

## **ACTION MINUTES**

### **REGULAR MEETING OF THE CITY COUNCIL TUESDAY, MARCH 25, 2014 COUNCIL CHAMBERS, 215 EAST BRANCH STREET ARROYO GRANDE, CALIFORNIA**

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

Mayor Ferrara called the Regular City Council Meeting to order at 6:02 p.m.

#### **2. ROLL CALL**

City Council: Council Member Kristen Barneich, Council Member Tim Brown, Council Member Joe Costello, Mayor Pro Tem Jim Guthrie, and Mayor Ferrara were present.

City Staff Present: City Manager Steven Adams, City Attorney Timothy Carmel, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Director of Administrative Services Debbie Malicoat, Director of Community Development Teresa McClish, Associate Planner Kelly Heffernon, Director of Public Works Geoff English, and Chief of Police Steven Annibali..

#### **3. FLAG SALUTE**

Members of Brownie Troop 41016 led the Flag Salute.

#### **4. INVOCATION**

Pastor David Burgeson, First United Methodist Church, delivered the invocation.

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

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

None.

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

Council Member Costello 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 April 2014 as “Month of the Child” and “Child Abuse Prevention Month”.**

Mayor Ferrara presented a Proclamation recognizing April 2014 as “Month of the Child” and “Child Abuse Prevention Month”. Maddy Quaglino, Director of the Arroyo Grande United Methodist Children’s Center, accepted the Proclamation.

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

Speaking from the public were Otis Page, Myrtle Street, regarding the Proposition 218 process and the proposed Five Cities Fire Authority benefit assessment district; Joe Furino, Elm Street, regarding the City Charter informational flyer; and Audrey Howard, Michael Howard, John Pepper and Jennifer Swift, in opposition to the proposed vacation rental ordinance.

**8. CONSENT AGENDA**

Mayor Ferrara invited public comment on the Consent Agenda. Speaking from the public was Otis Page, Myrtle Street, regarding Item 8.c. (Approval of Minutes).

Council Member Brown pulled Item 8.c. for clarification.

**Action:** Council Member Costello moved, and Council Member Barneich seconded the motion to approve Consent Agenda Items 8.a. through 8.f., with the exception of Item 8.c., with the recommended courses of action. The motion passed on the following roll-call vote:

**AYES:** Costello, Barneich, Brown, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

**8.a. Consideration of Cash Disbursement Ratification.**

**Action:** Ratified the listing of cash disbursements for the period March 1, 2014 through March 15, 2014.

**8.b. Consideration of Statement of Investment Deposits.**

**Action:** Received and filed the reports listing the current investment deposits of the City, as of February 28, 2014, as required by Government Code Section 53646(b).

**8.d. Consideration of Resolution Approving Revised and Amended Personnel Regulations.**

**Action:** Adopted Resolution No. 4572 entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING AND ADOPTING REVISED AND AMENDED PERSONNEL REGULATIONS”***.

**8.e. Consideration of an Award of Contract to Sancon Engineering, Inc. for the 2014 Sewer Lining Project, PW 2014-07.**

**Action:** 1) Awarded a contract for the 2014 Sewer Lining Project to Sancon Engineering, Inc. in the amount of \$59,416; 2) Authorized the City Manager to approve change orders for 10% of the contract amount, \$5,942 for unanticipated costs during the construction phase of the project; and 3) Directed the City Clerk to file a Notice of Exemption.

**8.f. Consideration of a First Amendment to Agreement for Consultant Services with Lenhardt Engineering (Road Scouts) for 2013 Pavement Management Projects.**

**Action:** 1) Approved a First Amendment to the Agreement for Consultant Services with Lenhardt Engineering to increase the “not to exceed” amount from \$22,298 to \$37,470 for additional inspection services for the subject projects; and 2) Authorized the Mayor to execute the First Amendment.

**ITEMS PULLED FROM THE CONSENT AGENDA**

**8.c. Consideration of Approval of Minutes.**

**Recommended Action:** Approve the minutes of the Regular City Council/City as Housing Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency meeting of March 11, 2014, as submitted.

