

**MINUTES  
CITY COUNCIL MEETING  
MONDAY, SEPTEMBER 19, 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 Magnus Miller, an 8-year-old, 3<sup>rd</sup> grade student from Fairgrove Elementary School.

**ROLL CALL**

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

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 Human Resources Coordinator Barrett were also present.

**CLOSED SESSION ANNOUNCEMENTS**

City Attorney Koczanowicz read the following announcement:

On Monday, August 15, 2011 after meeting in Closed Session regarding:

1. Conference with Legal Counsel - Existing Litigation  
Pursuant to Government Code Section 54956.9(a)  
Sipple v. City of Alameda, et al CV BC462270

the City Council reconvened into open session, and announced the following reportable action: the City Council approved settlement of the litigation (5-0).

**AGENDA REVIEW**

City Manager Perrault requested that Agenda Item No. 10 regarding a proposed countywide ordinance for single-use bags be continued to the next regular City Council meeting scheduled for October 3, 2011 so the City Council could receive a presentation at that time from the Manager of the Integrated Waste Management Authority (IWMA). He also noted that the proposed Ordinance was scheduled to be considered for first reading by the IWMA Board in November.

**Action:** Upon unanimous consensus, the Council continued Agenda Item No. 10 to the next regular City Council meeting on October 3, 2011, and adopted the agenda as amended.

**CEREMONIAL CALENDAR**

1. **Proclamation Declaring September 17 through 23, 2011 as “Constitution Week”.**

Mayor Pro Tem Nicolls read and presented the Proclamation to Jean Mankins Mollenkopf, a representative from the Daughters of the American Revolution.

**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. Robert Robert, Grover Beach, expressed concerns regarding private development regulations and the proposed design for the future lodge and conference center project.
- B. Elizabeth Doukas, Grover Beach, requested an administrative hearing to resolve a dispute with her neighbor and distributed documentation regarding the matter.
- C. Anita Shower, Grover Beach, expressed concerns regarding sidewalk “sandwich board” signs that advertised businesses along West Grand Avenue.

- D. Marsha Bolyanatz, Grover Beach, objected to sidewalk “sandwich board” signs.
- E. Kevin Rice, San Luis Obispo, described a recent Coastal Cleanup Day event and expressed concerns regarding a recent air quality study by the Air Pollution Control District.
- F. Bill Senna and Mario Zambo, representing the Narvacanian Association of Central California, invited City Council Members and members of the public to attend the Annual Sister City Celebrations to be held Saturday and Sunday, October 1 - 2, 2011.
- G. Brad Snook, Volunteer Coordinator, Surfrider Foundation, expressed concerns regarding operations at the South San Luis Obispo County Sanitation District.
- H. Jeff Pienack, Chair, Surfrider Foundation, expressed concerns regarding ocean water quality.
- I. Richard Leaf, Grover Beach, requested to speak regarding the issue of vacation rentals and was informed that public comments regarding vacation rentals would be received during the scheduled Public Hearing for Agenda Item No. 2.

## **PUBLIC HEARINGS**

### **2. First Reading and Introduction of Ordinance Regulating Vacation Rentals.**

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. For the information of those present, Community Development Director Buckingham provided an overview of the proposed Ordinance to regulate vacation rentals. He displayed a map of a proposed Vacation Rental Overlay that would allow vacation rentals located west of 4<sup>th</sup> Street within all residential zones and most commercial zones, and noted that the proposed Ordinance would also allow certain existing vacation rentals to be “grandfathered in”. He then described a communication received earlier that same day from Coastal Commission staff that recommended amending the proposed Ordinance further to: 1) allow vacation rentals in residences throughout the City’s entire coastal zone, and 2) require a coastal development permit for vacation rental use. He stated that including these requested amendments in the proposed Ordinance would result in a major amendment to the City’s Local Coastal Program, which would then be subject to review and approval by the Coastal Commission. 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.

The following person spoke in support of the proposed Ordinance:

- Betsy Ehrler, Grover Beach.

The following persons spoke in support of an Ordinance regulating vacation rentals, but objected to allowing vacation rentals only in the proposed overlay area:

- Richard Leaf, Grover Beach, who requested that his property on South 4<sup>th</sup> Street and Rockaway Avenue be included in the overlay area, stating it was purchased with the intent of short-term rental use;
- Mary McNally, Grover Beach;
- Bill Bartlett, Grover Beach; and
- John Fox, Grover Beach, who requested that his rental property on Newport Avenue be included among the vacation rentals eligible to be “grandfathered in”.

The following persons spoke in support of the proposed Ordinance regulation vacation rentals, but objected to allowing vacation rentals in residential areas:

- Jim Kramme, Grover Beach;
- Janine Carter, Grover Beach;
- Kaye Roozen, Grover Beach; and
- Anita Shower, Grover Beach.

The following persons spoke in opposition to allowing vacation rentals in Grover Beach:

- Roscoe Doss, Grover Beach;
- Stephen Goble, Grover Beach; and
- Elizabeth Doukas, Grover Beach.

