

**MINUTES
CITY COUNCIL MEETING
MONDAY, OCTOBER 3, 2016**

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 Daniel Ortega, a 10-year-old, 6th grade student at Grover Heights Elementary School.

ROLL CALL

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

City Staff: City Manager Matthew Bronson, City Attorney David Hale, City Clerk Donna McMahon, Police Chief John Peters, Administrative Services Director Gayla Chapman, Community Development Director Bruce Buckingham, and Public Works Director/City Engineer Greg Ray were also present.

Also present were San Luis Obispo County District 3 Supervisor Adam Hill; representatives from Rick Engineering - Tom Martin, Kelly Druse, and Patricia Trauth; and representatives from Urban Commons - Gerald Wooten and Victor Nonato.

CLOSED SESSION ANNOUNCEMENTS

City Attorney Hale read the following announcement:

On Monday, September 19, 2016 after meeting in Closed Session regarding:

1. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: APN 060-206-024 & 060-263-034
Agency negotiator: City Manager Bronson
Negotiating party: County of San Luis Obispo
Under negotiation: Terms and conditions of potential lease or acquisition.
2. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: APN 060-206-029 and 060-263-036
Agency negotiator: City Manager Bronson
Negotiating party: Union Pacific Railroad
Under negotiation: Terms and conditions of potential lease or acquisition.
3. Public Employee Performance Evaluation
Pursuant to Government Code Section 54957
Employee: City Attorney

the City Council reconvened into open session, and the following reportable action was announced: Direction was provided for staff to schedule Council consideration of entering into a Professional Services Agreement for City Attorney services with the law firm of David P. Hale, a Professional Corporation (5-0).

AGENDA REVIEW

Action: Upon consensus (Council Member Bright absent), the Council adopted the agenda as presented.

CEREMONIAL CALENDAR

1. Introduction and Swearing-in Ceremony of New Police Officers.

Police Chief Peters administered the Oath of Allegiance to Police Officer Alex Geiger (who was joined in the badge pinning ceremony by his father, Paul) and Police Officer Bradley Hogan (who was joined in the badge pinning ceremony by his wife, Hillary). Police Officers Geiger and Hogan were then introduced to the City Council and members of the audience.

PRESENTATIONS

2. Donation from the County Board of Supervisors' Community Project Funds to the Grover Beach Police Department Volunteer Unit.

San Luis Obispo County District 3 Supervisor Adam Hill presented a check to the Grover Beach Police Department in the amount of \$2,000. Police Chief Peters was joined in accepting the donation on behalf of the department by Police Volunteers Bob Fligel and Jeff Olsen. Police Chief Peters thanked Supervisor Hill and stated the donation would go towards the purchase of uniforms and equipment for the volunteers.

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. No one responded and the Mayor closed the Public Communications segment for this portion of the meeting.

PUBLIC HEARING

None at this time.

CONSENT AGENDA

It was moved by Mayor Pro Tem Lee and seconded by Council Member Nicolls to approve Consent Agenda Item Nos. 3, 4, 5, 6, 7, and 8, as recommended. The motion carried on the following roll call vote:

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

3. Treasurer's Report for the Period September 15, 2016 to September 28, 2016.

Action: Approved the Treasurer's Report as submitted.

4. Treasurer's Report for the 2015 Streets Bond Account - \$5,000,000 (Measure K-14: Grover Beach Street Rehabilitation; Safety Improvement Bond Measure) for the Period September 15, 2016 to September 28, 2016.

Action: Approved the Treasurer's Report as submitted.

5. Treasurer's Report for the 2016 Streets Bond Account - \$8,000,000 (Measure K-14: Grover Beach Street Rehabilitation; Safety Improvement Bond Measure) for the Period September 15, 2016 to September 28, 2016.

Action: Approved the Treasurer's Report as submitted.

6. Minutes of the City Council Meeting on July 18, 2016.

Action: Approved the minutes as submitted.

7. Affirming the City of Grover Beach Investment Policy - Consideration of the City's written policy regarding the deposit and investment practices of public funds.

Action: Adopted Resolution No. 16-76.

Resolution No. 16-76: A Resolution of the City Council of the City of Grover Beach, California Affirming the Investment Policy for the City of Grover Beach.

8. Professional Services Agreement for City Attorney Services - Entering into an agreement for city attorney services with David P. Hale, a Professional Law Corporation, due to the recent resignation of City Attorney Martin D. Koczanowicz.

Action: Approved the Professional Services Agreement for City Attorney Services and authorized the Mayor to execute the agreement on behalf of the City.

REGULAR BUSINESS

9. Update on the Grover Beach Train Station Expansion Project.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Public Works Director/City Engineer Ray provided an overview of the grant-funded regional transportation project to expand the site of the train station onto an undeveloped lot located immediately to the south of the project site. He also reviewed the proposed design to incorporate a bus passenger loading/unloading area, bus passenger shelter, improve pedestrian access to the train station, and add additional parking spaces.

He then introduced representatives from Rick Engineering - Engineer Tom Martin, Project Engineer Kelly Druse, and Landscape Architect Patricia Trauth. Referencing a rendering of the site plan for the project's Conceptual Master Plan design, Mr. Martin, Ms. Druse, and Ms. Trauth continued the presentation by providing further details of the project's design and proposed landscaping. Staff and the consultants then responded to questions from the Council.

Brief discussion was held regarding the proposed design features; options for future improvements; and the estimated timeframe to complete project milestones and begin construction.

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.

Discussion continued with Council Members commenting on a photo display of design elements. Upon consensus, the Council:

- responded affirmatively to the overall proposed design;
- responded affirmatively to the tree selections recommended for the site;
- commented on preferred design options for a bus shelter and decorative light fixtures;
- requested energy efficient lighting, more light fixtures, and upgraded security lighting;
- requested staff explore options for adding a pad for future commercial retail space to accommodate a visitor-serving business, such as a rental car firm or snack bar;
- commented on the proposed bike lockers; and
- suggested exploring opportunities for a public art project, such as painting the bike lockers or installing an art piece in the public plaza area.

Action: Upon consensus, the Council received the presentation and provided comments on the proposed design.

10. Consideration of Financial Assistance for the Hotel Project at 950 El Camino Real.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Bronson outlined the request for financial assistance with infrastructure costs associated with connecting the hotel project on El Camino Real to city sewer and water services. He then introduced Project Manager Gerald Wooten and Senior Project Manager Victor Nonanto of Urban Commons, who were seated in the audience.

Community Development Director Buckingham continued the staff presentation and described the significant infrastructure costs associated with the project. Additionally, he noted the unanticipated field conditions encountered that resulted in increased costs for a water main installed at the intersection of Oak Park Boulevard and El Camino Real. He then outlined financial assistance provided to date for the hotel project, described alternate forms of providing financial assistance, and listed potential funding sources for that assistance. Staff then responded to questions from the Council.

Discussion ensued regarding the unique conditions of the project site; alternatives considered for connecting the site to sewer and water services; and the types of projects that involved prevailing wages and certain bidding procedures. Discussion was also held on waterlines located in other parts of the city that need to be upgraded, as well as additional financing options. It was noted that El Camino Real was not considered a "residential street" for purposes of streets being repaired with Measure K-14 bond funds.

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

Gerald Wooten, Project Manager, Urban Commons, spoke in support of the funding request and responded to questions from the Council regarding project costs and financing.

There were no further public comments received at this time.

Council discussion continued regarding economic development; additional options for providing financial assistance; alternative service connections that were considered but subsequently deemed unfeasible; whether future developments in the surrounding vicinity could benefit from the waterline improvements; and whether private developments, the City, or a combination of both parties would be financially responsible for downstream sewer improvements. Additional comments included scheduling a separate Council discussion on the citywide sewer and waterline system.

Action: Upon consensus, direction was provided for staff to continue this item to either the City Council meeting on October 17 or November 21, 2016 and at that time to present the Council with primarily two forms of financial assistance for its consideration:

- 1) After the developer has completed installation of the water supply line, provide the developer with reimbursement from the City in an amount that's based on a percentage (such as 50%) of the overall estimated construction cost for installing the water supply line, with a reimbursement from the City that's based upon an annual payment amount indexed to the Transient Occupancy Tax to the General Fund; or
- 2) Waiving the collection of Transient Occupancy Tax over a specified period of time.

PULLED CONSENT AGENDA ITEMS

None at this time.

COUNCIL COMMITTEE REPORTS

Council Member Bright was absent from this meeting.

Mayor Pro Tem Lee reported on the meetings of the Economic Vitality Corporation, the Zone Three Advisory Committee, and the Air Pollution Control District meeting, for which he attended as alternate representative.

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

Council Member Shah reported on the meeting of the Homeless Services Oversight Council and alternative housing options being explored to increase the amount of available affordable housing.

Action: Upon consensus, the Council authorized scheduling a future discussion on reviewing all City-owned properties and discussing opportunities for affordable housing.

Mayor Shoals reported on the meeting of the Five Cities Fire Authority and described topics discussed at the last South San Luis Obispo County Sanitation District meeting.

COUNCIL COMMUNICATIONS

- A. Council Member Shah inquired whether the City needed to take action in preparation for the November 8 statewide ballot measure regarding recreational use of marijuana.

City Manager Bronson confirmed staff was currently reviewing Proposition 64, and noted the League of California Cities had recently provided some guidance regarding actions cities may need to take, if any, regarding this matter.

She then briefly described her involvement in a public art committee that had been meeting at the South County Regional Center. It was noted that the City did not have a public art policy.

- B. Council Member Nicolls described programs being offered at the Grover Beach Community Library and grant funds recently received for the library.
- C. Mayor Shoals noted there had been recent discussions on making improvements at the Exploration Station, and that he had a recent conversation about the need to update the Ramona Specific Plan with Grover Beach resident Richard Roberts, who had been involved in the development of that plan.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Bronson announced that the final building permit had been issued for the Green Park residential development, which included five residences for low-income families. He then briefly described sessions he had attended at the International City County Managers Association Conference in Kansas City, Missouri.

CITY ATTORNEY'S REPORTS AND COMMENTS

City Attorney Hale noted that this was his first meeting as City Attorney and that he was pleased to be serving the City of Grover Beach in that capacity.

CLOSED SESSION

At 9:11 p.m., the Council met in Closed Session regarding the following item:

- 1. **Public Employee Performance Evaluation**
Pursuant to Government Code Section 54957
Employee: City Manager

Closed Session Announcements: At 10:08 p.m. Mayor Shoals reconvened the meeting in open session with all Council Members present, and announced there were no reportable actions taken during Closed Session.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 10:09 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:
/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 11/21/2016)