(4,044,100)	(8,321,600)	(10,065,600)	(10,622,000)
<b>Sources Less Uses</b>	<b>\$7,479,700</b>	<b>\$4,838,400</b>	<b>\$11,076,400</b>	<b>\$2,759,200</b>	<b>\$4,113,200</b>
Target Capital and Emergency Reserve [3]	2,400,000	2,500,000	2,900,000	3,400,000	3,800,000

[1] Entire list of CIP projects is provided in Appendix A-2.

[2] FY 2019-20 beginning balance includes all sources of available cash except operating reserve of 6 months of annual O&M expense.

[3] Includes Capital Reserve Target equal to average annual replacement and Emergency Capital Reserve equal to 5% of fixed asset value.

Funding provided for the CIP includes capital reserves, annual replacement revenue from wastewater service charges, sewer connection fee revenue, and new debt proceeds. Construction of the WRF Process Improvements is planned to be partially financed with a proposed debt issue providing proceeds as stated above. The capital financing plan in Appendix A-2 shows the funding of future CIP that includes the debt proceeds as well as ending cash balances for a 10-year period.

## Wastewater Financial Plan

The financial plan provides the means of analyzing the impacts of projected revenue and revenue requirements on funding on-going O&M expense and annual capital infrastructure requirements, as well as the impact on reserves. The financial plan includes the revenues, O&M expense, annual replacement, and debt service that were identified above. The plan also incorporates specific financial planning goals to provide guidance to maintain the health of the wastewater utility on an on-going basis. The goals included the following.

- Generate positive levels of income in each year of the Study period
- Maintain operating and capital reserves at or greater than target levels
- Maintain debt service coverage ratios at or greater than the minimum required, estimated at 125%
- Meet annual capital replacement spending from the annual provision from wastewater service revenue

## Proposed Revenue Adjustments

Table 8 shows the pro forma statement of revenue and revenue requirements for the wastewater utility. The table also includes proposed annual revenue increases recommended to meet the financial planning goals for the Study period. The proposed revenue adjustments include annual increases of 19 percent beginning August 8, 2019 and then on each July 1 for the next four years July 2020 and continuing through July 2023. The proposed adjustments are planned to increase revenue over the next five years to fund O&M expense, annual replacement, debt service, and reserves for the Study period.

The combined operating and capital reserve balance initially increases, then decreases with the beginning of the debt service payments from the proposed debt. The combined operating and capital reserve balance remains above the Target Reserve level in all years of the study period. Additionally, Table 8 also shows that the calculated debt service coverage ratio is met in all years.

This Study also proposes increases in sewer connection fees discussed in a later section of this report. Table 8 shows that revenue received from new connection fees is increased from the update to the charges. The revenue received from connection fees can only be spent on capital projects for which the fees were collected. Therefore, the connection fee revenue received is shown as a transfer out in Table 8 to be spent on capital projects where it is shown as a source of funds in Table 7.

Table 8  
Wastewater Financial Plan

Description	Projected				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Proposed Rate Increase (Aug 8)</b>	<b>19.0%</b>				
<b>Proposed Rate Increase (July 1)</b>		<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>
<b>Operating Revenues</b>					
Service Charge Revenues, Existing Rates [1]	\$2,038,500	\$2,066,400	\$2,094,200	\$2,122,000	\$2,149,900
Additional Revenue from Rate Adjustments [2]	355,000	859,800	1,434,900	2,133,400	2,980,700
Miscellaneous Revenues [3]	830,700	837,800	845,200	853,000	861,200
Interest Earnings [4]	140,700	114,800	145,300	132,800	82,000
<b>Total Operating Revenues</b>	<b>\$3,364,900</b>	<b>\$3,878,800</b>	<b>\$4,519,600</b>	<b>\$5,241,200</b>	<b>\$6,073,800</b>
<b>Operating Expenses</b>					
Operation and Maintenance Expense	\$1,740,500	\$1,853,300	\$2,084,900	\$2,205,700	\$2,572,300
New Bond Debt Service [5]	0	0	919,300	919,300	1,626,400
Annual Replacement [6]	622,300	760,800	917,600	1,106,400	1,334,000
Transfer Sewer Connection Fees to Capital	642,000	642,000	642,000	642,000	642,000
<b>Total Operating Expenses</b>	<b>\$3,004,800</b>	<b>\$3,256,100</b>	<b>\$4,563,800</b>	<b>\$4,873,400</b>	<b>\$6,174,700</b>
<b>Net Balance From Operations</b>	<b>\$360,100</b>	<b>\$622,700</b>	<b>(\$44,200)</b>	<b>\$367,800</b>	<b>(\$100,900)</b>
<b>Annual Debt Service Coverage</b>					
Net Revenues [7]	\$1,624,400	\$2,025,500	\$2,434,700	\$3,035,500	\$3,501,500
Total Annual Debt Service	\$0	\$0	\$919,300	\$919,300	\$1,626,400
Coverage	n/a	n/a	265%	330%	215%
<b>Combined Operating and Capital Reserves</b>					
Beginning Available Reserves	\$10,112,000	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200
Increase (Decrease) Reserve	(1,454,600)	(2,018,600)	6,193,800	(7,949,400)	1,253,100
Ending Available Reserves	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200	\$6,136,300
Target Operating and Capital Reserves	\$3,270,000	\$3,427,000	\$3,942,000	\$4,503,000	\$5,086,000
Above (below) Target	\$5,387,400	\$3,211,800	\$8,890,600	\$380,200	\$1,050,300

