

**MINUTES  
CITY COUNCIL MEETING  
MONDAY, NOVEMBER 20, 2017**

**CALL TO ORDER** Mayor Shoals called the meeting to order at 6:00 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 Mayor Shoals.

**ROLL CALL**

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

City Staff: City Manager Matthew Bronson, City Attorney David Hale, City Clerk Donna McMahon, Police Chief John Peters, Administrative Services Director Gayla Chapman, Public Works Director/City Engineer Greg Ray, Parks & Recreation Program Director Kathy Petker, and Planner II Janet Reese were also present.

Also present was Pete Rodgers, Deputy Director, San Luis Obispo Council of Governments.

**CLOSED SESSION ANNOUNCEMENTS**

City Attorney Hale read the following announcement:

On Monday, November 6, 2017 after meeting in Closed Session regarding:

1. Conference with Legal Counsel - Existing Litigation  
Pursuant to Government Code Section 54956.9(d)(1)  
Friends of Oceano Dunes, Inc v California Coastal Commission et al.  
SLO County Superior Court Case No. 17CV-0576
2. Public Employee Performance Evaluation  
Pursuant to Government Code Section 54957  
Employee: City Attorney

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.

**PRESENTATIONS**

1. **San Luis Obispo Council of Governments (SLOCOG) Presentation: An Overview of SB1: the Road Repair and Accountability Act of 2017.**

Referencing a PowerPoint presentation, Pete Rodgers, Deputy Director, San Luis Obispo Council of Governments, provided an overview of Senate Bill (SB) 1 the Road Repair and Accountability Act of 2017. He described the timeframe for transportation investments over the next 10 years, identified funding sources and designated uses for the funds, and outlined the anticipated immediate impact on local streets, roads, and transportation programs within San Luis Obispo County. He also noted the accountability measures for agencies to receive SB1 funds. He then responded to questions from the Council regarding transportation projects and funding. Upon request, he confirmed that he'd provide the City with SLOCOG's two-page fact sheet summarizing transportation projects accomplished in Grover Beach with funding assistance from SLOCOG for posting on the City website.

**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. Sharon Brown, Grover Beach resident, thanked the Council for improvements at Golden West Park and organizing the celebratory ribbon cutting to mark the project's completion.
- B. Steve Green, Grover Beach resident, spoke in support of allowing recreational use of cannabis products within Grover Beach.

- C. Michelle Sween, Grover Beach resident, expressed concerns with conditions along South 4<sup>th</sup> Street just south of Highland Way regarding falling branches and debris from Eucalyptus trees that were impeding traffic and potentially compromise utility lines and cause a power outage; trash was being dumped illegally along the road; pavement conditions were poor; and several homeless encampments were located along the street frontage. She then provided photos of the road conditions directly to the City Manager.
- D. Todd Mitchell, Grover Beach resident, requested the Council consider issuing permits for delivery only services for commercial medical cannabis products and increasing the number of permits allowed for commercial medical cannabis dispensaries from two to up to four.
- E. John Wysong, Grover Beach resident, objected to his property being assessed a weed abatement charge and then subsequently being contacted that he would be receiving a full refund.

There were no further public comments received at this time.

**Action:** Upon consensus of the City Council, direction was provided for the City Manager to speak directly with Ms. Sween regarding her concerns and to schedule Council discussion for a future meeting date on the Eucalyptus trees on South 4<sup>th</sup> Street.

### **CONSENT AGENDA**

Prior to consideration of the Consent Agenda, staff responded to questions from the Council regarding Agenda Item Nos. 3, 5, 6, and 7. It was moved by Council Member Lee and seconded by Council Member Peterson to approve Consent Agenda Item Nos. 2, 3, 4, 5, 6, and 7, as recommended. The motion carried on the following roll call vote:

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

**2. Treasurer's Report for the Period October 27, 2017 – November 9, 2017.**

**Action:** Approved the Treasurer's Report as submitted.

**3. 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 October 27, 2017 – November 9, 2017.**

**Action:** Approved the Treasurer's Report as submitted.

**4. Minutes of the City Council Meetings on August 21, 2017 and September 7, 2017.**

**Action:** Approved the minutes as submitted.

**5. Amending the City of Grover Beach Investment Policy – Amending the City's written policy regarding the deposit and investment practices of public funds to give the City Council flexibility to deviate from the policy in the event such action was determined to be in the best interest of the City, and affirming the change to the Investment Policy.**

**Action:** Adopted Resolution No. 17-55 amending the City of Grover Beach Investment Policy.

**Resolution No. 17-55: A Resolution of the City Council of the City of Grover Beach, California Affirming the Investment Policy for the City of Grover Beach**

**6. Acceptance of the South 4th Street Pavement Repair Project (CIP 2283) - Accepting the pavement repairs as complete on South 4<sup>th</sup> Street.**

**Action:** Adopted Resolution No. 17-56 accepting the improvements constructed by Souza Construction, Inc. and authorized staff to send the Notice of Completion to Souza Construction, Inc., for the South 4th Street Pavement Repair Project (CIP 2283).

**Resolution No. 17-56: A Resolution of the City Council of the City of Grover Beach, California, Formally Accepting the South 4th Street Pavement Repair Project (CIP 2283).**

7. **South 16th Street and Farroll Road Re-Striping** - Recommendations from Omni-Means, a traffic engineering consultant, regarding sight distance near the intersection of South 16<sup>th</sup> Street and Farroll Road.

**Action:** Received the information on re-striping near the intersection of South 16<sup>th</sup> Street and Farroll Road, and approved the design to shift the centerline to the south and relocate on-street parking from the south side to the north side of Farroll Road in order to achieve adequate corner sight distance.

## **PUBLIC HEARINGS**

8. **2013 State Community Development Block Grant Report.**

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. Planner II Reese provided an overview of the Community Development Block Grant program and the funds received during the 2013 cycle, and summarized accomplishments achieved for specific grant-funded activities. She then responded to questions from the Council.

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

Janna Nichols, 5Cities Homeless Coalition, described how the Coalition used the funds to provide rapid rehousing, security deposits, and counseling services. She also described several of the clients served and how they had benefitted from the assistance provided.

Deb Geaslen, Exploration Station, described how the Exploration Station had planned to use the funds, but noted there were fewer participants due to the lack of transportation assistance.

Anthony Wayne Embrey, Grover Beach resident, commented on the recent formation of a neighborhood citizen group and thanked the Police Chief for increasing traffic enforcement in the South 16<sup>th</sup> Street area and placement of the speed radar on South 16<sup>th</sup> Street. He then requested additional police patrols along Trouville Avenue near the Mentone Basin due to overnight parking and other related activities associated with the homeless. He also requested the City consider establishing a parking program in that same vicinity for after hours on-street parking by permit only.

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

**Action:** It was moved by Council Member Nicolls and seconded by Mayor Pro Tem Shah to receive the report summarizing the accomplishments performed under State Community Development Block Grant (CDBG) Agreement 13-CDBG-8961 and authorize staff to send out the disencumbrance letter and the close out certification letter that were attached to the staff report. The motion carried on the following roll call vote:

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

**ORDER OF THE DAY:** At this time, Mayor Shoals requested that staff respond directly to the comments received from Mr. Embrey during the Public Hearing portion of the meeting, specifically regarding the neighborhood citizen meeting and the discussion on traffic and safety concerns along South 16<sup>th</sup> Street.

City Manager Bronson briefly described the neighborhood meeting held approximately a month earlier that the Mayor and he had attended. Topics discussed that evening included traffic safety on South 16<sup>th</sup> Street, lighting and security issues around the Mentone Basin and South 16<sup>th</sup> Street Park, and the location of a bus stop. He noted that staff has been working on responding to the issues raised, which included the recent placement of the speed radar trailer on South 16<sup>th</sup> Street and increasing police patrols in the area, which Mr. Embrey referenced, and would continue to research options for activating the use of Mentone Basin. Additionally, it was noted that traffic safety measures would be scheduled for discussion at a future City Council meeting.

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

**9. Introduction and First Reading of an Ordinance Amending Council Compensation.**

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. City Manager Bronson provided an overview of the proposed amendment to the Grover Beach Municipal Code regarding stipends for members of the City Council. He also noted that, per Council direction, estimated costs to provide medical benefits for elected officials would be included in the proposed budget for the next fiscal year, and mobile technology devices for elected officials would be purchased and ready for set up and training for Council Members in early 2018.

Brief discussion was held on whether to place the matter of Council compensation on the ballot.

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

Sharon Brown, Grover Beach resident, requested and received clarification on the proposed ordinance. She objected to stipends or medical coverage being the incentive that motivated individuals to consider running for elective office.

Anthony Wayne Embrey, Grover Beach resident, spoke in support of increasing the stipend amount and offering medical coverage, but objected to extending that coverage to the family members of elected officials.

John Wysong, Grover Beach resident, objected to the proposal to increase Council compensation and objected to providing elected officials with medical coverage.

There were no further comments received and the Mayor closed the Public Hearing.

Further Council discussion was held on the proposed ordinance, providing elected officials with compensation that was comparable to other cities in San Luis Obispo County, and some of the uncompensated expenses commonly incurred by elected officials to attend meetings and fulfill the duties of elective office.

Council Member Lee objected to increasing the stipend amount and providing medical coverage to elected officials. He did, however, support providing elected officials with technology equipment to assist those in public office to efficiently accomplish their duties, citing his frequent use of a tablet device.

Mayor Shoals noted that he would be termed out of office at the end of 2018 and would not be impacted by the proposed change in Council compensation. He acknowledged the proposed stipend was comparable to other cities and equal to the amount provided by the City of Atascadero, but suggested reducing the proposed amount to be at the same stipend amount as the City of Morro Bay.

**Action:** It was moved by Mayor Pro Tem Shah and seconded by Council Member Nicolls to introduce and conduct first reading of Ordinance No. 17-08 amending Council compensation to be \$600 per month for the office of Council Member and \$750 for the office of directly-elected Mayor, and schedule second reading and adoption at the next regularly scheduled City Council meeting. The motion carried on the following roll call vote:

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

**Ordinance No. 17-08: An Ordinance of the City Council of the City of Grover Beach, California, Amending Chapter 2 to Article II of the Grover Beach Municipal Code Regarding Compensation for the City Council (First Reading only)**

**Recess:** Upon consensus of the City Council, the meeting recessed at 7:17 p.m.

**Reconvene:** At 7:29 p.m., the meeting reconvened with all members of the Council present.

## **REGULAR BUSINESS**

### **10. 2017-18 First Quarter Financial Report and Major City Goals Report.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Administrative Services Director Chapman provided an overview of the City's financial position after the close of the first quarter of the fiscal year, summarized progress achieved in carrying out the Major City Goals, and noted that a more thorough presentation on the goals would be presented during the mid-year budget review. In conclusion, she outlined plans for the upcoming budget process and noted that it would also include a long-term financial forecast. Staff then responded to questions from the Council.

Brief discussion was held regarding transient occupancy tax revenues, online vacation rentals through services such as Airbnb, facility maintenance costs, and clarification on the format of the new Work Program Implementation Report.

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

The Council praised staff for keeping expenses under control, closely tracking progress on the Major City Goals, and planning for the development of a two-year budget in 2019-2020.

**Action:** Upon consensus of the City Council, the first quarter financial report and the Major City Goals implementation report were received.

### **11. Water Fund Capital Needs and Funding Options.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Bronson introduced the item. Public Works Director/City Engineer Ray provided an overview on the operating budget for the Water Fund and proposed rate increases that were recommended in March 2017 but were either delayed or postponed per Council direction. He then outlined planned capital projects to address deferred maintenance, aging water infrastructure, and pressure and flow deficiencies in the system. He also noted that some improvements were being delayed until sufficient Water Funds became available. In reference to system components recommended for replacement as a result of Measure K-14 repaving operations, he noted that, due to the increased pace of street projects and significant unknown deficiencies in the water system, actual costs were significantly higher than original estimates.

Administrative Services Director Chapman continued the staff presentation by describing an analysis conducted on the Water Fund. Given the identified capital needs, she outlined several funding options for Council consideration.

Discussion ensued regarding the water system, flow deficiencies for fire suppression, unanticipated costs from emergency repairs, and the life expectancy of the replaced components. Additional discussion was held on the proposed water rates compared with water rates in nearby communities, the merits of each funding option presented by staff, development impact fees, and expediting the Request for Proposals (RFP) process to update the Water and Sewer Master Plans.

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

John Wysong, Grover Beach resident, objected to increasing water rates for residential customers and spoke in support of pursuing alternative methods to conserve and reclaim water.

Anthony Wayne Embrey, Grover Beach resident, requested and received additional information regarding the City's water system and spoke in support of improving the quality of drinking water.

There were no further public comments received at this time.

Upon request, Public Works Director/City Engineer Ray provided an overview on the sources of City water and the extensive testing process and procedures the City follows to ensure the water meets state and federal quality and health standards.

Further discussion was held on options for funding improvements to the water systems and scheduling a future Council discussion on the Capital Improvement Plan, the Sewer Fund, park facilities, development impact fees, and establishing a moratorium on cutting into newly paved streets. Additional discussion was held on continuing the forward momentum and progress on completing Measure K-14 street projects, acknowledging that some projects were deferred due to water infrastructure needs, scheduling further policy discussions on prioritizing funding for water system improvements, and taking steps to ensure Reserve Funds would not drop below the 20 percent minimum threshold. It was also noted that the proposed water rate increases, if implemented, would result in water rates that were below the countywide average.

City Manager Bronson summarized the discussion and announced that the Council was scheduled to have a more comprehensive discussion regarding the budget and closing the gap in the Water Fund during the mid-year budget report in February. At that time, the Council would also have an opportunity to review key needs in the coming fiscal year.

**Action:** Upon consensus, the report was received regarding current and emerging capital needs in the Water Fund and potential funding options for addressing these needs.

### **COUNCIL COMMITTEE REPORTS**

Council Member Nicolls announced the appointment of a new Chief Executive Officer for the Arroyo Grande & Grover Beach Chamber of Commerce, noted the Council-appointed representative to Community Action Partnership of SLO County (CAPSLO) would be rotating to the City of Arroyo Grande effective January 2018, and announced that she was now a Board Member for the organization Friends of Prado.

Council Member Lee reported on meetings of the Zone Three Advisory Committee and Integrated Waste Management Authority.

Mayor Pro Tem Shah reported on meetings of the Homeless Services Oversight Council and the Air Pollution Control District. Brief discussion was held regarding the "Listening Session" being held by the California Department of State Parks to discuss public works plans for the Oceano Dunes State Vehicle Recreation Area and Pismo State Beach.

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

Mayor Shoals noted the presentation earlier in the meeting from Pete Rodgers from the San Luis Obispo Council of Governments sufficiently covered the information he would have provided during Council Committee Reports. He then reported on meetings of the South San Luis Obispo County Sanitation District and the Five Cities Fire Authority.

### **COUNCIL COMMUNICATIONS**

- A. Council Member Nicolls announced details for the Arroyo Grande & Grover Beach Chamber of Commerce's monthly luncheon in December, noting that it would also be a retirement celebration for the Chamber's Chief Executive Officer Judith Bean.
- B. Mayor Pro Tem Shah announced details for the City's Annual Holiday Parade and Santa's Workshop to be held on Saturday, December 2, 2017.
- C. Council Member Lee announced details for the Dinner for a Cause event to benefit the 5Cities Homeless Coalition on Tuesday, November 28, 2017.
- D. Mayor Shoals requested and received clarification from staff regarding the work being conducted in conjunction with the City's street rehabilitation program to install sidewalk corner ramps to meet federal accessibility guidelines.

### **CITY MANAGER'S REPORTS AND COMMENTS**

City Manager Bronson provided verbal updates on the following matters:

- *Street Rehabilitation* - work had begun earlier that same day with asphalt grinding on South 8<sup>th</sup> Street. Grinding and paving was anticipated to continue for the next several months;
- *Personnel* - Administrative Specialist (Confidential) Lynn Carr retired last week after working in the City Manager's Office for over 12 years. She was instrumental in assisting with training Deputy City Clerk/Administrative Specialist (Confidential) Cody Westbay, who previously worked for the City of Santa Barbara.
- *Animal Shelter Services* - discussions were on-going among the County and City Managers within the County towards achieving a regional solution for animal shelter services.
- *Golden West Park* - a ribbon cutting ceremony was held to celebrate the completion of the park improvements.
- *Community Survey* - the survey of residents to gauge perceptions on a variety of topics and key issues facing Grover Beach was completed and the survey results will be presented at the City Council meeting on December 4.

### **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 9:59 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK  
(Approved at CC Mtg 2/20/2018)