

## **ACTION MINUTES**

### **REGULAR MEETING OF THE CITY COUNCIL TUESDAY, APRIL 24, 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 Barbara Harmon, Kristen Barneich, Tim Brown, 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, Director of Administrative Services Debbie Malicoat, Interim Director of Recreation Services, Director of Public Works Bill Robeson, Director of Community Development Teresa McClish, Chief of Police Beau Pryor, Utilities Manager Shane Taylor and Five Cities Fire Authority Chief Steve Lieberman.

#### **3. MOMENT OF REFLECTION**

#### **4. FLAG SALUTE**

Mike Furman, representing Arroyo Grande Lions Club, led the Flag Salute.

#### **5. AGENDA REVIEW**

Mayor Hill requested, and the Council concurred, to move Item 12.a. up on the Agenda following the consent agenda.

##### **5.a. Closed Session Announcements:**

##### **Special City Council Meeting of April 10, 2018:**

##### **SUCCESSOR AGENCY**

- a) **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** pursuant to Government Code Section 54956.8:

Property: APN: 006-151-027; Located at Faeh Avenue and El Camino Real  
Agency Negotiators: Debbie Malicoat, Finance Officer; Marty Indvik, Lee & Associates  
Negotiating Parties: ELA Foods, Inc.  
Under Negotiation: Price and terms of payment for sale of property

City Attorney Whitham announced that the Successor Agency voted 4-1, with Board Member Brown dissenting, to extend the government approval contingency one year and to add a contingency requiring the buyer to submit a pre-application directly to the City Council for a fully noticed meeting on the same.

**5.b. Ordinances Read in Title Only.**

Mayor Hill moved, Council Member Brown 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. Honorary Proclamation Declaring June 1, 2018 as “Hunger Awareness Day”.**

Mayor Hill presented an Honorary Proclamation declaring June 1, 2018 as “Hunger Awareness Day”. Kevin Drabinski, CEO, Food Bank Coalition of San Luis Obispo County, accepted the Proclamation.

**6.b. Honorary Proclamation Declaring April 27, 2018 as “Arbor Day”.**

Mayor Hill presented an Honorary Proclamation declaring April 27, 2018 as “Arbor Day”. Bill Robeson, Public Works Director, accepted the Proclamation and announced a tree planting ceremony would take place on April 26<sup>th</sup> at Elm Street Park.

**6.c. Presentation by SLOCOG/Rideshare Regarding Bike Month, May 2018; Bike to School Day, May 9, 2018; and Bike to Work Day, May 18, 2018.**

Sarah Trouger, representing Rideshare, gave a presentation regarding planned events and activities during Rideshare Week to encourage alternative transportation to work and school.

**6.d. Presentation Regarding South County Transit/Regional Transit Authority Consolidation.**

Geoff Straw, Executive Director, SCT/Regional Transit Authority, gave a presentation regarding the South County Transit and Regional Transit Authority goals for consolidation.

**7. CITIZENS’ INPUT, COMMENTS, AND SUGGESTIONS**

Mayor Hill invited public comment. Speaking from the public were: Linda Osty, who offered an invocation; Charles Varney, provided an update on the initiative to ban new oil wells in San Luis Obispo County; Brad Snook, Chair of the Surfrider Foundation, asked for an update on the potential Brown Act violation by the Sanitation District, and commented on Sanitation District personnel and operational issues; David Mullinax, Regional Public Affairs Manager for the League of California Cities, provided an update on the League’s activities and lobbying efforts that the League provides on behalf of cities throughout California to retain local authority and control; Patricia Price, commented on her appreciation for the Council’s work; however, she expressed concerns about past decisions and public comments regarding Mayor Hill, commented on Sanitation District issues, and requested the Council write a letter to the District to rescind censure of Mayor Hill; and Diller Ryan, commented on the Civil Discourse Resolution previously passed by the Council, stated he would like the Council to enforce the Resolution, and suggested amending it to make it more strict. No further public comments were received.

## **8. CITY MANAGER/DIRECTOR REPORTS**

City Manager Bergman provided an update regarding a letter sent to the Board of Supervisors regarding reallocation of CDBG funds for South County homeless services and stated that as a result, the Board reallocated \$22,500 to South County homeless services.

## **9. CONSENT AGENDA**

Mayor Hill referred to Item 9.c. which would cancel the regular City Council meeting of July 10<sup>th</sup>; and referred to Item 9.f. noted that the list of street projects to be funded pursuant to the Road Repair and Accountability Act is available in the agenda report.

In response to a question by Mayor Hill regarding Item 9.i. as it relates to the proposed basin boundary modification request for the Arroyo Grande Creek Valley Fringe Area of the Santa Maria Groundwater Basin, Director McClish responded that the City is supporting the County's request for a basin boundary modification because the City is an affected agency and its groundwater agency is one part of the fringe area.

Mayor Hill invited public comment on the consent agenda. Speaking from the public were: Charles Varney, in opposition to the recommendation in Item 9.i., noting a big disadvantage is that the City would be losing local control over the fringe area, that it should be incorporated into the Northern Cities Management Area and that it should not be turned over to the County, and expressed concern regarding issues that are not fully being addressed in the analysis, including water quality; and Brad Snook, Surfrider Foundation, spoke of his experience working with the County regarding the Diablo desalination project, spoke of water reclamation, and recommended the City retain local control. No further public comments were received.

In response to further questions regarding Item 9.i., Director McClish and Dick Tzou, representing the County of San Luis Obispo, explained that for the Arroyo Grande Creek fringe area, the request is for it to be designated a separate sub-basin of the Santa Maria Valley Groundwater Basin, which means that it could have its own management and still comply with the Sustainable Groundwater Management Act (SGMA).

**Action:** Council Member Barneich moved to approve Consent Agenda items 9.a. through 9.i., with the recommended courses of action. Mayor Pro Tem Ray seconded, and the motion passed on the following roll-call vote:

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

### **9.a. Consideration of Cash Disbursement Ratification.**

**Action:** Ratified the listing of cash disbursements for the period April 1, 2018 through April 15, 2018.

### **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 March 31, 2018, as required by Government Code Section 53646(b).

- 9.c. **Consideration of Cancellation of July 10, 2018 City Council Meeting .**  
**Action:** Cancelled the regularly scheduled Council meeting of July 10, 2018.
- 9.d. **Consideration of Approval of Minutes.**  
**Action:** Approved the minutes of the Special City Council Meeting of April 10, 2018 and the Regular City Council/Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency Meeting of April 10, 2018, as submitted.
- 9.e. **Conflict of Interest Code Biennial Review and Resolution Amending the City of Arroyo Grande Conflict of Interest Code.**  
**Action:** Adopted a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING AN AMENDED CONFLICT OF INTEREST CODE FOR DESIGNATED POSITIONS”***.
- 9.f. **Consideration of a Resolution to Adopt Projects to be Funded by the Road Repair and Accountability Act of 2017 (SB1) Funding.**  
**Action:** 1) Adopted a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING A LIST OF PROJECTS TO BE FUNDED BY SB1 IN FISCAL YEAR 2018/19”***; and 2) Authorized the Director of Administrative Services to submit the list of projects to the California Transportation Commission (CTC).
- 9.g. **Consideration to Approve Construction Plans and Specifications and Environmental Exemption for the 2018 Street Repairs Project, PW 2018-04.**  
**Action:** 1) Approved the construction plans & specifications for the 2018 Street Repairs Project, PW 2018-04; 2) Authorized the City Clerk to advertise for construction bids; 3) Found that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15301(c); and 4) Directed the City Clerk to file a Notice of Exemption.
- 9.h. **Consideration of Program Supplemental Agreement No. N013 Rev. 1 to Administering Agency-State Agreement No. 05-5199-R for the Bridge Street Bridge Rehabilitation Project.**  
**Action:** Adopted a Resolution entitled ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AUTHORIZING THE MAYOR TO EXECUTE PROGRAM SUPPLEMENT AGREEMENT NO. N013 REV. 1 TO ADMINISTERING AGENCY-STATE AGREEMENT NO. 05-5199-R FOR THE BRIDGE STREET BRIDGE REHABILITATION PROJECT”***.
- 9.i. **Consideration of a Resolution Supporting the San Luis Obispo County’s Proposed Basin Boundary Modification Request for the Arroyo Grande Creek Valley Fringe Area of the Santa Maria Groundwater Basin.**  
**Action:** Adopted a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE IN SUPPORT OF THE SANTA MARIA RIVER VALLEY GROUNDWATER BASIN BOUNDARY MODIFICATION REQUEST FOR THE SANTA MARIA BASIN FRINGE AREAS – BY THE COUNTY OF SAN LUIS OBISPO GROUNDWATER SUSTAINABILITY AGENCY TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES”***.

