

**MINUTES
CITY COUNCIL MEETING
TUESDAY, JANUARY 20, 2015**

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 Mayor Shoals called for a moment of silence extending thoughts to Sunday Dennis, who was recently diagnosed with a life-threatening illness. He noted that Ms. Dennis was the daughter-in-law of the City Clerk.

FLAG SALUTE The flag salute was led by Council Member Nicolls.

ROLL CALL

City Council: Council Members Karen Bright, Barbara Nicolls, Mariam Shah, Mayor Pro Tem Jeff Lee, and Mayor John Shoals were present.

City Staff: City Manager Robert Perrault, Assistant City Attorney David Hale, City Clerk Donna McMahon, Interim Police Chief James Copsey, Administrative Services Director Gayla Chapman, Community Development Director Bruce Buckingham, Public Works Director/City Engineer Greg Ray, Parks & Recreation Program Director Kathy Petker, and Planner II Janet Reese were also present.

Also present were Fire Chief Steve Lieberman, Five Cities Fire Authority; Parks, Recreation & Beautification Commission Chair Dee Santos and Commissioners Geri Roseboro and Jan Ojerholm; Stacie Jacob, Visit San Luis Obispo; Mauna Ekema, Central Valley Christian Housing; Albert Peché, A.M. Peché & Associates; and Joe Ririe and Tom Morgan, Pavement Engineering Incorporated.

AGENDA REVIEW Mayor Pro Tem Lee suggested the Council consider Agenda Item No. 11 immediately after Agenda Item No. 7.

Action: Upon unanimous consensus, the Council adopted the agenda as amended.

CEREMONIAL CALENDAR

1. Certificates of Appreciation - 2014 Holiday of Lights Participants.

The City Council, members of the Parks, Recreation & Beautification Commission, and Parks & Recreation Program Director Petker presented Certificates of Appreciation to the following individuals or representatives:

- **Business Award – Best Overall Business Display**
 - 1st Place: Grover Grind Coffee Shop, Sam & Carol Samano (owners), 278 W. Grand Avenue
 - 3rd Place: Michael's Nails & Spa, Michael Tran (owner), 175 N. Oak Park Boulevard
- **Commissioner's Award – Best Use of Lights**
 - 1st Place: Paul & Johnnie Reinhardt, 1840 Atlantic City Avenue
 - 2nd Place: The Rodriguez Romero Family, 760 S. 16th Street
 - 3rd Place: The Thompson Family, 410 S. 8th Street
- **City Council Award – Best Original Use of Animation**
 - 1st Place: Nathan Moore, 660 Park View Avenue
 - 2nd Place: Kirk Jackson, 627 Ramona Avenue
 - 3rd Place: The Cuccia Family, 121 Carmelde Lane
- **Mayor's Award – Best Overall in Originality**
 - 1st Place: The Lopez Family, 1654 Seabright Avenue
 - 2nd Place: The Sullivan Family, 1416 Mentone Avenue
 - 3rd Place: The Garcia Family, 600 Manhattan Avenue

The following award recipient, although not present, was publicly recognized:

- **Business Award – Best Overall Business Display**
 - 2nd Place: Shell Beach Floral Design, Amanda Rounds (owner), 260 W. Grand Avenue

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

2. Request to Continue the Public Hearing for Adoption of Ordinance Instituting Aggressive Solicitation Prohibitions. (Continued Public Hearing from December 15, 2014.)

Mayor Shoals read the title to the foregoing item, declared the continued Public Hearing open, and deferred to staff for a report. City Manager Perrault noted that, in accordance with Council direction, staff had continued development of a draft Ordinance to address aggressive solicitation concerns. The revised draft was not yet finalized, and staff therefore recommended continuing the matter to the next regularly scheduled City Council meeting of February 2, 2015.

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

The following persons spoke in support of regulations to prohibit aggressive solicitation and cited alternatives for collecting funds or distributing food for the needy:

- Marsha Bolyanatz, Grover Beach resident, objected to panhandling activities occurring near the entrances to businesses and commercial driveways;
- Dee Santos, Chair, Parks, Recreation & Beautification Commission, expressed concerns regarding impacts to local businesses from panhandling activities;
- Alexander DeSous, Grover Beach business owner, suggested designating specific areas to allow panhandling, citing a similar program in the Denver, Colorado area; and
- Jennifer DeSous, Grover Beach business owner, described the organization "Labor Ready" as a temporary employment provider.

