

ACTION MINUTES

REGULAR MEETING OF THE CITY COUNCIL TUESDAY, JANUARY 26, 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: City Manager Dianne Thompson, 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, Public Works Director Geoff English, and Police Chief Steven Annibali.

3. MOMENT OF REFLECTION

4. FLAG SALUTE

Terry Fibich, representing Rotary Club of Pismo Beach/Five Cities, 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 Guthrie 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. Mayor's Commendation Presented to Sprinkler King.

Mayor Hill announced that at the request of the recipient, the Commendation would be rescheduled to a future meeting.

7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS

Mayor Hill invited public comment. Speaking from the public were Sissy Pace, Arroyo Grande, who offered an invocation; Patty Welsh, commented that public comment had been removed from the end of the Agenda, commented on Council relations, and requested that public comment be placed back on the agenda at the end of the meeting; Pat Dempsey, Arroyo Grande, read a portion of the Executive Summary from the Knudsen Report regarding its investigation of the South San Luis Obispo Sanitation District; April McLaughlin, commented that the Knudsen Report is available online at www.sslocsd.org and read a portion of the report;

Colleen Martin, Arroyo Grande, commented that the SSLOCSD meeting can be viewed at www.slo-span.org and read a portion of the Knudsen report; Beatrice Spencer, Arroyo Grande, showed a graph of the Wallace Group's billing history and read a portion of the Knudsen Report; Leann Akins, Arroyo Grande, commented on the minutes of the SSLOCSD meeting relating to Mayor Hill's motion to refer the findings of the Knudsen Report to law enforcement; Shirley Gibson, Halcyon, shared Arroyo Grande History from 1927 regarding the purchase of school property, the first sewer lines installed, and the Arroyo Horseshoe Club.

8. CITY MANAGER REPORT:

City Manager Thompson provided a status report on items recently considered by the Traffic Commission, Planning Commission, and Historical Resources Committee; recent projects and events including recent rainfall figures; Lopez Lake storage capacity; in-house capital nitrification project that was recently completed on time and under budget; temporary closure of the Swinging Bridge for repairs and maintenance needs; safety training provided by the Police Department for City Hall staff; and the launch of OpenGov in April to increase the City's financial transparency.

9. CONSENT AGENDA

Council Member Brown requested Items 9.a., 9.g., and 9.h. be pulled. Mayor Pro Tem Harmon requested Item 9.c. be pulled.

Mayor Hill invited public comment on the Consent Agenda. No public comments were received.

Action: Council Member Guthrie moved, and Council Member Barneich seconded the motion to approve Consent Agenda Items 9.b., 9.d., 9.e., and 9.f., with the recommended courses of action. The motion passed on the following roll-call vote:

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

9.b. Consideration of Investment Deposits.

Action: Received and filed the report listing the current investment deposits of the City, as of December 31, 2015, as required by Government Code Section 53646(b).

9.d. Consideration of Approval of Minutes.

Action: Approved the minutes of the Regular City Council Meeting of January 12, 2016, as submitted.

9.e. Consideration to Approve an Agreement for Consultant Services with Ravatt Albrecht & Associates, Inc. for the City Council Chambers Access Improvement Project, PW 2015-14.

Action: 1) Approved an Agreement for Consultant Services with Ravatt Albrecht & Associates in the amount of \$30,000; 2) Authorized the City Manager to approve change orders up to 10% of the contract amount in the amount of \$3,000 for additional work and/or unanticipated costs during the design and environmental review process; and 3) Authorized the Mayor to execute the Agreement for Consultant Services.

9.f. Consideration to Approve the Purchase of a Replacement Backup Pump and Motor for Lift Station No. 1.

Action: Approved the purchase of a replacement backup submersible sewage pump/motor for Sewer Lift Station No. 1 in the amount of \$39,000 and appropriated funding for the purchase.

