

**MINUTES
CITY COUNCIL MEETING
TUESDAY, SEPTEMBER 8, 2009**

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 Shyanne Douglas, an 11-year-old, 6th grade student at Grover Beach Elementary School.

ROLL CALL

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

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Police Chief Copsey, Interim Community Development Director Beck, Economic Development Specialist Buckingham, and Building/Planning Technician Mesa were also present.

Also present were Tammy Seal and Jamie Hill from the consulting firm PMC, and Patrick Weller and Robert Cho from Pacific West Energy Solutions, Inc.

CLOSED SESSION ANNOUNCEMENTS: City Attorney Koczanowicz read the following announcement:

On Monday, August 17, 2009 after meeting in Closed Session regarding:

1. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: 1541 Hillcrest Road
Agency Negotiator: City Manager and City Attorney
Negotiating Party: LYLE Company
Under negotiation: Lease Agreement

2. Conference with Legal Counsel - Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of
Section 54956.9: Two (2) potential cases

3. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: APN 060-206-027
Agency negotiator: City Manager and City Attorney
Negotiating party: John Koepf
Under negotiation: Easement or License Acquisition from the City

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.

CEREMONIAL CALENDAR

None at this time.

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, San Luis Obispo County 3rd District Supervisor, provided an overview of topics discussed at a recent Board of Supervisors and County Planning Commissioners meeting regarding streamlining County planning processes, development of a campus facility to

provide services for the homeless, budget issues, and development of an economic development strategy. He also praised the City for recent initiatives to stimulate the local economy.

- B. Juan Olivarría, Principal, Grover Beach Elementary School, praised the City for its successful application for grant funds through the Safe Routes to School Program to ensure the safety of children walking to and from school on Longbranch Avenue.
- C. John A. Wysong, Grover Beach, expressed concerns regarding street conditions.
- D. Ven Zambo, Arroyo Grande, President of the Narvacanian Association of Central California, extended an invitation to all those present to attend the Annual Sister City Celebration to be held at the Pismo Beach Veterans Memorial Building on Saturday, September 26, 2009.
- E. Jeff Lee, Parks, Recreation & Beautification Commissioner, Grover Beach, provided an overview of the recent Dune Run Run and Stone Soup Music Festival. He then announced details of the upcoming 9/11 Memorial Event and the Seventh Annual Fall Skate Classic.

There were no further public comments received.

PUBLIC HEARINGS

1. Introduction and First Reading of an Ordinance Adding Chapter 11 to the City's Purchasing Manual to Provide for a Local Preference Policy in All Procurement Processes Which Require Estimates or Competitive Bidding.

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. City Attorney Koczanowicz provided an overview of a proposed Ordinance to amend the City's purchasing manual to provide a five percent (5%) advantage to businesses located within the City limits competing for the procurement of goods or services to the City. The preference policy would be applicable to all competitive procurement processes for amounts over \$1,000 and the "allowance" would be limited to a maximum of \$5,000. He noted that the policy was previously presented as part of the City's approved local economic stimulus program.

Mayor Shoals invited comments from those in the audience who wished to be heard on this matter. There was no response and he closed the Public Hearing.

Upon question, City Attorney Koczanowicz responded that he could prepare a similar policy for local firms that offered professional services, which were not subject to the City's regular bid process.

Action: It was m/s by Council Members Bright/Mires to introduce and conduct first reading of Ordinance No. 09-04, by title only, and schedule the second reading and adoption for the next regular City Council meeting. The motion carried on the following roll call vote:

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

Ordinance No. 09-04: An Ordinance of the City Council of the City of Grover Beach, California, Amending the City's Purchasing Manual to Add Chapter 11, Local Preference Policy, Which Provides a Five Percent (5%) Bidding Advantage to Local Businesses. (First reading only.)

CONSENT AGENDA

Upon unanimous consensus of the City Council, Consent Agenda Item Nos. 2 and 3 were approved as presented.

2. Treasurer's Report for the Period August 11 - September 2, 2009.

Action: Approved as submitted.

3. Minutes of the Following City Council Meetings;

- Special City Council Meeting of April 20, 2009; and

- Regular City Council Meeting of April 20, 2009.

Action: Approved the minutes as submitted.

