

ACTION MINUTES

SPECIAL AND REGULAR MEETINGS OF THE CITY COUNCIL TUESDAY, JUNE 14, 2016 COUNCIL CHAMBERS, 215 EAST BRANCH STREET ARROYO GRANDE, CALIFORNIA

SPECIAL MEETING 5:00 P.M.

CALL TO ORDER

Mayor Hill called the Special City Council Meeting to order at 5:00 p.m.

ROLL CALL

Council Members Jim Guthrie, Tim Brown, Kristen Barneich, Mayor Pro Tem Barbara Harmon and Mayor Jim Hill were present. City Manager Dianne Thompson, City Attorney Heather Whitham, and Director of Legislative and Information Services/City Clerk Kelly Wetmore were also present.

PUBLIC COMMENT ON CLOSED SESSION ITEM

None.

CLOSED SESSION

City Attorney Whitham announced the City Council would recess to a closed session for the following item:

- a. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:
Agency Designated Representative: Dianne Thompson, City Manager
Represented Employees: Arroyo Grande Police Officers' Association (AGPOA)

Adjourned to closed session.

RECONVENE

The City Council reconvened to open session at 6:00 p.m. in conjunction with the Regular City Council Meeting. Announcement(s) of any reportable action(s) taken in closed session was taken under Item 5.

REGULAR MEETING 6:00 p.m.

1. CALL TO ORDER

Mayor Hill called the Regular City Council Meeting to order at 6:00 p.m.

2. ROLL CALL

City Council: Council Members Jim Guthrie, Tim Brown, Kristen Barneich, Mayor Pro Tem Barbara Harmon and Mayor Jim Hill were present.

Staff Present: City Manager Dianne Thompson, City Attorney Heather Whitham, Assistant City Attorney David Hirsch, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Director of Administrative Services Debbie Malicoat, Public Works Director Geoff English, Associate Planner Kelly Heffernon, Police Chief Steven Annibali, and Five Cities Fire Authority Fire Chief Steve Lieberman.

3. MOMENT OF REFLECTION

4. FLAG SALUTE

Anita Shower, representing Exchange Club of the Central Coast, led the Flag Salute.

5. AGENDA REVIEW

5.a. Closed Session Announcements.

June 14, 2016 Special City Council Meeting:

- a. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:
Agency Designated Representative: Dianne Thompson, City Manager
Represented Employees: Arroyo Grande Police Officers' Association (AGPOA)

City Attorney Whitham announced that the City Council met in closed session at 5:00 p.m. to meet with the City's labor negotiator regarding the AGPOA and no reportable action was taken.

May 24, 2016 Regular City Council Meeting:

- a. Conference with Real Property Negotiator pursuant to Government Code Section 54956.8:
Property: 202 Le Point Street, Arroyo Grande
Agency negotiator: Dianne Thompson, City Manager
Negotiating parties: John and Maureen Gutierrez
Under negotiation: Price and terms of payment
- b. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8:
Property: 132 Le Point Street, Arroyo Grande
Agency negotiator: Dianne Thompson, City Manager
Negotiating party: Sunny Jacobson
Under negotiation: Price and terms of payment
- c. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:
Agency Designated Representative: Dianne Thompson, City Manager
Represented Employees: Arroyo Grande Police Officers' Association (AGPOA)
- d. Conference With Labor Negotiator pursuant to Government Code Section 54957.6:
Agency Designated Representative: Dianne Thompson, City Manager
Unrepresented Employees: Management Employees
- e. Conference Involving a Joint Powers Agency – Five Cities Fire Authority pursuant to Government Code Section 54956.96(b):
Discussion concerned:
Conference with Labor Negotiators Pursuant to Government Code Section 54957.6:

Agency Negotiators: Shelline K. Bennett. Law Firm of Liebert Cassidy Whitmore; Debbie Malicoat, Administrative Services Director – Arroyo Grande; Channelle Hubbard, Human Resources Coordinator – Grover Beach
Represented Employees: International Association of Fire Fighters (IAFF) Local 4403
Local agency representative on Five Cities Fire Authority Board: Barbara Harmon
Additional attendee: Dianne Thompson, City Manager

City Attorney Whitham announced that the City Council met in closed session on May 24, 2016 and unanimously decided to move forward to exercise the City's option to purchase the property located at 202 Le Point Street and 132 Le Point Street; provided direction regarding the Arroyo Grande Police Officers' Associations' labor negotiation to the City Manager; provided direction regarding the management employees' labor negotiation to the City Manager; and provided direction regarding the International Association of the Fire Fighters labor negotiation to the City's representative on the Five Cities Fire Authority Board.

