

ACTION MINUTES

REGULAR MEETING OF THE CITY COUNCIL TUESDAY, JUNE 28, 2016 COUNCIL CHAMBERS, 215 EAST BRANCH STREET ARROYO GRANDE, CALIFORNIA

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: Acting City Manager/Public Works Director Geoff English, City Attorney Heather Whitham, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Director of Administrative Services Debbie Malicoat, Community Development Director Teresa McClish, Police Chief Steven Annibali, and Public Works Supervisor Shane Taylor.

3. MOMENT OF REFLECTION

4. FLAG SALUTE

Madeline Poulin, representing Arroyo Grande Valley Kiwanis, led the Flag Salute.

5. AGENDA REVIEW

5.a. Closed Session Announcements.

None.

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

6.a. Presentation by South County Transit Regarding Planned Services Changes.

Geoff Straw, Executive Director, San Luis Obispo Regional Transit Authority, provided an overview of South County transit services and planned route and fare changes effective in July 2016.

7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS

Mayor Hill invited public comment. Speaking from the public was Sissy Pace, who offered an invocation.

8. CITY MANAGER REPORT:

Acting City Manager English provided a status report on the success of the first City of Arroyo Grande Family Fun Day event; announced that the America In Bloom judges are visiting the

City; provided an update on items recently considered by the Planning Commission, Traffic Commission, and Architectural Review Committee, and noted that the Historic Resources Committee will be meeting on July 8, 2016 and the Downtown Parking Advisory Board would be meeting on June 29, 2016.

8.a. Discussion Regarding the Rescheduling of the Date for the City Council Goal Setting Workshop.

Following discussion regarding the rescheduling of the date for the next City Council Goal Setting Workshop and reviewing potential available dates of July 18, July 25, July 27 or July 28, it was agreed to reschedule the Workshop on July 18, 2016 at 6:00 p.m. at the Woman's Club and Community Center.

9. CONSENT AGENDA

Mayor Hill invited public comment. Speaking from the public was Patty Welsh, Arroyo Grande, regarding Item 9.h. (S. Alpine Waterline Improvements Project) expressing concerns that the City is expending additional funds on the project, and Item 9.e. (Salary and Benefits for Management and Part-Time Employees) expressing concern that she did not see what is paid by the City for insurance benefits for the Council, that it is inequitable if some Council Members choose to take benefits and some do not, and suggested the Council consider an increase in their stipend and eliminating the health benefits.

Action: Council Member Barneich moved, and Council Member Guthrie seconded the motion to approve Consent Agenda Items 9.a. through 9.j., with the recommended courses of action. City Attorney Whitham read the full title of the Ordinance in Item 9.j. The motion passed on the following roll-call vote:

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

9.a. Consideration of Appointment of Acting City Manager.

Action: Appointed Geoff English as Acting City Manager.

9.b. Consideration of Cash Disbursement Ratification.

Action: Ratified the listing of cash disbursements for the period June 1, 2016 through June 15, 2016.

9.c. Consideration of Investment Deposits.

Action: Received and filed the report listing the current investment deposits of the City, as of May 31, 2016, as required by Government Code Section 53646(b).

9.d. Monthly Water Supply and Demand Update.

Action: Received and reviewed the Monthly Water Supply and Demand Report.

9.e. Consideration of Resolutions Establishing Salary and Benefits for Management and Part-Time Employees.

Action: 1) Adopted a Resolution entitled: **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ESTABLISHING WAGES AND BENEFITS FOR MANAGEMENT EMPLOYEES FOR FY 2016-17"**; and 2) Adopted a Resolution entitled: **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING COMPENSATION ADJUSTMENTS FOR PART-TIME EMPLOYEES"**.

9.f. Consideration of Acceptance of the Soto Sports Complex Barrier Removal Project, Phase II, PW 2015-16.

Action: 1) Accepted the project improvements as constructed by S. Chaves Construction Inc. in accordance with the plans and specifications for the Soto Sports Complex Barrier Removal Project, Phase II; 2) Directed staff to file a Notice of Completion; and 3) Authorized release of retention, thirty-five (35) days after the Notice of Completion has been recorded, if no liens have been filed.

