

**MINUTES
CITY COUNCIL MEETING
MONDAY, AUGUST 17, 2015**

CALL TO ORDER Mayor Pro Tem Lee called the meeting to order at 6:30 p.m. in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

MOMENT OF SILENCE

FLAG SALUTE The flag salute was led by City Attorney Koczanowicz.

ROLL CALL

City Council: Council Members Karen Bright, Barbara Nicolls, Mariam Shah, and Mayor Pro Tem Jeff Lee were present. Mayor John Shoals was absent.

City Staff: City Manager Robert Perrault, City Attorney Martin Koczanowicz, City Clerk Donna McMahon, Police Chief John Peters, Administrative Services Director Gayla Chapman, Community Development Director Bruce Buckingham, Public Works Director/City Engineer Greg Ray, and Parks & Recreation Program Director Kathy Petker were also present.

CLOSED SESSION ANNOUNCEMENTS

City Attorney Koczanowicz read the following announcement:

On Monday, August 3, 2015 after meeting in Closed Session regarding:

1. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: APN 060-206-027
Agency negotiator: City Manager Perrault and City Attorney Koczanowicz
Negotiating party: Sprint Corporation
Under negotiation: Terms and conditions of potential lease
2. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: APN 060-381-010, 011
Agency negotiator: City Manager and City Attorney
Negotiating party: Pacifica Companies
Under negotiation: Terms and conditions of potential lease.
3. Conference with Labor Negotiators
Pursuant to Government Code Section 54957.6.
Agency Negotiator(s): City Manager Robert Perrault, Special Counsel Che Johnson, Administrative Services Director Gayla Chapman, Assistant Administrative Services Director Eve Byrd, and Human Resources Coordinator/Deputy City Clerk Channelle Hubbard (May include all or some of the above)
Employee Groups: General Employees - (SEIU) Service Employees International Union, Local 620; Grover Beach Police Officers' Association (GBPOA); Management & Confidential Employees; and Executive Management.
4. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code Section 54956.9(d)(1)
Lindsay v. City of Grover Beach, U.S. District Court,
Case No. 2:15-cv-04577-PSG-GJS

the City Council reconvened into open session and announced there were no reportable actions taken regarding Closed Session Item Nos. 1, 2, and 3. Regarding Closed Session Item No. 4, the following reportable action was announced: The City Council approved a settlement in principle on a 3-0-2 vote (Council Member Bright and Mayor Pro Tem Lee absent).

AGENDA REVIEW

Action: Upon consensus (Mayor Shoals absent), the Council adopted the agenda as presented.

CEREMONIAL CALENDAR

None at this time.

PUBLIC COMMUNICATIONS Mayor Pro Tem Lee opened the floor to any member of the public for comment on items of interest which were within the jurisdiction of the City Council, but were not listed on the agenda.

Sharon Brown, Grover Beach resident, deferred speaking until Public Hearing Item No. 1.

No further public comments were received and Mayor Pro Tem Lee closed the Public Communications segment for this portion of the meeting.

PUBLIC HEARINGS

1. **Application for a Special Event Permit by Grover Beach United for Second Annual "Grover Beach Street Machine & Muscle Car Nationals 2015"**. Applicant: Grover Beach United. Event location: Ramona Garden Park, 993 Ramona Avenue, between North 8th Street and North 10th Street, Grover Beach.

Mayor Pro Tem Lee read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. Parks & Recreation Program Director Petker provided a brief overview of the application to hold a vehicle show on Saturday, September 5, 2015. She stated that the applicant planned for approximately 500-1,000 attendees, the event would include a beer and wine garden in a designated area of Ramona Garden Park, and that the applicant was requesting the closure of several residential streets to accommodate parking for oversized vehicles.

Mayor Pro Tem Lee invited comments from those in the audience who wished to be heard on this matter.

Sharon Brown, Grover Beach resident, requested and received from City staff additional details regarding the proposed event.

There were no further public comments received and Mayor Pro Tem Lee closed the Public Hearing.

Brief discussion was held regarding ensuring the applicant met all City conditions, as well as plans for streamlining the permitting process for future special event applications.

Action: It was moved by Council Member Bright and seconded by Council Member Shah to approve the Special Event Permit Application to conduct the "Grover Beach Street Machine & Muscle Car Nationals" event conditioned upon all requirements of the Grover Beach Municipal Code being met. The motion carried on the following roll call vote:

AYES: Council Members Bright, Nicolls, Shah, and Mayor Pro Tem Lee.

NOES: Council Members - None

ABSENT: Mayor Shoals.

ABSTAIN: Council Members - None.

2. **Second Reading of Ordinance No. 15-03 Amending Article X of the Grover Beach Municipal Code to Renew a Pipeline Franchise and Assignment to Phillips 66 Pipeline LLC.** (Continued Public Hearing from the City Council Meeting of August 3, 2015.)

Mayor Pro Tem Lee read the title to the foregoing item, declared the continued Public Hearing open, and deferred to staff for a report. City Attorney Koczanowicz briefly described the proposed Ordinance to renew a franchise agreement for operation of Phillips 66 facilities, to include pipeline, in the City's public right of way. He noted that a separate agreement would be scheduled for the Council's consideration at a subsequent City Council meeting.

Mayor Pro Tem Lee invited comments from those in the audience who wished to be heard on this matter. No public comments were received and Mayor Pro Tem Lee closed the Public Hearing.

Action: It was moved by Council Member Shah and seconded by Council Member Nicolls to conduct second reading of Ordinance No. 15-03, by title only, and adopt the Ordinance amending Article X of the Grover Beach Municipal Code to renew a Pipeline Franchise and Assignment to Phillips 66 Pipeline LLC. The motion carried on the following roll call vote:

AYES: Council Members Bright, Nicolls, Shah, and Mayor Pro Tem Lee.
NOES: Council Members - None
ABSENT: Mayor Shoals.
ABSTAIN: Council Members - None.

Ordinance No. 15-03: An Ordinance of the City Council of the City of Grover Beach Amending Article X of the Grover Beach Municipal Code to Grant a Pipeline Franchise and Assignment to Phillips 66 Pipeline LLC.

3. Submittal of a State Community Development Block Grant Economic Development Over-the-counter (CDBG ED OTC) Application.

Mayor Pro Tem Lee read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. Community Development Director Buckingham provided a brief overview regarding the submittal of an application for Community Development Block Grant (CDBG) Economic Development Set-Aside Funds requesting up to \$3 Million for infrastructure and public improvements related to the Grover Beach Lodge project located at 55 West Grand Avenue, Grover Beach. He noted that Chuck Wolfe, Claggett-Wolfe Associates, assisted in preparing the grant application and SWCA Environmental Consultants assisted with preparing an Environmental Assessment in compliance with requirements of the grant. He then continued his presentation with an outline of the proposed public improvements. In conclusion, City staff responded to questions from the Council.

Brief discussion was held regarding the application process, opportunities for public input, relocation of the sewer dump station, further analysis to be completed regarding Le Sage Bridge, and proposed modifications to an existing putting green.

Mayor Pro Tem Lee invited comments from those in the audience who wished to be heard on this matter.

Sharon Brown, Grover Beach resident, requested and received additional details from City staff regarding the grant application.

There were no further public comments received and Mayor Pro Tem Lee closed the Public Hearing.

Action: It was moved by Council Member Nicolls and seconded by Council Member Bright to: 1) select the Grover Beach Lodge Project for inclusion in the CDBG application; 2) adopt Resolution No. 15-48 confirming the selected project; and 3) authorize the City Manager to sign and submit the application on behalf of the City. The motion carried on the following roll call vote:

AYES: Council Members Bright, Nicolls, Shah, and Mayor Pro Tem Lee.
NOES: Council Members - None
ABSENT: Mayor Shoals.
ABSTAIN: Council Members - None.

Resolution No. 15-48: A Resolution of the City Council of the City of Grover Beach Approving an Application for Funding and the Execution of a Grant Agreement and any Amendments thereto from the 2015 Allocation of the State CDBG Program.

CONSENT AGENDA

It was moved by Council Member Bright and seconded by Council Member Nicolls to approve Consent Agenda Item Nos. 4, 5, 6, and 7, as recommended. The motion carried on the following roll call vote:

AYES: Council Members Bright, Nicolls, Shah, and Mayor Pro Tem Lee.
NOES: Council Members - None
ABSENT: Mayor Shoals.
ABSTAIN: Council Members - None.

