



Minutes for October 27, 2014 Meeting

The meeting was called to order by chairwoman Sandra Caughell at 6:30P. Gary Spelbring led the Pledge of Allegiance, and acting Secretary Art Herbon called roll:

Sandra Caughell	Present	Bill Dorland	Present
Patricia Duron	Present	El-Jay Hansson	Present
Art Herbon	Present	Gary Spelbring	Present
Elaine Thomas	Excused Absent	Dan Woodson	Present
Vince McCarthy	Present	Harry Walls	Present
Susan Cholakian	Absent	Richard Wright	Present
Vern Dah(ex-officio)	Present	Dan Gaddis (ex-officio)	Present

A quorum was declared.

Additions or Deletions to the Agenda

Sandra Caughell requested adding “Formation of Election Committee” to New Business. She further suggested considering Susan Cholakian as Chairperson. The council agreed and it was added to “New Business”.

Approval of Minutes

August 25, 2014 Minutes – Since there was no quorum at the September meeting, approval of August Minutes was carried over to the October meeting. El-Jay Hansson moved for approval and Dan Woodson seconded. There was no discussion and motion carried.

September 22, 2014 Minutes – El-Jay Hansson moved for approval and Patricia Duron seconded. There was no discussion and motion carried with Richard Wright abstaining.

Treasurer's Report – Gary Spelbring

Total balance is \$2,266.18; Monthly expenditures were \$50 (website support); Payables are \$30 (three monthly bank maintenance fees)

Motion by El-Jay Hansson to approve. Seconded by Vince McCarthy. Motion approved.

Correspondence

Sandra Caughill will attend a November 14th meeting for Advisory Council Chairs.

Art Herbon reports that the Chevron/Unocal Guadalupe Cleanup DEIR has been postponed to 1/22/15.

Comments From the Chair

Sandra Caughill asked all participants of the meeting to be as brief as possible due to a very lengthy agenda.

Community Presentations

A. County Supervisor – District 4

Supervisor Caren Ray thanked the Council for requesting the quick pace of the meeting. She then gave a brief recap of the timing of the Phillips-66 Rail Spur REIR, pointing out the November 24th deadline for written comments.

B. Cal Fire Batalion

Cal Fire spokesperson Michael Deleo reported activity for September -

- Nipomo (Station 20) had 135 total calls, with: 21 Fire; 66 emergency medical service; 18 vehicle accidents; 10 public service assists; and 20 miscellaneous requests.
- Nipomo Mesa (Station 22) had 81 total calls, with: 2 Fire; 41 emergency medical service; 7 vehicle accidents; 10 public service assists; and 21 miscellaneous requests.
- Staff drilled on structure fire attacks, hose evolutions and haz-mat response.
- A protocol for tourniquet, pulse oximetry and aspirin administration was added to BLS Engines and Rescue.
- Chief 3412 Paul Van Gerwin has been promoted to Division Chief at Ventura Camp.

C. SLO Sheriff's Office

Commander Jay Donovan of SLO Sheriff's Office reported on local activity for the previous two months since he could not attend the last SCAC meeting -

- There were 2,056 calls for service, including: 45 arrests; 7 assaults; 1 vandalisms; 54 thefts; and 6 trespassing
- He reported that all theft incidents occurred at “easy targets” such as unlocked premises.
- He expressed the opinion that this is a statistically safe community with no unusual patterns.

D. California Highway Patrol

Officer Jason McEwen of the California Highway Patrol reported that there were 17 local collisions last month, including one fatal bicycle accident and six DUI's. He also reported that the Huckfest went smoothly, and that the even organizers were much more organized than last year.

E. SLO County Planning Staff

SLO County Senior Planner Brian Pedrotti introduced Emma Schoppe, who is responsible for the County Energy Workshops. The Nipomo workshop will take place on November 6th, and the South County Regional Center workshop will take place on November 13th.

F. Nipomo Community Services District

NCSD Director Craig Armstrong reported -

- The \$17 million supplemental water project is on schedule for start-up next summer
- Blacklake developer Bob Rossi has been issued an Intent to Serve letter for adding a hotel, homes and bungalows, while remodeling the 27-hole golf course to offset water use.
- Arroyo Grande, Pismo Beach and Grover Beach submitted a letter to NCSD, asking the agency to take actions to reduce aquifer use. They voiced concern regarding saltwater intrusion if the Nipomo Mesa does not reduce water use.