Paul Peterson, *objected* to the proposed regulations and described panhandling as a means of financial survival. He noted that he was previously homeless, but had recently found employment and housing.

There were no further public comments received at this time.

Action: Upon unanimous consensus, the City Council continued the Public Hearing to the regular City Council meeting of Monday, February 2, 2015 at 6:30 p.m.

CONSENT AGENDA

It was moved by Mayor Pro Tem Lee and seconded by Council Member Nicolls to approve Consent Agenda Item Nos. 3, 4, 5, and 6 as recommended. The motion carried on the following roll call vote:

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

3. Treasurer's Report for the Period December 9, 2014 - January 14, 2015.

Action: Approved the Treasurer's Report as submitted.

4. Amendment to the Agreement for Professional Services Between the City Manager and the City of Grover Beach.

Action: Adopted Resolution No. 15-01.

Resolution No. 15-01: A Resolution of the City Council of the City of Grover Beach, California, Approving an Amended Agreement Between the City of Grover Beach and Robert Perrault Regarding the Terms and Conditions of Employment as the City Manager.

5. **Consideration of Traffic Committee Report Recommending Painting a 30-minute Green Parking Zone on the West Curb of South 5th Street Adjacent to 480 West Grand Avenue** - Creating a 30-minute parking zone on South 5th Street to accommodate the retail shops located on the southwest corner of South 5th Street and West Grand Avenue.
Action: Adopted Resolution No. 15-02.

Resolution No. 15-02: Resolution of the City Council of the City of Grover Beach, California, Adopting the Recommendation of the Traffic Committee for a 30 Minute Green Parking Zone Along the West Curb of South Fifth Street South from West Grand Avenue to the Driveway of the Rear Parking Lot of 480 West Grand Avenue.

6. **Authorization to Establish the Job Classification of Police Chief and Corresponding Salary Range, and Remove the Position of Police Chief/Assistant City Manager.**
Action: 1) Adopted Resolution No. 15-03 authorizing the position of Police Chief; and 2) adopted Resolution No. 15-04 amending the Classification and Compensation Schedule.

Resolution No. 15-03: A Resolution of the City Council of the City of Grover Beach, Amending the Position Authorization Resolution No. 14-33 to Add the Position of Police Chief and Remove the Position of Police Chief/Assistant City Manager.

Resolution No. 15-04: A Resolution of the City Council of the City of Grover Beach, California, Amending Resolution No. 02-73 Adding a Salary Range for the Job Class of Police Chief.

REGULAR BUSINESS

7. **Request for Waiver of Underground Utility Requirements Due to Hardship for 258 North 12th Street.** Applicant: Marta Stern; Applicant's Representative: Bruce Severance, EnVision Builders.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Public Works Director/City Engineer Ray briefly described the property owner's request for the City Council to reconsider its earlier decision to deny the Applicant's request for a waiver of the requirements to underground overhead utility service lines based on substantial hardship. He then responded to questions from the Council regarding the requirements to underground utilities along the frontage of a multi-family development, and the City's plan check and review process.

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

Bruce Severance, representative for and son of the Applicant, outlined the estimated costs to underground the utilities, described project costs for the multi-family unit, and expressed concerns regarding the City's process for completing plan checks and reviews over a 10-month period.

Marta Stern, Applicant/property owner, described the circumstances under which she purchased the property from another son.

Mr. Severance and Mrs. Stern responded to questions from the Council regarding the timeline of events for the project, confirmed that none of the units were designated as "affordable housing", and that Mrs. Stern's primary residence was in Southern California with her husband.

There were no further public comments received at this time.

Council discussion ensued with Community Development Director Buckingham and Public Works Director/City Engineer Ray responding to questions regarding the project timeline, and the applicant being made aware of the City's requirements for remodels at the onset of the project. Further clarification was provided regarding the requirement to underground utilities for multi-family units regardless of the size of the remodel or amount of added square footage, as well as the process for requesting a waiver of fees, and the timeframe for submitting a request to waive the underground utility requirements.

Mayor Shoals expressed concerns with re-affirming the actions of a previous City Council. He also stated that, under the circumstances presented, he considered it a financial hardship to require the Applicant to place the utilities underground and was inclined to grant the request.

