

ACTION MINUTES

REGULAR MEETING OF THE CITY COUNCIL TUESDAY, MAY 22, 2018 COUNCIL CHAMBERS, 215 E. BRANCH STREET ARROYO GRANDE, CALIFORNIA

1. CALL TO ORDER

Mayor Pro Tem Ray 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, and Mayor Pro Tem Caren Ray were present. Mayor Hill was absent.

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, 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

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

5. AGENDA REVIEW

5.a. Closed Session Announcements:

City Council Meeting of May 8, 2018:

- a) Public Employee Performance Evaluation pursuant to Government Code Section 54957:
Title: City Manager
- b) Public Employee Performance Evaluation pursuant to Government Code Section 54957:
Title: City Attorney
- c) Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 and (e)(3):
One Potential Case

City Attorney Whitham announced that the Council met in closed session on May 8, 2018 to discuss the above items and there was no reportable action taken.

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. Honorary Proclamation Declaring May 20-26, 2018 as “National Public Works Week”.

Mayor Pro Tem Ray presented an Honorary Proclamation declaring May 20-26, 2018 as “National Public Works Week”. Bill Robeson, Public Works Director, accepted the Proclamation.

6.b. Honorary Proclamation Declaring May 2018 as “Building Safety Month”.

Mayor Pro Tem Ray presented an Honorary Proclamation declaring May 2018 as “Building Safety Month”. Marisela Moreno, Building Permit Technician, and Teresa McClish, Community Development Director accepted the Proclamation and presented a brief video produced by the International Code Council.

7. CITIZENS’ INPUT, COMMENTS, AND SUGGESTIONS

Mayor Pro Tem Ray invited public comment. Speaking from the public were: Linda Osty, who offered an invocation; Cynthia Gonzalez, Elite Care, expressed concern regarding the status of their permit from the State, acknowledged changes in State regulations, and expressed concern with the perceived change of heart by the Council; Patty Welsh, referred to Devin Ward who is suffering from ALS, and spoke in support of medical marijuana deliveries in Arroyo Grande; Tami Peluso, referred to letters from elderly customers in support of medical cannabis; Linda Balter, Central Cost Medical Recommendations, spoke about their patients who need medical marijuana and the need for it in Arroyo Grande; Patricia Price, spoke in support of medical cannabis; David Balter, MD, spoke in support of Elite Care and of medicinal marijuana; and Anny Ashbrook, spoke about her son in Texas who has cancer and uses medical cannabis and supports it in Arroyo Grande. No further public comments were received.

8. CITY MANAGER/DIRECTOR REPORTS

There were no reports.

9. CONSENT AGENDA

Mayor Pro Tem Ray requested that Items 9.c. and 9.g. be pulled.

Mayor Pro Tem Ray invited public comment on the consent agenda. No public comments were received.

Action: Council Member Brown moved to approve Consent Agenda Items 9.a. through 9.f., with the exception of Item 9.c., with the recommended courses of action. City Attorney Whitham read the full title of the Ordinance in Item 9.f. as follows: ***“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AMENDING PORTIONS OF TITLE 16 OF THE ARROYO GRANDE MUNICIPAL CODE REGARDING TEMPORARY NONCOMMERCIAL SIGNS”***. Council Member Harmon seconded, and the motion passed on the following roll-call vote:

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

- 9.a. **Consideration of Cash Disbursement Ratification.**
Action: Ratified the listing of cash disbursements for the period May 1, 2018 through May 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 April 30, 2018, as required by Government Code Section 53646(b).
- 9.d. **Consideration of Approval of Minutes.**
Action: Approved the minutes of the Regular City Council/Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency Meeting of May 8, 2018, as submitted.
- 9.e. **Consideration of Resolution Declaring Surplus Property.**
Action: 1) Adopted a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DECLARING A 1995 FORD E-350 UTILITY VEHICLE AND HONDA GENERATOR MOUNTED ON UTILITY TRAILER AS SURPLUS AND AUTHORIZING ITS SALE OR DISPOSAL;*** and 2) Adopted a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DECLARING AN EXISTING MILITARY GENERATOR AS SURPLUS PROPERTY AND AUTHORIZING ITS TRANSFER TO THE CITY OF GROVER BEACH”.***
- 9.f. **Consideration of Adoption of Ordinance - Development Code Amendment 17-004; Amendments to Title 16 of the Arroyo Grande Municipal Code Regarding Exempt Signs; Location – Citywide; Applicant – City of Arroyo Grande.**
Action: Adopted an Ordinance entitled: ***“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AMENDING PORTIONS OF TITLE 16 OF THE ARROYO GRANDE MUNICIPAL CODE REGARDING TEMPORARY NONCOMMERCIAL SIGNS”.***

