

**MINUTES
CITY COUNCIL MEETING
MONDAY, MAY 18, 2009**

CALL TO ORDER Mayor Shoals called the meeting to order at 6:30 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 Andrew Van Bogelen, a 10-year-old, 4th grade student at Grover Beach Elementary School.

ROLL CALL

City Council: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals were present.

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Administrative Services Director Chapman, Interim Community Development Director Beck, Police Chief Copsey, Parks and Recreation Director Petker, Public Works Superintendent Ford, Economic Development Specialist Buckingham, and Planner II Reese were also present.

Also present were City Engineer Garing, Parks, Recreation and Beautification Commission Vice Chair Greeley, Planning Commission Chair Blum, Martin Inoyue of Omni-Means, and Lisa Wise of Lisa Wise Consulting.

AGENDA REVIEW

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

CEREMONIAL CALENDAR

1. Proclamation Declaring May 18-22, 2009 as "National Public Works Week".

Mayor Shoals read and presented the Proclamation to Maintenance Worker I Raymond Hernandez, who was introduced as the 2008 Public Works Division Employee of the Year.

PRESENTATIONS

2. Quarterly Activities Report from the Parks, Recreation & Beautification Commission.

Parks, Recreation and Beautification Commission Vice Chair Greeley provided an summary of Commission activities for the period January - March 2009.

Action: The report was received and filed.

3. Quarterly Activities Report from the Planning Commission.

Planning Commission Chair Blum provided a summary of Commission activities for the period January - March 2009.

Action: The report was received and filed.

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.

A. Tom Murray, Arroyo Grande resident and Board Member of SLO Green Build, distributed information regarding the "Green Retrofit Sweepstakes" for residents of homes built prior to 1990 to enter and win prizes for energy-efficient services.

B. Mike Cannon, President of Cannon Associates and a member of the Central Coast Chapter of the American Public Works Association, announced that the South County

Transit Hub Project in Grover Beach was awarded "Project of the Year" in the category of projects under two million dollars. He then presented the award to the City.

On behalf of the City Council, Mayor Shoals thanked and praised Cannon Associates for the project's design and the efficient manner in which it was constructed.

- C. Leah Greeley, Parks, Recreation and Beautification Commission Vice Chair, announced that the Spring Garden Tour and Plant Exchange would be held on Sunday, May 31, 2009.

PUBLIC HEARINGS

None at this time.

CONSENT AGENDA

It was m/s by Council Member Bright/Mayor Shoals to approve Consent Agenda Item Nos. 4, 5, 6, 7, and 8, as recommended. The motion carried on the following roll call vote:

AYES: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.

4. **Treasurer's Report for the Period April 28 - May 13, 2009.**

Action: Approved as submitted.

5. **Minutes of the City Council Meeting of December 15, 2008.**

Action: Approved the minutes as submitted.

6. **FY 09 - FY 10 Local Street Rehabilitation - Atlantic City Avenue (Charles Street to North 13th Street)** - Authorization to issue the "Notice of Completion" and release final retention to Calportland Construction for work performed from February 2009 to April 2009.

Action: Adopted Resolution No. 09-29.

Resolution No. 09-29: A Resolution of the City Council of the City of Grover Beach, California, Formally Accepting the Atlantic City Avenue, Charles Street to 13th Street, Water System and Street Rehabilitation Project.

7. **FY 09 - FY 10 Local Street Rehabilitation - North 4th Street (West Grand Avenue to Ocean View Avenue)** - Authorization to issue the "Notice of Completion" and release final retention to Rockwood General Contractors Inc., for work performed from July 2008 to January 2009.

Action: Adopted Resolution No. 09-30.

Resolution No. 09-30: A Resolution of the City Council of the City of Grover Beach, California, Formally Accepting the Street Rehabilitation Improvements, North 4th Street, West Grand Avenue to Ocean View Avenue.

8. **Request to Enter Into a Memorandum of Understanding with PacificWest Energy Solutions, Inc., to Perform an Investment Grade Audit for City Municipal Facilities.** Authorization to complete an Investment Grade Energy Audit to identify potential energy reduction projects in preparation for an American Recovery and Reinvestment Act (ARRA) grant proposal.

Action: Authorized the City Manager to execute the Memorandum of Understanding with PacificWest Energy Solutions, Inc.

REGULAR BUSINESS

9. Consideration of a Resolution Opposing the Continued Use of Local Property Tax Revenues for State Budget Purposes.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault reviewed the Governor's proposal to "borrow" local property tax revenues to help balance the State budget and the negative fiscal consequences such action would have on the City's General Fund. In addition, under Proposition 1A, the Governor had the authority to declare a "severe fiscal hardship" and, with a two-thirds vote of the Legislature, take or borrow local tax revenue for a period of up to three years. He also pointed out that the State continued to legislate new requirements for local agencies, such as the unfunded and costly mandate to participate in a Storm Water Management Program. He then introduced Dave Mullinax, Channel Counties Division Regional Representative of the League of California Cities.

Mr. Mullinax provided an overview of recent activities conducted by the League of California Cities to alert the Governor and State lawmakers of the severe fiscal consequences the proposed legislation would have on local jurisdictions. He announced a schedule of upcoming meetings and activities to discuss the issue of fiscal reform, and then responded to questions from the Council.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Peterson to adopt Resolution No. 09-31 opposing the State's continued use of local property tax revenues for its budget purposes.

AYES: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.

Resolution No. 09-31: A Resolution of the City Council of the City of Grover Beach, California, Opposing the State's Continual Use of Local Property Tax Revenues for Solving the State's Fiscal Issues.

10. City's 50th Anniversary of Incorporation Celebration.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Parks and Recreation Director Petker reviewed a proposed list of activities to celebrate the City's 50th anniversary of incorporation, including a self-guided historical tour, anniversary banners and lapel pins, a 1950s theme for the annual holiday parade, City flag contest, and a re-enactment ceremony of the first City Council meeting. She stated that, due to current financial constraints, the activities being proposed would be incorporated into events already scheduled for the year and should therefore have minimal fiscal impacts. She then responded to questions from the Council.

Brief discussion was held regarding honoring individuals who made contributions of historical significance to the City's success, and inviting individuals to submit historical photos, displays, and stories of past City events to the Parks and Recreation Department. Additional discussion was held regarding providing the Council with periodic updates throughout the planning process.

Mayor Shoals invited public comments on this matter.

Lois Hughes, Grover Beach, suggested displaying information on the City's anniversary in the Council Chambers and the commemorative phrase "50 is Nifty".

There were no further public comments received.

Action: Upon unanimous consensus, the Council authorized staff to proceed with the anniversary commemoration activities presented and for the Parks & Recreation Director to provide the Council with updates every 60 days.

Recess: Upon consensus of the City Council, the meeting recessed at 7:20 p.m.
Reconvene: At 7:26 p.m., the meeting reconvened with all Council Members present.

11. South 13th Street Sidewalk and Street Improvements.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Engineer Garing stated that South 13th Street was originally envisioned in the 1960s to be a minor, four-lane arterial street with additional parking on both sides. However, in 2005, the Circulation Element was updated and South 13th Street was designated a two-lane collector street with bike lanes on both sides of the street. He stated that, in planning for sidewalk improvements along the west side of South 13th Street from West Grand Avenue to Longbranch Avenue, it was discovered that improvements constructed on two privately-owned properties (Marshall-Spoo Sunset Funeral Chapel and the Smith & Sons Building) would need to be removed and replaced. He also pointed out other right-of-way issues located further south of the proposed project area that would involve residential structures. City Engineer Garing then presented alternative design concepts to narrow South 13th Street and install street improvements which would not require the demolition and replacement of existing improvements on the two referenced commercial properties. He and City Manager Perrault then responded to questions from the Council.

Mayor Shoals invited public comments on this matter. There was no response and he closed the public comment period for this item.

Brief discussion was held regarding various street striping configurations, extending the project area further south, whether to include a turn lane, increasing the separation between an existing commercially-owned block wall and the proposed sidewalk to allow for a landscaped planter area, potential maintenance and irrigation costs, and preferred alternative design concepts to minimize construction impacts on the existing commercial businesses.

Action: Upon unanimous consensus, the Council: 1) approved the concept of narrowing South 13th Street; 2) directed staff to return in 30 days with curb, gutter and sidewalk design concepts; and 3) requested that the design concepts include more separation between the existing block wall located at the Marshall-Spoo Funeral Home and the proposed curb, gutter and sidewalk improvements.

12. Allocation of Community Development Block Grant (CDBG) Program Funds Allocated by the American Recovery and Reinvestment Act of 2009.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. Planner II Reese provided an overview of funds appropriated for the CDBG Program, designated as CDBG-R funds, as a result of the American Recovery and Reinvestment Act of 2009. She also described the specific requirements and deadlines for these funds. Planner II Reese then reviewed the County's request to allocate a portion of the funds toward the position of Executive Director of the Homeless Services Oversight Council (HSOC) and staff's recommendation to allocate the funds for the South 13th Street Architectural Barrier Removal Project to complete sidewalk improvements. Staff then responded to questions from the Council.

Mayor Shoals invited public comments on this matter. There was no response and he closed the public comment period for this item.

Mayor Pro Tem Nicolls announced that he had spoken previously with Mr. Dana Lilley of the County of San Luis Obispo. He then spoke in support of the County's request to designate 10 percent of the funds for the position of Executive Director of the HSOC, and 90 percent for the South 13th Street Architectural Barrier Removal Project.

Mayor Shoals stated that he had also spoken with Mr. Lilley regarding the County's funding request, and expressed concern that the County had initially indicated no funds would be requested from cities when the 10-Year Plan to End Homelessness was being developed.

Discussion was held regarding whether to place the following conditions on the funds specifically allocated for the HSOC Executive Director position: 1) That a member of the Five Cities Homeless Coalition be appointed to the Homeless Services Oversight

Committee; 2) that a South County Services Center be included in the 2010 work program; and 3) that the funding commitment for the Executive Director position be limited to no more than two years. Additional discussion was held regarding amending the draft Resolution to reflect these conditions or whether adding any conditions might jeopardize the entire funding allocation.

Council Member Bright expressed concern that, without the conditions being specifically included in the Resolution, the focus on homeless services might be directed to the existing shelter located in San Luis Obispo.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Mires to amend the Resolution to indicate that: 1) \$29,702 be allocated for the South 13th Street Architectural Barrier Removal Project; 2) \$3,186 be allocated for the Homeless Services Oversight Council Executive Director position for a two-year funding period; and 3) no monies be allocated for Program Administration; and adopt Resolution No. 09-32, as amended. The motion carried on the following roll call vote:

AYES: Council Members, Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Member Bright.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.

Action: Upon unanimous consensus of the City Council, the City Manager was directed to prepare a letter to the Board of Supervisors strongly suggesting that: 1) one member of the Five Cities Homeless Coalition be appointed to the Homeless Services Oversight Committee (HSOC); 2) the development of a South County Services Center be put into the 2010 work program; and 3) the funding commitment for the Executive Director position be limited to no more than two years.

Resolution No. 09-32: A Resolution of the City Council of the City of Grover Beach, California, Approving the Recommendation to the San Luis Obispo County Board of Supervisors to Amend the 2008 Annual Action Plan for the City's CDBG Program to Allocate CDBG Funds Allocated by the American Recovery and Reinvestment Act of 2009.

Prior to discussion of Agenda Item No. 13, Council Member Bright declared a conflict of interest due to property ownership within 300 feet of one the proposed project areas. She also stated that she was not feeling well and would not be returning for the remainder of the meeting. Council Member Bright then stepped down from the dais and left the Council Chambers.

