

**MINUTES
CITY COUNCIL MEETING
MONDAY, NOVEMBER 5, 2007**

CALL TO ORDER Mayor Lieberman called the meeting to order at 6:31 p.m. in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

MOMENT OF SILENCE

FLAG SALUTE The flag salute was led by Kelly Springford, an 11-year-old, sixth grade student from Grover Beach Elementary School.

ROLL CALL

City Council: Council Members Ashton, Bright, Nicolls, Mayor Pro Tem Shoals, and Mayor Lieberman were present. (*Note: At 8:00 p.m., Mayor Lieberman left the meeting during discussion of Agenda Item No. 8, and Mayor Pro Tem Shoals presided over the remainder of the meeting.*)

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Administrative Services Director Chapman, Community Development Director Hansen, Police Chief Copsey, Fire Chief Hubert, and Human Resources Coordinator Barrett were also present.

Also present were City Engineer Garing and Labor Negotiator Katen.

CLOSED SESSION ANNOUNCEMENTS

None at this time.

AGENDA REVIEW

Action: Upon unanimous consensus, the Council adopted the agenda as presented.

Recess: Upon consensus of the City Council, the meeting recessed at 6:34 p.m. to the Joint City Council/Improvement Agency meeting, which was also scheduled for this same evening.

Reconvene: At 7:06 p.m., the meeting reconvened with all Council Members present.

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

PUBLIC HEARINGS

1. Application for a Certificate of Public Convenience and Necessity.

Mayor Lieberman read the title to the foregoing item and deferred to staff for a report. Police Chief Copsey stated that the owners of Grover Beach Taxi Company had changed the name of their business to "234-Taxi, LLC" and had also changed the legal status of the company from a sole proprietorship to a limited liability corporation. A new Certificate of Public Convenience and Necessity was therefore necessary for the taxi company to operate within city limits under the new business name. Police Chief Copsey stated that the owner was also requesting to increase the number of taxi cabs from three vehicles to six.

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

Leland and Amy Simpson, Oceano, owners of 234-Taxi, LLC, formerly known as Grover Beach Taxi, announced that Amy Simpson was the president of the new corporation, and reviewed the types of vehicles to be used to provide taxi services,

which would no longer include vans, and stated that the name change was for business expansion purposes.

There were no further public comments received and the Mayor closed the Public Hearing.

Brief discussion was held regarding the City's insurance coverage requirements for taxi companies.

Action: Upon unanimous consensus of the Council, staff was directed to schedule an item for future Council discussion regarding review of the City's insurance coverage requirements for taxi companies.

It was m/s by Council Members Ashton/Bright to adopt Resolution No. 07-102 granting a Certificate of Public Convenience and Necessity to Leland and Amy Simpson to operate 234-Taxi, L.L.C. within city limits. The motion carried on the following roll call vote:

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

NOES: Council Members - None.

ABSENT: Council Members - None.

ABSTAIN: Council Members - None.

Resolution No. 07-102: A Resolution of the City Council of the City of Grover Beach Granting a Certificate of Public Convenience and Necessity.

2. Second Reading of Ordinance No. 07-09 Adopting the 2007 California Fire Code.

Mayor Lieberman read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault stated that the staff presentation on the proposed Ordinance had been presented by Fire Chief Hubert at the last Council meeting, and that a second Public Hearing was required to conduct second reading and adoption of the proposed Ordinance.

Mayor Lieberman invited comments from those in the audience who wished to be heard on this matter. There were no public comments received and he closed the Public Hearing.

Action: It was m/s by Council Members Nicolls/Ashton to conduct second reading, by title only, and adopt Ordinance No. 07-09. The motion carried on the following roll call vote:

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

NOES: Council Members - None.

ABSENT: Council Members - None.

ABSTAIN: Council Members - None.

Ordinance No. 07-09: An Ordinance of the City Council of the City of Grover Beach Repealing and Reenacting Chapter 1 of Article VI of the Grover Beach Municipal Code which Adopts and Amends the 2007 California Fire Code, the 2006 International Fire Code, and the 2006 International Property Maintenance Code.
(Second reading.)

