

**MINUTES
CITY COUNCIL MEETING
MONDAY, DECEMBER 7, 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 Isabella “Bella” Mossman, a 9-year-old, 4th grade student at Fairgrove 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, City Attorney Martin Koczanowicz, City Clerk Donna McMahon, Police Chief John Peters, Administrative Services Director Gayla Chapman, and Parks & Recreation Program Director Kathy Petker were also present.

CLOSED SESSION ANNOUNCEMENTS

City Attorney Koczanowicz read the following announcements:

On Monday, November 16, 2015, the Closed Session item scheduled for discussion was cancelled.

On Monday, November 30, 2015, after meeting in Closed Session regarding:

1. Public Employment
Pursuant to Government Code Section 54957
Title: City Manager
2. Conference with Labor Negotiators
Pursuant to Government Code Section 54957.6.
Agency Negotiator: 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
Represented Employee Group: Grover Beach Police Officers’ Association (GBPOA)
3. 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
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
5. 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

City Manager Perrault noted a number of equestrians in attendance had expressed an interest in speaking on Public Hearing Agenda Item No. 1; however, that item had been pulled from the agenda and was anticipated to be rescheduled to a future City Council meeting.

Mayor Shoals acknowledged that he'd received speaker slips for that agenda item and announced members of the public would be given an opportunity to speak during the Public Comment period.

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. The following persons requested the City provide an alternate area designated for parking horse trailers with equestrian access to the beach, and commented that the decorative concrete crosswalks were not conducive to equestrian use:
- Mary LaPorte, San Luis Obispo resident;
 - Darcy Murphy, Arroyo Grande resident;
 - Linda Clarke, Arroyo Grande resident, member of several equestrian groups, and Chair of an equestrian committee that has been meeting with City staff for several years to identify an alternate equestrian staging area;
 - Kathleen Phelps, Arroyo Grande resident and Public Lands Director, Los Padres Unit, Backcountry Horsemen of California, who also submitted a letter with her comments;
 - Chris Foglietta, Arroyo Grande resident;
 - Jeanine Vore, (did not state city of residence);
 - Karen King, Nipomo resident;
 - Mike Clark, Arroyo Grande resident;
 - Robert Robert, Grover Beach resident; and
 - Louise Harding, Los Alamos resident and member of the Santa Ynez Valley Riders.
- B. Steve Green, Grover Beach resident, thanked City staff for assisting him with water conservation efforts at his home. He then spoke in support of the City contracting with Grover Beach-based paving companies to construct future street improvements.
- C. Sharon Brown, Grover Beach resident, praised Parks and Recreation Department staff for coordinating the successful Annual Holiday Parade and the City Tree Lighting event.
- D. Martin Meltz, Pismo Beach resident, expressed concerns regarding the homeless and distributed information on declaring a "shelter crisis".
- E. John Wysong, Grover Beach resident, expressed concerns regarding recent street repairs completed on Brighton Avenue and described disruptions to his home's water utility service.
- F. Jan Ojerholm, Parks, Recreation & Beautification Commissioner, described recent City-sponsored holiday events and commented on the large number of parade watchers at the Annual Holiday Parade and increased participation by local businesses in the Holiday of Lights competition. She thanked Grover Beach residents and businesses for their enthusiastic community spirit.

There were no further public comments received at this time.

Upon request, City Manager Perrault described the City's efforts to designate an equestrian area near an existing trail into the dunes that was subsequently denied by the California Coastal Commission. He noted there were ongoing efforts to identify an alternate location. Regarding Mr. Wysong's comments, he responded that the City authorized waterline repairs in conjunction with the Street Rehabilitation and Repair Project. The contractor and the project manager were working to address water service interruptions to residents.

PUBLIC HEARING

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

Mayor Shoals announced that, as noted on the posted agenda, this item had been pulled from the agenda and would be noticed for a later meeting date.

CONSENT AGENDA

It was moved by Mayor Pro Tem Lee, and seconded by Council Member Nicolls to approve Consent Agenda Item Nos. 2, 3, 4, 5, and 6, as recommended. 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.

2. Treasurer's Report for the Period November 10, 2015 - December 2, 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 November 10, 2015 - December 2, 2015.

Action: Approved the Treasurer's Report as submitted.

4. Minutes of the City Council Meeting on October 19, 2015.

Action: Approved the minutes as submitted.

5. Affirming the City of Grover Beach Investment Policy - Reconsideration of the annual report regarding the City's investment policy pursuant to state law. (Continued from the City Council meeting of November 16, 2015.)

Action: Adopted Resolution No. 15-69.

Resolution No. 15-69: A Resolution of the City Council of the City of Grover Beach, California Affirming the Investment Policy for the City of Grover Beach.

6. Consideration of an Agreement for Compensation and Benefit Adjustments for Management and Confidential Employees - Approval of a three-year agreement for compensation and benefit adjustments with employees in the unrepresented labor group of Management & Confidential employees for the period July 1, 2015 - June 30, 2018.

Action: 1) Adopted Resolution No. 15-70 ratifying the three-year agreement with the Management & Confidential employees group; 2) adopted Resolution No. 15-71 amending the Classification and Compensation Plan for positions included in the Management & Confidential employees group; and 3) adopted Resolution No. 15-72 amending the Annual Appropriation for FY 16.

Resolution No. 15-70: A Resolution of the City Council of the City of Grover Beach, California, Approving the Agreement with Management & Confidential Employee Group, Amending the Compensation and Benefit Package for the Period July 1, 2015 through June 30, 2018.

Resolution No. 15-71: A Resolution of the City Council of the City of Grover Beach, California, Amending Salary Schedule of City's Classification and Compensation Plan.

Resolution No. 15-72: A Resolution of the City Council of the City of Grover Beach, California, Adopting the 10th Amendment to the Annual Appropriation Resolution No. 15-26 to Provide Funding for the Agreement Between the City of Grover Beach and the Grover Beach Management and Confidential Employees Group for Fiscal Year 16.

REGULAR BUSINESS

7. Recommendations Regarding Playground Equipment in Ramona Garden Park.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Parks and Recreation Program Director Petker briefly reviewed recommendations from the Parks, Recreation & Beautification Commission regarding the location and placement of playground equipment at Ramona Garden Park. Staff then responded to questions from the Council.

Discussion ensued on the proposed playground components, alternate sites considered, project scope, estimated costs, funding, and input from the equipment sponsor.

Council Member Nicolls noted that she had attended the Special Meeting of the Parks, Recreation & Beautification Commission and praised the Commission's review process for placement of the equipment.

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

The following persons spoke in support of the Commission's recommendations:

- Sharon Brown, Grover Beach resident; and
- Geri Roseboro, Parks, Recreation & Beautification Commissioner, who provided additional information regarding the process to collect input from the community and City staff, as well as the Commission's onsite visit to examine the park grounds.

There were no further public comments received.

At this time, Mayor Shoals acknowledged Daryl Cameron, Nichols Foundation representative and playground equipment sponsor, who was seated in the audience.

Further discussion was held regarding the public workshop; other park amenities to consider in the future that would accommodate adults and the disabled; and the site inspection and evaluation process conducted by staff.

Action: It was moved by Mayor Pro Tem Lee and seconded by Council Member Nicolls to: 1) approve the Parks, Recreation and Beautification Commission's recommended location for installing playground equipment in the northeast quadrant of Ramona Garden Park; and 2) authorize staff to proceed with the playground equipment project. 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.

Direction was then provided for staff to: 1) prepare a more detailed project budget; and 2) schedule this item for further Council consideration, along with a discussion on alternative funding opportunities and whether to augment the project budget.

Recess: Upon consensus of the City Council, the meeting recessed at 7:51 p.m.

Reconvene: At 8:00 p.m., the meeting reconvened with all Council Members present.

8. First Quarter Review for the FY 16 Budget.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an initial analysis of revenues and expenditures for the City's major funds, identified areas of concern, and outlined potential options to address those concerns. Staff responded to questions from the Council.

Brief Council discussion was held regarding an upcoming Rate Study, the anticipated receipt of an organizational review, and the Status Report on the Goals and Work Program.

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.

Further Council discussion was held regarding the Work Program, resource constraints, and delaying two of the Capital Improvement Program projects rather than implementing a drought surcharge.

Action: Upon unanimous consensus, the report was received and filed. Direction was then provided for staff to: 1) defer implementation of the Meter Replacement Program and Reservoir Maintenance; 2) further explore financial options for an inter-fund loan to assist the Water Fund; and 3) schedule a Mid-year Budget Review in February.

9. **Appointment of Mayor Pro Tem for the Upcoming Year.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Attorney Koczanowicz reviewed the process for selecting a Mayor Pro Tem to serve a one-year term of office.

Brief Council discussion was held regarding the appointment. Mayor Shoals noted that Council Member Lee had agreed to serve another one-year term as Mayor Pro Tem.