- [1] Projected using the existing wastewater rates. Changes in rate based revenues are due to customer and demand growth.  
[2] FY 2019-20 increase effective Aug 8. All other increases are effective July 1.  
[3] Miscellaneous revenue includes Permits and Inspections, Sewer Extension Fees, Sewer Connection Fees, Well Water, and Tap-in Fees.  
[4] Interest earnings on the average fund balance calculated at 1.50%.  
[5] Debt service related to new bond proceeds listed in Table 7. Assumes interest rate of 5.0%, 30 year term, and issuance expenses.  
[6] Equal to 26% of sewer service charge revenue and additional revenue from rate adjustments.  
[7] Includes revenue from rates, interest earnings, and miscellaneous revenues less operation and maintenance expense.

## Wastewater Rate Design

This section describes how wastewater service charges are designed and also provides the proposed schedule of wastewater rates for implementation.

### EDU Wastewater Flow

The City's Wastewater Treatment Plant (WWTP) Master Plan provides a residential wastewater flow of 70 gallons per capita per day (gpcd) with a peaking factor of 1.3. Using this information and a persons-per-household (PPH) value of 2.65 from the City's General Plan, a flow estimate for an SFR customer can be calculated. Multiplying 70 gpcd by 2.65 PPH and by the peaking factor of 1.3, results in a flow estimate of 240 gallon per day (gpd) representing maximum month flow. This is the same flow used by the existing wastewater service charge schedule. Therefore, the EDU multiples for each customer classification shown in Table 2 are assumed to be reasonable and will be used to establish the future wastewater service charges for existing customers.

## Strength Factor and EDU Multiple

As discussed in the Existing Wastewater Service Charges section, one EDU is the sewer flow and strength of a single-family residence, stated in terms of maximum discharge flow in gallons per day (gpd) and strength consisting of bio-chemical oxygen demand (BOD) and suspended solids (SS). A Strength Factor can be developed whereby a customer's proportion of BOD and SS strength relative to the SFR dwelling unit can be calculated and stated separately. The Equivalent Dwelling Unit is the product of the customer's flow in relation to the SFR flow, multiplied by the Strength Factor. Service charges for wastewater customers are calculated as follows.

$$\text{Wastewater Service Charge} = (\text{Customer Flow/SFR Flow}) \times \text{Strength Factor} \times \text{SFR Service Charge}$$

$$= \text{EDU Multiple} \times \text{SFR Service Charge}$$

Therefore, wastewater service charges for various user groups can be calculated from their estimated flow and Strength Factor which are proportional to the SFR wastewater service charge.

## Proposed Wastewater Service Charges

The revenue increases outlined in Table 8 are applied to the SFR dwelling unit fixed charge to determine the proposed charges in future years. Applying the EDU multiples from the current wastewater service charge schedule shown in Table 3, to the SFR charge provides the wastewater service charges for other residential and non-residential customers. The proposed wastewater service charges are shown in Table 9.

