

**MINUTES
CITY COUNCIL MEETING
MONDAY, AUGUST 3, 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 A moment of silence was held in memory of Dick DeWeis, Mayor of the City of Lompoc.

FLAG SALUTE The flag salute was led by Police Lieutenant/Acting Police Chief Bewick.

ROLL CALL

City Council: Council Members Mires, 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, Police Lieutenant/Acting Police Chief Bewick, and Economic Development Specialist Buckingham were also present.

Also present were City Engineer Garing and representatives from Digital West, Bob Fasulkey and Fred Dyste.

AGENDA REVIEW

City Attorney Koczanowicz requested that Closed Session Item No. 1 be rescheduled to the next regular City Council meeting.

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

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. Rick Castro, President and CEO of Arroyo Grande Community Hospital, commented on a proposal to establish Level 2 trauma centers locally that could adversely affect the provision of emergency medical care services throughout the County. He then praised the effectiveness of the current emergency medical care service system in meeting community needs.

PUBLIC HEARINGS

None at this time.

CONSENT AGENDA

It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to approve Consent Agenda Item Nos. 1 and 2, as recommended. The motion carried on the following roll call vote:

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

1. **Treasurer's Report for the Period July 15 - 27, 2009.**

Action: Approved as submitted.

2. **Federal Equitable Sharing Agreement** - An annual agreement to allow the City to receive federally-forfeited funds, including equipment purchased with such funds, from the San Luis Obispo Narcotic Task Force (SLO NTF), a multi-agency task force coordinated by the State Bureau of Narcotic Enforcement.

Action: Adopted Resolution No. 09-48 authorizing the Mayor and the Chief of Police to execute the agreement allowing the City to receive federally-forfeited assets from adjudicated narcotics cases.

Resolution No. 09-48: A Resolution of the City Council of the City of Grover Beach Authorizing the Mayor and the Chief of Police to Sign a Federal Equitable Sharing Agreement.

REGULAR BUSINESS

3. **Request to Set Public Hearing Date for the Formation of Districts for the Undergrounding of Utilities.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided a brief overview of the Council's previous discussions regarding undergrounding overhead utilities. He also described the requirements and public hearing process for the three programs authorized by the Public Utilities Commission to assist agencies with funding underground conversion projects:

- Rule 20A - *funded entirely from a tariff collected from ratepayers as a part of ratepayers' bill. These public projects were frequently related to development;*
- Rule 20B - *paid in part by the ratepayer and third parties. These projects were frequently a combination of public/private partnerships; and*
- Rule 20c - *paid totally by property owners. These projects were strictly development projects.*

City Manager Perrault then reviewed the estimated time frames for completing a conversion project under each funding program.

City Engineer Garing described the four proposed project areas identified for pursuing underground conversion projects, generally described as:

- *Ramona Avenue* - South County Transit Hub area;
- *West Grand Avenue* - from North 2nd Street to the Pacific Ocean;
- *Longbranch Avenue* - from South 8th to South 12th Street and a portion of South 8th Street from West Grand Avenue to Longbranch Avenue; and
- *Mentone Avenue* - from South 14th Street to Oak Park Boulevard, South 17th Street from Mentone Avenue to Nice Avenue, and Nice Avenue from South 17th Street to the east end.

He and City Manager Perrault then responded to questions from the Council.

Discussion was held regarding the installation of conduit to accommodate future fiber optic cable, engaging the services of an outside consultant to expedite project construction, and whether the City could apply for unused utility "credits" received by another agency.

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

Additional discussion was held regarding expediting the undergrounding of utilities located on West Grand Avenue.

Action: Upon consensus (Council Member Bright absent), the Council set the public hearing date to consider the formation of four utility undergrounding districts for Monday, September 21, 2009.

4. Consideration of a Local Preference Policy in All Procurement Processes Which Require Estimates or Competitive Bidding.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Attorney Koczanowicz briefly reviewed the draft policy introduced at the last Council meeting that proposed a five percent preference to any business located within the City limits submitting a bid to the City for the procurement of goods or services. He clarified that, pursuant to state law, contracts for professional services could be awarded on the basis of demonstrated competence or professional qualifications necessary to satisfactorily perform services rather than on price alone. Therefore, professional services were excluded from the competitive bid process. He and City Manager Perrault then responded to questions from the Council.

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

Discussion was held regarding the bid process for federally-funded projects and establishing a separate policy or set of criteria at a later date to evaluate professional service proposals for design services based on a "point system".

Action: Upon consensus (Council Member Bright absent), the Council directed staff to conduct further research regarding: 1) establishing a separate policy or set of criteria for evaluating proposals for professional design services, or 2) amending the City's current purchasing policy for professional design services.

5. Potential Budget Savings Through Early Retirement Incentive and Position Elimination.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Administrative Services Director Chapman provided an overview of a proposed Early Retirement Incentive Program, also referred to as a "Golden Handshake", to reduce ongoing costs to the City's General Fund. It was recommended that the program be offered only to 20-year employees of the City who were retiring through the California Public Employees Retirement System. She then described the merits of incentives which could be provided under the program: 1) PERS Golden Handshake which gave two years of additional service credit, 2) lump sum distribution, or 3) reimbursement payments to the retiring employee for health care expenses until the employee reached Medicare age. Staff then responded to questions from the Council regarding reimbursement and costs for medical insurance, and the potential consequences resulting from eliminating a retiring employee's job classification.

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

City Attorney Koczanowicz suggested amending the text of the proposed Resolution to read as follows: "Option 2. Reimbursement of medical insurance payments to the employee until employee reaches Medicare age." (Added text indicated in *italics* and double underline.)

Action: It was m/s by Council Members Peterson/Mires to adopt Resolution No. 09-49, as amended, establishing an Early Retirement Incentive Program consisting of all three Early Retirement Incentive options to provide more flexibility in the event a specific position or job classification was identified for elimination. The motion carried on the following roll call vote:

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

NOES: Council Members - None.

ABSENT: Council Member Bright.

ABSTAIN: Council Members - None.

Resolution No. 09-49: A Resolution of the City Council of the City of Grover Beach, California, Establishing an Early Retirement Incentive Program.

PULLED CONSENT AGENDA ITEMS

None at this time.

COUNCIL COMMITTEE REPORTS

Council Member Peterson reported on the meeting of the San Luis Obispo County Visitors & Conference Bureau (VCB) and the appointment of John Summer as the VCB Executive Director.

Upon consensus, Mayor Shoals deferred all further Council Committee reports to the next regularly scheduled Council meeting.

CITY COUNCIL MEMBER ITEMS

None at this time.

COUNCIL COMMUNICATIONS

None at this time.

CITY MANAGER'S REPORTS AND COMMENTS

None at this time.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

Recess: Upon consensus of the City Council, the meeting recessed at 7:23 p.m. to convene the Joint City Council / Improvement Agency meeting, which was also scheduled for this same evening.

Reconvene: At 9:00 p.m., the meeting reconvened with all Council Members present (except for Council Member Bright, who was absent).

CLOSED SESSION

At 9:00 p.m., the Council met in Closed Session regarding Closed Session Item No. 2 *only*. As previously stated during the "Agenda Review" portion of the meeting, Closed Session Item No. 1 was rescheduled to the next regular City Council meeting.

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: One (1) potential case

Closed Session Announcements: At 9:25 p.m., Mayor Shoals reconvened the meeting in open session with all Council Members present, except for Council Member Bright, 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 9:25 p.m.

/s/JOHN P. SHOALS, MAYOR

Attest:

/s/DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 01/04/10)