



**CITY OF ATASCADERO
CITY COUNCIL MEETING
DRAFT MINUTES**

**October 14, 2025, 6:00 p.m.
City Hall Council Chambers, Fourth Floor
6500 Palma Avenue, Atascadero, California**

A. REGULAR SESSION - CALL TO ORDER

Mayor Bourbeau called the meeting to order at 6:00 P.M.

B. PLEDGE OF ALLEGIANCE

Council Member Funk led the Pledge of Allegiance.

C. ROLL CALL

Present: Mayor Bourbeau, Mayor Pro Tem Dariz, Council Member Funk, Council Member Newsom, Council Member Peek

Absent: None

Staff Present: City Manager James R. Lewis, Assistant City Manager/City Clerk Lara Christensen, City Attorney Dave Fleishman, Director of Administrative Services/City Treasurer Jeri Rangel, Public Works Director Nick DeBar, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, Police Chief Dan Suttles, Deputy City Manager - IT Luke Knight, Community Services and Promotions Director Terrie Banish, Planning Manager Kelly Gleason

D. CONSENT CALENDAR

- 1. City Council/Atascadero Financing Authority Draft Minutes - September 23, 2025 Regular Meeting**
Recommendation: Council approve the September 23, 2025, City Council/Atascadero Financing Authority Draft Regular Meeting Minutes.
[City Clerk]

2. June 2025 Investment Report

Fiscal Impact: None

Recommendation: Council receive and file the City Treasurer's report for quarter ending June 30, 2025 [Administrative Services]

3. Declaration of Intent and Setting a Public Hearing to Vacate a Portion of Public Right-of-Way at 11285 San Marcos Rd.

Fiscal Impact: None

Recommendation: Council adopt Draft Resolution declaring its intention to order the vacation of a portion of San Marcos Road right-of-way and setting a public hearing on the proposed street vacation at the regularly scheduled City Council meeting on November 12, 2025. [Public Works]

4. Wastewater Inflow & Infiltration Study Award

Fiscal Impact: Awarding the contract amendment for the I&I Study will result in the expenditures of \$239,700 in budgeted wastewater enterprise funds. This project is included in the adopted FY 2025-2027 budget and includes \$250,000 in wastewater funds. There are several tasks that may not be necessary depending upon the outcome of the original data collected, with any unused funds remaining in the wastewater enterprise fund.

Recommendation: Council:

1. Approve a sole-source procurement of professional services for the Wastewater Inflow and Infiltration Study due to extenuating circumstances.
2. Approve a contract amendment with Carollo for \$239,700 for the Wastewater Inflow and Infiltration Study. [Public Works]

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: None

Mayor Bourbeau closed the Public Comment period.

Motion by: Council Member Funk

Second by: Council Member Peek

1. Approve Consent Calendar (#D3: Resolution No. 2025-060) (#D4 Contract No. 2023-036 A1)

AYES (5): Mayor Bourbeau, Mayor Pro Tem Dariz, Council Member Funk, Council Member Newsom, and Council Member Peek

Motion Passed (5 to 0)

E. UPDATES FROM THE CITY MANAGER

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

F. COMMUNITY FORUM

The following persons spoke: Rachelle Rickard (Friends of the Zoo), Angela Cisneros, Geoff Auslen, Johnna McGuire, Aiden Alvarez, Anrea, Isaac, Brett Boyle, Donn Clickard)

G. PUBLIC HEARINGS

1. Adopting Wastewater Capacity Charges

Fiscal Impact: The Wastewater Rate Study assumes 35 new EDU connections annually, which equates to an increase of roughly \$310,000 in additional capacity charges collected each year if the proposed sewer capacity rates are implemented. This additional revenue is restricted and can only be used for upgrades and expansion of wastewater facilities.

Recommendation: Council adopt Draft Resolution setting Sewer Capacity Charges for the Wastewater Division. [Public Works]

Public Works Director DeBar presented this item. Director DeBar and City Manager Lewis answered questions from the Council.

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: Geoff Auslen

Mayor Bourbeau closed the Public Comment period.