9.g. Consideration of an Award of Contract to Specialty Construction Inc. for Construction of the Le Point Area Water Main Upgrade Project, PW 2015-15.

Action: 1) Awarded a contract for the Le Point Area Water Main Upgrade Project to Specialty Construction Inc. in the amount of \$486,892; 2) Authorized the City Manager to approve change orders for 15% of the contract amount, \$73,034, for unanticipated costs during the construction phase of the project; and 3) Directed the City Clerk to file a Notice of Exemption.

9.h. Consideration of an Award of Contract to Crandall Construction for Construction of the South Alpine Waterline Improvements Project, PW 2016-06.

Action: 1) Awarded a contract for the South Alpine Waterline Improvements Project to Crandall Construction in the amount of \$259,100; 2) Authorized the City Manager to approve change orders for 15% of the contract amount, \$38,865, for unanticipated costs during the construction phase of the project; 3) Appropriated \$28,880 from the Water Fund and \$175,000 from the Water Facility Fund from the unallocated fund balances, and 4) Directed the City Clerk to file a Notice of Exemption.

9.i. Consideration of Request from Planning Commissioner Keen for Consecutive Absences from Planning Commission Meetings.

Action: Consented to three consecutive absences by Planning Commissioner Keen.

9.j. Consideration of Adoption 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.

Action: Adopted 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”.***

10. PUBLIC HEARINGS

10.a. Consideration of Annual Public Hearing for the Arroyo Grande Tourism Business Improvement District.

Administrative Services Director Malicoat presented the staff report and recommended that the Council: 1) Hold a public hearing to receive testimony regarding the City Council’s intention to continue the Arroyo Grande Tourism Business Improvement District (AGTBID) and levy an annual assessment for fiscal year 2016-17; 2) Determine whether a legally sufficient number of protests have been made; and 3) If a legally sufficient protest is not made, adopt a Resolution levying an annual assessment for the AGTBID for the 2016-2017 fiscal year.

Mayor Hill opened the public hearing. No public comments were received, and it was noted that no written protests were received.

Action: Council Member Guthrie moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE LEVYING AN ANNUAL ASSESSMENT FOR THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT FOR THE 2016-17 FISCAL YEAR”**. Council Member Barneich seconded, and the motion passed unanimously on the following roll call vote:

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

10.b. Consideration of Approval of the 2015 Urban Water Management Plan Update.

Acting City Manager English and Public Works Supervisor Taylor provided introductory comments and then introduced Spencer Waterman, Water Systems Consulting (WSC), who provided a presentation on the 2015 Urban Water Management Plan Update including the background of the Plan, its purpose, changes since the 2010 Urban Water Management Plan, and reviewed the main components of the 2015 Plan. Staff and Mr. Waterman responded to questions from Council.

Mayor Hill opened the public hearing. Speaking from the public were LeAnn Akins, Arroyo Grande, who referred to the four methods used to collect water usage data and asked why Method 2 (performance standards applied to indoor residential use, landscaped area water use, and CII uses) is not used in the calculations; and Patty Welsh, who asked about the current level of Lopez Lake. Staff and Mr. Waterman responded to questions raised during public comment. No further public comments were received.

Action: Council Member Brown moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE, COUNTY OF SAN LUIS OBISPO ADOPTING AND DIRECTING THE FILING AND IMPLEMENTATION OF THE CITY OF ARROYO GRANDE URBAN WATER MANAGEMENT PLAN REVISION”**. Council Member Guthrie seconded, and the motion passed unanimously on the following roll call vote:

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

11. OLD BUSINESS

11.a. Consideration of the San Luis Obispo Council of Governments (SLOCOG) Self-Help Transportation Funding Initiative.