Additional Council discussion was held regarding the City's process for reviewing plans and having staff investigate the Applicant's suggestions for improving that process.

Action: Upon consensus of the Council, direction was provided for staff to prepare a report for presentation at a future City Council meeting summarizing the City's current process for reviewing and approving project plans and specifications, and identifying steps that could be taken to improve and streamline that process.

Action: It was moved by Mayor Pro Tem Lee, and seconded by Council Member Nicolls to reaffirm the City Council's action that was taken on November 17, 2014, denying the request for a waiver of the underground utility requirements pursuant to Resolution No. 14-80. The motion carried on the following roll call vote:

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

Recess: Upon unanimous consensus of the City Council, the meeting recessed at 7:58 p.m.
Reconvene: At 8:06 p.m., the meeting reconvened with all Council Members present.

ORDER OF THE DAY: Pursuant to the agenda review held earlier in the meeting, Mayor Shoals called for discussion of Agenda Item No. 11.

11. Consideration of a Resolution Consenting to the Formation of a Tourism Marketing District.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an overview regarding the proposal from Visit San Luis Obispo County to include Grover Beach lodging establishments in a county-wide Tourism Marketing District that would assess an additional one percent (1%) per room night in Grover Beach to fund marketing, advertising, promotions, and sales efforts for assessed businesses.

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

Stacie Jacob, Chief Executive Officer, Visit San Luis Obispo County, referenced a PowerPoint presentation as she provided an overview regarding the proposal to form a Tourism Marketing District. She then responded to questions from the Council regarding the process that would assist in evaluating the effectiveness of District tourism efforts over the next several years. She also noted the various opportunities for Grover Beach businesses to participate as either a member of the District's Board of Directors or as a subcommittee member.

The following persons *objected* to formation of a Tourism Marketing District, expressing concerns that it would not be sufficiently beneficial for Grover Beach:

- Sharon Brown, Grover Beach resident; and
- Marsha Bolyanatz, Grover Beach resident.

Action: It was moved by Mayor Pro Tem Lee, and seconded by Council Member Shah to adopt Resolution No. 15-05 granting consent to the County of San Luis Obispo to form the San Luis Obispo County Tourism Marketing District (SLOCTMD). The motion carried on the following roll call vote:

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

Resolution No. 15-05: A Resolution of the City Council of the City of Grover Beach Granting Consent to the County of San Luis Obispo to Form the San Luis Obispo County Tourism Marketing District (SLOCTMD)

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

8. Acceptance of Remaining Funds from the Save Our Streets Committee.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault briefly described the Save Our Streets citizens committee that was formed to support the November 2014 City ballot measure, Measure K-14. The citizens committee had decided to donate the remaining balance of its campaign funds to the City, requesting that it be used exclusively for street repair and rehabilitation. He then introduced two members of the committee, Steve Lieberman and Karl Blum.

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

The following persons spoke in support of the City accepting the donation and praised Grover Beach voters for approving Measure K-14:

- Karl Blum, Grover Beach resident; and
- Steve Lieberman, Grover Beach resident and former Mayor.

There were no further public comments received at this time.

Members of the City Council thanked and praised the citizens committee for its efforts in support of the street bond measure, which resulted in the passage of Measure K-14 by a two-thirds majority vote. Additional discussion was held regarding the possibility of receiving future donations specifically designated for street repair.

Action: Upon unanimous consensus, the City Council accepted the donation from the Save Our Streets Committee and directed that the funds be deposited in a trust account to be used for street repair purposes.

9. Discussion Regarding Implementation of the Street Repair and Rehabilitation Program as a Result of Voter Approval of Measure K-14.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Public Works Director/City Engineer Ray provided an overview regarding the process for evaluating the condition of City streets and described how the collected data, once put into a specialized computer software program, could generate various options for determining the most cost effective use of available funds to repair City streets. He also described pavement maintenance costs that ranged from less expensive light maintenance to a more expensive and comprehensive street rehabilitation. He then introduced pavement management consultants Joe Ririe and Tom Morgan from the firm Pavement Engineering Incorporated

Referencing a PowerPoint presentation, Mr. Ririe provided an overview of best practices for implementing a street maintenance and repair program as determined by a community's pavement conditions and maintenance priorities. He described the fiscal impacts with the different approaches – repairing the worst streets first, focusing on the best streets, or using a “blended approach” which scheduled street repair at the critical pavement condition index (PCI) to prevent streets from falling into the more expensive maintenance and rehabilitation categories. He pointed out that the first two methods were not fiscally sustainable over the long run, whereas the blended approach was more financially balanced and would gradually increase repairs being made on streets rated in “poor” condition. He also reviewed the initial recommended bond issuance schedule.

