

Public Comment on the Draft Environmental Impact Report, County of San Luis Obispo, Los Osos Wastewater Project (LOWWP).

My comments will focus on the size and capacity of the LOWWP.

The Draft Environmental Impact Report (DEIR) states that the Los Osos Wastewater Project will be sized for buildout of the Assessment District---the Prohibition Zone. (DEIR---Executive Summary, p. 2-23, Sec. 2.6.2 Project Funding ..."engineering reports and associated cost estimates for the overall project are based on ultimate buildout of the Assessment District...including both the developed and undeveloped properties."

The LOWWP is estimated to cost \$165 million (stated by Public Works staff, John Diodati in a pie-chart at a County Town Hall Meeting, Nov. 19, 2008). The DEIR estimates a range from \$144 million-\$188 million (Project Description, Cost and Funding, p. 3-65 & 3-66).

SLO County actually has access to \$127 million from the first Proposition 218 Assessment of the property owners in the Prohibition Zone (PZ). Another \$27 million will be assessed on the undeveloped properties by a future Prop. 218 vote. \$11 million has been added as a \$10 per month Capital Cost on the developed properties (Total: \$165 million). It is unclear whether another Prop. 218 vote of the PZ property owners will be required to raise that additional \$11 million. My question is: If needed, how will this \$11 million be raised?

The issue of funds for the LOWWP is significant to the DEIR because, at the very least, the assessment for BOTH the developed and undeveloped properties in the Prohibition Zone MUST be in place in order to approve the scope of this project as described in the DEIR. Prop. 218 states, in part, that..."the amount of any (contested) assessment is proportional to, and no greater than, the benefits conferred on the property or properties in question." [CA Constitution, Article 13D (Assessment and Property-Related Fee Reform), Sec. 4 (f)].

My understanding of this passage in Prop. 218 leads me to believe that the SLO County Works Dept. cannot size the LOWWP to accommodate total buildout (as is their stated intention in the DEIR) without assessment monies from a second affirmative Prop. 218 vote on the undeveloped properties. According to the County's own consulting engineer, even after SLO County develops a plan with the Los Osos water purveyors (which is independent of the LOWWP), there will only be access to enough water from the upper and lower aquifers combined to meet the needs of the CURRENT population of the Assessment District (Prohibition Zone). At this time, there is NO potable water supply that can be guaranteed for the undeveloped properties in the PZ. Thus, a Prop. 218 for these property owners is unlikely to occur in the near future (if a vote were held under

these circumstances, it would probably be unsuccessful). The Prop. 218 assessment of the undeveloped properties would account for \$27 million of the total project cost. Furthermore, even if the entire LOWWP cost only \$127 million or less at buildout, under Prop. 218, the County could not use that money for a project designed to cover buildout scope and capacity. In this case, the assessment would also exceed the benefit to the developed properties.

Simply put, the SLO County Public Works Department does not have the assessment money to build the LOWWP as designed for buildout. Most importantly, the County cannot legitimately hold a Prop. 218 assessment vote for undeveloped properties in the PZ without a guaranteed water supply for those property owners.

It is significant to the proposed LOWWP in the DEIR that SLO County cannot require the developed property owners in the PZ to pay for an LOWWP designed for buildout capacity, nor can or should they approve a project of this scope BEFORE a second Prop. 218 vote and an adequate water supply for these undeveloped properties is in place.

Please address the serious issues raised in this document which could have a significant impact on the scope and capacity of the LOWWP as described in the DEIR.

Additional References: (in the DEIR)

1. Alternatives to Proposed Project, "Fine Screening Report", p. 7-9 ... "For instance, treated effluent conveyance pipelines should be sized to serve the build-out population..."
2. Growth Inducing Impacts, Sec. 6 "Growth Inducing Impacts", p. 6-1, 6-2, 6-3... "the growth that the LOWWP would accommodate includes approximately 18,428 persons."
3. E-mail correspondence from John Diodati explaining the LOWWP monthly costs (12/10/08 & 12/15/08).

I look forward to the County's response to my questions and concerns.

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