G. Lucia Mar School District

Vern Dahl of Lucia Mar School District introduced a student, KC Harris. Mr. Harris reported on activities at Central Coast New Tech High School that promote cultural issues at the school, support in the community,-

- Cultural activities including the school's first dance, Mock Trial programs, “No Place for Hate” and Quest for Respect.

- School level volunteer programs at local animal shelters, food banks, beach cleanups, Dana Adobe presentations.
- District level teacher training – students teaching elementary school teachers on how to use Google docs.
- Community support involvement in Big Brothers, Big Sisters, spending time with Nipomo elementary students, ASB Oktoberfest volunteering.

H. Nipomo Chamber of Commerce

No representative of Nipomo Chamber of Commerce was in attendance.

Public Comments (for items not on the agenda)

John Snyder commented on NCS D water planning. He reported obtaining public data regarding a monitoring well at Highway-1 and Willow that was at a level of 24.6' in Spring of 1988, 10.1' in Fall of 1988 and 17.6' in Spring of 2014. He claims this shows the Mesa is not in a water emergency, but is going through normal cycles.

Bud Zurbriggen, Nipomo VFW Post Commander, commented on VFW activities, and vets in need of assistance. He reported on Oktoberfest tickets, and transportation assistance for vets going to the doctor.

Vince McCarthy (SCAC member, but speaking as a member of the public) commented on opposition to rate increases for NCS D water. He suggested the use of Prop-218 to combat the rate increase, and offered those interested to learn more on www.protestncsdwater.com.

Consent Agenda

A. SUB2014-0021 COAL 14085 PALE JADE

Proposed lot line adjustment from 2 lots, 0.56 acres and 0.77 acres to 0.56 acres and 0.77 acres. Site location is 781 Hermosa Vista, Arroyo Grande APNs: 05-171-013

Art Herbon motioned to approve the Consent Agenda with no further discussion. Seconded by Dick Wright. Motion approved with no discussion.

New Business:

A. DRC2014-00024 NIPOMO GROUP

Proposed minor use permit to allow the expansion of the existing RV storage and sales lot into the adjacent parcels. Site location is 245 N. Frontage Rd. Nipomo. APN: 091-328-027 and 028.

Planner Megan Martin presented the project. It consists of two parking areas. The area adjacent to Juniper is intended for overflow parking of RV's that are for sale on the property. The second parking area is for improvement of an existing non-permitted parking lot that is only used to support the adjacent swap meet business.

- The lot would expand parking for the swap meet by approximately 200 to 300 spaces, and would formally permit the area that the applicant claims is currently grandfathered as swap meet parking.
- The RV Sales Lot would use the overflow RV parking to consolidate another RV facility with this one.
- No vehicle washing would be allowed on the two new lots.
- The county requires “percolation” parking surfaces on this project instead of paved surfaces.
- The applicant would improve two driveways that access Juniper, and would add concrete aprons to improve flow during swap meets, and to reduce dust being carried from the parking lot to the street.
- Charlie Clouse, consultant for the applicant, claims a road re-striping project on Mary would improve flow on the roadways (another project). It would provide a left turn lane the entire length of Mary from Juniper to Tefft. He reports that a dual signal timing system is being implemented for Swap Meet hours (different flow than the rest of the week).

Public Comments (DRC2014-0024)

- John Snyder advised the SCAC that paved surfaces with collection areas are much more effective at recharging the aquifer than using percolated parking surfaces. He also suggested that the existing recharge area is adequate to support the added parking surface if it is paved, and suggested that the county change their requirement to using pavement.
- Many members of the public commented on the terrible situation with traffic flow during swap meets, and commented that adding 200 to 300 new parking spaces could encourage addition swap meet attendance and exacerbate the traffic flow.

Council Discussion (DRC2014-0024)

Motion made by Art Herbon, seconded by Patricia Duran:

- Table the parking lot project until the SCAC has had a chance to review and advise on the related Juniper and Mary traffic study. Request the Traffic and Circulation Committee review the Juniper and Mary traffic project at the next committee meeting, and place the project on the next SCAC meeting agenda.
- Motion approved by acclamation.

B. DRC20 14-00018 Mesa Dunes

Proposed minor use permit to allow for a phased commercial retail project. Phase One consists of three small retail buildings totaling 1,400 sq.ft. covered by a single roof. Phase One also includes associated parking, landscaping, an existing bathroom located within an existing residence to the north. Phase two consists of a future 3,700 sq.ft. retail building and additional parking area. Phase Three consists of the future removal of the Phase One building and replacement with a 5,000 sq.ft. retail building. The project will result in a disturbance of approximately 24,000 sq.ft. The proposed project is south of Tefft St. and west of Blume St. in the community of Nipomo. The site is in the South County Inland planning area. Site location is 719 Tefft St. Nipomo. APN:092-577-001.