13. FY 10 Local Street Improvement Program.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault provided an overview of the Council-adopted process in July 2003 for the selection of street segments to be rehabilitated, which was later modified in July 2007 to add specific criteria outlined in the City's Pavement Management System. He then reviewed the proposed list of street segments for rehabilitation in FY 10 and pointed out that completing the proposed street rehabilitation projects was in keeping with the Council's adopted Economic Development Strategy, would complete a major entryway into the City at West Grand Avenue, and would improve access to the southern industrial portion of the City. He then reviewed various funding sources for the \$800,000 budgeted in the FY 10 Local Street Rehabilitation Program. He and City Engineer Garing then responded to questions from the Council.

Discussion was held regarding additional costs to install curb, gutter, and sidewalk improvements, timing for sewer line installations, and whether some of the proposed street segments might qualify to be rehabilitated with state or federal funding and therefore be placed lower on the prioritized list of street segments.

Mayor Shoals invited public comments on this matter. There was no response and he closed the public comment period for this item.

Further Council discussion was held regarding extending the street rehabilitation project area that was recently completed on Atlantic City Avenue; pavement damage that had occurred where the crown of the street was significantly higher than the level of the curb and gutter at North 12th Street and Atlantic City Avenue; extending the proposed project area on Brighton Avenue; and re-prioritizing and amending the proposed list of streets for rehabilitation.

City Attorney Koczanowicz confirmed there were no Council Member conflicts of interest noted with the proposed amended list of street segments.

Action: It was m/s by Mayor Pro Tem Nicolls/Mayor Shoals to modify the prioritized list of street segments noted on Exhibit A of the Resolution as follows:

- 1) West Grand Avenue - Union Pacific Railroad (UPRR) to 4th Street;
- 2) South 4th Street - West Grand Avenue to Seabright Avenue;
- 3) South 7th Street - West Grand Avenue to Rockaway Avenue;
- 4) Brighton Avenue - North 13th Street to Oak Park Boulevard;
- 5) Atlantic City - North 13th Street to Oak Park Boulevard;
- 6) Nice Avenue - South 12th Street to South 13th Street;
- 7) South 4th Street - Farroll Road to Highland Street (*due to the possibility of alternative funding sources to rehabilitate this street segment*).

and adopt Resolution No. 09-33, as amended, confirming the list of streets to be rehabilitated as part of the FY 10 Local Street Rehabilitation Program. The motion carried on the following roll call vote:

AYES: Council Members Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.
RECUSED: Council Member Bright (due to a conflict of interest).

Resolution No. 09-33: Resolution of the City Council of the City of Grover Beach, California, Confirming the FY 10 Local Street Improvement Program.

Recess: Upon consensus of the City Council, the meeting recessed at 9:10 p.m. to convene the Joint City Council/Improvement Agency meeting, which was also scheduled for this same evening.

Reconvene: At 10:34 p.m., the meeting reconvened with all Council Members present, except for Council Member Bright.

PULLED CONSENT AGENDA ITEMS

None at this time.

COUNCIL COMMITTEE REPORTS

Upon consensus of the City Council, all committee reports were deferred to the next regularly scheduled City Council meeting.

CITY COUNCIL AGENDA

None at this time.

COUNCIL COMMUNICATIONS

- A. Mayor Shoals stated that, due to the current economic circumstances of the State and the City, he had delayed scheduling neighborhood meetings to discuss development of a long-term plan to fund street repairs.

CITY MANAGER'S REPORTS AND COMMENTS

14. City of Grover Beach Local Economic Stimulus Program.

City Manager Perrault stated that he would present information regarding proposed local economic stimulus programs being developed at the next City Council meeting regarding a Business Incentive Program, a Local Purchasing Incentive Program, a Water Conservation Program, a "Shop Grover Beach" Program, a Home Improvement Program, and a "No Fee Program" for minor building permits.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

At 10:34 p.m., the Council met in Closed Session regarding the following item:

- 1. Conference with Legal Counsel - Pending Litigation**
Pursuant to Government Code Section 54956.9(c)
Initiation of Litigation: One (1) potential case

Closed Session Announcements: At 11:05 p.m., Mayor Shoals reconvened the meeting in open session with all Council Members present, except for Council Member Bright, and announced there were no reportable actions taken during Closed Session.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 11:05 p.m.

/s/JOHN P. SHOALS, MAYOR

Attest:
/s/DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 10/05/09)