

**MINUTES
CITY COUNCIL MEETING
MONDAY, MAY 7, 2012**

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 Noleka Sandlin, a 9-year-old, 4th grade student at Grover Beach Elementary School.

ROLL CALL

City Council: Council Members Molnar, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals were present. Council Member Bright 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, Parks & Recreation Director Petker, Assistant Administrative Services Director Byrd, and Human Resources Coordinator Barrett were also present.

Also present were Fire Chief Aranaz, Five Cities Fire Authority; Jeff Lee, Chair, Parks, Recreation & Beautification Commission; Molly Cano, San Luis Obispo County Visitors & Conference Bureau; Christine Rogers, Economic Vitality Corporation; and Jerry Rioux, Housing Trust Fund.

CLOSED SESSION ANNOUNCEMENTS

City Attorney Koczanowicz read the following announcement:

On Monday, April 16, 2012 after meeting in Closed Session regarding:

1. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code Section 54956.9(a)
Lopez v. City of Grover Beach, et al CV 120210

the City Council reconvened into open session and announced there were no reportable actions taken.

AGENDA REVIEW

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

CEREMONIAL CALENDAR

1. **Proclamation Declaring May 2012 as “Bike Month” and May 14 - 18, 2012 as “Bike to Work and School Week”.**

Council Member Peterson read and presented the proclamation to Angela Nelson, Program Coordinator, San Luis Obispo Regional Rideshare.

2. **Proclamation of Appreciation to Former Planning Commissioner Laurel Coleman.**

Mayor Shoals read and presented the proclamation to former Planning Commissioner Coleman. He also noted that a similar proclamation had been prepared and would be sent to former Planning Commissioner Jan Roberson, who was unavailable to attend the meeting.

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. Adam Hill, District 3, San Luis Obispo County Supervisor, described continued opportunities for the City to partner with the County of San Luis Obispo to receive grant funds for City-sponsored community events.
- B. Dorothy Avila, Grover Beach resident, expressed concerns regarding deteriorating street conditions, particularly on Saratoga Avenue between 8th and 9th Streets.
- C. Jeff Lee, Chair, Parks, Recreation & Beautification Commission, described recent parks and recreation activities and upcoming events.
- D. Sharon Brown, Grover Beach, requested and received a brief update regarding vacation rental regulations to be scheduled for Council consideration at a future meeting.
- E. Brad Snook, Chair, Surfrider Foundation, expressed concerns regarding seismic studies being conducted by PG&E.

PUBLIC HEARINGS

Prior to discussion of Agenda Item No. 3, Council Member Peterson declared a conflict of interest due to her residence and business being located within 500 feet of the subject property. She then stepped down from the dais and left the Council Chambers.

3. Appeal of Planning Commission Non-action for Development Permit Application No. 10-023.

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. Community Development Director Buckingham stated that the applicant/appellant, upon learning two of the five Council Members would not be available to hear the matter this evening, had submitted a written request that the Public Hearing be continued to the next City Council meeting scheduled for Monday, May 21, 2012. He also noted that approval of the appeal would require three affirmative votes.

City Attorney Koczanowicz recommended continuing the matter to the next City Council meeting and for the Council to receive public testimony, if any, at that time rather than this evening.

Action: Upon consensus of those present (Council Member Bright absent, Council Member Peterson recused due to a conflict of interest), no public testimony was received at this time and the Public Hearing was continued to the City Council Meeting of May 21, 2012.

4. 2012 Weed Abatement Protest Hearing.

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, Fire Chief Aranz provided an overview of the Annual Weed Abatement Program and the process for providing property owners with the opportunity to protest assessments for abatement. 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 and he closed the Public Hearing.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to: 1) make the finding that there were no defensible protests; and 2) order the abatement of the properties on the list that were noted in violation. The motion carried on the following roll call vote:

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

CONSENT AGENDA

Upon consensus, City Manager Perrault briefly responded to questions regarding Agenda Item No. 5 and specific check warrants. Agenda Item No. 9 was pulled pursuant to the request of Council Member Molnar. It was m/s by Council Member Peterson/Mayor Pro Tem Nicolls to approve Consent Agenda Item Nos. 5, 6, 7, and 8 as recommended. The motion carried on the following roll call vote:

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

5. **Treasurer's Report for the Period March 28, 2012 through April 30, 2012.**
Action: Approved as submitted.
6. **Minutes of the City Council Meeting of Monday, April 2, 2012.**
Action: Approved the minutes as submitted.
7. **Records Destruction Authorization** - Authorizing the destruction of certain records in accordance with the City's records retention schedule.
Action: Adopted Resolution No. 12-27.