Table 9  
Current and Proposed Wastewater Service Charges

Description	EDU Multiple	Unit of Measure	Current	Date of Increase				
				Aug 8, 2019	July 1, 2020	July 1, 2021	July 1, 2022	July 1, 2023
Residential Fixed Charges								
Single Family	1.00	Dwelling Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Apartment, Condo	0.75	Dwelling Unit	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Mobile Home	0.75	Spaces	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Senior Apt Unit	0.35	Dwelling Unit	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
Non-Residential Fixed Charges								
Financial Institutions	2.00	Unit	\$40.36	\$48.03	\$57.15	\$68.01	\$80.94	\$96.31
Bars	1.50	Unit	\$30.27	\$36.02	\$42.87	\$51.01	\$60.70	\$72.23
Carwash	7.50	Unit	\$151.35	\$180.11	\$214.33	\$255.05	\$303.51	\$361.17
Churches/Meeting Halls								
< 150 seats	1.33	Seats	\$26.83	\$31.93	\$37.99	\$45.21	\$53.80	\$64.03
150 to 250 seats	2.66	Seats	\$53.67	\$63.87	\$76.00	\$90.44	\$107.63	\$128.08
> 250 seats	3.00	Seats	\$60.63	\$72.15	\$85.86	\$102.17	\$121.58	\$144.68
Commercial Unit	1.00	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Funeral Home	9.00	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Gas Station	2.00	Unit	\$40.35	\$48.02	\$57.14	\$68.00	\$80.92	\$96.29
Grocery Store > 10,000 sf	8.00	1,000 sf	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
Gymnasium	10.00	Unit	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
Laundry	9.00	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Motel (per room)	0.33	Room	\$6.66	\$7.93	\$9.43	\$11.22	\$13.36	\$15.89
Office Unit	1.00	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Rest Home (per bed)	0.35	Bed	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
Restaurants								
< 40 seats	4.00	Seats	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
41 to 60 seats	6.00	Seats	\$121.06	\$144.06	\$171.43	\$204.01	\$242.77	\$288.89
61 to 100 seats	8.00	Seats	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
> 100 seats	10.00	Seats	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
School (per student on 3/1)	0.05	Student	\$1.01	\$1.20	\$1.43	\$1.70	\$2.03	\$2.41
Theater	4.00	Unit	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
Veterinarians	3.00	Unit	\$60.54	\$72.04	\$85.73	\$102.02	\$121.40	\$144.47
Unlisted Uses [1]	1.00	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16

[1] Determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

## Service Charge Variances

It is suggested that the City reserve the right to determine a new wastewater customer's monthly charge by estimating the wastewater flow through the use of fixture units according to the California Plumbing Code or other methods deemed appropriate by the City Engineer. The resulting wastewater flow would be applied to the formula provided in a previous section. A new wastewater customer classification may be created that is not listed in Table 9.

# Wastewater Bill Impact Analysis

The impact to the single-family customer bill that would occur from the implementation of the proposed wastewater service charges for the August 2019 increase is provided in Table 10 below. The table shows that the wastewater bill of an SFR customer will increase from \$20.18 to \$24.01, an increase of \$3.83, or 19 percent.

**Table 10**  
**Comparison of Current Residential Monthly Wastewater Bill with**  
**Proposed Monthly Bill Using August 2019 Wastewater Service Charges**

Residential Classification	Current Bill	Aug 2019 Proposed Bill	Dollar Change	Percent Change
Single Family	\$20.18	\$24.01	\$3.83	19.0%
Apartment, Condo	\$15.13	\$18.00	\$2.87	19.0%
Mobile Home	\$15.13	\$18.00	\$2.87	19.0%
Senior Apt Unit	\$7.06	\$8.40	\$1.34	19.0%

## Wastewater Rate Survey

A wastewater rate survey was conducted for neighboring communities to the City of Atascadero. Chart 1 compares the City's SFR monthly wastewater bill with those of neighboring communities at the same use. Wastewater bills were calculated assuming a 5/8" meter or 3/4" meter where that is the smallest size available, and a monthly use of 15 hundred cubic feet (HCF) and an average winter water use of 7 HCF where applicable. The rate survey includes rate schedules in effect April 2019 and provides wastewater bills for the City using the current service charges and for the proposed service charges from Table 9 for implementation August 8, 2019.

From reviewing Chart 1, the City's proposed August 8, 2019 SFR monthly wastewater bill is among the lowest in San Luis Obispo County.

**Chart 1**  
**Comparison of Single-family Residential Monthly Wastewater Bills**  
For Rates in Effect April 2019



Note: Above table uses wastewater rates in effect April 2019. City's August 2019 bill is based on the wastewater service charges in Table 9. San Luis Obispo, Cambria, Paso Robles, Arroyo Grande, and Los Osos have a variable wastewater rate component and an average water consumption of 15 HCF and an average winter water use of 7 HCF have been assumed.

