

## **ACTION MINUTES**

### **REGULAR MEETING OF THE CITY COUNCIL TUESDAY, SEPTEMBER 13, 2016 SOUTH COUNTY REGIONAL CENTER, 800 W. BRANCH STREET ARROYO GRANDE, CALIFORNIA**

#### **1. CALL TO ORDER**

Mayor Hill called the Regular City Council Meeting to order at 6:01 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: Interim City Manager Bob McFall, City Attorney Heather Whitham, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Community Development Director Teresa McClish, Planning Manager Matt Downing, Director of Administrative Services Debbie Malicoat, Public Works Director Geoff English, and Police Commander Beau Pryor.

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

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

Anne McCracken, 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 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. Special Presentation by SLOCOG - Pledge to Make a Smart Commute Choice During Rideshare Week, October 3 – 7, 2016.**

Peter Williamson, Employer Outreach Coordinator, gave a presentation about Rideshare Week and encouraged commuters to make smart commute choices by biking, walking, carpooling, vanpooling, or taking a bus to work, and encouraged parents to walk their children to school on October 5<sup>th</sup>.

#### **7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS**

Mayor Hill invited public comment. Speaking from the public were David Kahn, President of the 5 Cities Diversity Coalition, commented on an approved public art project to be placed outside the entrance to Arroyo Grande High School, that fundraising efforts are still ongoing, and requested the City Council consider contributing financially toward the project; Gabrielle

Santiago, student designer of the public art sculpture, spoke of her experience working with the 5 Cities Diversity Coalition and the meaning of the sculpture; Joe Whitaker, member of the 5 Cities Diversity Coalition, provided an overview of the Diversity Coalition's mission; Linda Osty, offered an invocation; Patty Welsh, Arroyo Grande, referred to City Council's previous action to raise water rates by 11% with 1% going to the Cash for Grass Program and requested that the 1% be removed because the Cash for Grass Program is no longer in use and suggested that the City set up a page on the City website where citizens can submit comments on the water issues; Frank Schiro, Arroyo Grande resident and Village business owner, spoke about the water issues and the discussion about a moratorium and stated that a moratorium for residential development is not effective and encouraged other options for commercial uses including energy saving appliances, waterless urinals, reinstatement of water conservation incentive programs, and stated water neutral or water negative development should be considered to reduce water use; Joe Furino, Arroyo Grande, referred to the small plastic bucket distributed by South County Sanitary Service for food composting and expressed concerns with the quality of container; and Shirley Gibson, referred to the Halcyon Road project and announced a community information meeting to be held at Margaret Harloe School on Wednesday, September 14<sup>th</sup> and Thursday, September 15<sup>th</sup> from 5:30 – 8:00 p.m., and also provided local history on an article about a woman who rode her horse down the street in the Village.

**8. ACTING CITY MANAGER REPORT:**

Interim City Manager McFall stated he is happy to be back and appreciated the warm welcome from everyone, thanked staff for their support, and said he is looking forward to accomplishing goals established by the Council.

**9. CONSENT AGENDA**

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

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

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

9.a. **Consideration of Approval of Minutes.**

**Action:** Approved the minutes of the Special and Regular City Council/Successor Agency Meetings of August 23, 2016, as submitted.

9.b. **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.c. **Consideration of Approval of Lease Agreement for Public Parking Area.**

**Action:** Approved and authorized the Mayor to execute a Lease Agreement between the City and Blair B. Mankins and Mark H. Mankins, as Co-Trustees of the Mankins Family Revocable Trust – Survivor's Trust for the lease of certain parking areas on the north side of East Branch Street for public off-street parking.

**9.d. Consideration of Award of Contract to R. Burke Corporation for the 2016 Street Repairs Project, PW 2016-03.**

**Action:** 1) Awarded a contract for the 2016 Street Repairs Project to R. Burke Corporation in the amount of \$673,798.00; 2) Authorized the Interim City Manager to approve change orders for 10% of the contract amount, \$67,379.80, for unanticipated costs during the construction phase of the project; and 3) Directed the City Clerk to file a Notice of Exemption.

**9.e. Consideration of Award of Contract to American Asphalt South, Inc. for the 2016 Street Resurfacing Project, PW 2016-08.**

**Action:** 1) Awarded a contract for the 2016 Street Resurfacing Project to American Asphalt South, Inc. in the amount of \$75,374.03; 2) Authorized the Interim City Manager to approve change orders for 10% of the contract amount, \$7,537.40 for unanticipated costs during the construction phase of the project; and 3) Directed the City Clerk to file a Notice of Exemption.

**9.f. Consideration of Consultant Services Agreements with GSI Water Solutions, Inc. and Water Systems Consulting, Inc. to Conduct Water Sampling, Preparation of the Northern Cities Management Area 2016 Annual Monitoring Report, and Associated Technical Support Services for the Northern Cities Management Area Work Program.**

**Action:** 1) Approved and authorized the Mayor to execute an Agreement for Consultant Services with GSI Water Solutions, Inc.; 2) Approved and authorized the Mayor to execute an Agreement for Consultant Services with Water Systems Consulting, Inc.; and 3) Approved and authorized an appropriation of \$10,000.00 from the Water Fund Balance.

