

## **ACTION MINUTES**

### **REGULAR MEETING OF THE CITY COUNCIL TUESDAY, JULY 14, 2020 COUNCIL CHAMBERS, 215 E. BRANCH STREET ARROYO GRANDE, CALIFORNIA**

In compliance with the State Shelter at Home Order due to the coronavirus pandemic, and as allowed by the Governor's Executive Order N-29-20, which allows for a deviation of teleconference rules required by the Ralph M. Brown Act, this meeting was held by teleconference.

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

Mayor Ray Russom called the Regular City Council Meeting to order at 6:00 p.m. via teleconference.

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

City Council: Council Members Lan George, Jimmy Paulding, Kristen Barneich, Mayor Pro Tem Keith Storton, and Mayor Caren Ray Russom were all present via teleconference.

Staff Present: Acting City Manager Bill Robeson, Acting Deputy City Manager Whitney McDonald, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Commander Mike Martinez, Deputy City Clerk Jessica Matson, and Information Technology Specialist Jason Hodges were present in the Council Chambers. City Attorney Timothy Carmel, Administrative Services Director Mike Stevens, Recreation Services Director Sheridan Bohlken, and Five Cities Fire Authority Fire Chief Steve Lieberman were present via teleconference.

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

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

Council Member Barneich led the flag salute.

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

Mayor Ray Russom requested, and the Council concurred, to reorder the Agenda to hear Item 11.a. prior to the Item 8 (consent agenda) due to the number of public comments anticipated for Item 11.a. Following Item 7, the Agenda was reordered as follows: Item 11.a., 10.a., 10.b., 8., 11.b.

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

None.

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

Mayor Ray Russom moved, Council Member Barneich seconded, and the motion passed unanimously by roll-call vote that all ordinances presented at the meeting shall be read by title only and all further readings be waived.

**6. SPECIAL PRESENTATIONS**

**6.a. Update Regarding Countywide COVID-19 Efforts.**

**Recommended Action:** Receive update, accept public comments, discuss, and provide direction, as necessary.

Acting Deputy City Manager McDonald provided an update on the County's current COVID-19 efforts. She reminded residents to visit [www.ReadySlo.org](http://www.ReadySlo.org) for current information on the shelter at home order. She stated that the Governor issued new Statewide orders which require additional closures. Effective July 13, 2020, the following businesses are required to close indoor operations: dine-in restaurants, wineries and tasting rooms, movie theatres, family entertainment centers, zoos and museums, and card rooms. In addition, bars, brew pubs, breweries, and pubs are required to close indoor and outdoor operations. She stated that counties on the Statewide monitoring list for three days will be subject to the following additional in-door closures: fitness centers, worship services, protests, office for non-essential services, personal care services, hair salons and barber shops, and malls. She noted that the City is looking to help business owners to modify operations in order to operate outdoors.

Mayor Ray Russom stated that additional closures may be issued on July 16, 2020.

Mayor Ray Russom invited public comment. No public comments were received.

No action was taken on this item.

**6.b. Consideration of Confirmation of Appointment of Chief of Police.**

**Recommended Action:** Confirm the appointment of Mike Martinez as the Chief of Police. If confirmed, the City Clerk will administer the Oath of Office.

Acting City Manager Robeson presented the staff report. Acting Deputy City Manager McDonald announced that the salary range for the position would be between \$11,450 - \$13,924 per month, that Chief Martinez's starting salary would be \$11,967, and he would receive benefits that are described in the Council adopted Resolution for Management

**Action:** Council Member Barneich moved to confirm the appointment of Mike Martinez as Chief of Police. Council Member Paulding seconded, and the motion passed on the following roll-call vote:

**AYES:** Barneich, Paulding, George, Storton, Ray Russom  
**NOES:** None  
**ABSENT:** None

City Clerk Wetmore administered the Oath of Office to Chief Martinez, and facilitated the badge pinning which was performed by Chief Martinez's wife, Lorena Martinez.

Mayor Ray Russom read a letter from a member of the public regarding Commander Martinez's service and the Council congratulated him on his appointment to Chief.

**7. COMMUNITY COMMENTS AND SUGGESTIONS**

Mayor Ray Russom invited public comment. No public comments were received.

The following items were heard out of order.