## Capacity Charges

Capacity charges, sometimes referred to as connection fees, are one-time charges paid by new customers as a capital contribution for capacity in the wastewater system. These charges can also be assessed to customers requiring increased capacity requirements to serve changes in their development. Proceeds from capacity charges are to be placed into an account separate from all other accounts and are to be used to finance the development of growth related infrastructure. The proceeds are a financing source for future facilities.

Capacity charges are calculated recognizing EDU multiples of the different customer classifications stated in the wastewater service charge schedule in Tables 9. The calculation of the capacity charge is proposed as follows.

$$\begin{aligned} \text{Capacity Charge} &= (\text{Customer Flow} / \text{SFR Flow}) \times \text{Strength Factor} \times \text{SFR Capacity Charge} \\ &= \text{EDU Multiple} \times \text{SFR Capacity Charge} \end{aligned}$$

The SFR capacity charge is calculated following standard methods by identifying the existing fixed asset value, in terms of replacement cost less depreciation, and the CIP value that is related to replacement and to serving future growth. Table 11 provides a summary of the calculations used to determine the capacity charge for an SFR dwelling unit. The capacity charges have been developed using the combination methodology, a combination of the buy-in and incremental cost methodology whereby the charges are based on the value of existing capacity and value of CIP replacement and growth-related projects.

Table 11  
Development of Single-family Residential Capacity Charge

Line No.	Description	RCLD Value	Contributions/ Debt Principal	Asset Value	Capacity gpd	Capacity Charge \$/gpd
<b>Existing Plant Investment</b>						
1	Collection	\$15,743,199	(\$12,226,755)	\$3,516,444		
2	Pumping and Lift Stations	2,429,453	-	2,429,453		
3	Treatment	7,123,338	-	7,123,338		
4	General Plant	3,068,790	-	3,068,790		
5	<b>Total Existing Plant Investment</b>	<b>\$28,364,780</b>	<b>(\$12,226,755)</b>	<b>\$16,138,025</b>	<b>2,280,000</b>	<b>\$7.08</b>
<b>Capital Improvements (CIP)</b>						
6	Replacement Related	\$39,300,150	(\$22,900,000)	\$16,400,150	2,280,000	\$7.19
7	Growth Related Improvements	\$7,611,850	(5,100,000)	2,511,850	510,000	\$4.93
9	<b>Total CIP</b>	<b>\$46,912,000</b>	<b>(\$28,000,000)</b>	<b>\$18,912,000</b>		
<b>Adjustments</b>						
10	Capital Cash Balance	\$9,286,000		\$9,286,000	2,280,000	\$4.07
11	<b>Total Value</b>	<b>\$84,562,780</b>		<b>\$44,336,025</b>		
12	Unit Valuation of Existing Wastewater System (\$/gpd)					\$23.269
13	Single-family Residential Demand (gpd)					240
14	Connection Fee (Replacement) ((line 5 + line 7 + line 10) * line 13)					\$4,403
15	Connection Fee (Growth-Related) (line 8 * line 13)					\$1,182
16	<b>Single-family Residential Capacity Charge</b>					<b>\$5,584</b>

Using the capacity charge for the SFR dwelling unit and the formula described above, a capacity charge schedule is developed as shown in Table 12 for existing development types. The capacity charges provided in Table 12 should be adjusted annually by the percentage increase in the Engineering News Record Construction Cost Index (ENR-CCI).