CONSENT AGENDA

Prior to consideration of the Consent Agenda, Council Member Bright declared a conflict of interest regarding Agenda Item No. 6, stating that she had deliberated on that matter previously as a member of the Planning Commission and would recuse herself from voting on that item. It

was m/s by Mayor Pro Tem Shoals/Council Member Nicolls to approve Consent Agenda Item Nos. 3, 4, 5 and 6 as presented. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Bright (*except for Item No. 6*), Nicolls, Mayor Pro Tem Shoals, and Mayor Lieberman.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.
RECUSED: Council Member Bright (*Item No. 6 only due to a conflict of interest*).

3. Treasurer's Report for the Period October 11-30, 2007.

Action: Approved as submitted.

4. Minutes of the Following City Council Meetings:

- **Special City Council Meeting of Monday, August 20, 2007;**
- **Regular City Council Meeting of Monday, August 20, 2007; and**
- **Special City Council Meeting of Wednesday, September 12, 2007.**

Action: Approved the minutes as submitted.

5. Proposed Three-year Memorandum of Understanding (MOU) with the Grover Beach Police Officers' Association (GBPOA). Memorandum of Understanding with the Grover Beach Police Officers' Association for the period July 1, 2007 through June 30, 2010.

Action: 1) Adopted Resolution No. 07-103, approving the multi-year MOU with the GBPOA; 2) adopted Resolution No. 07-104 amending the Classification and Compensation Plan; and 3) adopted Resolution No. 07-105 amending the Annual Appropriation Resolution by \$54,500 for associated costs.

Resolution No. 07-103: A Resolution of the City Council of the City of Grover Beach, California, Approving a Memorandum of Understanding with the Grover Beach Police Officers' Association From July 1, 2007 through June 30, 2010.

Resolution No. 07-104: A Resolution of the City Council of the City of Grover Beach, California, Amending Resolution No. 02-73 to Adjust Salary Ranges Consistent with the City's Agreement with the Grover Beach Police Officers' Association (GBPOA) for Fiscal Years 2008 through 2010.

Resolution No. 07-105: A Resolution of the City Council of the City of Grover Beach Adopting the 6th Amendment to the FY 08 Annual Appropriation Resolution No. 07-67 by Appropriating \$54,500 for Costs Associated with the Grover Beach Police Officers' Association MOU.

6. Approval of Final Tract Map No. 2700 for 1740 and 1748 Newport Avenue. Final Tract Map for a proposed seven-lot subdivision for seven Planned Unit Developments. Development Permit Application No: 05-041. Applicant: BFD Properties, Carmen Green. Project Location: 1740 and 1748 Newport Avenue.

Action: Adopted Resolution No. 07-106 approving the Final Map and authorizing the City Clerk to sign and record the Final Map for Tract Map No. 2700.

Resolution No. 07-106: A Resolution of the City Council of the City of Grover Beach, California, Approving Final Tract Map No. 2700, Authorizing the City Clerk to Record Final Tract Map No. 2700 (1740 and 1748 Newport Avenue).

REGULAR BUSINESS

7. Status Report on the Use of a Local Church Facility for the People's Kitchen Program and Request to Initiate a Regional Discussion.

Mayor Lieberman read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault stated that at the last Council meeting, the issue of continued use of the church property located at 946 Rockaway Avenue as a free public meal site had been raised. The Council had directed staff to meet with representatives from the church and the South County

People's Kitchen organization, provide the Council with a status report, and review the prospect of initiating a regional discussion on this matter.

City Manager Perrault gave a brief overview of the church's continuous use of the property since the 1940s, and the People's Kitchen free public meal program which had been operating over the past two years at that location, serving between 50 and 100 meals every day, seven days a week. He reviewed issues discussed at meetings with representatives from the church and People's Kitchen, which included that the church was unable to meet improvement costs associated with obtaining a Use Permit for the continued on-site meal distribution program. He stated discussions with the representatives were held on developing a time frame for termination of the meal distribution program at that site, as well as code enforcement procedures. City Manager Perrault then reviewed a proposed draft letter requesting participation from surrounding jurisdictions for a regional discussion on the delivery of services to the homeless population. He then responded to questions from the Council.