**11. NEW BUSINESS**

- 11.a. Consideration of Adoption of an Uncodified Urgency Ordinance Providing that all State and County Orders and Regulations Applicable within the Jurisdiction of the City of Arroyo Grande and Issued in Response to COVID-19 as Being Expressly Enforceable by City Officials; An Urgency Ordinance Adding Chapter 1.18 to Title 1 of the Arroyo Grande Municipal Code Relating to Administrative Citations, Fines and Penalties; and a Resolution Establishing Administrative Fines and Penalties.**

City Attorney Carmel and Acting Deputy City Manager McDonald presented the staff report and recommended that the Council adopt the Uncodified Urgency Ordinance; adopt the Urgency Ordinance adding Chapter 1.18 to Title 1 of the Arroyo Grande Municipal Code; and adopt the Resolution establishing administrative fines and penalties. Staff responded to extensive questions from Council.

Mayor Ray Russom invited public comment. Speaking from the public via teleconference in opposition to the proposed Ordinances citing concerns relating to the wearing and enforcement of face masks were: Chris Cucchierra, Dawn, Andrea, Patrick Sparrow, Frank Schiro, Sandy, Christine Miller, Deena, and Bart Ingar. Speaking in support of the proposed Ordinances were: Brenda McAlice, Linda Drummy, Shirley Gibson, and Kay Gore. City Clerk Wetmore read into the record written correspondence received from Brenda Ratkay, Michael Edwards, Danielle Dill, Scott Andrews, Kristi Dibbern, Jessica Pellegrini, Bruce Berlin, Zack Victor, and Natalie Terrasas. No further comments were received. Staff responded to several questions asked during public comment.

**Action:** Mayor Pro Tem Storton moved to adopt an urgency Ordinance entitled: ***“AN UNCODIFIED URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE PROVIDING THAT ALL STATE AND COUNTY ORDERS AND REGULATIONS, APPLICABLE WITHIN THE JURISDICTION OF THE CITY OF ARROYO GRANDE, AND ISSUED IN RESPONSE TO COVID-19, AS BEING EXPRESSLY ENFORCEABLE BY CITY OFFICIALS”***. Council Member Paulding seconded, and the motion passed on following roll call vote:

**AYES:** Storton, Paulding, George, Barneich, Ray Russom  
**NOES:** None  
**ABSENT:** None

**Action:** Mayor Pro Tem Storton moved to adopt an urgency Ordinance entitled: ***“AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADDING CHAPTER 1.18 TO TITLE 1 OF THE ARROYO GRANDE MUNICIPAL CODE RELATING TO ADMINISTRATIVE CITATIONS AND PENALTIES TO BE EFFECTIVE IMMEDIATELY IN ORDER TO PROVIDE FOR THE ENFORCEMENT OF ALL STATE AND COUNTY ORDERS AND REGULATIONS, APPLICABLE WITHIN THE JURISDICTION OF THE CITY OF ARROYO GRANDE, AND ISSUED IN RESPONSE TO COVID-19”***. Council Member Paulding seconded, and the motion passed on following roll call vote:

**AYES:** Storton, Paulding, George, Barneich, Ray Russom  
**NOES:** None  
**ABSENT:** None

**Action:** Mayor Pro Tem Storton moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE SETTING FORTH ADMINISTRATIVE FINES AND PENALTIES FOR VIOLATIONS OF THE ARROYO GRANDE MUNICIPAL CODE”**. Council Member Paulding seconded, and the motion passed on following roll call vote:

**AYES:** Storton, Paulding, George, Barneich, Ray Russom  
**NOES:** None  
**ABSENT:** None

*Mayor Ray Russom called for a break at 8:54 p.m. The Council reconvened at 8:59 p.m.*

## **10. OLD BUSINESS:**

### **10.a. Consideration of Placing a Local Transaction and Use Tax (“Sales Tax”) Measure on the November 3, 2020 Ballot.**

Acting City Manager Robeson presented the report and recommended that the Council: 1) Adopt the proposed Resolution ordering the submission to the qualified electors of the City a measure relating to the establishment of a local transactions and use tax (hereinafter referred to as a "sales tax") at the General Municipal Election to be held on Tuesday, November 3, 2020, as called by Resolution No. 4994; 2) Introduce the proposed Ordinance adding Chapter 3.23 to Title 3 of the Arroyo Grande Municipal Code regarding a transactions and use tax; 3) Adopt the proposed Resolution setting priorities for filing a written argument regarding a City measure and directing the City Attorney to prepare an impartial analysis of the measure; 4) Adopt the proposed Resolution providing for the filing of rebuttal arguments for City measures submitted at municipal elections; and 5) Approve the argument to be submitted in favor of the measure. Staff responded to questions from Council.