ITEMS PULLED FROM THE CONSENT AGENDA

9.a. Consideration of Cash Disbursement Ratification.

Recommended Action: Ratify the listing of cash disbursements for the period January 1, 2016 through January 15, 2016.

In response to questions by Council Member Brown, staff clarified credit card payments, provided an overview of the supplemental information distributed to the Council which provides a more detailed description of purchases, and explained the increase in charges from the Wallace Group.

Mayor Hill invited public comment. Speaking from the public was April McLaughlin, Arroyo Grande, who thanked staff for providing more detail in the financial reports. No further comments were received.

Action: Council Member Brown moved to ratify the listing of cash disbursements for the period January 1, 2016 through January 15, 2016. Council Member Guthrie seconded, and the motion passed on the following roll-call vote:

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

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, 3015.

In response to comments by Mayor Pro Tem Harmon, staff provided an overview of the policy for approval of credit card purchases and noted that staff is working on updating the City's Purchasing Policy.

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

Action: Council Member Barneich moved to receive and file the Comprehensive Annual Financial Report for the fiscal year ended June 30, 3015. Mayor Pro Tem Harmon seconded, and the motion passed on the following roll-call vote:

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

9.g. Monthly Water Supply and Demand Update.

Recommended Action: Receive and review the monthly Water Supply and Demand Report.

In response to comments by Council Member Brown, staff commented on El Nino rain fall projections, that they are lower than expected, and encouraged residents to continue to conserve water.

Mayor Hill invited public comment. Speaking from the public was Patty Welsh, who requested that businesses be included in the water conservation restrictions and asked if the City would be going into a Stage 2 water emergency; LeAnn Akins, commented on other ways to conserve water through the "Cash for Grass" program, and encouraged residents and businesses to not only conserve water but to use only native plants, which will help preserve the bee population. No further comments were received.

City Manager Thompson provided an update on the Cash for Grass program.

Action: Council Member Barneich moved to receive the monthly Water Supply and Demand Report. Council Member Brown seconded, and the motion passed unanimously by voice vote.

9.h. Consideration of Development Code Amendment Case No. 15-003; Adoption of Ordinance Adding Chapter 16.62 to Title 16 of the Arroyo Grande Municipal Code Regarding Medical Marijuana; Location – Citywide; Applicant – City Of Arroyo Grande.

Recommended Action: Adopt an Ordinance adding Chapter 16.62 to Title 16 of the Arroyo Grande Municipal Code relating to medical marijuana dispensaries, cooperatives and collectives, cultivation of medical marijuana, and deliveries of medical marijuana or medical cannabis products.

Council Member Brown stated he requested this item be pulled for a separate roll call vote.

Mayor Hill commented that the State has mandated cities to adopt an Ordinance by March 1st and stated the Ordinance can be modified in the future and requested staff to look into the matter as necessary.

Mayor Hill invited public comment. Speaking from the public were Jack Stevens, in opposition to the Ordinance prohibiting Medical Marijuana dispensaries, cooperatives and collectives, cultivation of medical marijuana and deliveries of medical marijuana; Kate Kytte, in opposition to the Ordinance; Cindy Gonzales, in opposition to the Ordinance; and Patty Welsh, in opposition to the Ordinance.

Action: Council Member Guthrie moved to adopt an Ordinance entitled "**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADDING CHAPTER 16.62 TO TITLE 16 OF THE ARROYO GRANDE MUNICIPAL CODE RELATING TO MEDICAL MARIJUANA DISPENSARIES, COOPERATIVES AND COLLECTIVES, CULTIVATION OF MEDICAL MARIJUANA, AND DELIVERIES OF MEDICAL MARIJUANA OR MEDICAL CANNABIS PRODUCTS.**" Council Member Barneich seconded the motion.