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

Council discussion ensued regarding whether to allow vacation rentals citywide or only in commercial areas; increasing the proposed fine to encourage compliance; enforcement issues; and the recommended procedure for revoking a vacation rental permit. Additional discussion was held regarding increasing the proposed restrictions to protect surrounding neighbors from disruptive short-term tenants.

Community Development Director Buckingham and City Attorney Koczanowicz responded to questions regarding amending the boundaries of the proposed overlay area.

Recess: Upon consensus of the City Council, the meeting recessed at 8:28 p.m.  
Reconvene: At 8:37 p.m., the meeting reconvened with all Council Members present.

Further discussion was held regarding continuing this matter to a future meeting, and requesting that staff: 1) revise the Ordinance to be a citywide regulation with increased restrictions, and 2) prepare a revised environmental review. A determination regarding whether to establish revised boundaries for an overlay area or grandfather in existing vacation rentals able to provide documentation of having paid transient occupancy taxes would be deferred at this time.

**Action:** Upon consensus, the Council: 1) continued this matter to a date uncertain, and 2) requested that staff revise the proposed Ordinance to a citywide regulation, with the fine increased to an amount sufficient to recover the estimated costs of enforcement.

### **CONSENT AGENDA**

It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to approve Consent Agenda Item Nos. 3, 4, and 5, as recommended. The motion carried on the following roll call vote:

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

**3. Treasurer's Report for the Period August 10 - September 14, 2011.**

**Action:** Approved as submitted.

**4. Minutes of the Following Meetings:**

- **Special Joint City Council / Planning Commission Meeting of June 14, 2011;**
- **City Council Meeting of July 18, 2011;**
- **Joint City Council / Improvement Agency Meeting of July 18, 2011;**
- **City Council Meeting of August 1, 2011;**
- **Joint City Council / Improvement Agency Meeting of August 1, 2011; and**
- **City Council Meeting of August 15, 2011.**

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

**5. Traffic Committee Report Recommending a Red Zone Along the East Curblin in Front of 254 North 14<sup>th</sup> Street and in Front of the Existing Fire Hydrant - Recommendation of the Traffic Committee regarding on-street parking in the 200 block of North 14<sup>th</sup> Street.**

**Action:** Adopted Resolution No. 11-57.

**Resolution No. 11-57: Resolution of the City Council of the City of Grover Beach, California, Accepting the Traffic Committee Report and the Recommendation that a Red Zone be Painted on the East Curb in Front of 254 North 14<sup>th</sup> in Front of the Existing Fire Hydrant.**

## **REGULAR BUSINESS**

### **6. Report Regarding the Combining of Fire Dispatch Services Only at Grover Beach.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Police Chief Copsey provided an overview of previous discussions held regarding dispatch services for both police and fire, noting that the City Council had expressed an interest in resolving dispatch services for fire before pursuing other consolidation options. He outlined the requirements for staffing and equipment needs to provide fire dispatch services through the Grover Beach Police Department, total overall costs for providing fire dispatch services, and costs that would be allocated to each agency. He also reviewed estimated costs to the City of Grover Beach if fire dispatch services were provided through the Arroyo Grande Police Department. Chief Copsey then described plans for equipment upgrades at the Grover Beach Police Station that could meet future needs of the Five Cities Fire Authority. He and City Manager Perrault then responded to questions from the Council.

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

### **7. Review of Resolutions to be Considered at the Annual League of California Cities Conference.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an overview of the upcoming League of California Cities Annual Business Meeting and General Assembly. City Attorney Koczanowicz reviewed each resolution scheduled for consideration by the member cities.

Brief discussion was held regarding the League resolutions.

**Action:** Upon unanimous consensus, the following direction was provided to the City's voting delegate regarding the resolutions scheduled for consideration at the Annual League of California Cities Conference:

- Alternative methods of meeting public notice requirements - *support*;
- Tort reform - *support*;
- Raising public awareness regarding bullied children - *support*;
- Prison Rape Elimination Act of 2003 - *support*;
- Replacement of the death penalty with life imprisonment without parole - *support*; and
- Acknowledging efforts by the City of Bell to restore responsible government - *abstain*.

**Recess:** Upon consensus of the City Council, the meeting recessed at 9:23 p.m. to the Joint City Council / Improvement Agency meeting also scheduled for this same evening.

**Reconvene:** At 9:29 p.m., the meeting reconvened with all Council Members present.

## **PULLED CONSENT AGENDA ITEMS**

None at this time.

## **COUNCIL COMMITTEE REPORTS**

### **8. South San Luis Obispo County Sanitation District.**

City Manager Perrault stated that Mayor Pro Tem Nicolls, the Council-appointed representative to the South San Luis Obispo County Sanitation District, had requested that copies of the San Luis Obispo County 2010-2011 Grand Jury Report regarding the District, as well as the District's response to that report, be distributed to the other members of the Council for review and comments.