ITEMS PULLED FROM THE CONSENT AGENDA

- 9.c. **Consideration of Acceptance of the Comprehensive Annual Financial Report.**
Recommended Action: Receive and file the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017.

Mayor Pro Tem Ray commended Director of Administrative Services Malicoat regarding the Comprehensive Annual Financial Report and noted that the City received an unqualified opinion from the auditor.

Action: Mayor Pro Tem Ray moved to receive and file the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

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

- 9.g. **Monthly Water Supply and Demand Update.**
Recommended Action: Receive and file the monthly Water Supply and Demand Report.

Mayor Pro Tem Ray commented that this month's report reflects information at the start of the water year and suggested that prior year information be provided in future reports to provide context as a point of reference and comparison.

Action: Mayor Pro Tem Ray moved to receive and file the monthly Water Supply and Demand Report. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

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

10. PUBLIC HEARINGS

10.a. Consideration of Tentative Tract Map 18-002; Amendment to Vesting Tentative Tract Map 15-001 Regarding Construction Hours and Timing of Traffic Signal Installation, Street Improvement Installation, and Payment of Street Mitigation Fees; Location – Subarea 2 of the East Cherry Avenue Specific Plan; Applicant – Wathen Castanos Homes; Representative – Carol Florence, Oasis Associates.

Community Development Director McClish presented the staff report and recommended that the Council adopt a Resolution modifying conditions of approval to allow for Saturday construction of residences for Subarea 2 of the East Cherry Avenue Specific Plan and modifying the requirement of traffic signal installation, street improvements on W. Branch Street, and payment of street mitigation fees to the time of building permit issuance for homes other than model homes. She also noted that supplemental information had been distributed to the Council regarding the proposed addition of condition #4 to clarify that the construction of East Cherry Avenue roadway frontage improvements will be completed by the developer of Subarea 2 with an agreement for future reimbursement by Subarea 1. Staff responded to questions from Council.

Carol Florence, representative for the applicant, provided a status of the project to date; commented that the developer is poised to break ground; requested that Council uphold staff and Planning Commission recommendation for approval, with the addition of condition #4; and explained the timeline for construction of the model homes as it relates to the timeline for installing the traffic signal.

Josh Peterson, Wathen Castanos Homes, responded to questions from Council regarding occupancy permits for the model homes which are obtained after all the homes are constructed; explained that trade laborers are local and that they want to work on Saturday to complete more work in a shorter amount of time; explained that two full-time construction managers would be on-site Monday through Friday and half-time on Saturdays; clarified phasing of the project and estimated time for completion.

Mayor Pro Tem Ray opened the public hearing. Speaking from the public were: Robert Johnson, regarding construction hours on Saturdays as it relates to noise levels and impacts to the adjacent neighbors; Patty Welsh, commented on Saturday construction hours and expressed concerns regarding the noise and quality of life of the residents who have lived in the neighborhood for many years; Linda Osty, stated that she understood the issues faced by the developer and commented that the previous developer worked closely with the neighbors to mitigate impacts and that she hoped this developer would continue to work with the neighbors; and Joann Bowen, commented that she would like the traffic light to go in at Fair Oaks and Traffic Way sooner rather than later. Hearing no further public comments, Mayor Pro Tem Ray closed the public hearing.

Council discussion ensued in general support of the proposed amendments, including condition #4; however, concerns were expressed regarding construction on Saturdays as it relates to noise and resulting impacts to the adjacent residential neighborhood.