Motion by: Council Member Funk

Seconded by: Council Member Peek

1. Adopt Resolution No. 2025-061 setting sewer capacity charges for the Wastewater Division.

AYES (5): Mayor Bourbeau, Mayor Pro Tem Dariz, Council Member Funk, Council Member Newsom, and Council Member Peek

Motion Passed (5 to 0)

H. MANAGEMENT REPORTS

1. Cannabis Land Use Update Discussion

Fiscal Impact: It is expected that the sales tax revenue from the addition of one or more retail cannabis stores in Atascadero could potentially reach \$500,000 in annual tax revenue. However, some additional costs would be incurred due to increased staff time, monitoring of security provisions and other details that have not yet been fully explored.

Recommendation: Council receive an overview of the Cannabis Zoning Code, an update on the retail industry, and provide staff direction on consideration of adding a retail land use to the list of conditionally allowed uses in Atascadero. [Community Development]

Community Development Director Dunsmore presented this item. Director Dunsmore, City Attorney Fleishman, City Manager Lewis and Police Chief Suttles answered questions from the Council.

Mayor Bourbeau opened the Public Comment period.

The following persons spoke on this item: Geoff Auslen, Brett Boyle, Ron Overacker, Mike Zappas, Donn Clickard, Josh Cross, Jamie Jones, James, Mike, Megan Souza, Jacque Fields, Steven Fagan, Austin Cannella

Mayor Bourbeau closed the Public Comment period.

Mayor Bourbeau recessed the Meeting at 8:43 P.M.

Mayor Bourbeau reconvened the Meeting with all present at 8:50 P.M.

Motion by: Council Member Newsom

Seconded by: Council Member Peek

Hearing the motion, Mayor Bourbeau proposed an alternative motion to commission a professional survey on whether or not the City should allow retail cannabis storefronts. With a motion and second on the floor, a vote was called on the original motion.

1. Direct staff not to move forward with any changes to Cannabis Ordinance.

AYES (3): Mayor Pro Tem Dariz, Council Member Newsom, and Council Member Peek

NOES(2): Mayor Bourbeau, Council Member Funk

Motion Passed (3 to 2)

2. Authorization of Inclusionary Housing Funds for Del Rio Ridge

Fiscal Impact: PSHH is requesting an allocation of \$527,573 from In Lieu Low/Moderate Income Housing Funds in the form of a soft loan. The soft loan requested would be for a term of 22 years and at simple interest rate of 3%. Allocation of these funds for the Del Rio Ridge project will leave a remaining fund balance sufficient to cover on-going costs associated with the administration of the City's affordable housing program.

Recommendation: Council:

1. Authorize the Director of Administrative Services to appropriate \$527,573 of In Lieu Low/Moderate Income Housing Funds for the Peoples' Self-Help Housing Del Rio Ridge Affordable Housing Project Loan.
2. Direct staff to bring back a loan agreement for Council approval at a future date. [Community Development]

Planning Manager Gleason presented this item and answered questions from the Council.

Mayor Bourbeau opened the Public Comment period.

Isabel Valdez

Mayor Bourbeau closed the Public Comment period.

Motion by: Council Member Funk

Seconded by: Council Member Peek

- 1. Authorize the Director of Administrative Services to appropriate \$527,573 of In Lieu Low/Moderate Income Housing Funds for the Peoples' Self-Help Housing Del Rio Ridge Affordable Housing Project Loan.**
- 2. Direct staff to bring back a loan agreement for Council approval at a future date.**

AYES (5): Mayor Bourbeau, Mayor Pro Tem Dariz, Council Member Funk, Council Member Newsom, and Council Member Peek

Motion Passed (5 to 0)

I. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS

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

Mayor Bourbeau

1. County Mayor's Round Table
2. Colony Tea
3. Creek Cleanup

Mayor Pro Tem Dariz

1. Community Action Partnership of San Luis Obispo (CAPSLO)

Council Member Funk

1. Homeless Services Oversight Council
2. Colony Tea
3. Creek Cleanup
4. SLOCOG Workshop

Council Member Newsom

1. League of California Cities – Annual Conference
2. SLO Council of Governments (SLOCOG)

Council Member Peek

1. Attended Colony Tea

J. INDIVIDUAL DETERMINATION AND / OR ACTION:

None

K. ADJOURNMENT

Mayor Bourbeau adjourned the meeting at 8:45 p.m.

MINUTES PREPARED BY:

Alyssa Slater
Deputy City Clerk

APPROVED: