

ACTION MINUTES

REGULAR MEETING OF THE CITY COUNCIL TUESDAY, JANUARY 23, 2018 COUNCIL CHAMBERS, 215 E. 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 Tim Brown, Kristen Barneich, Barbara Harmon, Mayor Pro Tem Caren Ray, and Mayor Jim Hill were present.

Staff Present: City Manager Jim Bergman, City Attorney Heather Whitham, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Community Development Director Teresa McClish, Director of Public Works Bill Robeson, Chief of Police Beau Pryor, Interim Director of Recreation Services Sheridan Bohlken, Director of Administrative Services Debbie Malicoat, Executive Assistant/Deputy City Clerk Jessica Matson, and Associate Planner Matt Downing.

3. MOMENT OF REFLECTION

4. FLAG SALUTE

Jared and Maureen Sharon, representing Arroyo Grande Valley Kiwanis Club, led the Flag Salute.

5. AGENDA REVIEW

5.a. Closed Session Announcements:

None.

5.b. Ordinances Read in Title Only.

Council Member Barneich moved, Council Member Harmon 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. Introduction of New Employee – Jessica Matson, Executive Assistant/Deputy City Clerk.

City Clerk Wetmore introduced Jessica Matson as the City's new Executive Assistant/Deputy City Clerk and highlighted her educational and professional background.

6.b. Introduction and Oath of Office – Police Officer Vincent Buck.

Police Chief Pryor introduced Police Officer Vincent Buck, highlighted his educational and professional background, and facilitated the badge pinning ceremony. City Clerk Wetmore administered the Oath of Office to Officer Buck.

7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS

Mayor Hill invited public comment. Speaking from the public were: Linda Osty, who offered an invocation; Brad Snook, representing Surfrider Foundation, regarding an article he wrote on the Diablo DeSalination project that is available on the Surfrider Foundation's website, commented on the Sanitation District's objective to hire a District Administrator, and spoke regarding the redundancy project as it relates to flooding; Patty Welsh, expressed concerns regarding the holiday tree lights in the Village; and Ben Oakley, expressed concerns about speed and safety on Sierra Drive and requested that the City review options for traffic calming and not wait until the update of the City's General Plan Circulation Element. No further comments were received.

8. CITY MANAGER REPORT:

City Manager Bergman referred to all of the work that is done in the community by volunteers and acknowledged the amazing amount of work accomplished by the Arroyo Grande Kiwanis Club. He also thanked and acknowledged the City's Department Heads in their efforts to recruit the very best people to work for the City.

9. CONSENT AGENDA

Council Member Brown and Mayor Pro Tem Ray requested Item 9.e. be pulled.

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

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

AYES: Barneich, Harmon, Brown, Ray, Hill

NOES: None

ABSENT: None

9.a. Consideration of Cash Disbursement Ratification.

Action: Ratified the listing of cash disbursements for the period December 16, 2017 through December 31, 2017.

9.b. Consideration of Statement of Investment Deposits.

Action: Received and filed the report listing of investment deposits of the City of Arroyo Grande, as of December 31, 2017, as required by Government Code Section 53646(b).

9.c. Consideration of Resolution Accepting the Status Report on Development Impact Fees (AB-1600).

Action: Adopted a Resolution entitled: "**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ACCEPTING THE STATUS REPORT ON DEVELOPMENT IMPACT FEES (AB-1600)**"

9.d. Consideration of Approval of Minutes.

Action: Approved the minutes of the Regular City Council Meeting of January 9, 2018, as submitted.

9.f. Consideration of Acceptance of the Heritage Square Park Restroom Project, PW 2016-07.

Action: 1) Accepted the project improvements as constructed by S. Chaves Construction, Inc. in accordance with the plans and specifications for the Heritage Square Park Restroom Project, PW 2016-07; 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 Acceptance of the Public Works Building Renovation Project, PW 2015-17.

Action: 1) Accepted the project improvements as constructed by RK&G Construction, Inc. in accordance with the plans and specifications for the Public Works Building Renovation Project, PW 2015-17; 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.h. Annual Water Supply and Demand Update.

Action: Received and filed the Annual Water Supply and Demand Report.

In response to a follow up question from Council Member Brown regarding Item 9.f., staff provided a brief status update regarding the Heritage Square Park Restroom project.

ITEMS PULLED FROM THE CONSENT AGENDA

9.e. Consideration of Residential Lease for 202 East Le Point Street.

Recommended Action: Approve and authorize the City Manager to execute a Residential Lease between the City of Arroyo Grande as the Landlord and Jena Simmons and Chad Jackson as the tenants for the house located at 202 East Le Point Street.

In response to questions from Mayor Pro Tem Ray regarding the current market value for rent, Public Works Director Robeson provided an overview of the property, explained the rationale behind the gradual increase in rent to move closer to market value, explained other considerations such as the location of the house in the middle of a City owned parking lot, the age of the structure, that there is no private yard, and there is car traffic through the parking lot throughout the night. Staff then responded to questions from Council.

Mayor Pro Tem Ray commented she could not support the lease as proposed, stating that the City should have a property manager determine the appropriate rent for the house, and that in all fairness, the house should be publicly advertised for rent at market value.