## **10. PUBLIC HEARINGS**

None.

The next agenda item was heard out of order.

**12. NEW BUSINESS**

**12.a. Consideration to Approve a Purchase Order with MKN & Associates, Inc. for the Lift Station No. 1 Force Main Project.**

Public Works Director Robeson provided introductory comments and Utilities Manager Taylor presented the staff report and recommended that the Council approve a Purchase Order with MKN & Associates, Inc. in the amount of \$87,183 for design services for the Lift Station No. 1 Force Main project.

J.J. Reichmuth, MKN & Associates, provided a preliminary engineering report summary of the project, described the purpose of the project, reviewed critical project elements, displayed four alignment alternatives, described the selected alternative that best meets the critical project requirements and responded to questions from Council.

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

**Action:** Mayor Pro Tem Ray moved to approve a Purchase Order with MKN & Associates, Inc. in the amount of \$87,183 for design services for the Lift Station No. 1 Force Main project. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

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

*Mayor Hill called for a break at 7:30 p.m. The Council reconvened at 7:40 p.m.*

**11. OLD BUSINESS**

**11.a. Monthly Water Supply and Demand Update and Two-Year Water Supply and Demand Projections.**

Utilities Manager Taylor presented the staff report and recommended that the Council receive and file the monthly Water Supply and Demand Report and Two-Year Water Supply and Demand projections. Staff responded to questions from Council.

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

The report was received and filed, and no formal action was taken.

**11.b. Consideration of Budget Balancing Strategies for the 2018-20 Biennial Budget.**

City Manager Bergman and Administrative Services Director Malicoat presented the staff report and recommended that the Council approve the budget balancing strategies presented for the FY 2018-20 Biennial Budget. Staff responded to questions from Council.

Mayor Hill invited public comment. Speaking from the public were: Philip Dollman, representing the Police Officers Association, commented that public safety is considered a core and essential service and expressed concerns that one-third of the proposed reductions are coming from the