REGULAR BUSINESS

4. Traffic Committee Report Recommending Extending the Painting of Red Curbs Along West Grand Avenue for the South County Area Transit (SCAT) Bus Stops.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Police Chief Copsey reviewed the Traffic Committee's report and recommendations to increase red curb lengths at certain bus stop locations on West Grand Avenue at the request of the local public bus transportation company. He explained that 40 feet of red curb was being requested to ensure sufficient space for buses to safely approach and leave the curb, as well as to safely accommodate the loading and unloading of disabled passengers directly at the curb. He displayed photographs of specific areas along West Grand Avenue near the intersections of 2nd, 5th, 13th, and 16th Streets that were being proposed for red curb extensions and bus stop relocations. He also described staff efforts to contact affected businesses and residents to discuss the proposed changes or provide notices of the Traffic Committee meeting. He then responded to questions from the Council.

Brief discussion was held regarding areas in need of sidewalk repairs, factors for determining bus bench locations, and funding to be provided by SCAT for the proposed improvements.

Upon request, Coleen Kubel, Operations Supervisor for SCAT, described increased bus ridership in Grover Beach and cited specific examples of concern related to providing services for disabled passengers. She stated that the next step in the process, pending the Council's approval, would be presenting the request before the SCAT Board of Directors.

Action: It was m/s by Council Member Peterson/Mayor Shoals to adopt Resolution No. 09-57 authorizing red curb extensions and the relocation of bus stops along West Grand Avenue near the intersections of 2nd, 5th, 13th, and 16th Streets as specified in Exhibit A to the Resolution. The motion carried on the following roll call vote:

AYES: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals.

NOES: Council Members - None.

ABSENT: Council Members - None.

ABSTAIN: Council Members - None.

Resolution No. 09-57: Resolution of the City Council of the City of Grover Beach, California, Accepting the Traffic Committee Report and the Recommendation to Paint the Curbs Red and Relocate Bus Stops Along West Grand Avenue as Outlined in Exhibit A.

5. Consideration of a Resolution Establishing an Exception to Resolution No. 03-37 as it Relates to Traffic Calming Measures, Including Speed Bumps and Undulations.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an overview of the City's existing policy regarding speed bumps that was adopted in 2003 by Resolution No. 03-37 expressly prohibiting these types of traffic calming measures on City streets. However, at the meeting of August 17, 2009, the Council received testimony that traffic calming measures might be warranted on certain streets and directed staff to prepare a Resolution that would provide the Council with the ability to grant exceptions to the policy.

Mayor Shoals invited public comments on this matter. There was no response and he closed the public comment period for this item.

Council Member Mires objected to granting an exception to the policy, stating that the previous Council in 2003 had unanimously adopted the policy to prohibit such traffic calming measures.

Action: It was m/s by Council Members Bright/Mayor Shoals to adopt Resolution No. 09-58 establishing an exception to the policy outlined in Resolution No. 03-37. The motion carried on the following roll call vote:

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

Resolution No. 09-58: A Resolution of the City Council of the City of Grover Beach, California, Establishing an Exception to the Policy Established by Resolution No. 03-37 as it Relates to the Installation of Traffic Calming Measures, including Speed Bumps and Undulations.

Prior to discussion of Agenda Item No. 6, Council Members Mires and Peterson both declared conflicts of interest due to their respective residences being located within the subject area to be discussed. Council Members Mires and Peterson then stepped down from the dais and left the Council Chambers.

Upon question, City Attorney Koczanowicz stated that if it was the Council's desire to adopt the proposed Resolution, approval by a majority of the remaining Council quorum would be required.

6. Consideration of Traffic Calming Measures on Margarita Avenue.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault summarized the Council's previous direction to review the installation of rubberized speed humps or paving undulations as an alternative to installing asphalt pavement materials. He stated that, with the assistance of Mike Cannon of Cannon and Associates, use of the alternative materials was determined not to be as cost effective or as durable as the installation of asphalt materials. He then responded to questions from the Council regarding estimated costs for the rubberized materials.

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

Greg Alex, Planning Commissioner, Grover Beach, cautioned against installing speed bumps, stating that he previously drove fire engines for many years as a firefighter.

Jack Kean, Margarita Avenue resident, Grover Beach, described the historical development of Margarita Avenue as initially being a private road with only one entrance/exit. He stated that a narrow street segment was later added, and the entire street was then given to the City to maintain. He also spoke in support of the proposed traffic calming measures.

There were no further public comments received.

Brief discussion was held regarding:

- low-rise undulations installed on Rodeo Drive in Arroyo Grande that had no reported problems from that City regarding emergency response vehicles;
- reduced visibility from parked vehicles on the narrower portion of Margarita Avenue; and
- installing the proposed undulations in phases in order to analyze the results/impacts.