Resolution No. 12-27: Resolution of the City Council of the City of Grover Beach Accepting the Police Department's Staff Report and Recommendations for Records Destruction.
8. **FY 11 Comprehensive Annual Financial Report (CAFR)** - Annual audit conducted by the independent auditing firm of Moss, Levy, and Hartzheim.
Action: Received and filed the FY 11 Comprehensive Annual Financial Report.

ORDER OF THE DAY Upon consensus of the City Council, Consent Agenda Item No. 9 was considered at this time rather than later on the agenda under "Pulled Consent Agenda Items".

9. **Proposed Memorandum of Understanding (MOU) Between the City of Grover Beach and the San Luis Obispo County Sheriff's Office.**

Upon request, Police Chief Copsey provided an overview of the Interagency Agreement between the City and the San Luis Obispo County Sheriff's Office for county-wide collaborative efforts to combat narcotic-related and criminal behavior. He also described the services that would be provided and the cost benefits to the City. Police Chief Copsey then responded to questions from the Council.

Council Member Molnar requested additional budgetary information.

Brief discussion was held regarding annual costs for participation in the program, liability, and the average number of Officers assigned to work this special detail.

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

Dee Santos, former Mayor, current Parks, Recreation & Beautification Commissioner, and current Board Member of the Lucia Mar Unified School District, described disciplinary issues resulting in student expulsions and spoke in support of the proposed agreement.

There were no further public comments received.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to adopt Resolution No. 12-28, authorizing the Chief of Police to execute the MOU on behalf of the City. The motion carried on the following roll call vote:

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

Resolution No. 12-28: A Resolution of the City Council of the City of Grover Beach, California, Authorizing the Chief of Police to Enter into an Agreement Between the City of Grover Beach and the San Luis Obispo County Sheriff's Office.

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

REGULAR BUSINESS

10. Second Reading and Adoption of Ordinance No. 12-03 to Amend CalPERS Contracts for Service Credit for Retiring Employees.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Human Resources Coordinator Barrett provided an overview regarding the process to amend the City's contract with CalPERS. She outlined the proposed contract amendment to allow the purchase of two additional years of service credit for eligible retiring employees, and reviewed the future annual cost estimates for providing the early retirement incentive program. She then responded to questions from the Council.

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

Leticia Soria, Grover Beach resident, expressed regret regarding impending employee layoffs and a reduction in the number of Public Works crew members.

There were no further public comments received.

Action: It was m/s by Council Members Peterson/Molnar to conduct second reading, by title only, and adopt Ordinance No. 12-03 to amend the City's contracts with CalPERS to provide for the purchase of two years additional service credit as a retirement incentive (Section 20903). The motion carried on the following roll call vote:

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

Ordinance No. 12-03: An Ordinance of the City Council of the City of Grover Beach Authorizing an Amendment to the Contracts Between the City Council of the City of Grover Beach, California, and the Board of Administration of the California Public Employees' Retirement System.

11. Preliminary Discussion Regarding the FY 13 Budget and Request for Direction.

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 regarding the preliminary FY 13 Budget. He outlined contributing factors over the past year which resulted in significant fiscal impacts, presented a revised draft of the Goals and Work Program for FY 13, and provided an overview of each of the City's major funds. He then responded to questions from the Council.

Discussion ensued regarding various funds, programs, and reductions in workforce.

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

Linda Voth, Grover Beach resident, objected to selling the City-owned community garden property.

Jerry Rioux, Executive Director, San Luis Obispo County Housing Trust Fund, spoke in support of continued funding for the Housing Trust Fund.

Jeff Lee, Chair, Parks, Recreation & Beautification Commission, spoke in support of continued funding for parks and recreation programs.

Christine Rogers, Program Manager, Economic Vitality Corporation, spoke in support of continued funding for the Economic Vitality Corporation.

Molly Cano, Director of Sales & Marketing, San Luis Obispo County Visitors & Conference Bureau, spoke in support of continued funding for the Visitors & Conference Bureau.

There were no further public comments received.

Further Council discussion was held regarding the Goals and Work Program; budget assumptions for FY 13; whether to continue providing funds for outside agencies; recent reductions in street sweeping and park maintenance as a cost savings measure; and potential meeting dates to schedule the budget hearing during the month of June.