5.b. Ordinances Read in Title Only.

Council Member Brown moved, Council Member Barneich seconded, and the motion passed unanimously that all ordinances presented at the meeting shall be read by title only and all further readings be waived.

6. SPECIAL PRESENTATIONS

None.

7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS

Mayor Hill invited public comment. Speaking from the public were Jim Buttery, from Andre Morris and Buttery, representing Cal Pacific Annual Conference of the United Methodist Camp, who stated that the Church is seeking protection pursuant to the Government Code against historical designation of the property and provided a copy of the Resolution of the Board of Trustees of the Cal Pacific Annual Conference of the United Methodist Church opposing any historical designation due to the religious entity exemption; Scott Pace, self-employed residential developer, commented on the processing delays for his proposed subdivision project on Hwy 227 (Tract 2985) that he has been working on for 12 years and requested the Council direct that the project be put on the Planning Commission and City Council agendas for approval; Patty Welsh, spoke about efforts to close down a business located at 1147 E. Grand Avenue that is doing taxes illegally in the City, noted the City revoked its business license, expressed concern that the business is still operating, and requested the City continue to pursue closing this business down; and Richard Waller, presented philosophy on political anthropology as it relates to divisions in the community and that members of the community must work together to make the community successful, how this applies it to Arroyo Grande, expressed concern about ongoing divisions in community, and requested that the Council work together to show leadership to stop negative attacks on Council members and staff.

8. CITY MANAGER REPORT:

City Manager Thompson provided a status report on upcoming and recently considered items by the Traffic Commission, Architectural Review Committee, Historic Resources Committee, and Downtown Parking Advisory Committee; provided an update on the Soto Sports Complex ADA Project, provided an update on Water Conservation efforts; announced that there would be

an Annual Strawberry Festival follow-up workshop on Thursday, August 11th in the Council Chambers; provided a recap of the Council goal setting meeting that was held on June 14, 2016 and announced that the next goal setting meeting would be held on June 27, 2016 and encouraged the public to attend and provide input to the City.

9. CONSENT AGENDA

Mayor Hill invited public comment on the consent agenda. No public comments were received.

Mayor Hill referred to Item 9.d. regarding cancellation of the July 12th meeting and requested the Council place a closed session item for the City Manager's evaluation on the June 28th meeting agenda. The Council concurred.

In response to a question by Mayor Hill regarding Item 9.e. relating to the consumer price index increase for assessment districts, Director of Administrative Services Malicoat acknowledged a typographical error and confirmed that the CPI increase is 1.8% for all assessments districts.

Action: Council Member Barneich moved, and Council Member Brown seconded the motion to approve Consent Agenda Items 9.a. through 9.g., with the recommended courses of action. The motion passed on the following roll-call vote:

AYES: Barneich, Brown, Guthrie, Harmon, Hill
NOES: None
ABSENT: None

9.a. Consideration of Cash Disbursement Ratification.

Recommended Action: Ratified the listing of cash disbursements for the period May 16, 2016 through May 31, 2016.

9.b. Consideration of Approval of Minutes.

Recommended Action: Approved the minutes of the Regular City Council Meeting of May 24, 2016, as submitted.

9.c. Consideration of Fiscal Year 2016-17 Appropriation Limit.

Recommended Action: Adopted a Resolution entitled: "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING A TAX PROCEEDS EXPENDITURE APPROPRIATION LIMIT FOR FISCAL YEAR 2016-17**".

9.d. Consideration of Cancellation of July 12, 2016 City Council Meeting.

Recommended Action: Cancelled the regularly scheduled Council meeting of July 12, 2016.

9.e. Consideration of Confirmation of Assessments for Tracts 1769, 2310, and 2236.

Recommended Action: 1) Adopted a Resolution entitled: "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE CONFIRMING A LANDSCAPING AND LIGHTING ASSESSMENT FOR TRACT 1769**"; 2) Adopted a Resolution entitled: "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE CONFIRMING THE ASSESSMENTS FOR THE PARKSIDE VILLAGE ASSESSMENT DISTRICT (TRACT 2310)**"; and 3) Adopted a Resolution entitled: "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE CONFIRMING THE ASSESSMENTS FOR THE GRACE LANE ASSESSMENT DISTRICT (TRACT 2236)**".

