

**MINUTES
CITY COUNCIL MEETING
MONDAY, NOVEMBER 16, 2015**

CALL TO ORDER Mayor Shoals 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 Abigail Ibuna, an 11-year-old, 6th grade student at Grover Beach Elementary School.

ROLL CALL

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

City Staff: City Manager Robert Perrault, Assistant City Attorney David Hale, 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.

Also present was Albert Peché, A.M. Peché & Associates, LLC.

CLOSED SESSION ANNOUNCEMENTS

Assistant City Attorney Hale read the following:

On Monday, November 2, 2015 after meeting in Closed Session regarding:

1. 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 some or all of the above)
Represented Employee Groups: (SEIU) Service Employees International Union, Local 620, and Grover Beach Police Officers' Association (GBPOA)
2. Conference with Labor Negotiators
Pursuant to Government Code Section 54957.6
Agency Negotiator: City Manager Robert Perrault, and Administrative Services Director Gayla Chapman
Unrepresented Employee Groups: Management & Confidential Employees
3. 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.

the City Council reconvened into open session, and announced there were no reportable actions taken.

AGENDA REVIEW

Action: Upon unanimous consensus, the Council adopted the agenda as presented.

CEREMONIAL CALENDAR

None at this time.

PUBLIC COMMUNICATIONS The Mayor 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.

- A. John Wysong, Grover Beach resident, expressed concerns regarding recent street construction work on Brighton Avenue impacting water utility service to his home.
- B. Brad Snook, Co-chair, Surfrider Foundation, expressed concerns regarding water supply issues, the viability of a South County water reclamation project, and potential conflicts of interests for certain elected officials and the desalination facility at the Diablo Canyon Power Plant.

No further public comments were received at this time.

Upon request, City Manager Perrault briefly described recent street rehabilitation work that included improvements to municipal water lines. He then summarized actions taken by the City in response to concerns raised earlier by Mr. Wysong and noted that the Public Works Director would continue to monitor the issue.

PUBLIC HEARINGS

1. Financing Plan for the Installation of Public Improvements Associated with the Grover Beach Lodge Project.

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. City Manager Perrault referenced a supplemental agenda item distributed to the City Council, dated November 16, 2015, in which he recommended continuing the Public Hearing to the next regularly scheduled City Council meeting on December 7, 2015. He noted additional information was received that would require significant changes to the staff report and the proposed Financing Plan. Additionally, the Joint Authority was scheduled to meet later in the week to discuss issues that might also impact the Financing Plan.

Assistant City Attorney Hale confirmed that if the Council chose to continue the Public Hearing to December 7th, it had the discretion whether to receive public testimony this evening or defer all public comments, as well as the staff presentation, until the later meeting date.

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

Anita Shower, Grover Beach resident, noted that she would reserve her comments until the City Council meeting of December 7th.

No further public comments were received at this time.

Council discussion ensued regarding continuing the Public Hearing and updating the information in the attachments to the staff report. Further discussion was held on allowing members of the public already present at the meeting the opportunity to comment on the project rather than waiting until the continued Public Hearing on December 7th.

Mayor Shoals again invited comments from those in the audience who wished to be heard on this matter.

Robyn McDonald, (did not identify city of residence), expressed concerns whether the project included sufficient space for equestrian parking.

Darcy Murphy, (did not identify city of residence), expressed concerns that the surface of the new pedestrian crossings located at the end of West Grand Avenue were not conducive to equestrian use. She then expressed concerns whether the Lodge Project would have sufficient space to accommodate equestrian use.

No further public comments were received at this time.

Action: Upon unanimous consensus, the City Council continued the Public Hearing to the regular City Council meeting of Monday, December 7, 2015 at 6:30 p.m.

CONSENT AGENDA

Prior to consideration of the Consent Agenda, Item No. 5 was pulled pursuant to the request of Mayor Pro Tem Lee. Upon unanimous consensus, the Council approved Consent Agenda Item Nos. 2, 3, and 4, as recommended.

2. **Treasurer's Report for the Period October 28, 2015 - November 10, 2015.**
Action: Approved the Treasurer's Report as submitted.
3. **Treasurer's Report for the Streets Bond Account (Measure K-14: Grover Beach Street Rehabilitation; Safety Improvement Bond Measure) for the Period October 28, 2015 - November 10, 2015.**
Action: Approved the Treasurer's Report as submitted.
4. **Minutes of the City Council Meeting on October 5, 2015.**
Action: Approved the minutes as submitted.

ORDER OF THE DAY: At this time Mayor Shoals called for discussion of the Pulled Consent Agenda Item No. 5.

PULLED CONSENT AGENDA ITEM

5. **Affirming the City of Grover Beach Investment Policy.**

Mayor Pro Tem Lee inquired whether the "Delegation of Authority" on page 4 of the Investment Policy could be granted to the "City Manager", who could then delegate that authority to another individual as he deemed necessary.