In response to Mr. Page's public comments regarding the March 11<sup>th</sup> City Council minutes, Mayor Pro Tem Guthrie referred to page 2 of the minutes under the Consent Agenda where it states that Julie Tacker and Otis Page spoke in opposition to Item 8.j.

Council Member Barneich also referred to page 1 of the minutes under Citizens Input, Comments and Suggestions where it states that Otis Page spoke in opposition to the proposed Five Cities Fire Authority benefit assessment district.

**Action:** Council Member Brown moved to approve the minutes of the Regular City Council/City as Housing Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency meeting of March 11, 2014, as submitted. Council Member Barneich seconded, and the motion passed on the following roll-call vote:

**AYES:** Brown, Barneich, Costello, Guthrie  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** Mayor Ferrara

## **9. PUBLIC HEARINGS**

### **9.a. Consideration of General Plan Amendment 14-001 and Development Code Amendment 14-003 to Change the Land Use Designation and Pre-zone a 48.74 Acre Property (VTTM 3048, Heights at Vista Del Mar) Adjoining the City in the Vicinity of Castillo Del Mar for the Purpose of Annexation; Applicant – The Heights at Vista Del Mar Group, LLC.**

Associate Planner Heffernon presented the staff report and recommended that the Council: 1) Adopt a Resolution approving changes to the land use designation of 48.74-acre property located in the vicinity of Castillo Del Mar adjoining the City to the southeast for the purpose of annexation (GPA 14-001); and 2) Introduce an Ordinance to pre-zone the subject property for the purpose of annexation (DCA 14-003).

Mayor Ferrara opened the public hearing. Speaking from the public were Kathy McKenna, Falcon Ridge, regarding concerns about drainage onto her property from the project; Anthony Detweiler, Coast View Drive, regarding the increase in units, development standards for the project, HOA requirements, emergency access, and utility sources; Jan Dryer, Falcon Ridge HOA Board Member, regarding the existing emergency access agreement; and Dennie Newell, representing Sunrise Terrace Mobilehome Owners Association, opposing the location of the emergency access road as shown on the map presented by the applicant. Upon hearing no further comments, Mayor Ferrara closed the public hearing.

Jason Blakenship, applicant, spoke in support of the proposed General Plan and Development Code Amendments and responded to concerns expressed during public comment.

Council questions and discussion ensued regarding the emergency access easement, the proposed land use designation and annexation, utilities, water conservation, drainage, and architectural review.

**Action:** Council Member Costello moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING GENERAL PLAN AMENDMENT 14-001 AMENDING THE LAND USE MAP FOR PROPERTY ADJOINING THE CITY IN THE VICINITY OF CASTILLO DEL MAR (APN 075-021-026) FOR THE PURPOSE OF ANNEXATION; APPLICANT – THE HEIGHTS AT VISTA DEL MAR GROUP, LLC,*** as amended to include the following language: *“The proposed GPA will not adversely affect the public health, safety, or welfare with the addition of an emergency access easement in favor of Sunrise Terrace.”*; and further, to adopt the Mitigated Negative Declaration. Council Member Barneich seconded, and the motion passed on the following roll call vote:

**AYES:** Costello, Barneich, Brown, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

**Action:** Council Member Costello moved to introduce an Ordinance entitled: ***“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE PREZONING A 48.74-ACRE PROPERTY ADJOINING THE CITY IN THE VICINITY OF CASTILLO DEL MAR (APN 075-021-026) FOR THE PURPOSE OF ANNEXATION (DEVELOPMENT CODE AMENDMENT 14-003); APPLICANT – THE HEIGHTS AT VISTA DEL MAR GROUP, LLC”*** as amended to include the following language: *“The proposed amendment will not adversely affect the public health, safety and welfare with the addition of an emergency access easement in favor of Sunrise Terrace Mobilehome Owners Association.”* Council Member Barneich seconded, and the motion passed on the following roll call vote:

**AYES:** Costello, Barneich, Brown, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

**9.b. Consideration of Resolution Adjusting Certain Operating Fees Set Forth in the Master Fee Schedule.**

Director of Administrative Services Malicoat presented the staff report and recommended that the Council adopt a Resolution adjusting certain operating fees set forth in the Master Fee Schedule, effective July 1, 2014.