In response to Council comments regarding the addition of a look back provision, City Attorney Whitham suggested the Council could include a condition as follows: *“If the City receives a substantial number of complaints from neighbors of the project, staff may in its discretion, schedule a City Council meeting to reconsider the allowance of construction on Saturdays.”*

Motion: Council Member Brown moved to approve Tentative Tract Map 18-002, Amendment to Vesting Tentative Tract Map 15-001 regarding construction hours and timing of traffic signal installation, street improvement installation, and payment of street mitigation fees; Location – Subarea 2 of the East Cherry Avenue Specific Plan, Applicant: Wathen Castanos, Representative: Carol Florence, Oasis Associates, as modified to include the provision provided by legal counsel, and in addition, that proposed condition #4 is included, and to allow construction on Saturdays from 10 a.m. to 5 p.m. Council Member Barneich seconded, and the motion tied on the following roll-call vote, resulting in no action:

AYES: Brown, Barneich
NOES: Harmon, Ray
ABSENT: Hill

Further discussion ensued regarding the subjectivity of the condition regarding the look back provision, how complaints would be measured, and what would trigger the matter to come back to Council for review.

Motion: Council Member Harmon moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING TENTATIVE TRACT MAP 18-002 MODIFYING CONDITIONS OF APPROVAL #18, #49, AND #157 OF RESOLUTION NO. 4771 REGARDING SATURDAY CONSTRUCTION AND MODIFYING CONDITIONS OF APPROVAL #162-164 REGARDING TRAFFIC SIGNAL INSTALLATION, STREET IMPROVEMENT INSTALLATION, AND PAYMENT OF STREET MITIGATION FEE TIMING; LOCATED AT SUBAREA 2 OF THE EAST CHERRY AVENUE SPECIFIC PLAN; APPLIED FOR BY WATHEN CASTANOS”**, as modified to add Condition No. #4, as follows: *“Prior to issuance of occupancy permits, the applicant shall install, subject to approval of the City Engineer, frontage improvements on East Cherry Avenue, including widening as depicted in Section E-E on sheet 4 of the tentative map plan set and shall include two (2) 5-foot wide bike lanes. Road widening transitions must be completed to the satisfaction of the City Engineer. In accordance with the requirements of Government Code Section 66485 et seq. and AGMC 16.68.080, the applicant shall enter into a reimbursement agreement for costs associated with design, permitting, inspections and construction of said roadway frontage improvements that are supplemental to the requirements of Tract 3081. Reimbursement funds will be collected by the City from future development projects that benefit from the frontage improvements.”* Council Member Barneich seconded, and the motion tied on the following roll-call vote, resulting in no action:

AYES: Harmon, Barneich
NOES: Brown, Ray
ABSENT: Hill

Action: Council Member Brown moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING TENTATIVE TRACT MAP 18-002 MODIFYING CONDITIONS OF APPROVAL #18, #49, AND #157 OF RESOLUTION NO. 4771 REGARDING SATURDAY CONSTRUCTION AND MODIFYING CONDITIONS OF APPROVAL #162-164 REGARDING TRAFFIC SIGNAL INSTALLATION, STREET IMPROVEMENT INSTALLATION, AND PAYMENT OF STREET MITIGATION FEE TIMING; LOCATED AT SUBAREA 2 OF THE EAST CHERRY AVENUE SPECIFIC PLAN; APPLIED FOR BY WATHEN CASTANOS”**, as modified to include the look back provision as provided by the City Attorney, and adding Condition No. 4. Council Member Harmon seconded, and the motion passed on the following roll-call vote:

AYES: Brown, Harmon, Barneich
NOES: Ray
ABSENT: Hill

Council Member Brown requested, and the Council concurred, to move Item 12.a. up on the Agenda prior to the next public hearing item in order to accommodate the applicant and the Boy Scouts in attendance to present the project.

Mayor Pro Tem Ray called for a break at 7:54 p.m. The Council reconvened at 8:00 p.m.

12. NEW BUSINESS

12.a. Consideration of 9/11 First Responders Memorial at Fire Station 1 Located at 140 Traffic Way.

Community Development Director McClish presented the staff report and recommended the Council approve the installation of the proposed 9/11 First Responders Memorial at Fire Station 1. Director McClish introduced Zachary Hall from Boy Scout Troop 450 who presented his Eagle Scout project to the Council and responded to questions from Council.