9.f. Consideration of Resolutions for the 2016 General Municipal Election for the Election of Certain Officers of the City.

Recommended Action: 1) Adopted a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES”**; 2) Adopted a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN LUIS OBISPO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE”**; and 3) Adopted a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016”**.

9.g. Consideration to Purchase a Water Treatment Plant and Associated Equipment for Well No. 11.

Recommended Action: Approved the purchase of a Culligan Cullisorb Filter and associated treatment plant equipment in the amount of \$53,601.08 from Central Coast Water Treatment (\$32,544.53) and Hopkins Technical Products (\$21,056.55).

10. PUBLIC HEARINGS

10.a. Consideration of Reallocation of Community Development Block Grant Funds from the Grid Alternatives Solar Affordable Housing Project Approved in Year 2011 to Fund the City’s Mid-Block Crosswalk Architectural Barrier Removal Project.

Community Development Director McClish provided introductory comments and stated that a public hearing is required to reallocate funds from the Community Development Block Grant Program public services category.

Associate Planner Heffernon presented the staff report and recommended that the Council adopt a Resolution approving the reallocation of \$4,169 in Program Year 2011 CDBG funds from the GRID Alternatives Solar Affordable Housing Project to the City’s Mid-Block Crosswalk Architectural Barrier Removal Project. Staff responded to questions from Council.

Mayor Hill opened the public hearing. Hearing no public comments, Mayor Hill closed the public hearing.

Action: Council Member Barneich moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING REALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FROM THE GRID ALTERNATIVES SOLAR AFFORDABLE HOUSING PROJECT APPROVED IN YEAR 2011 TO FUND THE CITY’S MID-BLOCK CROSSWALK ARCHITECTURAL BARRIER REMOVAL**

PROJECT". Council Member Guthrie seconded, and the motion passed unanimously on the following roll call vote:

AYES: Barneich, Guthrie, Brown, Harmon, Hill
NOES: None
ABSENT: None

10.b. Consideration of an Ordinance Amending Sections 16.62.010 and 16.62.050 of the Arroyo Grande Municipal Code Relating to Medical Marijuana Cultivation and Amending Section 16.62.070 and Adding Chapter 5.95 to Title 5 of the Arroyo Grande Municipal Code Relating to Medical Marijuana Delivery Services.

City Manager Thompson provided introductory comments and Community Development Director McClish presented the staff report and recommended that the Council introduce an Ordinance amending Sections 16.62.010 and 16.62.050 of Title 16 of the Arroyo Grande Municipal Code Relating to medical marijuana cultivation and amending Section 16.62.070 and adding Chapter 5.95 to Title 5 relating to deliveries of medical marijuana or medical cannabis products.

Mayor Hill opened the public hearing. Speaking from the public were Patty Welsh, who referred to Devon Ward who has ALS and could not attend the meeting and who is not able to receive medical marijuana deliveries, requested the distance requirement be changed to a 500 ft. radius instead of 1,000 ft., and supported the proposed Ordinance; Caren Ray, Arroyo Grande, spoke in support of the proposed Ordinance and suggested provisions that would address noise/smell nuisances for home cultivation, lifting the restriction on distance from schools as it relates to deliveries, that signage on delivery vehicles needs to be addressed, and that instead of regulating only three delivery vehicles, it should be unlimited; and Cindy Gonzales, representing Elite Care, thanked the Council for time spent developing the Ordinance; acknowledged that it is conservative, stated that other cities allow deliveries during certain hours of the day, and supported the proposed Ordinance. Hearing no further comments, Mayor Hill closed the public hearing,

Action: Council Member Barneich moved to introduce an Ordinance entitled: "**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AMENDING SECTIONS 16.62.010 AND 16.62.050 OF THE ARROYO GRANDE MUNICIPAL CODE RELATING TO MEDICAL MARIJUANA CULTIVATION AND AMENDING SECTION 16.62.070 AND ADDING CHAPTER 5.95 TO TITLE 5 OF THE ARROYO GRANDE MUNICIPAL CODE RELATING TO MEDICAL MARIJUANA DELIVERY SERVICES**", as modified that no perimeter restrictions be in place, that the minimum age of the delivery drivers be 21 years, and that no garages will be used for cultivation of marijuana). Mayor Pro Tem Harmon seconded the motion.

