

**MINUTES
CITY COUNCIL MEETING
MONDAY, APRIL 4, 2011**

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 Police Chief Copsey.

ROLL CALL

City Council: Council Members Bright, Molnar, Mayor Pro Tem Nicolls, and Mayor Shoals were present. Council Member Peterson was absent.

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Administrative Services Director Chapman, Community Development Director Buckingham, Public Works Director/City Engineer Ray, Police Chief Copsey, and Parks and Recreation Director Petker were also present.

CLOSED SESSION ANNOUNCEMENTS

City Attorney Koczanowicz read the following announcement:

On Monday, March 21, 2011 after meeting in Closed Session regarding:

1. 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 consensus (Council Member Peterson absent), the Council adopted the agenda as presented.

CEREMONIAL CALENDAR

1. **Drawing to Select Monthly Winners of the Local Economic Stimulus Program Shop Local, Shop Loyal Campaign - "Shop & Dine Grover Beach".**

Administrative Services Director Chapman briefly described the "Shop & Dine Grover Beach" Program to encourage residents to support local businesses by shopping and dining in Grover Beach. Members of the City Council and City staff assisted with the random drawing and the names of the following Shop & Dine Grover Beach winners were announced: Betty Ashton, Danielle Bainbridge, Gene Bello, Steve Bergstrom, Jennifer Breeden, Brian Green, Guy King, Roy Morningstar, Nora O'Donnell, and Janet Wilson.

2. **Proclamation Declaring April as "Month of the Child" and "Child Abuse Prevention Month" and April 9, 2011 as "Day of the Child".**

Mayor Shoals read and presented the proclamation to Sarah Rugg of Bright Futures child care program, who distributed pins and brochures regarding activities sponsored by the San Luis Obispo County Child Care Planning Council and South County YMCA.

3. **Certificate of Appreciation to Daryl Cameron of the Nichols Foundation for a \$7,500 Donation for the Operations of the South County Skate Park Facility.**

Mayor Shoals read and presented the Certificate of Appreciation to Daryl Cameron, thanking her for the grant awarded to the Grover Beach Parks and Recreation Department that would be used to assist with operational costs of the South County Skate Park Facility.

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 HEARINGS

None at this time.

CONSENT AGENDA

It was m/s by Council Member Bright / Mayor Pro Tem 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, Molnar, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Member Peterson.
ABSTAIN: Council Members - None.

4. **Treasurer's Report for the Period March 16 - March 30, 2011.**
Action: Approved as submitted.
5. **Minutes of the City Council Meeting of February 7, 2011.**
Action: Approved the minutes as submitted.
6. **Consideration of Approving an Agreement for City Attorney Services with the Law Office of Martin D. Koczanowicz.**
Action: Approved the new agreement for City Attorney services and authorized the Mayor to execute the agreement on behalf of the City.
7. **Authorization for Refunding Lopez Dam Obligations - Consideration of authorizing the refunding of tax-exempt obligations previously issued to finance improvements at Lopez Lake on terms beneficial to ratepayers and taxpayers of the City.**

Action: Adopted Resolution No. 11-27.

Resolution No. 11-27: Resolution of the City Council of the City of Grover Beach, California, Authorizing the Refunding of Certain Obligations Secured by its Water Supply Contract with the San Luis Obispo County Flood Control and Water Conservation District.

REGULAR BUSINESS

Prior to discussion of Agenda Item No. 8, Mayor Shoals declared a conflict of interest, stating that his employer was the utility company Pacific Gas & Electric (PG&E). He then stepped down from the dais and left the Council Chambers.

At this time, Mayor Pro Tem Nicolls presided over the meeting.

Council Member Molnar requested that representatives who supported, as well as opposed, the SmartMeter Program be provided equal time to present their viewpoints and respond to questions. Based on the posted agenda and meeting format, Mayor Pro Tem Nicolls denied the request.

8. **Presentation from Pacific Gas and Electric Company Staff Regarding the SmartMeter Program and Receive Public Comments.**

Mayor Pro Tem Nicolls read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault briefly reviewed the Council's request to receive a report regarding PG&E's SmartMeter program. He described the program as a wireless network system to collect electric usage data from homes and businesses and transmit that information to PG&E. Program goals included controlling

energy costs and encouraging off-peak usage of electricity. He referenced materials provided by PG&E and a report issued by the California Public Utilities Commission (CPUC) that were attached to the staff report, as well as information from members of the public who were opposed to the program. He also described PG&E's proposed program to accommodate customers who preferred not to participate in the program. He noted that, although some communities had adopted moratoriums regarding SmartMeter installations, such actions might be unenforceable, as regulatory authority of the service provider was through the CPUC.

Patricia Wilmore, Local Area Manager Governmental Relations, PG&E, provided an overview of the SmartMeter system, outlined program benefits, and described the customer notification process regarding installations. She then introduced PG&E representatives Tom Smith, Customer Outreach Specialist, and Michael Herz, Electro Magnetic Field Project Manager. Ms. Wilmore and Mr. Herz responded to questions from the Council.

Brief Council discussion was held regarding proposed fees for customers who declined program participation; public concerns regarding adverse health effects and the accuracy of data collection; and the 30-day period to submit comments to the Public Utilities Commission regarding PG&E's proposed option for customers to request the radio frequency component of the new meters be turned off.