**Table 12**  
**Schedule of Capacity Charges**

Development Type	EDU Multiple	Unit of Measure	Capacity Charge
<b>Residential</b>			
Single Family	1.00	Dwelling Unit	\$5,584
Apartment, Condo	0.75	Dwelling Unit	\$4,186
Mobile Home	0.75	Spaces	\$4,186
Senior Apt Unit	0.35	Dwelling Unit	\$1,953
<b>Non-Residential</b>			
Financial Institutions	2.00	Unit	\$11,168
Bars	1.50	Unit	\$8,376
Carwash	7.50	Unit	\$41,880
Churches/Meeting Halls			
< 150 seats	1.33	Seats	\$7,426
150 to 250 seats	2.66	Seats	\$14,853
> 250 seats	3.00	Seats	\$16,752
Commercial Unit	1.00	Unit	\$5,584
Funeral Home	9.00	Unit	\$50,256
Gas Station	2.00	Unit	\$11,168
Grocery Store > 10,000 sf	8.00	1,000 sf	\$44,672
Gymnasium	10.00	Unit	\$55,840
Laundry	9.00	Unit	\$50,256
Motel (per room)	0.33	Room	\$1,842
Office Unit	1.00	Unit	\$5,584
Rest Home (per bed)	0.35	Bed	\$1,954
Restaurants			
< 40 seats	4.00	Seats	\$22,336
41 to 60 seats	6.00	Seats	\$33,504
61 to 100 seats	8.00	Seats	\$44,672
> 100 seats	10.00	Seats	\$55,840
School (per student on 3/1)	0.05	Student	\$279
Theater	4.00	Unit	\$22,336
Veterinarians	3.00	Unit	\$16,752
Unlisted Uses	1.00	Unit	\$5,584

### Capacity Charge Variances

For any new wastewater customer, the City may reserve the right to charge the customer using estimated flow based on fixture units according to the California Plumbing Code, or other method deemed appropriate by the City's engineer. The capacity charge may be calculated using the formula provided above.



# Appendix A

## Wastewater Technical Appendices

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Wastewater Historical and Projected Operation and Maintenance Expense, Capital Improvement Program with Sources and Uses Funding, and the Wastewater Financial Plan are detailed in Appendix A.

Appendix A-1  
Historical and Projected Operation and Maintenance Expense

	Inflationary	Historical				Budget	Projected [1]									
Description	Escalation	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
COLLECTION																
Electricity	3% [1]	\$64,418	\$67,310	\$76,842	\$78,762	\$68,000	\$71,921	\$76,016	\$80,292	\$84,757	\$89,417	\$94,280	\$99,355	\$104,649	\$110,172	\$115,932
Chemicals	3% [1]	19,777	21,035	33,644	28,427	30,000	31,730	33,537	35,424	37,394	39,450	41,596	43,835	46,171	48,608	51,149
Operating Supplies	3%	16,400	9,291	4,130	7,008	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
Vehicle & Equip Supp & Repair	3%	9,092	49,270	38,232	27,197	75,000	77,250	79,568	81,955	84,413	86,946	89,554	92,241	95,008	97,858	100,794
Contract Services	3%	104,065	101,009	45,777	39,100	70,350	72,461	74,634	76,873	79,180	81,555	84,002	86,522	89,117	91,791	94,545
Other	3%	5,209	5,255	5,989	6,315	6,500	6,709	6,924	7,147	7,376	7,612	7,856	8,108	8,369	8,638	8,915