Mayor Pro Tem Nicolls objected to the proposed improvements, describing them as too costly and ineffective for reducing traffic speeds. He recommended instead using the funds

for street and sidewalk improvements elsewhere in the City. However, if undulations were to be installed, he suggested installing only one undulation instead of three.

Action: It was m/s by Council Member Bright/Mayor Shoals to: 1) determine that certain circumstances existed due to the unique design of Margarita Avenue that warranted the phased installation of two pavement undulations or other traffic calming measures; 2) direct staff to complete the improvements; and 3) direct staff to provide a report back to the Council after installation of the improvements regarding the impacts/results. The motion carried on the following roll call vote:

AYES: Council Member Bright and Mayor Shoals.
NOES: Mayor Pro Tem Nicolls.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.
RECUSED: Council Members Mires and Peterson (*due to conflicts of interest*).

At this time, Council Members Mires and Peterson returned to the dais.

7. Presentation of the Greenhouse Gas Inventory for the City of Grover Beach Prepared by PMC, Inc.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Interim Community Development Director Beck reviewed the Council's decision in February 2009 to join ICLEI-Local Governments for Sustainability and to authorize the preparation of a greenhouse gas inventory. She reviewed the targeted milestone dates, beginning in the year 2010, for greenhouse gas reduction and goals established by the State in June 2005 for reducing greenhouse emissions in California. She then described the results of the inventory conducted for the entire community, as well as for municipal operations alone. She also reviewed data regarding the City's emissions forecast and identified improvements that the City had already implemented or had programmed for the near future to further reduce emissions. She then introduced Tammy Seal, Project Manager for PMC, the firm hired by the San Luis Obispo County Air Pollution Control District to assist smaller cities in completing a baseline emissions inventory. Ms. Seal introduced Assistant Project Manager, Jamie Hill.

Ms. Seal thanked staff for their assistance and congratulated the Council for being the first city in the County to complete the greenhouse gas inventory. She stated that the inventory established a baseline to measure the City's future progress, as well as determine major sources of greenhouse gas emissions in the community. She then reviewed components of the inventory to: identify activities that cause emissions, track emission trends, develop reduction strategies, and measure progress.

Interim Community Development Director Beck and Ms. Hill responded to questions from the Council. It was noted that no funding source had yet been identified to prepare a Climate Action Plan or to pursue implementation steps, nor did the State provide any funding to ensure compliance with Assembly Bill 32 (AB 32). In the interim, however, it was noted that the staff report included a list of community-wide and municipal programs being considered by other jurisdictions, as well as the Air Pollution Control District, for the development of alternative strategies to achieve reductions in greenhouse gas emissions.

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

8. Request to Review and Receive the Investment Grade Audit Prepared by PacificWest Energy Solutions, Inc.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Interim Community Development Director Beck reviewed the agreement with PacificWest Energy Solutions, Inc., to prepare an Investment Grade Audit to determine if there were opportunities for the City to save energy/funds with upgrades to City facilities and equipment. Information from the audit would also be used to prepare a grant proposal requesting funds through the American Recovery and Reinvestment Act (ARRA) and provide information in preparation of a Climate Action Plan. She then reviewed a list of improvements identified in the audit to reduce energy consumption, reduce CO₂ emissions,

and achieve operational savings. She stated a Public Hearing had been set for Monday, September 21, 2009, to consider the full range of alternatives identified in the audit, as well as to consider entering into an Energy Solutions Agreement. She then introduced Patrick Weller from PacificWest Energy Solutions, Inc.

Mr. Weller provided an overview of his company's services and qualifications to assist public agencies with implementing energy saving and environmental programs that also reduced utility costs. He described funding opportunities to implement these programs, reviewed components of the energy audit completed in August 2009, and outlined options for financing capital and operational improvement projects. Mr. Weller then introduced Rob Cho, Professional Engineer for PacificWest Energy Solutions, Inc. Mr. Weller, Mr. Cho, and City staff then responded to questions from the Council.

Brief discussion was held regarding issues to be discussed at the scheduled Public Hearing on September 21, 2009; programs implemented in other communities through financing arrangements established by Assembly Bill 811 (AB 811); anticipated program benefits for homeowners and the community; and preliminary discussions with PG&E representatives regarding other available energy conservation programs and incentives.

Action: Received and filed the report.