Staff and Mr. Ririe then responded to questions from the Council regarding pavement management. Staff and Albert Peché, the City's financial advisor, responded to questions regarding the bond issuance schedule and tax rate implications.

Council discussion ensued regarding the various pavement management options, ensuring the program was implemented in the most cost-effective and efficient manner, fiscal impacts from issuing bonds being off-set by increasing property values, and establishing

a prioritized list of criteria to assist in identifying the areas and streets for initial repair and rehabilitation.

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

Sharon Brown, Grover Beach resident, objected to accelerating the bond issuance schedule. She also spoke in support of focusing efforts on most traveled streets, increasing efforts to communicate the information to the public, and using the blended approach.

Ron Reilly, Grover Beach resident, spoke in support of the blended approach and the positive impacts improved streets would have on business development and property values.

No further public comments were received at this time.

Council discussion continued regarding the criteria for selecting and prioritizing the streets scheduled for repair, whether alternative street construction methods were feasible, and increasing public outreach efforts on the implementation of the Street Repair and Rehabilitation Program as a result of voter approval of the bond measure.

Action: Upon consensus of the City Council, direction was provided that:

- 1) The preferred pavement management approach would be the “Blended (Critical PCI) Program”.
- 2) Public outreach efforts would include:
 - Scheduling two special public workshops in the month of February - one at the Ramona Garden Park Center and one at the Community Center on Trouville Avenue;
 - Presentations at the regularly scheduled City Council meetings during the month of February;
 - Providing a method for citizens to submit comments electronically via the Internet from the City website and City Facebook page;
 - Issuing press releases and posting information on the City website, Facebook page, and Government Cable Access Channel 20.
- 3) Information presented at the City Council meetings and workshops should include:
 - Consequences to taxpayers if the bond is “front loaded” for a larger amount, and posing the question to residents whether they would support an accelerated bond issuance schedule in increments of \$7-10 million;
 - An explanation of the process for choosing the “Blended Program” as the preferred approach;
 - Presenting various street repair scenarios with the different street types selected, such as thoroughfares or commercial streets, with information regarding estimated costs and how the funds could be used in the most efficient and cost-effective manner to maximize the life-span of the street; and
 - A project timeline / estimated street construction schedule.
- 4) Street selection criteria to present for members of the public to prioritize and provide feedback to the City should include:

Public safety; school routes; completing entire street lengths rather than segments; routes most traveled; roads considered “thoroughfares”, excluding regional grant-fund eligible streets such as West Grand Avenue, 4th Street or Oak Park Boulevard; commercial areas; limiting construction disruption for residents and/or businesses; establishing a methodical approach by “zones” or “commercial” areas for improvements; and the availability of grant funds for alternative street repair materials.

Additionally, provide the public an opportunity to suggest a different methodical approach for program implementation that hadn’t already been identified.

10. Adoption of a Resolution Authorizing the Issuance of General Obligation Bonds in the Amount of \$5,000,000 and Authorizing Necessary Actions Related to the Issuance.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an overview regarding the City Council taking certain actions

to ensure the sale of bonds to fund the Street Repair and Rehabilitation Program. He then introduced Albert Peché, the City's financial advisor, who described the proposed bond issuance schedule over the next 20-year period to assist in keeping tax rates low as assessed value continued to grow. City Manager Perrault and Mr. Peché then responded to questions from the Council.

Council discussion ensued regarding the bond issuance schedule, the ability to issue another bond series before spending all previous bond proceeds, and the requirement to spend bond proceeds within a specified period of the bond issuance date. Additional discussion was held regarding amending "Section 4.03 Debt Service Fund" in the draft Resolution for any remaining funds from the bond proceed be transferred to a fund specifically designated for street repair rather than to the General Fund.