Discussion ensued regarding the Grand Jury Report, recent public concerns regarding District operations and administration, requesting the District to conduct a cost benefit analysis regarding alternative administrative and/or organizational structures, and having the District contract every five years for the services of an independent auditor other than County staff. Additional discussion was held regarding the City's process for appointing a Council representative to the District, improving the dissemination of information

regarding District activities among the City Council, and having the District provide more detailed budget information regarding project costs that included cumulative costs for projects constructed over several budget cycles.

City Attorney Koczanowicz noted that the City's representative was one of a three-member board who could bring the Council's comments to the District Board for its consideration.

Further discussion was held regarding public comments received earlier regarding water quality and alternative sources, and scheduling a future discussion regarding those issues.

**Action:** City Council comments regarding the Grand Jury Report were provided verbally to the Council-appointed representative to the South San Luis Obispo County Sanitation District.

#### **COUNCIL COMMITTEE REPORTS - (Continued)**

- A. Council Member Peterson announced that the San Luis Obispo County Visitors & Conference Bureau (VCB) would be hosting another "Savor the Central Coast" event October 1-2, 2011, and that the City would be sponsoring a booth at this year's event.
- B. Mayor Pro Tem Nicolls announced that the South San Luis Obispo County Sanitation District would be hosting an open house event to display newly installed equipment on Wednesday, September 28, 2011 from 3:00 - 5:00 p.m.

#### **CITY COUNCIL MEMBER ITEMS**

##### **9. Process of City Council Assignments to Committees and Boards.**

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 stated that the Council had requested a review regarding the process of determining Council committee assignments and appointments and specifically the process for appointing a representative to the South San Luis Obispo County Sanitation District. He briefly described the process conducted annually regarding assignments or re-assignments as a result of Council discussion and consensus, and outlined the regulations regarding appointments to the Sanitation District. He noted that, although the agreement with the Sanitation District indicated the District Board of Directors be composed of the Presiding Officer of each member agency, for more than a decade appointments for Grover Beach had varied between its Mayors and Council Members.

Discussion was held regarding improving the process for communicating information on the activities of regional boards, commissions and committees; and taking into account during the Council's annual review of committee assignments whether a particular assignment required a significant commitment of time. It was also noted that certain committees involved highly technical subject matters, and that it might not benefit the City to rotate the assigned Council Member each year. Additional discussion was held regarding the City's representative to the Sanitation District being the Mayor or the Mayor's designated representative.

**Action:** Upon unanimous consensus, 1) Mayor Pro Tem Nicolls would continue serving as the City's representative to the South San Luis Obispo County Sanitation District; 2) staff would revise the descriptions regarding boards, commissions, and committees for the next annual discussion of Council committee assignments to include information provided by Council Members regarding the time commitment required to fulfill an assignment; and 3) committee reports would be provided in writing by the assigned Council Member, with the report format and submission deadline yet to be determined.

**11:00 P.M. RULE:** At this time, City Attorney Koczanowicz recommended the City Council consider whether to extend the meeting past 11:00 p.m. Upon unanimous consensus of the City Council, the meeting would continue past 11:00 p.m.

**10. San Luis Obispo County Integrated Waste Management Authority (“IWMA”) Draft Ordinance to Establish a Waste Reduction and Reuse Program for Carryout Bags.**

**Action:** As noted earlier in the meeting during the “Agenda Review”, this item was continued to the City Council meeting scheduled for Monday, October 3, 2011.

**COUNCIL COMMUNICATIONS**

- A. Council Member Peterson stated that she had received requests for additional signage regarding the location of public parking at 2<sup>nd</sup> Street and West Grand Avenue, near the Grand Junction and Beach Place developments.

**CITY MANAGER'S REPORTS AND COMMENTS**

**11. Status Report Regarding the Grover Beach Lodge and Conference Center Project.**

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 provided an overview of the project and described the schematic design presented at a public hearing to the Planning Commission on July 21, 2011. As a result of comments from the Planning Commission regarding increasing the indoor conference room space to accommodate future needs, Pacifica Companies was in the process of reviewing various concepts for enlarging the project's meeting space. It was therefore requested that the Council delay the special meeting originally scheduled for September 28, 2011 to allow the developer more time to review and finalize design options. He then responded to questions from the Council.

**Action:** Upon unanimous consensus, the Council *cancelled* the Special City Council Meeting that had been scheduled to be held on Wednesday, September 28, 2011.

**CITY ATTORNEY'S REPORTS AND COMMENTS**

None at this time.

**CLOSED SESSION**

At 10:44 p.m., the Council met in Closed Session regarding the following items:

1. **Conference with Labor Negotiators**  
Pursuant to Government Code Section 54957.6.  
Agency Negotiator(s): City Manager, City Attorney, Administrative Services Director, Assistant Administrative Services Director, Human Resources Coordinator, Police Lieutenant, and Police Chief.  
Employee Group: All employee groups (represented and unrepresented)
2. **Conference with Legal Counsel – Existing Litigation**  
Pursuant to Government Code Section 54956.9(a)  
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.
3. **Conference with Legal Counsel - Anticipated Litigation**  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One (1) potential case

**Closed Session Announcements:** At 11:19 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 11:20 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK  
(Approved at CC Mtg 11/07/2011)