Jocelyn Brennan, President/CEO of South County Chambers of Commerce, provided an update on additional survey results received from Arroyo Grande businesses and summarized that out of 173 responses, 58.9% opposed the proposed sales tax increase, 21.9% supported the proposed increase, and 19.1% were undecided. She stated that some businesses could support a sales tax increase if there was a sunset clause. Ms. Brennan responded to questions from Council.

Mayor Ray Russom invited public comments. Speaking from the public via teleconference were: Frank Schiro, in opposition to a general tax measure, expressed concern with the amount of revenue lost due to the COVID-19 pandemic, and favored a special tax that would ensure that infrastructure improvements get done in the City; Linda Drummy, expressed concern with the proposed 1% sales tax increase; Jocelyn Brennan, stated if a sales tax increase were to be passed, the survey results from businesses favored the money being used for streets, local business recovery, and public safety, and she then read a letter of opposition into the record from the South County Chambers of Commerce Board of Directors; and Jim Hill, stated while he supports infrastructure improvements, he suggested the Council consider lowering the sales tax to encourage car sales and other sales in Arroyo Grande and the City may find an increase in

revenue. City Clerk Wetmore read into the record written correspondence received from Kevin Colten, and Bruce Berlin. No further public comments were received.

Mayor Ray Russom clarified that she thought there would be a more robust discussion on whether a general or special tax was going to be considered so she abbreviated her comments at the previous Council meeting due to the late hour and had mistakenly voted in favor with the Council. She stated that she would not be voting to move forward with a general sales tax measure, explained that she is concerned with the overall commentary that the money would be used for infrastructure and pavement, and stated that the funds would go into the General Fund and could be used for anything as directed by the Council. She stated that over time, priorities can change and the monies can be used for other purposes. She commented on pavement costs as maintenance is deferred, stated it is the City's largest expense, and that she could not support the sales tax increase without having the funds restricted. She also expressed concern about the limit of public oversight of the funds.

Mayor Pro Tem Storton acknowledged there are a lot of issues to consider, understood the concerns that have been expressed by people in opposition to the measure, and stated that he thought the issue comes down to trust in government and how the Council is expected to spend the people's money. He commented on the City's budget, infrastructure and deferred maintenance, and actions that have been taken to reduce expenditures, spoke in support of the measure as proposed and stated that he could support including a sunset clause and a citizen oversight committee.

Council Member George commented on pavement maintenance costs; stated that she believes it is the Council's job to listen to the needs and concerns of residents and to provide viable solutions; commented that the shortfall in funds for the City's public safety and infrastructure is one of the most pressing problems the City faces and to address that shortfall, the City needs to find a way to generate revenue. She referred to previous discussions regarding revenue generation and acknowledged that a sales tax measure is the most effective way to generate revenue quickly. She stated that she reached out to many residents and local business owners to understand what the proposed tax measure would mean to the community; spoke about the pandemic and the difficulty in forecasting the economy and where we are going to be; that a term should be set that will allow the City to be flexible to reset the tax rate as needed; acknowledged that it is never a good time for a tax increase, but the health and welfare of our community must be addressed. She acknowledged that there is a great need for revenue, but suggested the possibility of waiting two years; commented on sales tax per capita; stated that the City cannot provide the services it needs to maintain and support Arroyo Grande's infrastructure if we do not have the funding to do so; however, that she would be remiss not to acknowledge where citizens are financially at this moment due to COVID-19. She stated she did not believe a special tax would pass, and that if the proposed general tax measure were to be placed on the ballot, she would like staff to start working with the local small businesses to develop a small business relief plan so that it is already in place if the measure passes. She concluded by stating this is not a simple answer, expressed concern whether now was the right time or whether the Council should wait two years to address this tax on the 2022 ballot in order to allow the community time to see the true effect of the pandemic, and stated she could not support the proposed tax measure at this time in its current form.

Council Member Paulding expressed appreciation for comments received by the public and the extensive thoughts and comments provided by the Council. He stated that in general, the Council

has to make sure the City remains fiscally stable, that we have a balanced budget, and that the City is in a position or at least well positioned to fund increasing costs, including deferred maintenance costs. He stated that the measure, as drafted, provides transparency and accountability; and acknowledged that the Measure O-06 annual report and the public hearing that occurs every five years to determine whether the tax should remain in effect provides both transparency and accountability. He referred to a special tax and noted that the Chamber survey results did not indicate support for that; spoke in support of the measure but stated he would be open to discussing a sunset clause, and stated that in general, he believed the Council should let the voters decide whether they want to support a sales tax to maintain their quality of life.

