

**MINUTES  
SPECIAL CITY COUNCIL MEETING  
MONDAY, DECEMBER 9, 2013**

**CALL TO ORDER** Mayor Peterson called the meeting to order at 6:30 p.m. in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

**FLAG SALUTE** The flag salute was led by Council Member Nicolls.

**ROLL CALL**

City Council: Council Members Lee, Marshall, Nicolls, Mayor Pro Tem Bright, and Mayor Peterson were present.

City Staff: City Manager Perrault, City Attorney Koczanowicz, Administrative Services Director Chapman, Public Works Director/City Engineer Ray, Community Development Director Buckingham, and Police Chief/Assistant City Manager Copsey were also present.

Also present were Jim Garing, City Engineer (Water/Sewer); and Albert Peché, A.M Peché & Associates, LLC.

**PUBLIC COMMUNICATIONS** The Mayor briefly described the workshop format for receiving public comments and noted that public comments would also be accepted during the workshop. She then opened the floor to any member of the public for comments. No public comments were received at this time.

**WORKSHOP**

**1. Local Street Repair Program.**

Mayor Peterson read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault provided introductory remarks regarding the scheduled presentations. He described the City's historically limited resources for street maintenance and noted the City's ongoing efforts to leverage local dollars with grant fund opportunities when possible. However, the recent downturn in the economy and the dissolution of the redevelopment agency resulted in negative fiscal impacts to the budget and negative impacts to the street rehabilitation program. He then introduced Public Works Director/City Engineer Ray.

Referencing a PowerPoint presentation, Public Works Director/City Engineer Ray provided an overview regarding existing street conditions, average annual expenditures for street repairs, and funding sources for street repairs. He then described street repair costs, outlined a short-term strategy that focused only on repairing major connecting streets, and outlined several options to augment that approach. He noted, however, that due to existing street conditions, current funding levels could not overcome the rate of street deterioration. Further, grant funds were restricted for use on repairing major street corridors that served regional areas, such as Oak Park Boulevard, 4<sup>th</sup> Street, and West Grand Avenue. He then outlined several options for a long-term street repair strategy that would require either major financial investments in a single year or smaller incremental investments over the course of several years. Additionally, street widths could be reduced to lower the amount of pavement to be maintained, future street repairs could be focused only on travel lanes, and the City could select certain streets to be abandoned. He then responded to questions from the Council.

Mayor Peterson invited comments from those in the audience who wished to be heard on this matter. No public comments were received at this time.

Referencing a PowerPoint presentation, financial advisory consultant Albert Peché provided an overview regarding certain mechanisms to finance long-term capital needs through: 1) assessment bonds, 2) Mello-Roos bonds that would create a special taxing district, 3) general fund lease financing, or 4) general obligation bonds. He also described the positive and negative aspects with each option. Mr. Peché then presented several scenarios for a general obligation bond, which he noted was the most conventional form of municipal financing, to repair: 1) half of the City's major streets at \$10 million, 2) all major streets and a few others at \$20 million, or 3) all major streets and most residential streets

at \$35 million. Additionally, he outlined estimated tax rate impacts for each financing scenario. He then described the value of conducting an opinion poll of registered voters to gather current information, evaluate the community's top priorities for the money raised, and determine voter attitudes towards a possible bond measure. He then responded to questions from the Council.

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

Public comments were received from:

- Jack Keane, Grover Beach, spoke in support of a bond measure at \$35 million;
- Keith Rogers, Grover Beach, spoke in support of street repairs in residential areas; and
- John Laferriere, Grover Beach, expressed concerns regarding final construction cost estimates, adequate funding for street maintenance, financing costs, and achieving the required two-thirds voter approval threshold for a bond measure.

Further Council discussion was held regarding the presentations, the next City Council meeting date of January 21, 2014 when street rehabilitation strategies would again be discussed, and additional information to include in the staff report for that meeting regarding specific financing approaches, street repair costs, public opinion polling, and a cost benefit analysis if the City implemented a program to narrow streets or purchased a truck specifically for street patching. Further discussion was held regarding posting the presentation materials on the City website and options for publicizing the January 21<sup>st</sup> meeting topic regarding street rehabilitation strategies to further encourage public input.

Additional discussion was held regarding a local citizens committee scheduled to give a presentation at the next regular City Council meeting on December 16, 2013 regarding the committee's recommendations for a proposed City Charter.

Mayor Peterson noted that Grover Beach residents recently received a mailer with incorrect information regarding the issue of a proposed City Charter. It was noted that the next Chamber of Commerce luncheon would include a panel of speakers regarding the concept of becoming a Charter City.

The Council thanked members of the public for attending and participating in the workshop, and thanked staff and Mr. Peché for the informative presentations.

**Action:** The information was received and filed.

**ADJOURNMENT**

There being no further business to come before the City Council, Mayor Peterson adjourned the meeting at 8:52 p.m.

/s/ DEBBIE PETERSON, MAYOR

Respectfully submitted,  
/s/ GAYLA R. CHAPMAN  
ADMINISTRATIVE SERVICES DIRECTOR

Attest:  
/s/ DONNA L. McMAHON, CITY CLERK  
(Approved at CC Mtg 01/21/2014)