Motion by Art Herbon and second by Vince McCarthy to table the item to next next meeting since the applicant was not in attendance. Motion approved.

C. Resource Management Study

Senior Planner Brian Pedrotti presented the Resource Management Study:

- The study went before planning commission in September, and goes before the Board of Supervisors in December. The study covers management of resources in the inland coastal regions of San Luis Obispo. It is a bi-annual report.
- The report seeks to identify resource requirements according to projected (lead-time sensitive) levels of severity (LOS). LOS-3 is worst; LOS-1 is OK.
- Changed made to the bi-annual report are:
 - Water – increase lead-time sensitivity for evaluating severity.
 - Parks – issues related to actions and monitoring.

- Updated to match actions that BOS can take (ie., remove items from the study that cannot be addressed by BOS).
- Unincorporated areas – improved review process for waste water facilities.
- All areas – greater focus on water and air quality

Public Comments (Resource Management Study)

John Snyder reported on his analysis of a monitoring well on the Nipomo Mesa and claimed that the water severity should not be “phase-3” because the monitoring well show that we are in a normal water situation.

Council Discussion (Resource Management Study)

The Council thanked Mr. Pedrotti for the report with no objections.

D. South County Traffic Study

Planner Michelle Matson presented the South County Circulation Study. The study under review was last updated in December, 2013.

- The study is broken into two areas approximately separated by Willow Road. Area 1 is the south portion, but including Blacklake community. Area 2 is north of Willow Road, but including are Woodlands area.
- \$2 million of funding were “loaned” from area 2 to area 1 to fund the completion of Willow Road. \$100K of that has been spent so far.
- Area-1 currently has a \$49K balance for road improvements.
- Area-2 currently ha a \$3,477K balance for road improvements.
- The study outlines five long term projects in area-1 with no available funding:
 1. Willow Rd Interchange oak tree mitigation.
 2. US 101 Corridor Study.
 3. Tefft Street at Hwy 101 interchange
 4. Southland Overpass/interchange – South Oakglen area needs second point of access.
 5. South Frontage Road realignment at Hill Street.

- The study outlines two long term projects in area-2, with no available funding:
 1. Halcyon Road and highway 1 Improvements – Roundabouts at two intersections
 2. Los Barros 101 Interchange Improvements
- Alternate modes of transportation
 1. Pedestrian circulation - Many streets in Nipomo have no sidewalks.
 2. Bicycle circulation network - No information available from Bicycle Advisory Committee.
 3. Trail network – The Parks and Recreation Element has trail information
 4. Public Transportation – SLO Regional Transit Authority has jurisdiction over the public transportation system in Nipomo.
- The SCAC accepted the South County Traffic Study with no further discussion.

E. Formation of Election Committee

Sandra Caughill suggested the appointment of Susan Cholakian as Chair. There was no action taken by the SCAC on this item. Item carries over to Old Business at next meeting.

Old Business

A. Phillips 66 Proposed Rail Spur. Comments on the REIR

Senior Planner Brian Pedrotti introduced the item of business by outlining three concurrent projects, emphasizing that this is the first one:

1. Phillips-66 Rail Spur REIR (tonight's item)
2. Phillips-66 10" Pipeline from Price Canyon to the refinery
3. Unocal Guadalupe Environmental Cleanup with 10,000 trucks requesting travel on Willow Road.

Phillips-66 recently released an REIR with a 45 day comment period. The comment period ends on November 24th, prior SCAC's next meeting. Therefore, SCAC invited the applicant and opponents to the project to make presentations at the SCAC.

A representative of Phillips-66 (Jim Anderson) was invited to make a presentation to the SCAC. He was in attendance at the SCAC meeting, but opted not to make a presentation.