Total Collection Expense		\$218,962	\$253,170	\$204,614	\$186,809	\$259,850	\$270,371	\$281,288	\$292,618	\$304,375	\$316,573	\$329,229	\$342,360	\$355,982	\$370,115	\$384,774
TREATMENT																
Electricity	3% [1]	\$162,906	\$162,468	\$172,653	\$174,898	\$170,000	\$179,803	\$190,042	\$200,733	\$211,895	\$223,546	\$235,705	\$248,392	\$261,628	\$275,435	\$289,835
Operating Supplies	3%	26,899	26,777	22,426	32,206	37,000	38,110	39,253	40,431	41,644	42,893	44,180	45,505	46,870	48,277	49,725
Vehicle & Equip Supp & Repair	3%	7,303	7,542	16,693	8,321	13,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471
Contract Services	3%	42,444	44,845	46,309	52,325	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
Other	3%	4,518	5,078	5,271	4,962	5,100	5,253	5,411	5,574	5,740	5,912	6,089	6,273	6,461	6,654	6,854
Total Treatment Expense		\$244,070	\$246,709	\$263,352	\$272,712	\$275,100	\$288,056	\$301,543	\$315,579	\$330,186	\$345,386	\$361,200	\$377,652	\$394,766	\$412,567	\$431,081
GENERAL OPERATIONS																
Salaries and Wages	5% [2]	\$335,262	\$344,379	\$358,567	\$378,829	\$374,145	\$396,905	\$433,473	\$527,672	\$554,059	\$717,394	\$753,262	\$790,924	\$830,472	\$872,002	\$915,602
Benefits	10%	175,224	195,165	209,180	231,496	242,231	274,703	302,172	387,786	426,566	569,772	626,748	689,427	758,370	834,207	917,626
Insurance	3%	(5,503)	15,806	16,451	21,956	16,050	16,532	17,027	17,538	18,064	18,606	19,165	19,739	20,332	20,942	21,570
Operating Supplies	3%	23,482	22,661	42,224	27,381	26,000	26,780	27,583	28,411	29,263	30,141	31,045	31,977	32,936	33,924	34,942
Vehicle & Equipment Repairs	3%	23,688	24,943	22,605	38,333	36,000	37,080	38,192	39,338	40,518	41,734	42,986	44,275	45,604	46,972	48,381
Contract Services	3%	10,702	1,495	4,515	680	11,500	11,845	12,200	12,566	12,943	13,332	13,732	14,144	14,568	15,005	15,455
Franchise Fees		35,865	37,121	38,251	38,636	51,850	48,516	58,524	70,582	85,108	102,612	109,132	116,058	123,396	131,182	139,436
Departmental Service Allocation	3%	79,510	67,240	74,160	72,410	72,320	74,490	76,724	79,026	81,397	83,839	86,354	88,944	91,613	94,361	97,192
Administrative Services	3%	118,340	199,130	202,650	217,520	221,960	228,619	235,477	242,542	249,818	257,312	265,032	272,983	281,172	289,607	298,296
Contingency Reserve	3%	0	0	0	0	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
Other	3%	45,038	44,305	59,583	33,535	55,180	56,834	58,543	60,297	62,107	63,968	65,886	67,864	69,899	71,997	74,156
Total G&A Expenses		\$841,608	\$952,245	\$1,028,186	\$1,060,776	\$1,117,236	\$1,182,604	\$1,270,524	\$1,476,685	\$1,571,098	\$1,910,303	\$2,025,283	\$2,148,634	\$2,281,030	\$2,423,247	\$2,576,095
Total O&M Expenses		\$1,304,640	\$1,452,124	\$1,496,152	\$1,520,297	\$1,652,186	\$1,741,031	\$1,853,355	\$2,084,882	\$2,205,659	\$2,572,262	\$2,715,712	\$2,868,646	\$3,031,778	\$3,205,929	\$3,391,950