Mayor Lieberman invited comments from those in the audience who wished to be heard on this matter. There were no public comments received.

Brief discussion was held on delivering the City's letter of invitation to surrounding jurisdictions, similar discussions on this same issue held at a recent San Luis Obispo County Mayors Luncheon, and notifying other agency representatives of the regional meeting, such as Biz Steinberger of the Economic Opportunity Commission.

Action: Upon unanimous consensus, the Council authorized the Mayor to sign the proposed letter addressed to surrounding jurisdictions and the County Board of Supervisors, requesting their participation in a region-wide discussion on the delivery of services to the homeless population.

8. Proposed Changes to Undergrounding Policy.

Mayor Lieberman read the title to the foregoing item and deferred to staff for a report. City Engineer Garing reviewed the City's interim undergrounding policy that provided for payment of an in-lieu fee as an option to the requirement for undergrounding off-site utility lines. He stated that adoption of Resolution No. 07-62 served as an interim step, pending development of proposed amendments to requirements in the Grover Beach Municipal Code regarding undergrounding utilities.

City Engineer Garing then gave an overview of the PG&E tariff Rule 20 program by which overhead to underground conversions could take place within an "underground utility district", and Rule 20 credits accumulated to date by the City pursuant to PG&E representatives. He outlined several reasons for the Council to consider incorporating an in-lieu option permanently: 1) most development projects were occurring in older neighborhoods and infill lots where it was unlikely that additional undergrounding would occur; 2) physical undergrounding of utilities for relatively short distances in the middle of a City block resulted in a patchwork of underground and overhead utilities or an increase in the number of utility poles; and 3) the cost to underground utilities varied widely according to the location and type of utilities to be placed underground. He and City Manager Perrault outlined several alternatives for a permanent in-lieu option and responded to questions from the Council.

Discussion was held regarding a map displayed and marked as "Attachment 3" to the staff report that indicated various locations and street category types in the city where Rule 20 funds could potentially be designated for utility conversion projects. Additional discussion was held on gathering public comments through public outreach efforts or holding workshops with representatives from the development community.

At 8:00 p.m., Mayor Lieberman announced that he had to leave the meeting at this time due to a work-related meeting in Monterey early the next day. He then stepped down from the dais and Mayor Pro Tem Shoals presided over the remainder of the meeting.

Mayor Pro Tem Shoals invited public comments on this matter.

Tom Jones, Atascadero resident and PG&E representative, introduced other PG&E representatives who were seated in the audience: Patricia Wilmore, the local area

Governmental Relations Manager, and Linda Wright, former Rule 20A Manager and current Supervisor of Business Connection Unit Service Planning. Mr. Jones spoke in support of the City's proposed in-lieu fee program and offered to attend future public workshops on undergrounding utilities to respond to technical questions. He and Ms. Wright suggested that the City establish and prioritize areas for undergrounding utilities, adopt multiple resolutions for different utility conversion project areas, and confirmed that projects typically spanned a period of five to ten years to complete. They also agreed that conducting site visits with PG&E representatives and City staff would assist in prioritizing areas for more effective use of Rule 20 funds.

Paul Bischoff, Grover Beach, spoke in support of designating Rule 20 funds for undergrounding utilities and conducting public workshops to gather additional input from the development community. He requested that the City also consider establishing different undergrounding requirements for those properties located on corner lots. He provided a series of calculations on additional fees incurred for those property owners under the existing requirements.

There were no further public comments received.

Action: Upon consensus of the Council (Mayor Lieberman absent), staff was directed to: 1) schedule a public workshop on underground utilities; 2) draft a proposed permanent in-lieu program; 3) provide calculations on the estimated costs for single-family residential projects to participate in the in-lieu fee program for underground utilities; 4) provide information on the costs per lineal foot to underground utilities; 5) identify areas in the City for Rule 20 funds for future planning and prioritization; and 6) arrange a meeting with PG&E representatives to develop a map for future planning and prioritization to more effectively apply Rule 20 funds.