The motion passed on the following roll-call vote:

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

10. PUBLIC HEARINGS

10.a. Consideration of Lot Merger No. 15-002; Conditional Use Permit No. 15-006; and Mitigated Negative Declaration; Construction of an Approximately 45,000 Square-Foot, Three Story Medical Office Building; Location – Northwest Corner of Fair Oaks Avenue and Woodland Drive; Applicant – Triple P, LLC; Representative – Studio Design Group.

Community Development Director McClish presented the report and stated the Planning Commission recommended that the City Council: 1) Adopt a Resolution adopting the Mitigated Negative Declaration and approving the project; and 2) Direct staff to maintain the gate closure on Woodland Drive. Staff responded to questions from Council.

Brian Starr, SDG Architects, provided an overview of the project and responded to questions from Council regarding entry, lighting, height of the building, parking, trees, trash enclosure, and landscaping. Russ Garrison, Bethel Engineering, addressed lighting standards.

Mayor Hill opened the public hearing. Speaking from the public were Patty Welsh, stating she clearly remembers 12 ft. light poles were discussed; Beatrice Spencer, spoke on behalf of Leann Akins, reading a letter expressing concern with growth and parking, and was not satisfied with the traffic study; Speaker (did not state name), expressed concern about traffic, noise, access from garbage trucks, lighting, duration of construction, lack of parking, impacts to public health and safety being that the project is 60 ft. from his front door and encouraged the Council to downsize the project; Colleen Martin, Arroyo Grande, requested the mailbox serving the Walnut Grove development be turned around to face the sidewalk instead of the street; Jeannie Downer, requested the mailbox be turned around and thanked Mayor Pro Tem Harmon for the help with the parking; and April McLaughlin, expressed concern that staff does not know answers to the questions being brought to them. Hearing no further comments, Mayor Hill closed the public hearing.

Council comments ensued regarding light standards and height of poles, building size, and turning the mailbox around to face the sidewalk.

Action: Council Member Brown moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING A MITIGATED NEGATIVE DECLARATION AND APPROVING LOT MERGER 15-002 AND CONDITIONAL USE PERMIT 15-006; LOCATED AT THE NORTHWEST CORNER OF FAIR OAKS AVENUE AND WOODLAND DRIVE; APPLIED FOR BY TRIPLE P, LLC”**, with the following modifications: 1) That Condition No. 131 regarding driveway alignment will be removed; 2) That a Condition be added regarding the Reciprocal Driveway Easement between the project site and the hospital; 3) That a Condition be added regarding shared parking for the residents; 4) That there be a very specific height limit of 12 ft. on the exterior light poles and keeping the bollards in place to maintain

the Woodland Drive street closure; and 5) That a Condition be added requiring the applicant to work with the Walnut Grove Homeowners Association and the U.S. Post Office on the feasibility of relocating or reorienting the mailbox to the sidewalk at the expense of the applicant. Council Member Brown also noted that the project meets all five of the findings for approval of the Conditional Use Permit. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

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

Mayor Hill called for a break at 9:00 p.m. The Council reconvened at 9:05 p.m.

11. OLD BUSINESS

None.

12. NEW BUSINESS

12.a. Consideration of an Ordinance Regulating Expanded Polystyrene Food Containers and Products; Location - Citywide; Applicant – City of Arroyo Grande.

Community Development Director McClish presented the staff report and recommended the Council introduce an Ordinance adding Chapter 8.34 to the Arroyo Grande Municipal Code prohibiting the use of expanded polystyrene food or drink containers and the retail sale of non-encased expanded polystyrene products. Staff responded to questions from Council.

Mayor Hill invited public comment. Speaking from the public were Robert Robert, Grover Beach, in support of the proposed Ordinance to ban the use of polystyrene products; Cory Jones, San Luis Obispo, Cal Poly student, in support of the proposed Ordinance; Brad Snook, Surfrider Foundation, in support of the proposed Ordinance; Judith Bernstein, Arroyo Grande, SLO Foam Free member, in support of the proposed Ordinance; Anita Shower, Grover Beach, President, Eco Club Five Cities, in support of the proposed Ordinance; Doug Tait, Arroyo Grande, on behalf of Morro Coast Audubon Society, spoke in support of the proposed Ordinance.