[1] Expense increases from additional wastewater flow due to growth as well as cost escalation.

[2] Includes a new Wastewater Operator position occurring in year FY 2021-22 and FY 2023-24, and an allocation of a 0.5 FTE in FY 2023-24.

Table A-2  
Capital Improvement Program With Sources and Uses of Funds

Description	Estimated		Projected							
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>Current Capital Improvement Projects (CIP) [1]</b>										
<b>Wastewater Treatment Plant</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WRF Process Improvements and Upgrades	-	309,000	3,026,700	9,759,700	10,052,500	-	-	-	-	-
Percolation Basin Capacity Evaluation	-	36,100	-	-	-	-	-	-	-	-
Dredge Pipe Replacement	-	-	-	38,200	-	-	-	-	-	-
Aerator Replacement Program	19,000	19,600	20,200	-	-	-	-	-	-	-
<b>Lift Stations</b>	-	-	-	-	-	-	-	-	-	-
Lift Station No. 2 Replacement	1,332,000	-	-	-	-	-	-	-	-	-
Lift Station No. 5 and Force Main Replacement	-	-	-	-	-	1,233,500	7,193,000	-	-	-
Lift Station No. 6 and Force Main Upgrades	-	-	-	-	164,300	955,200	-	-	-	-
Lift Station 4, 7, 9 11, 14, 15 Rehabilitation Projects	473,000	-	-	-	-	-	-	-	-	-
Lift Station No. 13 and Force Main Replacement	-	848,700	4,951,200	-	-	-	-	-	-	-
<b>Collection</b>	-	-	-	-	-	-	-	-	-	-
Highway 41 and El Camino Real Sewer Improvements	-	-	-	-	-	-	-	-	281,200	1,641,400
Traffic Way Sewer Improvements	389,000	2,269,100	-	-	-	-	-	-	-	-
Various Locations Sewer Condition Improvements	456,000	-	-	-	-	1,496,600	-	1,587,800	-	-
4x4 Loader	-	-	159,100	-	-	-	-	-	-	-
Asset Management Program and Work Order System	-	103,000	-	-	-	-	-	-	-	-
CCTV Truck	200,000	-	-	-	-	-	-	-	-	-
Combo Truck Storage Structure	15,000	-	-	-	-	-	-	-	-	-
Inflow and Infiltration Study	-	30,900	-	-	33,800	-	-	36,900	-	-
Portable Bypass Pump	-	77,300	-	-	-	-	119,400	-	-	-
Portable Generator (Total of 2)	-	97,900	-	-	-	-	-	123,000	-	-
Service Vehicle Replacement (Total of 6)	35,000	36,100	-	38,200	-	40,600	-	43,000	-	45,700
Skip and Drag	-	97,900	-	-	-	-	-	-	-	-
Annual GIS Maintenance & Modeling Support	15,000	15,500	15,900	16,400	16,900	17,400	17,900	18,400	19,000	19,600
Manhole Rehabilitation & Sewer Line Repairs	100,000	103,000	132,600	136,600	168,800	173,900	209,000	215,200	253,400	261,000
Sewer System Management Plan Audit	15,000	-	15,900	-	16,900	-	17,900	-	19,000	-
Wastewater Fee Study	-	-	-	54,600	-	-	-	61,500	-	-
Wastewater Customer Database Review	-	-	-	21,900	-	-	-	24,600	-	-
Sewer System Management Plan Update	30,000	-	-	-	-	34,800	-	-	-	-
Wastewater Master Plan Update	-	-	-	-	168,800	-	-	-	-	-
<b>Total</b>	<b>\$3,079,000</b>	<b>\$4,044,100</b>	<b>\$8,321,600</b>	<b>\$10,065,600</b>	<b>\$10,622,000</b>	<b>\$3,952,000</b>	<b>\$7,557,200</b>	<b>\$2,110,400</b>	<b>\$572,600</b>	<b>\$1,967,700</b>
<b>Sources and Uses of Capital Funds</b>										
Beginning Year Balance [2]	\$9,286,000	\$7,479,700	\$4,838,400	\$11,076,400	\$2,759,200	\$4,113,200	\$2,221,900	\$1,815,500	\$1,951,200	\$3,726,000
Transfer In Annual Capital Replacement	630,700	760,800	917,600	1,106,400	1,334,000	1,418,700	1,508,800	1,604,100	1,705,400	1,812,700
Transfer In Sewer Connection Fees	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000
Additional Funding from Net Operating Revenues	-	-	-	-	-	-	-	-	-	-
<b>New Bond Proceeds (net of issuance costs)</b>	<b>-</b>	<b>-</b>	<b>13,000,000</b>	<b>-</b>	<b>10,000,000</b>	<b>-</b>	<b>5,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
CIP Project Expenditures	(\$3,079,000)	(\$4,044,100)	(\$8,321,600)	(\$10,065,600)	(\$10,622,000)	(\$3,952,000)	(\$7,557,200)	(\$2,110,400)	(\$572,600)	(\$1,967,700)
<b>Sources Less Uses</b>	<b>\$7,479,700</b>	<b>\$4,838,400</b>	<b>\$11,076,400</b>	<b>\$2,759,200</b>	<b>\$4,113,200</b>	<b>\$2,221,900</b>	<b>\$1,815,500</b>	<b>\$1,951,200</b>	<b>\$3,726,000</b>	<b>\$4,213,000</b>
<b>Target Capital and Emergency Reserve</b>	<b>\$2,400,000</b>	<b>\$2,500,000</b>	<b>\$2,900,000</b>	<b>\$3,400,000</b>	<b>\$3,800,000</b>	<b>\$4,000,000</b>	<b>\$4,300,000</b>	<b>\$4,300,000</b>	<b>\$4,200,000</b>	<b>\$4,200,000</b>

[1] CIP Source: CIP Project list provided by the City.

[2] The available cash balance reflects the City's FY 2019-20 Budget less Operating Reserve.