Mesa Refinery Watch Group (MRWG) presented their concerns regarding the project. Paul Stolpman discussed air quality issues on the Mesa that are exacerbated by the project:

- Related issue of Unocal diesel trucks hauling contaminated soil (another EIR), and the cumulative impact;
- The REIR's acknowledgment that existing particulates and projected particulates are cancer causing;
- Mesa air quality, directly downwind of the refinery project, violates State of California air standards 70 to 90 times per year, with 82 violations so far this year.
- Mesa air quality violates Federal air standards.
- Mesa air quality is as bad as china, and worse than Los Angeles
- Diesel locomotives are associated with PM-2.5 and PM-10 particulates, and are cancer causing according the REIR.
- Silica is a carcinogen Current impacts on the Mesa are not quantified by the REIR, and so no baseline is known.
- The REIR lists Class-1 impacts with no mitigation possible - Green house gas, smog, ozone, cancer causing air toxins,
- If Phillips-66 Rail Spur is not approved, we prevent five trains per week from traversing San Luis Obispo County, because there is no other refinery destination that would use the coastal rail route.
- Emission Reduction credits – The county should change their practice of allowing credits from another location to be used to mitigate an area that is already violating State or Federal air quality standards).

John Anderson (MRWG) discussed Land Use issues related to the project:

- Appendix G of the REIR states that the project is inconsistent with San Luis Obispo County Land Use Principles.
- Goal #1 ... to protect and improve air
- Goal #4 ... Industrial use in harmony with humans ... inconsistent

- 7.1.1 – Refinery Buffer Zone between the refinery and humans – the project alters the buffer zone too close to human activity. Refinery is 1.5 miles from human activity. Rail transfer station is 0.5 miles from human activity.
- S-26 ...

Public Comments (Rail Spur) -

Tommy Nefcy commented that he can look out the window of his home and see the closeness of the project. He believes it is too close to human activity. Noises, lights and smell from the new activity are three-times closer than the current refinery. Trains will operate around-the-clock. He urged against approving the project.

Istar Holliday commented that Phillips-66 has been a good neighbor for years, but this will change everything. The rail spur will:

- Affect health of nearby neighbors
- Reduce property values to the point that home property tax reductions will be greater than property taxes the county receives from Phillips-66.
- Destroy our quality of life. Increase noise, vibration. Illuminate the night sky.
- Construction and operation will go on seven days a week.

Istar also pointed out that mitigations are suggested in the REIR for other species, but not for humans. The REIR claims mitigations for humans are not necessary. She urged the SCAC to recommend a “no project”.

Tom Ryan pointed out that the REIR restricts the refinery from receiving crude called “Bakken Crude”, and pointed out that the refinery would still be able to receive crude with similar volatility to Bakken Crude (for instance, coming from another formation in No. Dakota). He suggests that the REIR restrict the refinery from receiving crude that exceeds a specific volatility level, instead of naming a region that is restricted.

Tom Ryan also noted that he is a former Unocal employee, and estimated that SMR could be converted to handling sweet crude (like Bakken) for an investment of \$10 to \$100 million dollars.

Kevin Beauchamp pointed out that the REIR states that no mitigations are needed for the nearby human population.

Martin Ackel told the SCAC about Phillip-66's 2013 Annual Report, which headlines on the cover that the company plans to “move in new direction”, with improvement in profits by importing inexpensive crude from Canada, transported by rail to both coasts for refining. He also pointed out that the annual report was released before SMR released the EIR for the rail

spur. He said it is evidence that the new owner of the refinery wants to take it in another direction, as opposed to SMR claims that the refinery needs to bring in crude-by-rail in order to have enough crude to operate the refinery.

Council Discussion (Phillips-66 Rail Spur)

Art Herbon made the following motion:

- “SCAC advises that the County Planning Commission and Board of Supervisors vote “NO PROJECT” on this REIR because:
 1. The Phillips 66 rail spur brings existing industrial activity three-times closer (0.5 miles versus 1.5 miles) to residential and resort hotel zoning, along with increased noise, view deterioration, and therefore, a vastly intensified land use; and
 2. Air quality would worsen in an area that is already violating Federal and State air quality requirements.
- The Motion was seconded by El-Jay Hansson.
- Istar Holliday, at the request of Phillips-66 representative Jim Anderson, objected that acting on the motion would violate the Brown Act, since the Agenda only calls for “discussion” and not any advisory action.
- The motion and second were withdrawn by Herbon and Hansson.

Sandra Caughill requested that the Council outline their comments and requested the Correspondence Secretary to send an official letter to the Murray Wilson (REIR's planner) and Supervisor Caren Ray.

Council Discussion Continued (Phillips-66 Rail Spur)

Richard Wright – SCAC Public Safety Representative

- This project provides more disadvantages to the community in terms of adverse health issues than advantages to the county, such as added jobs (estimated at 17).
- Page ES-13 of the REIR states “*that the impact to fire protection and emergency services along the UPRR mainline was found to be significant (Class 1) in the event of a fire or explosion. Many local emergency responders lack adequate resources to respond to oil-by-rail accidents.*” This project should not be under-taken without appropriate public safety resources available for emergencies.

- It is doubtful that SLO County has adequate public safety personnel in the South County to provide for evacuation from impacted locations in the event of a major fire or explosion on the rail line.

Dan Woodson – SCAC Area 2 Representative

- Santa Maria Energy Company and others [purportedly] plan to add 7,700 oil wells between Orcutt and Casmalia. If SMR contracted to process that new product from its existing pipelines, the need for a rail spur would be completely eliminated.
- If SMR is allowed to process oil-by-rail, there is a potential for major railroad traffic impacts.
- The REIR lacks specifics on monitoring mitigation measures, and the county's monitoring capability will be dependent on budget constraints. Specific county departments should be listed as responsible for monitoring mitigations, and specific functionaries in departments should be assigned responsibility in job description. There should be a source of dedicated funding to provide those services.
- The REIR indicates that if any mitigation factors are not in compliance with Federal Regulations, then that mitigation factor can be ignored. I believe that past US Supreme Court decisions imply State (Local) regulations take precedent over Federal Regulations if they are more stringent than the Federal Regulations.

Art Herbon – SCAC Area 6 Representative

- The proposed rail spur ends ½ mile from the intersection of Via Concha and Hwy-1 (the closest residential area). The refinery is 1-1/2 miles from that point. Therefore, the rail spur brings an existing industrial activity 3X closer to residential and resort hotel zoning, along with increased noise, view deterioration, night-lights, smell, and air quality deterioration. This represents a vastly intensified land use, and is inconsistent with SLO's general plan.
- SMR proposes mitigating air quality deterioration with prior credits. However, the Mesa is in the midst of violating Federal and State air standards. New sources of air pollution will exacerbate unhealthy air on the Mesa, regardless of using credits. Can the County approve mitigation using prior credits, knowing that the decision will increase violations to Federal air standards?
- An application is in process for running a 10” oil pipeline from Price Canyon to SMR. In addition, according to media reports, Price Canyon has been pursuing a permit to increase crude production. These combined issues are not covered (and should be) in the “Alternatives” section of the Rail Spur REIR.
- The REIR Transportation section is based on an assumption of one peak round-trip SMR train per day. However, the REIR's Transportation section should address the

impact of Union Pacific (UP) delivering three round-trip trains per day to SMR. For example, in one day, the following three peak round trips are allowable:

1. 8AM – UP delivers Unit Train and hauls away empty tankers at SMR;
 2. 2PM – UP delivers second Unit Train for storage on 5th extra track at SMR;
 3. 8PM – UP delivers third Unit Train and hauls away empty tankers at SMR.
- The impact of adding three daily round-trip trains is significant for at-grade vehicle crossing delays (especially emergency vehicles), and for passenger train impacts.
 - The county's loss of property taxes from diminished property values in neighboring residences will far exceed Phillips-66's contribution to county taxes.
 - I recommend “no-project” as the current REIR stands.

Sandra Caughell – SCAC Area 3 Representative and Chair

- I have many questions about mitigation plans. The REIR responses are vague.

El-Jay Hansson – SCAC Area 6 Representative

- The health of people near the site is most important.

Gary Spelbring – SCAC Area 5 Representative

- I agree with concerns that residents near Phillips have expressed, that additional pollutants from the project present health hazards that cannot be mitigated.

Vince McCarthy – SCAC Area 1 Representative

- I question the Land Use issues [intensified land use] from an industrial site three-times closer to residences than before, and encroaching the buffer zone that the county originally required.

Bill Dorland – SCAC Area 5 Representative

- The project encroaches the buffer zone that was originally required to shield humans from the refinery.
- The SMR was originally located here to serve local crude production. SMR becomes irrelevant when local crude production drops off.
- Oil-by-rail is not a “best use” for the the single rail line that runs along the coast.

Harry Walls – SCAC Area 2 Representative

- I would like to approve, but I'm concerned about the impacts on neighbors.
- The REIR does not consider the visual impacts that homes on the Mesa will suffer. The REIR only mitigates views from Highway-1. The REIR should consider view impacts that nearby homes will experience.

Committee Reports and Assignments:

A: Election Committee – open

B. Land Use Committee

Istar Holliday reported that the next meeting will be moved to November 17th due to a holiday on the normal meeting date.

C. Traffic and Circulation Committee – Dan Woodson

Dan Woodson reported on the

D. PM 10 Committee – Patricia Duron

Next Meeting: November 24th, 6:30 P.M. No meeting in December, 2014

Adjournment