Mayor Ferrara opened the public comment period. Hearing no public comments, Mayor Ferrara closed the public comment period.

**Action:** Council Member Brown moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADJUSTING CERTAIN OPERATING FEES SET FORTH IN THE MASTER FEE SCHEDULE”***. Council Member Barneich seconded, and the motion passed on the following roll call vote:

**AYES:** Brown, Barneich, Costello, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

Mayor Ferrara called for a break at 7:35 p.m. The Council reconvened at 7:45 p.m.

**10. CONTINUED BUSINESS**

**10.a. Consideration to include a Revised Alternative in the Project Approval and Environmental Determination (PA&ED) Report and Amendment to Consultant Services Agreement for Wood Rodgers, Inc. and Point C for the Brisco Road-Halcyon Road/Highway 101 Project.**

Community Development Director McClish presented the staff report and introduced consultant Tony Harris, Point C, LLC, who provided an overview of the project alternatives. Staff recommended that the Council: 1) Approve the inclusion of revised Alternative 4C with an alternate intersection treatment, along with Alternative 1 in the Brisco Road – Halcyon Road/Highway 101 Interchange Improvement PA&ED report; 2) Approve Amendment No. 10 to the Consultant Services Agreement with Wood Rodgers, Inc. for additional design work for the PA&ED for the Brisco Road – Halcyon Road/Highway 101 Interchange Improvement Project in the amount of \$285,301 and for an extension to February 28, 2015; and 3) Approve Amendment to the Consultant Services Agreement with Point C for an extension of an additional year, for a not to exceed amount of \$72,000.

Mayor Ferrara opened the public comment period. Hearing no public comments, Mayor Ferrara closed the public comment period.

**Action:** Council Member Costello moved to 1) Approve the inclusion of revised Alternative 4C with an alternate intersection treatment, along with Alternative 1 in the Brisco Road – Halcyon Road/Highway 101 Interchange Improvement PA&ED report; 2) Approve Amendment No. 10 to the Consultant Services Agreement with Wood Rodgers, Inc. for additional design work for the PA&ED for the Brisco Road – Halcyon Road/Highway 101 Interchange Improvement Project in the amount of \$285,301 and for an extension to February 28, 2015; and 3) Approve Amendment to the Consultant Services Agreement with Point C for an extension of an additional year, for a not to exceed amount of \$72,000. Council Member Barneich seconded, and the motion passed on the following roll call vote:

**AYES:** Costello, Barneich, Brown, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

**10.b. Consideration to Reject the Bids for the Police Station Upgrade Project.**

Community Development Director McClish presented the staff report and recommended that the Council: 1) Reject all bids and direct staff to solicit new bids after modifications are made to the design; 2) Approve a transfer of \$300,000 from the Police Department budget to the Police Station Upgrade project budget; and 3) Appropriate \$315,000 from the General Fund unappropriated fund balance to the Police Station Upgrade project budget. Staff responded to questions from Council.

Mayor Ferrara opened the public comment period. Speaking from the public from GLR Construction were Barbara Stickler, Danita Seyer, and James Sparks; and Otis Page, Myrtle Street. Hearing no further public comments, Mayor Ferrara closed the public comment period.