Council Member Barneich spoke about Measure O-06 and its related advisory measures asking voters how the funds should be used; spoke about the City's annual report of local sales tax revenue and expenditures that is mailed to every household which provides accountability of how the funds have been spent; commented that over the past 14 years, infrastructure and maintenance costs have gone up; acknowledged it is never a good time to bring forward a tax measure; acknowledged those residents and businesses that are struggling due to the pandemic; stated that the City needed additional revenue before COVID-19 and even more so now; believed the current and prior Councils have been fiscally responsible and conservative and have made difficult financial decisions to close budget gaps. She stated she did not favor a special tax, reducing the sales tax rate, or putting the measure off until 2022; however, she stated she would be open to including a sunset clause even though it would be hard to do long-range planning. She concluded by stating that she would like to give the citizens the choice to vote on this as it is up to them to decide if they can afford to pay that increase.

Brief Council discussion ensued regarding whether to include a sunset clause.

Council Member George clarified she is not in favor of the sales tax measure in its current form, that it is not the right time due to the unknown financial impacts on the City's residents as a result of COVID-19, and that she would support discussion regarding a sunset clause if there were already full consensus of the City Council in favor of moving forward with the sales tax measure.

No motion was made; therefore, no action was taken on this item.

**10.b. Consider Approval of Third Amendment to the Joint Exercise of Powers Agreement for the Five Cities Fire Authority.**

Acting Deputy City Manager McDonald presented the staff report and recommended that the Council adopt the Resolution approving the Third Amendment to the Joint Exercise of Powers Agreement for the Five Cities Fire Authority. Staff responded to questions from Council.

*At 10:59 p.m., Mayor Ray Russom stated that pursuant to Council policy, the Council must vote unanimously to continue the meeting past 11:00 p.m.*

**Action:** Mayor Ray Russom moved to continue the meeting to 11:20 p.m. Council Member George seconded, and the motion passed unanimously on the following roll-call vote:

**AYES:** Ray Russom, George, Paulding, Barneich, Storton  
**NOES:** None  
**ABSENT:** None

Mayor Ray Russom invited public comments. No public comments were received.

**Action:** Council Member Barneich moved to adopt a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING THE THIRD AMENDMENT TO THE JOINT EXERCISE OF POWERS AGREEMENT FOR THE FIVE CITIES FIRE AUTHORITY”**. Mayor Pro Tem Storton seconded, and the motion passed on following roll call vote:

**AYES:** Barneich, Storton, Paulding, George, Ray Russom  
**NOES:** None  
**ABSENT:** None

**Action:** At 11:20 p.m., Mayor Ray Russom moved to continue the meeting to 11:30 p.m. Mayor Pro Tem Storton seconded, and the motion passed unanimously on the following roll-call vote:

**AYES:** Ray Russom, Storton, Barneich, Paulding, George  
**NOES:** None  
**ABSENT:** None

### **8. CONSENT AGENDA**

Mayor Ray Russom asked the Council if there were any questions or any items to be pulled from the consent agenda for further discussion.

Mayor Ray Russom invited public comment on the Consent Agenda. City Clerk Wetmore read into the record written correspondence received from Tracy Thomas regarding Item 8.c. (Resolution Declaring a Continued Local Emergency Related to the Coronavirus (COVID-19) Pandemic); and Kevin Buchanan, regarding Item 8.i. (Consideration of Approval of a Fourth Amendment to the Agreement for Consultant Services with GHD Inc., for the General Plan Circulation Element Update (GPA 19-001)). No further public comments were received.

**Action:** Council Member Paulding moved to approve Consent Agenda Items 8.a. through 8.i., with the recommended courses of action. Council Member George seconded, and the motion passed on the following roll-call vote:

**AYES:** Paulding, George, Barneich, Storton, Ray Russom  
**NOES:** None  
**ABSENT:** None

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

**Action:** Ratified the listing of cash disbursements for the period June 16, 2020 through June 30, 2020.

#### **8.b. Consideration of Agreement for Auditing Services.**

**Action:** Approved an Agreement for auditing services with Moss, Levi & Hartzheim LLP, Certified Public Accountants, for a period of three years, with an option to extend for two additional one-year periods, and authorized the Mayor to execute the Agreement.