9. Approval of Water Conservation Programs in Support of the Grover Beach Local Stimulus Initiative.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Building/Planning Technician Mesa presented an overview of Water Conservation Programs that were initially proposed in June 2008 as part of the City's local economic stimulus program:

- *Water Efficient Washing Machine Rebate Program* - to provide a tiered schedule of rebates for the purchase of energy efficient washing machines, which would be in addition to energy rebates provided by PG&E;
- *"Cash for Grass" Rebate Program* - to provide rebates for replacing lawn/turf with drought-tolerant landscaping; and the
- *Smart Irrigation Controller and Sensor Rebate Program* - to provide rebates for the installation of specific types of irrigation controls to reduce water usage and maximize water and energy efficiency.

She also described alternative water conservation programs that required further research before being considered for implementation in the future, including the use of rain barrels and the reuse or recycling of residential greywater.

Brief discussion was held regarding current irrigation systems or practices that resulted in excess water usage, and raising public awareness of the water conservation programs.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to adopt Resolution No. 09-59 approving the Water Conservation Programs as presented. The motion carried on the following roll call vote:

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

Resolution No. 09-59: A Resolution of the City Council of the City of Grover Beach, California, Establishing Water Conservation Programs in Grover Beach as a Part of the City's Local Stimulus Initiative.

10. Approval of a Building Permit Discount Program in Support of the Grover Beach Local Stimulus Initiative.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Building/Planning Technician Mesa presented details of a Building Permit Discount Program that was initially proposed as part of the City's local economic stimulus program. The intent of the program was focused at stimulating construction and other related industries, while also improving homes within the City. The program would provide a 20% discount during the month of November 2009 on a portion of certain types of building permit fees. Applications would be required to be submitted during the month of November, be approved, and have the permits issued within ninety (90) days of the submittal date.

Brief discussion was held regarding the types of building permits, described as "over the counter", that could be completed within the proposed ninety-day time frame; the typically slower period of construction activity during the months of November/December; and potential negative fiscal impacts to the Enterprise Fund if the program was extended beyond the month of November.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Bright to adopt Resolution No. 09-60, approving the Building Permit Discount Program as presented. The motion carried on the following roll call vote:

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

Resolution No. 09-60: A Resolution of the City Council of the City of Grover Beach, California, Establishing a Building Permit Discount Program for November 2009 as a Part of the City's Economic Development Strategy.

11. Business Tax Amnesty Program.

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 presented details of a proposed Business Tax Amnesty Program to waive all previous business license taxes and penalties for companies who voluntarily apply for a business tax certificate during the month of October 2009. The program would assist non-compliant business owners with the City's requirements regarding business tax certificates, capture lost revenue, and assist the City with future revenue projections. The program was initially proposed as part of the City's local economic stimulus program presented in June 2009.

Brief discussion was held regarding the requirement to obtain a business tax certificate, amending the Resolution to cite the specific Municipal Code section regarding the requirement, processing fees, and related enforcement efforts conducted by the City.

Action: It was m/s by Council Members Peterson/Bright to:

1) amend the proposed Resolution as follows in the first paragraph (added text indicated with a double underline):

"Whereas, the City Council encourages all businesses transacting business within the City of Grover Beach to obtain a business tax certificate as set forth in the Grover Beach Municipal Code Sections 10201 and 10203; and"

2) adopt Resolution No. 09-61, as amended. The motion carried on the following roll call vote:

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

Resolution No. 09-61: A Resolution of the City Council of the City of Grover Beach, California, Providing for a Temporary Business Tax Certificate Amnesty Program from October 1, 2009 to October 31, 2009.

PULLED CONSENT AGENDA ITEMS

None at this time.

Recess: Upon consensus of the City Council, the meeting recessed at 9:17 p.m.

Reconvene: At 9:23 p.m., the meeting reconvened with all Council Members present.

COUNCIL COMMITTEE REPORTS

Upon unanimous consensus, the Council deferred Council Committee Reports to the next meeting.

CITY COUNCIL MEMBER ITEMS

None at this time.

COUNCIL COMMUNICATIONS

- A. Council Member Peterson encouraged businesses to sign up to participate in the Shop & Dine in Grover Beach Program.
- B. Mayor Shoals reminded all those present that the 9/11 Memorial Event would be held on Friday, September 11, 2009 at the Ramona Garden Park.

He also stated that he and City Manager Perrault had recently attended a meeting with County Supervisors Achadjian and Hill, as well as Mayors and City Managers from the Cities of Arroyo Grande and Pismo Beach, to discuss concerns regarding the shortage of water and possible solutions.

CITY MANAGER'S REPORTS AND COMMENTS

None at this time.

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 9:26 p.m.

/s/JOHN P. SHOALS, MAYOR

Attest:
/s/DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 02/16/10)