4. **Treasurer's Report for the Period July 29, 2015 - August 11, 2015.**
Action: Approved the Treasurer's Report as submitted.
5. **Treasurer's Report for the Streets Bond Account (Measure K-14: Grover Beach Street Rehabilitation; Safety Improvement Bond Measure) for the Period July 29, 2015 - August 11, 2015.**
Action: Approved the Treasurer's Report as submitted.
6. **Minutes of the City Council Meetings on July 6, 2015 and July 20, 2015.**
Action: Approved the minutes as submitted.
7. **Consideration of Adopting a Resolution Urging the State to Provide New Sustainable Funding for Transportation Infrastructure and Consideration of Joining the "Fix Our Roads" Coalition** - Resolution supporting efforts by a coalition of business, labor, and local and state government leaders to address California's chronic transportation infrastructure funding shortfall.
Action: Adopted Resolution No. 15-49 urging the State to provide new sustainable funding for state and local transportation infrastructure and authorized the City of Grover Beach to join the "Fix Our Roads" coalition.

Resolution No. 15-49: A Resolution of the City Council of the City of Grover Beach, California, Urging the State to Provide Sustainable Funding for State and Local Transportation Infrastructure.

REGULAR BUSINESS - SUCCESSOR AGENCY

THE GROVER BEACH CITY COUNCIL SITTING IN ITS CAPACITY AS THE SUCCESSOR AGENCY TO THE DISSOLVED GROVER BEACH IMPROVEMENT AGENCY.

8. **Consider Allowing Loan Subordination of the City's Home Repair Loan Program.**
Applicants: James and Wendy Rey. **Property Location:** 1531 Trouville Avenue, Grover Beach.

Mayor Pro Tem Lee read the title to the foregoing item and deferred to staff for a report. City Manager Perrault briefly described the program that provided zero-interest loans for home repairs to eligible low- and moderate-income owner-occupied residences, and the property owners' request to subordinate the home repair loan in order to refinance the first deed of trust. City staff then responded to questions from the Council.

Mayor Pro Tem Lee invited comments from those in the audience who wished to be heard on this matter. No public comments were received at this time.

Brief discussion was held regarding whether to establish a policy that would expedite future loan subordination requests through an administrative process or continue having the Council review each request on a case by case basis. Additional discussion was held regarding the homeowners' desire to refinance the first deed of trust for the sole purpose of refinancing to a lower interest rate, not for receiving cash out or paying off other debts.

Council Member Nicolls spoke in support of having loan subordination requests brought before the City Council for determination on a case by case basis as a matter of public interest.

At this time, Mayor Pro Tem Lee invited comments from the property owner.

James Rey, property owner/applicant, spoke in support of the loan subordination request and responded to questions from the Council.

Council Member Shah spoke in support of adopting a policy that authorized staff to approve loan subordinations if the term "no cash out" was defined.

City Attorney Koczanowicz suggested, and with concurrence from the Council, amending the Resolution defining a "no cash out" refinance as follows: A "no cash out" refinance shall mean no funds from the transaction going to the property owner for any reason including.

but not limited to, home improvements and repairs. (Added text denoted with double underline font.)

Action: It was moved by Council Member Shah and seconded by Council Member Bright to: 1) adopt Resolution No. SA-15-02, as amended, establishing a policy that would allow subordinations of the City's Home Repair Loan Program for any "no cash out" refinance of a first deed of trust; and 2) authorize the City Manager to execute loan subordinations on behalf of the City. The motion carried on the following roll call vote:

AYES: Council Members Bright, Shah, and Mayor Pro Tem Lee.
NOES: Council Member Nicolls.
ABSENT: Mayor Shoals.
ABSTAIN: Council Members - None.

Resolution No. SA-15-02: A Resolution of the City Council of the City of Grover Beach Acting as the Successor Housing Agency Adopting a Policy Authorizing Staff to Approve Subordinations of the City's Home Repair Loan Program.

REGULAR BUSINESS - CITY COUNCIL

None at this time.

PULLED CONSENT AGENDA ITEMS

None at this time.

COUNCIL COMMITTEE REPORTS

Council Member Nicolls reported on the meeting of the South San Luis Obispo County Sanitation District, which she attended as the City's alternate representative on behalf of Mayor Shoals.

Council Member Shah reported on the meeting of Visit San Luis Obispo County and plans for the upcoming Savor the Central Coast event.

Council Member Bright stated that she had no committee reports at this time.