- 8.c. **Adoption of a Resolution Declaring a Continued Local Emergency Related to the Coronavirus (COVID-19) Pandemic.**  
**Action:** Adopted a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DECLARING A CONTINUED LOCAL EMERGENCY RELATED TO THE CORONAVIRUS (COVID-19) PANDEMIC”.**
- 8.d. **Consideration of Acceptance of the 2019 Street Repairs Project, PW 2019-01.**  
**Action:** 1) Accepted the project improvements as constructed by Ferravanti Grading & Paving in accordance with the plans and specifications for the 2019 Street Repairs Project, PW 2019-01; 2) Directed staff to file a Notice of Completion; and 3) Authorized release of retention, thirty-five (35) days after the Notice of Completion has been recorded, if no liens have been filed.
- 8.e. **Consideration to Approve a Purchase Order with Wallace Group for Fats, Oils and Grease (FOG) Program Inspection Administration and Inspection.**  
**Action:** Approved a purchase order with Wallace Group in an amount not to exceed \$28,000 for the administration and inspection of the City’s FOG Program.
- 8.f. **Consideration of a First Amendment to Contract for Consultant Services with Filippin Engineering, Inc. for the Bridge Street Bridge Project, PW 2020-01.**  
**Action:** 1) Approved a First Amendment to the Contract for Consultant Services with Filippin Engineering, Inc. to include additional services; and 2) Authorized the Mayor to execute the First Amendment.
- 8.g. **Authorization to Purchase Water Meters.**  
**Action:** Approved the purchase of water meters from Aqua Metric in the amount of \$48,000 during FY 2020/21.
- 8.h. **Consideration of a Resolution Approving the Installation of Two (2) Irrigation Wells on Property Zoned Agriculture; Location – 500 Fair Oaks Avenue; Applicant – Leroy Saruwatari.**  
**Action:** Adopted a Resolution entitled: **“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING THE INSTALLATION OF TWO (2) NEW IRRIGATION WELLS ON PROPERTY ZONED AGRICULTURE; LOCATED AT 500 FAIR OAKS AVENUE; APPLIED FOR BY LEROY SARUWATARI”.**
- 8.i. **Consideration of Approval of a Fourth Amendment to the Agreement for Consultant Services with GHD Inc., for the General Plan Circulation Element Update (GPA 19-001).**  
**Action:** Approved the Fourth Amendment to the Agreement for Consultant Services with GHD Inc. for preparation of the General Plan Circulation Element Update, interim VMT Guidelines, Transportation Impact Analysis Guidelines, Transportation Impact Fee Update, and required environmental review.

**9. PUBLIC HEARINGS**

None.

**11. NEW BUSINESS**

- 11.b. **Consideration of Introduction of an Ordinance Related to Electronic Filing and Administration of Fair Political Practices Commission (FPPC) Campaign Disclosure Statements and Statement of Economic Interests Forms.**



City Clerk Wetmore presented the staff report and recommended that the Council introduce an Ordinance adding Chapter 2.06 to Title 2 of the Arroyo Grande Municipal Code relating to electronic filing of campaign statements and statements of economic interests.

Mayor Ray Russom invited public comment. No public comments were received.

**Action:** Mayor Pro Tem Storton moved to introduce an Ordinance entitled: **“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADDING CHAPTER 2.06 (ELECTRONIC FILING) TO TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE ARROYO GRANDE MUNICIPAL CODE RELATING TO ELECTRONIC FILING OF CAMPAIGN STATEMENTS AND STATEMENTS OF ECONOMIC INTERESTS”**. Council Member George seconded, and the motion passed on following roll call vote:

**AYES:** Storton, George, Paulding, Barneich, Ray Russom  
**NOES:** None  
**ABSENT:** None

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

Mayor Ray Russom suggested, and the Council concurred, to postpone City Council reports to the next regular meeting on July 28<sup>th</sup>.

#### **13. COUNCIL COMMUNICATIONS**

There were no Council communications.

#### **14. CLOSED SESSION**

None.

#### **15. ADJOURNMENT**

There being no further business to come before the City Council, Mayor Ray Russom adjourned the meeting at 11:30 p.m.

**/s/Caren Ray Russom, Mayor**

**ATTEST:**

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

**(Approved at CC Mtg 07-28-2020)**