Council comments ensued regarding the use of polystyrene products at schools and whether schools would have to comply with the Ordinance; percentage of polystyrene products being used in the City; outreach made to restaurants; concern about penalizing businesses; and the cost for businesses to transition to the use of alternative food containers and products.

Action: Council Member Barneich moved to introduce an Ordinance entitled: **“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADDING CHAPTER 8.34 TO TITLE 8 OF THE ARROYO GRANDE MUNICIPAL CODE REGULATING EXPANDED POLYSTYRENE FOOD CONTAINERS AND PRODUCTS”**. Council Member Brown seconded, and the motion passed unanimously on the following roll call vote:

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

12.b. Review and Provide Direction Regarding Amendments to the Policy/Procedure For Conducting City Council Business.

City Manager Thompson presented the staff report and recommended that the Council review the current Policy/Procedure for Conducting City Council Business and determine if the Council wishes to request amendments to the policy for consideration at a future meeting.

Mayor Hill invited public comment. Speaking from the public were Patty Welsh, commented that the Mayor should have the power to add items to the agenda; Brad Snook, Arroyo Grande, appreciates the hard questions that Council asks to get the answers needed; Pat Dempsey, Arroyo Grande, suggested adding language that the Mayor can add one agenda item to a future meeting and that one agenda item can be added by a Council Member by a vote of two Council Members and that the same item cannot be reintroduced for a certain period of time; Colleen Martin, Arroyo Grande, commented that she feels the Mayor and Mayor Pro Tem should prepare the agenda with the City Manager; and April McLaughlin, commented that the Mayor and Mayor Pro Tem should prepare the agenda.

At this time, Mayor Hill noted that pursuant to Council policy, the Council must vote unanimously to continue the meeting past 11:00 p.m.

Action: Council Member Guthrie moved to continue the meeting until 11:30 p.m. Council Member Barneich seconded, and the motion passed unanimously by voice vote.

Action: Council Member Brown moved to amend Policy 2, Subsection 7.A. to allow a Council Member to request an item of business be placed on a future agenda with the concurrence of at least one other Council Member. Mayor Hill seconded, and the motion passed on the following roll call vote:

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

Action: Council Member Brown moved to amend Policy 2, Subsection 1.C. to make it consistent with State law, to read as follows: "*A special meeting may be called at any time by the presiding officer or by a majority of the City Council.*" Council Member Guthrie seconded, and the motion passed unanimously by voice vote.

Action: Council Member Brown moved to defer the discussion regarding the role and responsibilities of the Mayor until more research can be done. Council Member Guthrie seconded, and the motion passed unanimously by voice vote.

Action: Council Member Guthrie moved to direct staff to research some guidelines or criteria regarding the scope of agenda topics, particularly for issues that may be outside of the City's jurisdiction. Council Member Brown seconded, and the motion passed unanimously by voice vote.

Council Member Guthrie also suggested that a time certain be established for items on the Agenda.

13. CITY COUNCIL REPORTS

Action: Council Member Guthrie moved to postpone City Council Reports to the next meeting, Mayor Pro Tem Harmon seconded, and the motion passed unanimously by voice vote.

14. COUNCIL COMMUNICATIONS

None.

15. CLOSED SESSION

This item was postponed to the next meeting due to the late hour.

16. ADJOURNMENT

Prior to adjournment, Mayor Hill invited public comment. Speaking from the public was Beatrice Spencer, who read the last paragraph of the Knudsen Report. No further public comment was received.

Mayor Hill adjourned the meeting at 11:25 p.m.

Jim Hill, Mayor

ATTEST:

Kelly Wetmore, City Clerk

(Approved at CC Mtg _____)