Mayor Pro Tem Ray invited public comment. Speaking from the public was Keith Storton, who noted he was a former Scout Master, commended Zachary Hall, and spoke in support of the proposed Eagle Scout project. No further public comments were received.

Motion: Mayor Pro Tem Ray moved to approve installation of the proposed 9/11 First Responders Memorial at Fire Station 1, with the only change to provide for a presentation of the project back to the Public Art Committee. The motion died for lack of a second.

Action: Council Member Brown moved to approve the installation of the proposed 9/11 First Responders Memorial at Fire Station 1, as presented. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

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

10. PUBLIC HEARINGS

10.b. Consideration of Annual Public Hearing for the Arroyo Grande Tourism Business Improvement District (AGTBID).

City Manager Bergman 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 AGTBID and levy an annual assessment for fiscal year 2018-19; 2) Determine whether a legally sufficient number of protests have been made; 3) If a legally sufficient protest is not made, adopt a Resolution confirming the Advisory Board's annual report and levying an annual assessment for the AGTBID for the 2018-19 fiscal year; and 4) Adopt a Resolution approving the FY 2018-19 budget for the AGTBID. Staff confirmed that no written protests were received.

Mayor Pro Tem Ray opened the public hearing. Speaking from the public was Anny Ashbrook, who stated she has an AirBnB, that the County has an agreement with AirBnB to collect the taxes from the renter and the City does not, and expressed concern that she has to collect the taxes herself and she is uncomfortable doing so, therefore, she pays for the taxes from her own pocket. Hearing no further public comments, Mayor Pro Tem Ray closed the public hearing.

In response to questions regarding the agreement with the Chamber of Commerce to manage the AGTBID, Jocelyn Brennan, Executive Director, Arroyo Grande & Grover Beach Chamber of Commerce, explained the reasons for the requested increase in order to manage and administer the activities of the AGTBID and meetings of the Advisory Board.

Action: Council Member Barneich 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 2018-19 FISCAL YEAR"***. Mayor Pro Tem Ray seconded, and the motion passed on the following roll call vote:

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

Action: Council Member Barneich moved to adopt a Resolution entitled ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING THE FISCAL YEAR 2018-19 BUDGET FOR THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT"***. Council Member Harmon seconded, and the motion passed on the following roll-call vote:

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

11. OLD BUSINESS

11.a. Consideration of Capital Improvement Projects and Local Sales Tax Fund Expenditures for the FY 2018-20 Biennial Budget.

City Manager Bergman presented the staff report and recommended that the Council provide direction on priorities for the CIP as well as expenditures funded by the Local Sales Tax Fund for the FY 2018-20 Biennial Budget. Staff responded to questions from the Council.

Mayor Pro Tem Ray invited public comment. No public comments were received.

Council discussion ensued regarding the various capital improvement projects and the proposed local sales tax expenditures for FY 2018-20. Council expressed concerns about utilizing local sales tax funds for staffing and stated those costs should be paid from the General Fund; expressed concerns about the proposed funding for a Master Plan for the Soto Sports Complex until more information is provided and that those funds should be allocated to improvement projects that are already identified; and support for funding the Inspector position as fees will offset funding for the position.

There was no action taken on this item.

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

(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)

(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

(d) COUNCIL MEMBER BARNEICH:

- (1) Zone 3 Water Advisory Board
- (2) Homeless Services Oversight Council (HSOC)

(e) COUNCIL MEMBER HARMON:

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

14. COUNCIL COMMUNICATIONS

Mayor Pro Tem Ray announced the Special City Council budget meeting to be held on Tuesday, May 29, 2018 and encouraged members of the public to attend.

15. COMMUNITY COMMENTS AND SUGGESTIONS

Patricia Price, referred to the last South San Luis Obispo County Sanitation District meeting and requested that the Council authorize Mayor Hill to send a letter to the District Attorney notifying him that the recent Brown Act violation by the Sanitation District has been cured and corrected.

16. CLOSED SESSION

None.

17. ADJOURNMENT

Mayor Pro Tem Ray adjourned the meeting at 10:21 p.m.

/s/Jim Hill, Mayor

ATTEST:

/s/Kelly Wetmore, City Clerk

(Approved at CC Mtg 06-12-2018)