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: It was moved by Council Member Bright and seconded by Mayor Pro Tem Lee to amend Section 4.03 of the draft Resolution for any remaining funds from the bond proceed be transferred to a fund specifically designated for street repair rather than to the General Fund, and adopt Resolution No. 15-06, as amended, authorizing the Bond Issue and authorizing certain actions related to the issuance of Bonds. The motion carried on the following roll call vote:

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

Resolution No. 15-06: Authorizing the Issuance and sale of not to exceed \$5,000,000 Principal Amount of General Obligation Bonds to Finance Improvements to Streets, and Authorizing Actions Related Thereto.

12. Authorization to Enter Into An Agreement with a Consultant for Professional Services for Program Services Related to the HOME Investment Partnerships Program.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Planner II Reese reviewed the proposed agreement for consultant services to administer the federally-funded First-Time Homebuyer and Owner-Occupied Rehabilitation programs. She then responded to questions from the Council.

Mauna Ekema, Central Valley Christian Housing Development Corporation (CVC) co-founder, responded to questions from the Council.

Action: It was moved by Mayor Pro Tem Lee and seconded by Council Member Bright to: 1) adopt Resolution No. 15-07 authorizing the City to enter into a Professional Services Agreement with Central Valley Christian Housing Development Corporation for administration of the HOME Program and activity delivery services for the First-Time Homebuyer and Owner-Occupied Rehabilitation programs; and 2) authorize the City Manager to execute the agreement on behalf of the City. The motion carried on the following roll call vote:

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

Resolution No. 15-07: Resolution of the City Council of the City of Grover Beach Authorizing the City to Enter Into a Professional Services Agreement with Christian Housing Development Corporation to Administer the HOME Investment Partnerships Program.

13. Consideration of a Resolution Revising Council Committee Assignments for Calendar Year 2015.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault noted that the Economic Vitality Corporation Board had amended its bylaws to convert the Public Sector voting members to Public Sector Liaisons or non-voting members. Accordingly, the City Council was requested to consider whether it was still interested in participating as “public liaison members” and amend the resolution regarding appointments to the EVC accordingly. Additionally, the City received an invitation for a Grover Beach representative to serve on the Board of Directors for Community Action Partnership (CAPSLO).

Brief Council discussion was held regarding individual interest and availability in attending the meetings of the Economic Vitality Corporation and CAPSLO.

Action: Upon consensus of the Council, the Council’s appointed representatives to the Economic Vitality Corporation (Mayor Pro Tem Lee and Council Member Bright) volunteered to continue representing the City as public-sector liaison representatives with no voting rights.

Action: It was moved by Mayor Pro Tem Lee and seconded by Council Member Bright to adopt Resolution No. 15-08 revising the City Council appointments for the remainder of the calendar year to include Council Member Nicolls as the representative to CAPSLO and Council Member Shah as the alternate representative. The motion carried on the following roll call vote:

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

Resolution No. 15-08: A Resolution of the City Council of the City of Grover Beach, California, Revising City Council Committee Assignments for Calendar Year 2015.

COUNCIL COMMITTEE REPORTS

Council Member Shah reported on the meetings of the Arroyo Grande & Grover Beach Chamber of Commerce, the Housing Trust Fund, and Visit San Luis Obispo County. She also reported on her first meeting of the Community Services Policy Committee for the League of California Cities.

Council Member Bright reported on the meeting of the Zone Three Advisory Committee.

Council Member Nicolls reported on the meeting of the San Luis Obispo County Water Resources Advisory Committee.

Mayor Pro Tem Lee stated that he had no committee reports at this time.

11:00 p.m. Rule: At 10:53 p.m. it was moved by Mayor Pro Tem Lee, and seconded by Council Member Nicolls to continue the meeting past 11:00 p.m. The motion carried on the following roll call vote:

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

Mayor Shoals reported on the meeting of the South San Luis Obispo County Sanitation District and outlined items scheduled for discussion at the next District meeting.

COUNCIL COMMUNICATIONS

None at this time.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault reminded the Council that the Parks and Recreation Department's Volunteer Appreciation Dinner was scheduled for Friday, January 23, 2015 at the Community Center on Trouville Avenue.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

It was announced that the following scheduled Closed Session item was continued to the next regularly scheduled City Council meeting on February 2, 2015:

1. **Conference with Real Property Negotiators**
Pursuant to Government Code Section 54956.8
Property: APN 060-381-010, 011
Agency negotiator: City Manager and City Attorney
Negotiating party: Pacifica Companies
Under negotiation: Terms and conditions of potential lease.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 11:00 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 03/02/2015)