Community Development Director McClish provided introductory comments and introduced James Worthley, representing SLOCOG, who provided a presentation regarding the 2016 San Luis Obispo County Self-Help Transportation Investment Plan and recommendation to the San Luis Obispo County Board of Supervisors to place a 9-year transportation half-cent sales tax on

the November 8, 2016 General Election Ballot. Staff, Mr. Worthley, and Stephanie Hicks, representing SLOCOG, responded to questions from Council.

Mayor Hill invited public comment. Speaking from the public were Patty Welsh, who expressed concern about the sunset clause in the proposed sales tax measure, that there is no guarantee the funds would be applied to the Brisco Interchange project and that funds could be applied to other projects in the area, and expressed concern about how the funding is allocated in a self-help transportation plan; LeAnn Atkins, stated she does not like higher taxes but would like to see improvements for bicycle transportation outside of the Village, and would like the timing on crosswalk lights checked near Halcyon and Fair Oaks; and April McLaughlin, Arroyo Grande, asked for more detail as it relates to the median income calculation. No further public comments were received.

Action: Council Member Barneich moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING THE 2016 SAN LUIS OBISPO COUNTY SELF-HELP TRANSPORTATION INVESTMENT PLAN AND RECOMMENDATION TO THE SAN LUIS OBISPO COUNTY BOARD OF SUPERVISORS TO PLACE A 9-YEAR TRANSPORTATION SALES TAX MEASURE ON THE NOVEMBER 8, 2016 GENERAL ELECTION BALLOT”**. Mayor Hill seconded, and the motion passed on the following roll-call vote:

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

Mayor Hill called for a break at 7:55 p.m. The Council reconvened at 8:05 p.m.

11.b. Consideration of Placing a Measure on the Ballot at the November 8, 2016 Election to Authorize the Purchase of State Water Under Local Water Emergency Conditions.

Acting City Manager/Director of Public Works English presented the staff report, acknowledged the Supplemental Memo distributed to Council regarding modifications to the proposed Argument in Favor of the Measure, and recommended that the Council: 1) Adopt a Resolution calling for the placement of a measure to authorize the purchase of water from the California State Water Project under local water emergency conditions at the General Municipal Election to be held on Tuesday, November 8, 2016, as called by Resolution No. 4730; 2) Adopt a Resolution setting priorities for filing a written argument regarding a City measure and directing the City Attorney to prepare an impartial analysis; 3) Adopt a Resolution providing for the filing of rebuttal arguments; 4) Approve the argument in favor of the measure, as modified; and 5) Appropriate \$25,000 from the Water Availability Fund for the estimated additional cost of placing the measure on the ballot and preparing and distributing public information and education materials. Director English responded to questions from Council.

Mayor Hill invited public comment. Speaking from the public were Patty Welsh, who expressed concern regarding the cost to purchase State water and the need to inform the public about those costs; LeAnn Atkins, spoke in support of the measure but expressed concern about projects in the pipeline and the need to figure out the plan for build-out within the City and the

number of water connections allowed; and John Keen, stated he voted against the 1990 ordinance and supported repealing it and adopting this new measure, stated the Council should have the option to declare an emergency without having to be in Stage 1, and expressed concern that the measure is too restrictive as the City should be able to buy State water. No further public comments were received.

Action: Mayor Pro Tem Harmon moved to adopt Resolutions entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED VOTERS OF THE CITY A MEASURE TO AUTHORIZE THE PURCHASE OF WATER FROM THE CALIFORNIA STATE WATER PROJECT UNDER LOCAL WATER EMERGENCY CONDITIONS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, AS CALLED BY RESOLUTION NO. 4730”**; **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE SETTING PRIORITIES FOR FILING A WRITTEN ARGUMENT REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS”**; and **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS”**; to approve the Argument in Favor of the measure; and to appropriate \$25,000 from the Water Availability Fund for the estimated additional cost of placing the measure on the ballot and preparing and distributing public information and education materials. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

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

12. NEW BUSINESS

None.

13. CITY COUNCIL REPORTS

The Mayor and Council Members provided brief reports from the following committee, commission, board, or other subcommittee meetings that they attended as the City’s appointed representative.