Brief discussion was held regarding the City's Investment Policy and whether changing the person delegated to manage the investment program from the "Treasurer" to the "City Manager" was warranted.

Action: Upon unanimous consensus, the Council continued this item to the regular City Council meeting of Monday, December 7, 2015 at 6:30 p.m.

ORDER OF THE DAY: At this time the Order of the Day resumed to the agenda as posted.

REGULAR BUSINESS

6. **Appointment of a Financial Advisor, Bond Counsel and Placement Agent and Selecting Purchaser for a Bank Qualified Loan (Tax Exempt) to Finance Public Improvements Associated with the Grover Beach Lodge.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an overview of the recommendation to appoint a financing team on a contingency basis. The financing team, comprised of financial advisor - A.M. Peché & Associates LLC, bond counsel - Orrick, Herrington, Sutcliffe LLP, and placement agent - Piper Jaffray & Company, would be tasked with developing a financing structure to finance the construction of public improvements associated with the Lodge Project. Additionally, BBVA Compass was recommended as the purchaser. City Manager Perrault and Assistant City Attorney Hale responded to questions from the Council regarding terms of the proposed agreements and grant funds that had earlier been identified to assist in funding the public improvements.

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

Albert Peché, A.M. Peché & Associates, responded to questions from the Council.

Discussion ensued on the proposed agreements and amending the agreement with A.M. Peché & Associates regarding specific dates and the section on assigning the contract to another financial advisor. Discussion continued on the City's investment in completing the public improvements to assist with completion of the Lodge Project; delaying a

determination on the final loan amount, but proceeding with the selection of a financing team and purchaser at this time; potential changes to the project; and restrictions applicable to grant funds received from the Department of Housing and Community Development.

Anita Shower, Grover Beach resident, requested additional information on the size of the proposed conference facility and financing details for the public improvements. It was noted that the Financing Plan was scheduled to be discussed at the City Council meeting on December 7th.

There were no further public comments received at this time.

Action: Upon unanimous consensus, the Council modified the agreement with A.M. Peché & Associates, LLC as follows (added text indicated with double underline font, deleted text indicated with ~~strikeout~~ font):

- page 1 - changing the effective date from the ~~4th day of August, 2015~~, to the 16th day of November,
- page 3 - changing the date of ~~August 1, 2015~~ to November 16, 2015, and
- page 2 - revising paragraph 6 regarding Assignment to: Peché & Associates, LLC may assign this Agreement to a successor firm ~~without the necessity of obtaining the consent of the Issuer~~ upon mutual agreement of Peché & Associates, LLC and the City Manager.

It was moved by Council Member Bright and seconded by Mayor Pro Tem Lee to adopt Resolution No. 15-67 appointing the Financing Team and selecting a Loan Purchaser. The motion carried on the following roll call vote:

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

Resolution No. 15-67: Resolution of the Council of the City of Grover Beach, California, Approving the Appointment of a Financial Advisor, Bond Counsel, and Placement Agent, and Selecting Purchaser.

7. Status Report on Proposed Revisions to Requirements for Special Events/Outdoor Assemblies.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Police Chief Peters reviewed an outline of proposed amendments to the City's regulations regarding outdoor public events. He then responded to questions from the Council.

Discussion ensued regarding streamlining the permitting and review process, the threshold number of participants triggering the requirement for a permit, and adherence to deadlines by staff, as well as applicant(s), in order to process and issue permits in a timely manner.

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

Anita Shower, Grover Beach resident, commented on her observations during the recent Stone Soup and Music Faire event at the Ramona Garden Park involving an interaction between a Chamber of Commerce representative and a group of demonstrators.

There were no further public comments received.

Action: Upon consensus of the Council, direction was provided for staff to schedule Council consideration of an Ordinance amending the Special Events/Outdoor Assemblies regulations at the City Council meeting on January 19, 2016. Further, direction was provided for the draft Ordinance to be in legislative format, indicating the Grover Beach Municipal Code sections that were proposed to be eliminated, revised, and/or added.

Recess: Upon consensus of the City Council, the meeting recessed at 8:02 p.m.
Reconvene: At 8:07 p.m., the meeting reconvened with all Council Members present.

8. Status Report Regarding Capital Improvement Projects.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided a status update regarding Capital Improvement Projects.

Council discussion ensued with staff responding to questions regarding street rehabilitation and repair projects, necessary improvements to City water mains impacting street projects, the Train Station Expansion Project, the Broadband Network Project, the estimated construction schedule for Phillips 66 to complete work on its transmission line located along Oak Park Boulevard, and expediting the commencement of construction for the Oak Park Boulevard Street Rehabilitation Project.

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

Action: Upon unanimous consensus, the report was received and filed.

ORDER OF THE DAY: Upon unanimous consensus of the City Council, the Order of the Day was amended to consider Item No. 10.