**10. PUBLIC HEARINGS**

**10.a. Consideration of User Fee Study and Resolution Updating Operating Fees Set Forth in the Master Fee Schedule and Adding New Fees Related to Pickleball Programs, Animal Impound Services, and Licensing of Medical Marijuana Delivery Services**

Interim City Manager McFall provided introductory comments. Chad Wohlford, Wohlford Consulting, Inc., gave a presentation on the User Fee Study and responded to questions from Council. Administrative Services Director Malicoat presented the staff report and recommended the Council receive and file the Full Cost Analysis of User Fee Services Study for Arroyo Grande and adopt a Resolution updating operating fees as set forth in the Master Fee Schedule. Staff responded to additional questions from Council.

Mayor Hill opened the public hearing. Speaking from the public were Patty Welsh, Arroyo Grande, who suggested the City do a Fee Study every 5 years, and asked if medical marijuana fees can be paid prior to December 1<sup>st</sup>; LeAnn Akins, expressed concerns with subsidies being high and recovery being low, asked why the Five Cities Fire Authority is not included in the fee study, commented on the Minor Use Permit fee and asked what the basis is for lowering fees for certain constituents, and commented on the Planning fees and asked if a set cost recovery percentage should be set tonight; Cynthia Gonzalez, representing Compassion Care, requested clarification about fees for medical marijuana delivery services. Hearing no further comments, Mayor Hill closed the public hearing.

**Action:** Mayor Hill moved to institute full cost recovery in the building and engineering fees as recommended by staff; to institute staff recommendation for planning fees subject to a four year move from 55% to 75% cost recovery; that each of the fees be adjusted for inflation during the annual budget consideration as a budget line item to be addressed by Council; and that the planning fees be unbundled and separately accounted as much as possible. Council Member Guthrie seconded the motion, but expressed concern about the last portion of the motion regarding the unbundling of the Planning fees. Following brief discussion, Mayor Hill withdrew that part of his motion.

City Attorney Whitham clarified for the record that Section 2 of the Resolution would be modified to reflect an annual adjustment of the fees based on the change in labor costs and to add a new Section 3 to implement phased increases of 5% each year, for four years, until 75% cost recovery is reached for the Planning fees. The motion passed on the following roll call vote:

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

*Mayor Hill called for a break at 9:25 p.m. The Council reconvened at 9:35 p.m.*

**11. OLD BUSINESS**

None.

**12. NEW BUSINESS**

**12.a. Consideration of Appointment of Voting Delegates for the League of California Cities Annual Conference and Direction Regarding the Annual Conference Resolution.**

Interim City Manager McFall presented the staff report and recommended that the Council appoint Mayor Jim Hill as the voting delegate for the League of California Cities Annual Conference and Interim City Manager Robert McFall as the alternate and provide direction regarding a City position on the League of California Cities Resolution.

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

**Action:** Council Member Guthrie moved to appoint Mayor Jim Hill as the voting delegate for the League of California Cities Annual Conference and Interim City Manager Robert McFall as the alternate. Council Member Brown seconded, and the motion passed on the following roll call vote:

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

No action was taken regarding a City position on the League of California Cities Resolution. Instead, the Council indicated the Mayor could use his discretion.

**13. COUNCIL COMMUNICATIONS**

Mayor Hill stated he was delighted to see the new Pickleball Courts have opened.

Mayor Hill requested that staff bring back recommendations for commercial water savings requirements.

Council Member Guthrie requested staff bring back on a future agenda review of potential trigger points for a water moratorium, such as 5,000 or 10,000 acre feet at Lake Lopez and salt water intrusion at set markers or significant changes in well depth, and include estimates as to how much water is available and for how long, plus whatever additional water measures might be available to extend the water supply as the drought continues, and include information on what a Stage 2 drought situation looks like. Mayor Pro Tem Harmon supported Council Member Guthrie's request.

**14. COMMUNITY COMMENTS AND SUGGESTIONS**

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

**15. CLOSED SESSION**

At 9:42 p.m., City Attorney Heather Whitham announced the City Council would adjourn to closed session to consider the following items:

Mayor Hill recused himself from the conference with legal counsel – anticipated litigation for one of the potential cases due to an employment conflict of interest.

- a) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: Two (2) potential cases
- b) PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957:  
Title: Interim City Manager

Adjourned to Closed Session.

**16. RECONVENE TO OPEN SESSION**

Mayor Hill reconvened the meeting to open session at 10:39 p.m. City Attorney Whitham made the following announcements:

- 15.a) The City Council authorized the Mayor to execute a settlement agreement with Charter Communication regarding the collection of Public, Education, and Government (also known as PEG) fees.

The City Council (by a vote of 4-0 with Mayor Hill recusing himself due to an employment conflict of interest) voted to jointly participate with the City of San Luis Obispo and other participating cities in proceedings before the California Public Utilities Commission regarding a joint proposal filed by PG&E and other parties to close both units of the Diablo Canyon Nuclear Power Plant.

- 15.b) No reportable action.

**17. ADJOURNMENT**

Mayor Hill adjourned the meeting at 10:42 p.m.

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**Jim Hill, Mayor**

**ATTEST:**

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**Kelly Wetmore, City Clerk**

**(Approved at CC Mtg \_\_\_\_\_)**