

MINUTES
JOINT CITY COUNCIL / IMPROVEMENT AGENCY MEETING
MONDAY, AUGUST 7, 2006

CALL TO ORDER Mayor/Chair Versaw called the meeting to order at 7:09 p.m. in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

ROLL CALL

City Council/Agency: Council/Board Members Ashton, Shoals, Mayor Pro Tem/Vice Chair Lieberman, and Mayor/Chair Versaw were present. Council/Board Member Ekbohm was absent.

City/Agency Staff: City Manager/Executive Director Perrault, Assistant City Attorney/Assistant General Counsel Donaldson, City Clerk/Agency Secretary McMahon, Administrative Services Director/Agency Finance Officer Chapman, Interim Community Development Director/Deputy Director Hansen, Police Chief Copsey, Fire Chief Fibich, Recreation Manager Petker, Planner III Hetherington, Planner I Nicholas, and Planner I Reese were also present.

Also present was City Engineer Garing.

PUBLIC COMMUNICATIONS The Mayor/Chair opened the floor to any member of the public for comment on items of interest which were within the jurisdiction of the Council/Agency but were not listed on the agenda. No one responded and the Mayor/Chair closed the Public Communications segment for this portion of the meeting.

IMPROVEMENT AGENCY - CONSENT

None at this time.

CITY COUNCIL / IMPROVEMENT AGENCY - BUSINESS

CC/IA-1. Proposed "Grand Avenue / Meadow Creek Bridge / Storm Drain Project".

Mayor/Chair Versaw read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager/Executive Director Perrault gave a brief overview of Council/Agency direction during the final FY 07 Budget workshops for staff to meet with representatives of the San Luis Obispo Council of Governments (SLOCOG) to discuss: 1) the "Grand Avenue / Meadow Creek Bridge Project", 2) the "Grand Avenue Storm Drain Project", up to 4th Street, and 3) the "Ramona Hub Project" or "South County Transit Hub Project", and determine how to proceed with these projects.

In reference to the "South County Transit Hub Project", City Manager/Executive Director Perrault stated that the meeting with SLOCOG staff had provided further clarification on the City's financial responsibility for this project, and that a request for allocation of funds could be submitted after July 2007. Staff recommended that work continue with the Council/Agency and SLOCOG staff to either identify additional funding for the project or consider other design alternatives that could be completed with the amount of available funds.

In reference to the "Grand Avenue / Meadow Creek Bridge Project" and the "Grand Avenue Storm Drain Project", City Manager/Executive Director Perrault stated that the Council/Agency had identified both as being high priority projects for FY 07. Staff recommended combining the two into a single, larger project for efficiencies in cost and timing, and because the two projects were closely related and some storm drain work would need to be incorporated in the bridge portion of the project. Staff estimated the project was expected to take two years, the environmental review was currently underway, the project design and construction drawings could be ready by next spring, and bidding and construction were estimated to begin thereafter. He further reviewed maximizing the use of available funds through SLOCOG, limiting the use of redevelopment funds, and noted that additional sources of funding could potentially come from State Parks, the State's Infrastructure Bank, or the development of a reimbursement district.

Brief Council/Agency discussion was held regarding funding through SLOCOG that could be used for this combined project and funding with federal funds obtained through the efforts of Congresswoman Capps that could only be used for street enhancements on West Grand Avenue, and determining time restrictions on the federal funds.

Upon question, City Engineer Garing stated that the Grand Avenue storm drain system would eventually extend to 11th Street, but that the currently proposed project extended only to 4th Street due to the type of improvements involved in reconstruction of the Meadow Creek Bridge.

Mayor/Chair Versaw invited comments from those in the audience who wished to be heard on this matter.

Don Fielding, Grover Beach, voiced concerns regarding the allocation of SLOCOG funds and the use of redevelopment funds.

There were no further public comments received.

Further Council/Agency discussion was held regarding the proposed "Grand Avenue / Meadow Creek Bridge / Storm Drain Project" being the most effective use of redevelopment funds to stimulate economic development.

Action: It was m/s by Council/Board Member Shoals / Mayor Pro Tem/Vice Chair Lieberman to endorse the combined "Grand Avenue / Meadow Creek Bridge / Storm Drain Project" for inclusion in the FY 07 Budget, and direct staff to negotiate a Memorandum of Understanding (MOU) with the San Luis Obispo Council of Governments (SLOCOG). The motion carried on the following roll call vote:

AYES: Council/Board Members Ashton, Shoals, Mayor Pro Tem/Vice Chair Lieberman, and Mayor/Chair Versaw.
NOES: Council/Board Members - None.
ABSENT: Council/Board Member Ekbohm.
ABSTAIN: Council/Board Members - None.

CC/IA-2. Adoption of FY 07 Budget.

Mayor/Chair Versaw read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager/Executive Director Perrault briefly reviewed the process conducted during the FY 07 Budget workshops held July 17, 18, and 19, 2006, and noted that shortly after the conclusion of the workshops, proposed changes to the budget document had been distributed to the Council/Agency.

Brief discussion was held regarding the proposed resolutions, concerns with adopting a deficit budget, and increasing efforts to control costs.

Action:

City Council:

It was m/s by Council Member Shoals/Mayor Pro Tem Lieberman to adopt the FY 07 Budget by: 1) adopting the FY 07 Annual Appropriation Resolution No. 06-61, 2) adopting the FY 07 Position Authorization Resolution No. 06-62, and 3) adopting the FY 07 Appropriation Limit Resolution No. 06-63. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw.
NOES: Council Members - None.
ABSENT: Council Member Ekbohm.
ABSTAIN: Council Members - None.

Resolution No. 06-61: A Resolution of the City Council of the City of Grover Beach, California, Adopting the Budget for the FY 07.