CITY MANAGER'S REPORTS AND COMMENTS

10. Discussion: Scheduling a Workshop Regarding Vagrancy Issues in the City on Thursday, December 10, 2015.

City Manager Perrault briefly described Council direction to schedule a meeting to specifically discuss vagrancy issues and associated impacts on the business community. He noted the deadline to include an announcement for the meeting in the upcoming Chamber of Commerce newsletter and suggested scheduling the meeting on Thursday, December 10, 2015.

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

Dee Torres, San Luis Obispo resident, described a pilot program to end homelessness in the South County area, summarized the number of individuals served and/or housed since the program's inception, and distributed information regarding SLO Housing Connection. Due to its negative connotation, she also objected to use of the term "vagrancy" when describing issues related to the homeless.

There were no further public comments received at this time.

Council discussion ensued regarding scheduling the meeting; selecting a date, time, and location conducive to members of the business community; emphasizing that the focus of the workshop/meeting would be on encouraging a dialogue between the Council and members of the business community, particularly those located along the West Grand Avenue corridor; and working towards an active partnership with the business community to more effectively address issues involving the homeless and the associated impacts on local businesses.

Action: Upon unanimous consensus, Council provided direction for staff to schedule a special City Council workshop on Thursday, December 10, 2015 from 6:00 p.m. - 8:00 p.m. at either the Ramona Garden Park Center (1st choice) or the City Hall Council Chambers (2nd choice), and to have the workshop videotaped for rebroadcasting on the City's government cable access Channel 20.

ORDER OF THE DAY: Upon unanimous consensus of the City Council, the Order of the Day was further amended to consider Item Nos 9, 11, and 12.

CITY MANAGER'S REPORTS AND COMMENTS

9. Discussion: Revising the Meeting Time to Begin at 5:45 p.m. for a Special City Council Meeting Scheduled for Monday, November 30, 2015.

City Manager Perrault recommended revising the time to begin the Special City Council Meeting already scheduled for Monday, November 30, 2015 to 5:45 p.m. in order to accommodate an additional Closed Session item regarding recruitment for a City Manager.

Action: Upon consensus of the City Council, direction was provided to revise the time for the Special City Council meeting on Monday, November 30, 2015 to begin at 5:45 p.m.

11. Discussion Regarding Scheduling a Workshop on the Roles of Elected Officials During a Local Emergency.

Action: Upon consensus of the City Council, the Mayor and City Manager would discuss scheduling a date to conduct this workshop.

12. First Quarter Review and Recommendations for Revisions to the FY 16 Budget.

City Manager Perrault noted that the First Quarter Review of the FY 16 Budget would be scheduled for Council consideration at the next regularly scheduled City Council meeting on December 7, 2015.

ORDER OF THE DAY: At this time, the Order of the Day resumed to the agenda as posted.

COUNCIL COMMITTEE REPORTS

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

Council Member Shah reported on meetings of the Homeless Services Oversight Council, Housing Trust Fund, and Visit San Luis Obispo County. She also noted that Grover Beach was the featured "tweet of the week" during a recent social media Twitter campaign by Visit San Luis Obispo County.

Council Member Nicolls reported on the meeting of the San Luis Obispo County Water Resources Advisory Committee.

Mayor Pro Tem Lee reported on the meeting of the Integrated Waste Management Authority and discussions by some cities regarding banning the use of polystyrene. He also noted, as a Board Member of the 5 Cities Homeless Coalition, that the Coalition was considering purchasing an office in Grover Beach.

Mayor Shoals stated that he had no committee reports at this time. However, he announced that the Five Cities Fire Authority would be cancelling its next regularly scheduled meeting on Friday, November 20, 2015. He then outlined a list of transportation projects to be discussed at the next meeting of the San Luis Obispo Council of Governments, and then described issues to be discussed at the next Joint Authority meeting regarding the Grover Beach Lodge Project.

COUNCIL COMMUNICATIONS

- A. Council Member Shah described a recent event held in Paso Robles that was conducted in partnership with the Department of Social Services as an outreach to veterans. She suggested the City consider assisting with a similar "MASH" event for the South County area. She then announced details of an upcoming meeting to discuss opening a warming center in the South County area during the winter months.

Council Member Shah noted recent comments at a Board meeting of the Grover Beach Community Library regarding an increase in activities by the homeless in the vicinity of the library and Ramona Garden Park. It was suggested that the Parks, Recreation & Beautification Commission discuss potential classes and/or events that might encourage more family-friendly activities around the gazebo area at Ramona Garden Park.

- B. Mayor Shoals requested an update on plans to address the homeless encampments located south of the Train Station. City Manager Perrault briefly outlined plans being coordinated by multiple agencies to remove the encampments and then clean up and

secure the area with fencing. Mayor Shoals briefly summarized his discussion with Sheriff Parkinson, who confirmed the County Sheriff's Office would be providing support towards those efforts.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

City Manager Perrault announced that the scheduled Closed Session item was cancelled.

1. ~~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.~~

ADJOURNMENT

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 9:22 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 01/04/2016)