Mayor Pro Tem Lee stated that he had no committee reports at this time.

Mayor Shoals was absent from this meeting.

COUNCIL COMMUNICATIONS

- A. Council Member Shah announced that she had registered to participate in this year's Dune Run Run event and encouraged other residents to sign up for the event. She then announced that she was scheduled to be the guest speaker at the Grover Beach Rotary Club meeting on Wednesday, August 26th.
- B. Council Member Bright stated that she had recently visited a new Grover Beach restaurant, The Spoon Trade, and praised its friendly customer service and upscale menu. She then praised the informative presentation by Jim Garing at a recent Water Symposium workshop held at the South County Regional Center, noting that the workshop was well attended.
- C. Council Member Nicolls praised the success of the recent Special Olympics Host Town event held at the end of West Grand Avenue on the beach and noted that she planned to attend the Special Olympics Host Town Appreciation Picnic on Sunday, August 23rd.
- D. Mayor Pro Tem Lee stated that he and Council Member Nicolls had attended a Fiesta Filipiana Queen Coronation and Scholarship Awards dinner event and he congratulated the honorees crowned that evening. He also noted visiting Cow Fish Korean Barbecue, another new restaurant in Grover Beach, and praised the restaurant's food and customer service. He then encouraged residents to sign up and volunteer to assist at upcoming community events - the Stone Soup Street Faire sponsored by the Chamber of Commerce, the Dune Run Run sponsored by the City, and the car show sponsored by Grover Beach United.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault announced that Tim Williams, CEO of Digital West, was the scheduled guest speaker at the next Chamber of Commerce luncheon.

He then introduced Police Chief Peters, who described a multi-agency training event at Grover Beach Elementary School that began on Saturday, August 15th and would continue on Tuesday, August 18th. Chief Peters stated that the two-day "critical incident" response exercise would involve nine different agencies and noted that the first day of training went well. Chief Peters then responded to questions from the Council and described the Department's emergency response preparedness in collaboration with adjoining agencies in the event of a critical incident at another local school site.

City Manager Perrault continued his report describing a multi-agency effort led by Police Chief Peters to address homeless encampments in the city. Police Chief Peters described recent activities that included outreach efforts to the homeless by Social Service representatives. He also noted that Union Pacific Railroad would be posting "No Trespassing" signs south of the Grover Beach Train Station, and that the Police Department was partnering with a local business owner to install security cameras near the Train Station.

City Manager Perrault then responded to questions from the Council regarding the commencement of road construction work, and his meeting with a Union Pacific Railroad representative regarding the extended storage of railcars in Grover Beach.

CITY ATTORNEY'S REPORTS AND COMMENTS

City Attorney Koczanowicz announced that he was recently appointed to serve as Chair of the League of California Cities Legal Advocacy Committee, and that he would be attending an orientation meeting later that week.

CLOSED SESSION

At 7:59 p.m., the Council met in Closed Session regarding the following items:

1. **Conference with Real Property Negotiators**
Pursuant to Government Code Section 54956.8
Property: APN 060-206-027
Agency negotiator: City Manager Perrault and City Attorney Koczanowicz
Negotiating party: Sprint Corporation
Under negotiation: Terms and conditions of potential lease
2. **Conference with Labor Negotiators**
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Agency Negotiator(s): City Manager Robert Perrault, Special Counsel Che Johnson, Administrative Services Director Gayla Chapman, Assistant Administrative Services Director Eve Byrd, and Human Resources Coordinator/Deputy City Clerk Channelle Hubbard (May include all or some of the above)
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Negotiating party: Pacifica Companies
Under negotiation: Terms and conditions of potential lease.
4. **Conference with Legal Counsel – Existing Litigation**
Pursuant to Government Code Section 54956.9(d)(1)
Santa Maria Valley Water Conservation District v. City of Santa Maria, etc., et al, and Related Cross-Actions: Santa Clara Superior Court Case No. CV 770214

Closed Session Announcements: At 9:19 p.m., Mayor Pro Tem Lee reconvened the meeting in open session with all Council Members present (except for Mayor Shoals, who was absent from this meeting). It was announced that there were no reportable actions taken during Closed Session.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Pro Tem Lee adjourned the meeting at 9:20 p.m.

/s/ JEFFREY LEE , MAYOR PRO TEM

Attest:

/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 09/21/2015)