Action: Upon consensus (Council Member Bright absent), the Council: 1) endorsed the Goals and Work Program for FY 13 with minor amendments to the text for Goals regarding “Economic Development” (eliminating “... in keeping with the provisions of the Land Use Element and the West Grand Avenue Master Plan”) and “Parks” (adding “Explore other opportunities to locate community gardens in park sites throughout the community.”); 2) deferred the decision regarding which outside agencies to continue funding until the budget hearing in June; 3) scheduled the budget hearing for Monday, June 18, 2012, with the hearing to be continued to Tuesday, June 19, 2012, only if needed; and 4) agreed that time would be provided at the budget hearing to receive presentations from outside agencies requesting funding from the City.

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

12. FY 13 Budgets for Successor Agencies.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Administrative Services Director Chapman provided an overview regarding the two draft budgets for recognized obligations and administrative costs to wind down the activities of the dissolved redevelopment agency. She then responded to questions from the Council.

Mayor Shoals invited comments from those in the audience who wished to be heard on this matter. There were no public comments received at this time.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to: 1) adopt Resolution No. SA-12-02 approving the FY 13 Budget for the Successor Agency to the Former Grover Beach Improvement Agency; 2) adopt Resolution No. SA-12-03 approving the FY 13 Budget for the Successor Housing Agency; and 3) authorize the City Manager to take all follow-up steps necessary to ensure adoption and approval of the budgets by the Oversight Board. The motion carried on the following roll call vote:

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

Resolution No. SA-12-02: A Resolution of the Successor Agency for the Former Grover Beach Improvement Agency Adopting the FY 13 Budget.

Resolution No. SA-12-03: A Resolution of the Successor Housing Agency for the Former Grover Beach Improvement Agency Adopting the FY 13 Budget.

PULLED CONSENT AGENDA ITEMS

None at this time. Consent Agenda Item No. 9 was considered earlier in the meeting, just prior to Regular Business.

COUNCIL COMMITTEE REPORTS

Council Member Bright was absent from this meeting.

Council Member Molnar stated she had nothing to report.

Mayor Pro Tem Nicolls reported on meetings of the South San Luis Obispo County Sanitation District and the San Luis Obispo Regional Transit Authority. Upon request, he confirmed that he would provide the other members of the City Council with a copy of the peer review conducted at the Sanitation District.

Mayor Shoals reported on the initial meeting of the Oversight Board to the Successor Agency for the Former Grover Beach Improvement Agency and announced that the first meeting of the Economic Development Assistance Team would be held on Tuesday, May 8, 2012.

Council Member Peterson reported on meetings with representatives from the San Luis Obispo County Visitors & Conference Bureau and the Chamber of Commerce to promote car-free travel and the upcoming Train Day event at Union Station in Los Angeles on Saturday, May 12, 2012. She also noted a recent meeting with Assembly Member Achadjian and requested Council consensus to send letters to local legislators requesting their support of the Grover Beach Municipal Network.

Action: Upon consensus, staff was authorized to schedule the matter of requesting support from local legislators for the Grover Beach Municipal Network Project for City Council consideration on the next regular meeting agenda.

CITY COUNCIL MEMBER ITEMS

None at this time.

COUNCIL COMMUNICATIONS

- A. Mayor Shoals described a recent meeting with Lisa Ray of the Children's Resource Network of the Central Coast. He also distributed a brochure regarding the program's efforts to assist local children in need with clothing and school supplies.

Mayor Shoals then described events referred to as "cash mobs" that were being coordinated in other communities to assist small businesses and encourage local shopping and dining. Council Member Peterson noted the Grover Beach Chamber of Commerce Business Development Group had suggested similar efforts.

- B. Council Member Molnar inquired whether there was Council consensus to schedule a discussion regarding the issue raised earlier under Public Communications regarding seismic studies being conducted by PG&E and potential economic impacts. Mayor Shoals noted the availability of environmental reports regarding the studies being conducted.

Council Member Molnar then inquired whether the City should pursue consolidation efforts with the adjoining beach community of Pismo Beach rather than Arroyo Grande. Mayor Shoals suggested the City remain open to all available options.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault announced that the City would be hosting an estimated sixty third graders from Grover Heights Elementary School on Wednesday, May 9, 2012 at approximately 9:00 a.m. He invited available Council Members to greet the students at that time and observe the student-led mock Council meeting. He noted the students would also be touring the Police and Fire stations.

CITY ATTORNEY'S REPORTS AND COMMENTS

City Attorney Koczanowicz provided a brief verbal update regarding the affordable housing project proposed at South 10th Street and Farroll Road. He noted that the project architect would soon be submitting a proposal for a five-unit project and that the City would be notifying the contractor, Brad Vernon, regarding the City's insurance certificate requirements.

CLOSED SESSION

At 9:04 p.m., the City Council met in Closed Session regarding the following item:

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)

Closed Session Announcements: At 9:28 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 9:28 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 06/04/2012)