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

The following persons spoke in opposition to the SmartMeter Program, citing adverse health concerns and objecting to proposed fees for non-participation in the program:

- Dr. Margaret Carman, chiropractor, San Luis Obispo;
- Deborah Miller, Grover Beach;
- Margaret Hennessy, Publisher of the *Solstice Green Directory*;
- Trish Norman, Grover Beach;
- "Chesnea" (female speaker, name unintelligible, did not identify city of residence); and
- Claudette Rettig, Grover Beach resident, and former member of the San Luis Obispo County Health Commission.

There were no further public comments received and Mayor Pro Tem Nicolls closed the public comment period for this item.

Additional Council discussion was held regarding scheduling this matter on a future agenda or waiting until after the legislature took action regarding alternative options for utility customers (AB 37); fees for non-participation being perceived as a penalty; sending a letter to the CPUC regarding community concerns and requesting the option to decline installation of the new wireless meter system without incurring additional fees.

Action: Upon consensus (Council Member Peterson absent and Mayor Shoals recused from this item), the Council authorized staff to prepare a draft letter for review at the City Council meeting of Monday, April 18, 2011 outlining community concerns regarding additional fees being imposed to opt out of the SmartMeter Program, and requesting a delay in SmartMeter installations to provide citizens more time to consider whether to participate in the program.

At this time Mayor Shoals returned to the dais.

Recess: Upon consensus of the City Council, the meeting recessed at 7:34 p.m.

Reconvene: At 7:38 p.m., the meeting reconvened with all Council Members present except for Council Member Peterson who was absent from this meeting.

9. 2010 Annual Report on the Status of the General Plan.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Community Development Director Buckingham provided an overview of the steps taken over the past year to implement goals and policies of the General Plan. He then responded to questions from the Council.

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 consensus (Council Member Peterson absent), the report was received and filed.

10. Review of the San Luis Obispo County Flood Control District Zone 3 Annual Budget.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault noted that a portion of the City's water was received from the County-managed facility at Lopez Lake under the auspices of the San Luis Obispo County Flood Control District, Zone 3. Each member agency had a representative on the Zone 3 Advisory Board, and the Board was responsible for advising the County Board of Supervisors regarding the cost and operations of the Zone 3 District. He then provided an overview of the proposed Zone 3 District budget. City Manager Perrault and Public Works Director/City Engineer Ray responded to questions from the Council.

Brief discussion was held regarding the improved process for Zone 3 Board Members, Technical and Financial Advisory Committees, City staff, and County Public Works staff to stabilize operational costs; and the 10-year process that went into developing the Habitat Conservation Plan (HCP) to protect endangered species.

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 consensus (Council Member Peterson absent), the Council authorized the City's Zone 3 representative to vote in **support** of the proposed budget for the San Luis Obispo Flood Control District Zone 3 for FY 11 - 12.

Recess: Upon consensus of the City Council, the meeting recessed at 8:06 p.m. to the Joint City Council / Improvement Agency meeting, which was also scheduled for this same evening.

Reconvene: At 8:45 p.m., the meeting reconvened with all Council Members present, except for Council Member Peterson.

PULLED CONSENT AGENDA ITEMS

None at this time.

COUNCIL COMMITTEE REPORTS

Council Member Molnar announced information for the Spring Clean Up Week, April 18-22, 2011.

Council Member Bright stated that she had nothing to report.

Mayor Pro Tem Nicolls reported on the meeting of the Klaproad Initiative Task Team and discussions regarding a potentially viable site in Pismo Beach. He also reported on a meeting with the South San Luis Obispo County Sanitation District Administrator regarding impacts from recent Board Member resignations at the Oceano Community Services District.

Mayor Shoals stated that he had nothing to report.

CITY COUNCIL MEMBER ITEMS

None at this time.

COUNCIL COMMUNICATIONS

A. Council Member Bright congratulated Grover Beach resident Anita Shower on the news of her recent wedding.

- B. Mayor Shoals announced that, in response to a recent hate-crime incident in Arroyo Grande, a community forum was being organized by the Santa Maria/Lompoc NAACP and the Santa Barbara/Tri-Counties Anti-Defamation League to discuss tolerance. The forum would be held at Saint John's Lutheran Church in Arroyo Grande on Monday, April 11, 2011 at 6:00 p.m., and he encouraged elected officials and residents to attend.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault stated that, as of this date, no action had been taken by the legislature regarding the threat to eliminate redevelopment agencies.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

At 8:54 p.m., the Council met in Closed Session regarding the following item:

1. **Conference with Labor Negotiators**
Pursuant to Government Code Section 54957.6.
Agency Negotiator: City Manager, City Attorney, Administrative Services Director, Assistant Administrative Services Director, Human Resources Coordinator, Police Lieutenant, Police Chief, and Fire Chief.
Employee Group: All employee groups (represented and unrepresented)

Closed Session Announcements: At 9:25 p.m., Mayor Shoals reconvened the meeting in open session with all Council Members present, and he announced there were no reportable actions taken during the Closed Session.

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 05/16/2011)