**Action:** Council Member Costello moved to: 1) Reject all bids and direct staff to solicit new bids after modifications are made to design; 2) Approve a transfer of \$300,000 from the Police Department budget to the Police Station Upgrade project budget; and 3) Appropriate \$315,000 from the General Fund unappropriated fund balance to the Police Station Upgrade project budget. Council Member Brown seconded, and the motion passed on the following roll call vote:

**AYES:** Costello, Brown, Barneich, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

## **11. NEW BUSINESS**

### **11.a. Consideration of 2014 Water and Wastewater Financial Plan and Rate Study.**

Director of Administrative Services Malicoat presented the staff report and recommended that the Council: 1) Schedule a public hearing to consider adjustment in water rates and in the water rate structure as outlined in the study; 2) Direct staff to prepare and distribute a Proposition 218 notice for the proposed water rate increase; and 3) Approve recommended changes to the water and wastewater reserve policies.

Habib Isaac, Rafetelis Financial Consultants, provided an overview of the Water and Wastewater Financial Plan and Rate Study.

Mayor Ferrara opened the public comment period. Speaking from the public was Otis Page, Myrtle Street. Hearing no further public comments, Mayor Ferrara closed the public comment period.

**Action:** Council Member Costello moved to: 1) Direct staff to schedule a public hearing to consider adjustment in water rates and in the water rate structure as outlined in the study; 2) Direct staff to prepare and distribute a Proposition 218 notice for the proposed water rate increase; and 3) Approve recommended changes to the water and wastewater reserve policies. Council Member Brown seconded, and the motion passed on the following roll call vote:

**AYES:** Costello, Brown, Barneich, Guthrie, Ferrara  
**NOES:** None  
**ABSENT:** None

## **12. CITY COUNCIL REPORTS:**

The Mayor and Council Members provided brief reports from the following committee, commission, board, or other subcommittee meetings that they have attended as the City's appointed representative.

**12. CITY COUNCIL REPORTS (cont'd):**

- (a) Mayor Ferrara:
  - (1) San Luis Obispo Council of Governments/San Luis Obispo Regional Transit Authority (SLOCOG/SLORTA)
  - (2) South San Luis Obispo County Sanitation District (SSLOCSD)
  - (3) Other
  
- (b) Mayor Pro Tem Guthrie:
  - (1) South County Area Transit (SCAT)
  - (2) Economic Vitality Corporation (EVC)
  - (3) California Joint Powers Insurance Authority (CJPIA)
  - (4) South San Luis Obispo County Sanitation District (Alternate)
  
- (c) Council Member Costello:
  - (1) Air Pollution Control District (APCD)
  - (2) Five Cities Fire Authority (FCFA)
  
- (d) Council Member Brown:
  - (1) Integrated Waste Management Authority Board (IWMA)
  - (2) County Water Resources Advisory Committee (WRAC)
  
- (e) Council Member Barneich:
  - (1) Zone 3 Water Advisory Board
  - (2) Homeless Services Coordinating Council (HSOC)
  - (3) Tourism Committee

**13. COUNCIL COMMUNICATIONS**

Mayor Ferrara reported that the League of California Cities sponsored his attendance at the Annual National League of Cities meeting.

**14. STAFF COMMUNICATIONS**

At the request of Mayor Ferrara, City Attorney Carmel explained the Proposition 218 process as it relates to the ballots and how they are tabulated.

**15. COMMUNITY COMMENTS AND SUGGESTIONS**

Speaking from the public was Otis Page, Myrtle Street, regarding the Five Cities Fire Authority ballot issue.

**16. CLOSED SESSION:**

Mayor Ferrara requested, and the Council concurred, to postpone the following Closed Session items until after the next regular meeting:

- a. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Steven Adams, City Manager  
Represented Employees: Arroyo Grande Police Officers' Association

- b. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Steven Adams, City Manager  
Represented Employees: Service Employees International Union, Local 620
- c. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Steven Adams, City Manager  
Unrepresented Employees: Management Employees
- d. Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Timothy J. Carmel, City Attorney  
Unrepresented Employee: Steven Adams, City Manager

**17. ADJOURNMENT**

Mayor Ferrara adjourned the meeting at 10:25 p.m.

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**Tony Ferrara, Mayor**

**ATTEST:**

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**Kelly Wetmore, City Clerk**

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