Action: Mayor Shoals appointed Council Member Jeff Lee to serve as Mayor Pro Tem for the one-year period of December 2015 through December 2016.

Prior to discussion of Agenda Item No. 10, Mayor Shoals announced that, although this item had already been considered at the Special City Council meeting on November 30, 2016, he had requested it to be rescheduled for Council consideration this evening. He noted that he would not be involved in negotiations between the County and Pacific Gas & Electric regarding the proposed project and that he had no conflict of interest in participating in the Council's discussion of sending a letter of interest to the County. However, as an employee of Pacific Gas & Electric (PG&E), he would recuse himself from the Council's discussion. He then stepped down from the dais and left the Council Chambers.

10. **Consideration of a Letter of Interest to the County Regarding the Zone 3 Emergency Water Supply Project.**

Mayor Pro Tem Lee read the title to the foregoing item and deferred to staff for a report. City Manager Perrault briefly reviewed the County's request for a formal endorsement of interest in a Zone 3 Emergency Water Supply Project involving a proposed desalination treatment facility project located at PG&E's Diablo Canyon Power Plant.

Brief discussion was held regarding the draft letter. Mayor Pro Tem Lee noted that, as an employee of the County, he suggested further amending the draft letter to authorize the City Manager to execute it on behalf of the City.

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.

Action: It was moved by Council Member Bright and seconded by Council Member Shah to: 1) authorize sending a letter of interest to the County of San Luis Obispo; and 2) for the City Manager to execute the letter on the City's behalf. 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: Council Members - None.
ABSTAIN: Council Members - None.
RECUSED: Mayor Shoals (*due to a conflict of interest*).

At this time Mayor Shoals returned to the dais.

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

11. **Discussion Regarding Disposition of Properties Owned by the Housing Successor Agency.** Locations: 1) Northwest corner of Farroll Road and South 10th Street; and 2) Hillcrest Avenue in the vicinity of the City's water tank facility.

Mayor Shoals read the title to the foregoing item, and deferred to staff for a report. City Attorney Koczanowicz briefly described two undeveloped parcels owned by the Housing Successor Agency and included as part of the Agency's Low- and Moderate-Income Housing Program. He then responded to questions from the Council.

Brief discussion was held regarding the vacant parcels, options for future development of an affordable housing project, and the Council's interest in seeking partnership opportunities with private developers and/or non-profit affordable housing agencies to develop an affordable housing project.

Action: Upon unanimous consensus of the City Council, the report was received and filed. Direction was then provided to retain the properties and for staff to investigate the viability of partnering with an affordable housing group to develop an affordable housing project.

PULLED CONSENT AGENDA ITEMS

None at this time.

COUNCIL COMMITTEE REPORTS

Council Member Bright reported on the meeting of the Air Pollution Control District.

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

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

Council Member Shah reported on the meeting of Visit San Luis Obispo County and noted that she and Mayor Shoals had attended the Board Retreat for the Arroyo Grande & Grover Beach Chamber of Commerce.

Mayor Shoals summarized topics discussed at the Arroyo Grande & Grover Beach Chamber of Commerce Board Retreat to increase the Chamber's presence in Grover Beach, draw visitors to West Grand Avenue, address local business concerns pertaining to transients, and increase outreach to new businesses. Mayor Shoals then stated that he had no committee reports at this time.

COUNCIL COMMUNICATIONS

- A. Mayor Pro Tem Lee announced that he would be attending a SCORE (Service Corps Of Retired Executives) luncheon event to present a proclamation on behalf of the Mayor commending Lorna Whiteaker, the San Luis Obispo SCORE chapter's outgoing Chair.

Mayor Shoals noted that he would be attending the same luncheon in his work capacity representing PG&E.

Mayor Pro Tem Lee noted that he had registered to attend the League of California Cities upcoming study session regarding new medical marijuana legislation.

- B. Council Member Nicolls commended her peers, noting it was the one-year anniversary of the current five-member Council's service to the community as elected officials.

- C. Council Member Shah announced details of an upcoming "Story Time with Santa" event to be held at the Grover Beach Community Library.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault announced that a Special City Council workshop to discuss "Transient Population Impacts on Businesses" was scheduled to be held at the Ramona Garden Park Center on Thursday, December 10, 2015 beginning at 6:00 p.m. He also confirmed that a notice regarding the location for the workshop would be posted at City Hall.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

None at this time.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 9:25 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 02/16/2016)