9. Policy Discussion on Community Development Block Grant (CDBG) Applications.

Mayor Pro Tem Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault gave an overview of funds annually received through the Community Development Block Grant Program (CDBG) to eliminate blight and assist low- and moderate-income residents. He stated that, during last year's project selection process, the Council had directed staff to return with recommendations regarding establishing policy guidelines for a more efficient selection process that would ensure Council goals and CDBG program objectives were considered, and also provide clear direction to program applicants.

He then outlined the following proposed guidelines:

1. Administrative costs should be reserved at ten percent (10%) of total allocation;
2. A total of fifteen percent (15%) of the City's allocation should be reserved for Public Service Projects;
3. A total of seventy-five percent (75%) of the allocation should be reserved for a single project that either completed or improved City infrastructure, or was dedicated to an eligible economic development activity;
4. All projects must be able to demonstrate a clear nexus to serving the needs of qualified Grover Beach residents;
5. All Public Service Projects must meet a minimum size of \$3,500 or fifteen percent (15%) of the total annual allocation, whichever is less; and
6. All projects must be able to demonstrate the ability to accomplish the projects' objectives and expend the funds granted within the federal fiscal year of allocation.

Mayor Pro Tem Shoals invited public comments on this matter. No public comments were received.

Action: Upon consensus (Mayor Lieberman absent), staff was directed to develop a Resolution adopting the recommended policy guidelines as presented to be implemented during the following year's CDBG project selection process.

COUNCIL COMMITTEE REPORTS

Council Member Nicolls stated that the Housing Trust Fund recently held its annual fund raiser and silent auction on November 28, 2007.

Council Member Bright deferred to Mayor Pro Tem Shoals for a report on the meeting of the Economic Vitality Corporation, and stated that she would not be able to attend the next San Luis Obispo County Water Resources Advisory Board meeting.

Council Member Ashton reported on recent activities of the Parks, Recreation & Beautification Commission, and the meeting of the Integrated Waste Management Authority.

Mayor Pro Tem Shoals reported on the meeting of the Economic Vitality Corporation. He stated potential projects would be discussed at the next San Luis Obispo Council of Governments (SLOCOG) meeting, and that transfer of the sewer trunk line from Grover Beach to the Oceano Community Services District was scheduled for discussion at the next meeting of the South San Luis Obispo County Sanitation District. He then commented on the citizen complaint received earlier in the evening on changes to one of the bus routes to run on Mentone Avenue.

CITY COUNCIL AGENDA

None at this time.

COUNCIL COMMUNICATIONS

None at this time.

CITY MANAGER'S REPORTS AND COMMENTS

Upon question, City Manager Perrault reviewed the recent Safe Route to School program workshop attended by City staff and subsequent follow-up meetings held with representatives from the San Luis Obispo Council of Governments (SLOCOG), the school district, and engineering staff. He stated that the City would submit applications by the November 16, 2007 deadline for state funding.

He also reviewed the Request for Qualification process that would be conducted to consider future improvements at the Train Station.

10. Status Report on the Executive Committee for the Beachfront Lodge Request for Proposal Process.

City Manager Perrault stated that the period to receive questions from proposers interested in responding to the Grover Beach Lodge and Conference Center Request for Proposal had ended on October 3, 2007, and that Terry Lee from Cannon Associates assisted with coordinating the responses from State and City representatives. City Manager Perrault stated that the two-member Executive Committee appointed by the Council to assist staff with the Request for Proposal process met on October 25, 2007 to also provide input on the questions submitted from potential proposers.

He then distributed copies of the questions and responses to the Council, and stated that a public copy was also available in the City Management Office and had been posted on the City's website. He stated that the deadline to submit proposals had been extended to Monday, January 14, 2008, and that the Executive Committee would meet again in January to set up a team to review proposals. For clarification, he stated that the Executive Committee and review team meetings were not subject to the Brown Act.

Upon question, he confirmed that the project would go through the same public review process as other projects brought before the City Council and Planning Commission, and also noted that the original Request for Proposal document and addendum were available for public review at City Hall and from the City's website.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

None at this time.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Pro Tem Shoals adjourned the meeting at 9:01 p.m.

/s/JOHN P. SHOALS, MAYOR PRO TEM

Attest:

/s/DONNA L. McMAHON, CITY CLERK

(Approved at CC Mtg 2/04/08)