Assistant City Attorney Hirsch reviewed changes to the Ordinance as follows: To insert into Section 16.62.050.c.8. the word "garage" before the word "cultivation"; to delete Section 5.95.120.i. which is the 1,000 ft. restriction, and in Section 5.95.220.a. change the age from 18 years to 21 years.

The motion passed unanimously on the following roll call vote:

AYES: Barneich, Harmon, Guthrie, Brown, Hill
NOES: None
ABSENT: None

Mayor Hill called for a break at 8:04 p.m. The Council reconvened at 8:12 p.m.

11. OLD BUSINESS

None.

12. NEW BUSINESS

12.a. Consideration of Providing Input and/or Direction to the Five Cities Fire Authority (FCFA) Representative Regarding the FCFA'S Preliminary Budget for FY 2016-17.

City Manager Thompson provided introductory comments and Chief Lieberman presented the staff report and recommended that the Council review the preliminary FY 2016-17 budget for the Five Cities Fire Authority and provide input and/or direction to the City Council's appointed FCFA representative.

Mayor Pro Tem Harmon also commented on the Preliminary Budget and noted that the allocation formula has been applied at 47% which is the same as last year. She asked for direction from the Council regarding Arroyo Grande's match for Self-Contained Breathing Apparatus's (SBCA's).

Mayor Hill invited public comment. No public comments were received.

Council comments ensued regarding Arroyo Grande's grant match for SCBA's, concern about funding the equipment if the grant is not awarded, but acknowledgment that the equipment is necessary and must be funded; the auto aid agreement; staffing full time fighters in the future; concern about the 7% overall increase in the FCFA budget; and concern about FCFA's long term sustainability. In response to questions, Mark Searby, representing FCFA, addressed issues regarding the SCBA's and the filling stations.

Mayor Pro Tem Harmon acknowledged she would forward the Council's comments to the FCFA Board. No formal action was taken on this item.

12.b. Consideration of Fiscal Year 2016-17 Budget.

City Manager Thompson provided introductory comments and Administrative Services Director Malicoat presented the staff report and recommended that the Council: 1) Approve detailed budget adjustments listed in the Budget Update Report; and 2) Adopt a Resolution approving the FY 2016-17 Budget. Staff responded to questions from Council.

Mayor Hill invited public comment. No public comments were received.

Council comments ensued regarding the FY 2016-17 Budget, with a suggestion to move costs related to the Swinging Bridge from the General Fund to the Local Sales Tax Fund and moving police staffing and Narcotics Task Force costs from the Local Sales Tax Fund to the General Fund; to consider budgeting for the Self-Contained Breathing Apparatus's in the event the grant is not awarded; and concern about increasing costs for consultant services and matching grants. Mayor Hill commented that economic development efforts should be done in-house without the use of consultants and that he could not support that portion of the budget.

Action: Council Member Guthrie moved to approve the detailed budget adjustments listed in the Budget Update Report, and to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING FISCAL YEAR 2016-17 OF THE FISCAL YEAR 2015-16 & 2016-17 BIENNIAL BUDGET AND MAKING APPROPRIATIONS FOR THE AMOUNT BUDGETED”***, as amended to move the Swinging Bridge costs to the Local Sales Tax Fund, and to move costs related to the Senior Police Sergeant position and the Narcotics Task Force to the General Fund. Council Member Barneich seconded, and the motion passed unanimously on the following roll call vote:

AYES: Guthrie, Barneich, Brown, Harmon
NOES: Hill
ABSENT: None

13. COUNCIL COMMUNICATIONS

Council Member Brown referred to Mr. Buttery's public comments regarding the tabernacle at the Methodist Camp, potential land ownership changes, and stated he would like to know more about the legal issues associated with the property. Council Member Brown also expressed concern about Mr. Pace's concern regarding his project (Tract 2985) and asked that staff keep the Council informed about this project.

Mayor Pro Tem Harmon also expressed concerns regarding Tract 2985 and requested clarification on the matter. She also invited the public to the First Annual Family Fun Day to be held on Saturday June 25th at the Soto Sports Complex.

Mayor Hill also expressed concern regarding the processing timeline for Tract 2985.

14. ADJOURNMENT

Mayor Hill adjourned the meeting at 10:10 p.m.

/s/ Jim Hill, Mayor

ATTEST:

/s/ Kelly Wetmore, City Clerk

(Approved at CC Mtg 07/26/2016)