Resolution No. 06-62: A Resolution of the City Council of the City of Grover Beach, California, Establishing the Number of Authorized Positions in the Various Departments of the city for the FY 07.

Resolution No. 06-63: A Resolution of the City Council of the City of Grover Beach, California, Setting the FY 07 Appropriations Limit from Tax Proceeds.

Improvement Agency:

It was m/s by Board Member Shoals/Vice Chair Lieberman to adopt the FY 07 Budget by adopting the FY 07 Annual Appropriation Resolution No. IA-06-07. The motion carried on the following roll call vote:

AYES: Board Members Ashton, Shoals, Vice Chair Lieberman, and Chair Versaw.

NOES: Board Members - None.

ABSENT: Board Member Ekbom.

ABSTAIN: Board Members - None.

Resolution No. IA-06-07: A Resolution of the Improvement Agency of the City of Grover Beach, California, Adopting the Budget for FY 07.

Recess: Upon consensus of the City Council/Improvement Agency, the meeting was recessed at 7:42 p.m., to reconvene the City Council Meeting to consider all remaining items as posted on the agenda.

Reconvene: At 10:44 p.m., the meeting reconvened with all Council/Board Members present except for Council/Board Member Ekbom.

CC/IA-3. Joint Powers Agreement Between the California Department of Parks and Recreation and the City of Grover Beach and Improvement Agency for Development and Operation of a Beachfront Lodge and Conference Facility.

Mayor/Chair Versaw read the title to the foregoing item and deferred to staff for a report. For the information of those present, Assistant City Attorney/Assistant General Counsel Donaldson reported that staff had received some revisions to the draft Joint Powers Agreement from the State and had reviewed the terms of the agreement as noted in the staff report. He stated that under the Agreement, the State and the City would cooperate in creating a Request for Proposal (RFP) to identify a developer for the project. The initial five-year phase of the Joint Powers Agreement, to facilitate the development of a beachfront lodge and conference center project at the west end of Grand Avenue on State-owned property, would commence upon the execution of the Agreement and end when the lodge facility was completed and opened to the public. The second phase was for a 50-year period, during which the City would manage the operation of the facility by a developer/concessionaire.

Upon question, Assistant City Attorney/Assistant General Counsel Donaldson stated that the Joint Powers Agreement did not address what would occur when the golf course lease with the State ended in 2012. The Agreement required that the beachfront lodge not interfere with the operation of the golf course.

Brief discussion was held regarding the golf course concession being a totally separate issue and that in the year 2012, the City or another entity could participate in the bid process to operate the golf course concession.

11:00 p.m. Rule: At 10:51 p.m., it was m/s by Council/Board Member Shoals and Mayor Pro Tem/Vice Chair Lieberman to continue the meeting past 11:00 p.m. The motion passed on the following roll call vote:

AYES: Council/Board Members Ashton, Shoals, Mayor Pro Tem / Vice Chair Lieberman, and Mayor/Chair Versaw.

NOES: Council/Board Members - None.

ABSENT: Council/Board Member Ekbom.

ABSTAIN: Council/Board Members - None.

Council/Agency discussion continued regarding the many years of effort by current and former staff members, elected officials, and beachfront lodge and conference

center ad hoc committee members that had finally culminated in the proposed Joint Powers Agreement, and that the next step in the process was to identify the best developer for the project.

Assistant City Attorney/Assistant General Counsel Donaldson noted that the Joint Powers Agreement was still in draft form, there were several more steps at the State level for final approval, and any substantial changes to the Agreement would be brought back to the Council/Agency for further discussion. He stated the recommended action before the Council/Agency was to give the Mayor/Chair authority to sign the document.

Mayor/Chair Versaw invited comments from those in the audience who wished to be heard on this matter.

John Koepf, Arroyo Grande, developer of Beach Place Properties in Grover Beach, commended the Council and particularly Council/Board Member Shoals for his role in this project.

There were no further public comments received.

Action:

City Council:

It was m/s by Council Member Shoals/Mayor Pro Tem Lieberman to adopt Resolution No. 06-69 approving the Joint Powers Agreement, as modified, and authorize the execution of the Agreement on behalf of the City by its Mayor. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw.

NOES: Council Members - None.

ABSENT: Council Member Ekbom.

ABSTAIN: Council Members - None.

Resolution No. 06-69: A Resolution of the City Council of the City of Grover Beach, California, Approving the Joint Powers Agreement Between the City of Grover Beach and the California State Department of Parks and Recreation for Development and Operation of the Beachfront Lodge and Conference Center.

Improvement Agency:

It was m/s by Board Member Shoals/Vice Chair Lieberman to adopt Resolution No. IA-06-08 approving the Joint Powers Agreement, as modified, and authorize the execution of the Agreement on behalf of the Agency by its Chair. The motion carried on the following roll call vote:

AYES: Board Members Ashton, Shoals, Vice Chair Lieberman, and Chair Versaw.

NOES: Board Members - None.

ABSENT: Board Member Ekbom.

ABSTAIN: Board Members - None.

Resolution No. IA-06-08: A Resolution of the Improvement Agency of the City of Grover Beach, California, Approving the Joint Powers Agreement with the California State Department of Parks and Recreation for Development and Operation of the Beachfront Lodge and Conference Center.

ADJOURNMENT

There being no further business to come before the City Council / Improvement Agency, Mayor/Chair Versaw adjourned the meeting at 11:02 p.m.

City Council:

/s/ LARRY VERSAW, MAYOR

Attest: /s/ DONNA L. McMAHON, CITY CLERK

(Approved at CC Mtg 8/21/06)

Improvement Agency:

/s/ LARRY VERSAW, CHAIR

Attest: /s/ DONNA L. McMAHON, AGENCY SECRETARY

(Approved at IA Mtg 10/02/06)