Police Department, spoke of increased liability resulting from a reduction in hours for the Property and Evidence Technician, and commented that there would be less time on the street by police officers as a result of the reduction of a Reserve Officer; John Mershon, Property and Evidence Technician, spoke of his employment history with the City and provided a handout detailing his training over the past 8 years; Terry Payne, suggested improvements in how Planning staff accepts plans, noted that Planning staff is spending a lot of time making corrections, suggested increasing fees if project applications/plans are incomplete, and opposed reductions in Planning staff, and further stated that the City should seek full cost recovery for special events; Jim Guthrie, supported staffing reductions, eliminations and restructuring, expressed concern with the proposal to pay down PERS when there is also unfunded liability for infrastructure improvements, stated that a reduction in public counter hours at City Hall should be tested and evaluated, commented that while 1/3 of the reduction is coming from the Police Department, 40% of the Budget funds the Police Department; Patricia Price, expressed concern with the reduction of City staff while the Fire Authority staff is receiving raises and not reducing their costs, stated the importance of keeping the Police Department fully staffed, commented on PERS and requested clarification of the issue; Terry Payne, commented on the proposed reduction in City commissions and noted that these are voluntary positions and the work load would likely fall back on staff if eliminated; Keith Storton, acknowledged the work of the Council and staff, stated that the School Resource Officer is funded 50% by the School District and suggested that the position provide 50% service to the school and 50% to the City, commented on the use of volunteers through programs such as Adopt-A-Park and Adopt-a-Road, agrees that the City should pay down the PERS unfunded liability, and commented that future discussions should take place regarding a sales tax increase; and Jeff Lane, Reserve Engineer, Five Cities Fire Authority, stated that the Fire Department is an essential service and that in 2013 the Department experienced a loss of six full-time personnel and noted that the work load has continued to increase, the call volume is higher than it has ever been, and that the issue needs to be addressed for the health and safety of the community. No further public comments were received.

Council comments ensued regarding the proposed budget balancing strategies.

At 11:00 p.m., it was noted that pursuant to Council policy, the Council must vote unanimously to continue the meeting.

**Action:** Mayor Pro Tem Ray moved to continue the meeting to 11:30 p.m. Council Member Barneich seconded, and the motion failed (4-1, with Council Member Brown dissenting) by voice vote.

**Action:** Mayor Hill moved to continue the meeting to 11:15 p.m. Council Member Brown seconded, and the motion passed unanimously (5-0) by voice vote.

Council comments continued regarding the proposed budget balancing strategies.

**Action:** At 11:15 p.m., Council Member Brown moved to continue the meeting to 11:30 p.m., Council Member Harmon seconded, and the motion passed unanimously (5-0) by voice vote.

Council comments continued regarding the proposed budget balancing strategies. Council provided comments in support of the prepayment of CalPERS unfunded liability, reduction of operating budgets and certain efficiency measures, potential revenue enhancements including

fee increases so that the City can achieve full cost recovery for services when possible, a reduction in City Hall public counter office hours, and a two year hiatus in memberships with the Economic Vitality Corporation and the Diversity Coalition. Concerns were expressed regarding the two year membership hiatus for the League of California Cities due to the support and effective lobbying it provides for cities to retain local control, as well as proposed reductions in the Reserve Police Officer position and elimination of the part-time Maintenance Worker positions as these positions provide core and essential services. Council acknowledged that the community should pay for the cost of services; that the City needs to evaluate special events as it relates to cost recovery for public safety services; that there be no change to the City's existing Reserve Policy and that funds above the City's reserve policy goal should be utilized to pay down the PERS unfunded liability balance; that the current Five Cities Fire Authority Agreement needs to be evaluated and amended; that a reduction or elimination of selected City commissions and streamlining of review processes needs to be analyzed; that economic development and support for businesses needs to remain a high priority; that funding for City infrastructure and assets should also be a budget priority; that the City should investigate the use of volunteers from service organizations and groups for volunteer programs such as Adopt-a-Park and Adopt-a-Road; and that cost recovery for the use of Soto Sports Complex is necessary as it is a regional facility and the City is currently subsidizing the costs to maintain the facility.

No formal action was taken.

**13. CITY COUNCIL REPORTS**

This item was tabled until the next regular meeting.

**14. COUNCIL COMMUNICATIONS**

None.

**15. COMMUNITY COMMENTS AND SUGGESTIONS**

None.

**16. CLOSED SESSION**

None.

**17. ADJOURNMENT**

Mayor Hill adjourned the meeting at 11:29 p.m.

**/s/Jim Hill, Mayor**

**ATTEST:**

**/s/Kelly Wetmore, City Clerk**

**(Approved at CC Mtg 05-08-2018)**