Mayor Hill invited public comment. Speaking from the public was Patty Welsh, who agreed that the house should be rented out at market rate value. No further public comments were received.

Action: Council Member Harmon moved to approve and authorize the City Manager to execute a Residential Lease between the City of Arroyo Grande as the Landlord and Jena Simmons and Chad Jackson as the tenants for the house located at 202 East Le Point Street. Mayor Hill seconded, and the motion passed on the following roll-call vote:

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

10. PUBLIC HEARINGS

None.

11. OLD BUSINESS

None.

12. NEW BUSINESS

12.a. Consideration of General Fund 10-Year Fiscal Forecast.

City Manager Bergman provided introductory comments and presented the staff report. Director of Administrative Services Malicoat explained factors in determining the ten year forecast and provided an overview of the model used to generate the forecast. City Manager Bergman reviewed next steps and key dates in the budget process which would include community outreach and additional Council meetings to determine budget priorities, to provide an analysis and receive preliminary direction related to larger budget issues or impacts, to review results of community outreach efforts and provide a preliminary budget balancing strategy, to present a preliminary budget, and finally budget adoption in June. Staff responded to questions from Council.

Mayor Hill invited public comment. Speaking from the public was Brad Snook, commented that a community survey should be kept short, public engagement should be encouraged with the intent to provide more information later, suggested using the Next Door social media application to seek community input, and that the City should provide a continuous flow of information; Nick Bondello, stated that he was notified of this item through Facebook and suggested using similar public outreach tools and headlines; Jim Guthrie, suggested a one year budget and commented that there is no way to reduce the budget significantly without cutting services, that decisions should be made about what services to offer or not based on actual revenues, stated that carryovers are an issue as it relates to transparency, suggested use of reserves, commented that revenues have never been overestimated and that past difficulty has been with expenses, and commented that the City never has every position filled; and Patricia Price, agreed that early public outreach is important and that the City should be prepared for cutting services, stated the presentation was excellent and should be incorporated into public outreach efforts, commented on the Five Cities Fire Authority and suggested holding off on major decisions until a measure can be placed on the ballot, and stated she would like to hear all options for fire services with the pros and cons of each option. No further public comments were received.

Council comments ensued regarding efforts to reduce expenditures and potential efforts to increase revenues; acknowledgment of the increasing CalPERS pension costs and the requested increase in the City's allocation for the Five Cities Fire Authority; that there is a need to promote business growth and generate sales tax in the City; that there should be a conservative approach with the use of reserves in the budget; the importance of community engagement using as many methods as possible during the budget process to determine what the community values in terms of services and programs; that the City cannot continue to rely on personnel vacancies for cost savings; that the City should investigate the potential for consolidation of departments or programs with other agencies; that the City needs to identify mandated services; that the City should involve the Chamber of Commerce as part of the public outreach efforts; support for a two-year budget; and concern about the rapid decline in projections and the ability to raise revenue.

No formal action was taken. The report was received and filed.

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) Other

- (b) **MAYOR PRO TEM RAY:**
 - (1) California Joint Powers Insurance Authority (CJPIA)
 - (2) Economic Vitality Corporation (EVC)
 - (3) Tourism Marketing Committee
 - (4) Community Action Partnership San Luis Obispo (CAPSLO)
 - (5) Other

- (c) **COUNCIL MEMBER BROWN:**
 - (1) San Luis Obispo Council of Governments/Regional Transit Authority (SLOCOG/RTA)
 - (2) Integrated Waste Management Authority Board (IWMA)
 - (3) South County Transit (SCT)
 - (4) Brisco/Halcyon Interchange Subcommittee
 - (5) Other

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

- (e) **COUNCIL MEMBER HARMON:**
 - (1) County Water Resources Advisory Committee (WRAC)
 - (2) Air Pollution Control District (APCD)
 - (3) Five Cities Fire Authority (FCFA)
 - (4) Other

14. COUNCIL COMMUNICATIONS

Council Member Barneich announced that the Five Cities Homeless Coalition will be sponsoring a fundraiser on Saturday, March 3, 2018, at the Pismo Beach Golf Course. She also announced that there will be a “Teens Helping Seniors Tech Clinic” to be held in the Council Chambers on Saturday, January 27, 2018.

Mayor Hill stated that in light of the many recent natural disasters throughout the Country, he would like staff to review the City’s emergency plans to update any information that is needed. He thanked all of the first responders who respond to emergencies.

15. COMMUNITY COMMENTS AND SUGGESTIONS

Patricia Price asked if any direction was given on a one or two year budget; and Brad Snook commented on the water report which referred to an increase in water consumption in 2017, commented on water rates and infrastructure costs, and emphasized the importance of continued water conservation. Mayor Hill responded to Ms. Price that it would be a two year budget.

16. CLOSED SESSION

None.

17. ADJOURNMENT

Mayor Hill adjourned the meeting at 9:08 p.m.

/s/Jim Hill, Mayor

ATTEST:

/s/Kelly Wetmore, City Clerk

(Approved at CC Mtg 02-13-2018)