(a) MAYOR HILL:

- (1)** South San Luis Obispo County Sanitation District (SSLOCSD)
- (2)** Brisco/Halcyon Interchange Subcommittee
- (3)** Oversight Board to the Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency
- (4)** California Joint Powers Insurance Authority (CJPIA)

(b) MAYOR PRO TEM HARMON:

- (1)** County Water Resources Advisory Committee (WRAC)
- (2)** Air Pollution Control District (APCD)
- (3)** Five Cities Fire Authority (FCFA)

- (c) **COUNCIL MEMBER GUTHRIE:**
 - (1) San Luis Obispo Council of Governments/Regional Transit Authority (SLOCOG/RTA)
 - (2) South County Transit (SCT)
 - (3) Tourism Committee
 - (4) Brisco/Halcyon Interchange Subcommittee
 - (5) Economic Vitality Corporation (Attended as Alternate)

- (d) **COUNCIL MEMBER BROWN:**
 - (1) Integrated Waste Management Authority Board (IWMA)
 - (2) Economic Vitality Corporation (EVC)

- (e) **COUNCIL MEMBER BARNEICH:**
 - (1) Zone 3 Water Advisory Board
 - (2) Homeless Services Oversight Council (HSOC)

14. COUNCIL COMMUNICATIONS

Mayor Hill commended the Recreation staff on the successful Family Fun Day event, and reported that he attended the retirement party for Pastor Randy Ouimette and expressed appreciation for his years of service.

15. CLOSED SESSION

At 9:14 p.m., City Attorney Heather Whitham announced the City Council would adjourn to closed session to consider the following items:

- a) **PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE** pursuant to Government Code Section 54957.

- b) **CONFERENCE WITH LABOR NEGOTIATOR** pursuant to Government Code Section 54957.6:
Agency Designated Representative: Debbie Malicoat, Administrative Services Director
Represented Employees: Service Employees International Union, Local 620

- c) **CONFERENCE WITH LABOR NEGOTIATOR** pursuant to Government Code Section 54957.6:
Agency Designated Representative: Dianne Thompson, City Manager and Debbie Malicoat, Administrative Services Director
Represented Employees: Arroyo Grande Police Officers' Association (AGPOA)

Mayor Hill invited public comment prior to the closed session. Speaking from the public were Patty Welsh, who spoke in support of the Police Department and said she would like to see positions filled in order to get a full staff; and LeAnn Akins, who submitted a petition related to the first closed session item. No further public comments were received.

Adjourned to closed session.

16. RECONVENE TO OPEN SESSION:

Mayor Hill reconvened the meeting to open session at 10:46 p.m. City Attorney Whitham made announcements on the following closed session items:

- a) **PUBLIC EMPLOYEE DISCIPLINE/DISSMISSAL/RELEASE** pursuant to Government Code Section 54957.

This report is made in accordance with the requirements of Section 54957.1(a)(5) of the Government Code. The City Council voted unanimously to dismiss the employment of the City Manager, Dianne Thompson, effective immediately.

- b) **CONFERENCE WITH LABOR NEGOTIATOR** pursuant to Government Code Section 54957.6:
Agency Designated Representative: Debbie Malicoat, Administrative Services Director
Represented Employees: Service Employees International Union, Local 620

The City Council gave direction to the City's negotiator with regard to the Service Employees International Union labor negotiations.

- c) **CONFERENCE WITH LABOR NEGOTIATOR** pursuant to Government Code Section 54957.6:
Agency Designated Representative: Dianne Thompson, City Manager and Debbie Malicoat, Administrative Services Director
Represented Employees: Arroyo Grande Police Officers' Association (AGPOA)

The City Council designated Karen Sisko to serve as the City's negotiator in the Arroyo Grande Police Officers' Association labor negotiations.

17. ADJOURNMENT

Mayor Hill adjourned the meeting at 10:48 p.m.

/s/ Jim Hill, Mayor

ATTEST:

/s/ Kelly Wetmore, City Clerk

(Approved at CC Mtg 07/26/2016)