## Appendix A-3 Wastewater Financial Plan

Description	Projected									
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>Proposed Rate Increase (Aug 8)</b>	<b>19.0%</b>									
<b>Proposed Rate Increase (July 1)</b>		<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>Operating Revenues</b>										
Service Charge Revenues, Existing Rates [1]	\$2,038,500	\$2,066,400	\$2,094,200	\$2,122,000	\$2,149,900	\$2,177,700	\$2,205,600	\$2,233,400	\$2,261,300	\$2,289,100
Additional Revenue from Rate Adjustments [2]	355,000	859,800	1,434,900	2,133,400	2,980,700	3,278,900	3,597,300	3,936,400	4,297,800	4,682,700
Miscellaneous Revenues [3]	830,700	837,800	845,200	853,000	861,200	869,800	878,800	888,200	898,100	908,500
Interest Earnings [4]	140,700	114,800	145,300	132,800	82,000	77,800	58,400	53,600	66,800	84,800
<b>Total Operating Revenues</b>	<b>\$3,364,900</b>	<b>\$3,878,800</b>	<b>\$4,519,600</b>	<b>\$5,241,200</b>	<b>\$6,073,800</b>	<b>\$6,404,200</b>	<b>\$6,740,100</b>	<b>\$7,111,600</b>	<b>\$7,524,000</b>	<b>\$7,965,100</b>
<b>Operating Expenses</b>										
Operation and Maintenance Expense	\$1,740,500	\$1,853,300	\$2,084,900	\$2,205,700	\$2,572,300	\$2,715,700	\$2,868,700	\$3,031,800	\$3,205,900	\$3,392,000
New Bond Debt Service [5]	0	0	919,300	919,300	1,626,400	1,626,400	1,980,000	1,980,000	1,980,000	1,980,000
Annual Replacement [6]	622,300	760,800	917,600	1,106,400	1,334,000	1,418,700	1,508,800	1,604,100	1,705,400	1,812,700
Transfer Sewer Connection Fees to Capital	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000
<b>Total Operating Expenses</b>	<b>\$3,004,800</b>	<b>\$3,256,100</b>	<b>\$4,563,800</b>	<b>\$4,873,400</b>	<b>\$6,174,700</b>	<b>\$6,402,800</b>	<b>\$6,999,500</b>	<b>\$7,257,900</b>	<b>\$7,533,300</b>	<b>\$7,826,700</b>
<b>Net Balance From Operations</b>	<b>\$360,100</b>	<b>\$622,700</b>	<b>(\$44,200)</b>	<b>\$367,800</b>	<b>(\$100,900)</b>	<b>\$1,400</b>	<b>(\$259,400)</b>	<b>(\$146,300)</b>	<b>(\$9,300)</b>	<b>\$138,400</b>
<b>Annual Debt Service Coverage</b>										
Net Revenues [7]	\$1,624,400	\$2,025,500	\$2,434,700	\$3,035,500	\$3,501,500	\$3,688,500	\$3,871,400	\$4,079,800	\$4,318,100	\$4,573,100
Total Annual Debt Service Coverage	\$0	\$0	\$919,300	\$919,300	\$1,626,400	\$1,626,400	\$1,980,000	\$1,980,000	\$1,980,000	\$1,980,000
Coverage	n/a	n/a	265%	330%	215%	227%	196%	206%	218%	231%
<b>Combined Operating and Capital Reserves</b>										
Beginning Available Reserves	\$10,112,000	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200	\$6,136,300	\$4,246,400	\$3,580,600	\$3,570,000	\$5,335,500
Increase (Decrease) Reserve	(1,454,600)	(2,018,600)	6,193,800	(7,949,400)	1,253,100	(1,889,900)	(665,800)	(10,600)	1,765,500	625,400
Ending Available Reserves	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200	\$6,136,300	\$4,246,400	\$3,580,600	\$3,570,000	\$5,335,500	\$5,960,900
Target Operating and Capital Reserves	\$3,270,000	\$3,427,000	\$3,942,000	\$4,503,000	\$5,086,000	\$5,358,000	\$5,734,000	\$5,816,000	\$5,803,000	\$5,896,000
Above (below) Target	\$5,387,400	\$3,211,800	\$8,890,600	\$380,200	\$1,050,300	(\$1,111,600)	(\$2,153,400)	(\$2,246,000)	(\$467,500)	\$64,900

[1] Projected using the existing wastewater rates. Changes in rate based revenues are due to customer and demand growth.

[2] FY 2019-20 increase effective Aug 8. All other increases are effective July 1.

[3] Miscellaneous revenue includes Permits and Inspections, Sewer Extension Fees, Sewer Connection Fees, Well Water, and Tap-in Fees.

[4] Interest earnings on the average fund balance calculated at 1.50%.

[5] Debt service related to new bond proceeds listed in Table 7. Assumes interest rate of 5.0%, 30 year term, and issuance expenses.

[6] Equal to 26% of sewer service charge revenue and additional revenue from rate adjustments.

[7] Includes revenue from rates, interest earnings, and miscellaneous revenues less operation and maintenance expense.