

**MINUTES  
SPECIAL CITY COUNCIL MEETING  
WEDNESDAY, JUNE 25, 2014**

**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.

**ROLL CALL**

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

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Acting Police Chief/Commander Peters, Community Development Director Buckingham, and Public Works Director/City Engineer Ray were also present.

Also present were Richard Bernard and Adam Sonenshein of Fairbank Maslin Maullin Metz & Associates (FM3); and Joe Ririe and Joe Seely of Pavement Engineering, Inc. (PEI).

**PUBLIC COMMUNICATIONS**

The Mayor opened the floor to any member of the public for comment on any items described in this agenda. No public comments were received at this time.

**BUSINESS**

**1. Presentations by Pavement Management and Public Research Consultants Regarding a General Obligation Bond Issue.**

Mayor Peterson read the title to the foregoing item and deferred to staff for a report. City Manager Perrault described previous reports provided to Council indicating that the City did not have sufficient revenue to rehabilitate or maintain the City's deteriorating street system, and that a voter-approved general obligation bond issue sufficiently sized to finance street rehabilitation was among the best of the limited options available. The Council subsequently authorized retaining the services of a pavement engineering firm to update and analyze the condition of the City's street system, and also authorized retaining the services of a public research firm to survey voters and determine potential support for a general obligation bond issue.

City Manager Perrault summarized the findings from the pavement engineering firm that indicated a major portion of the City's residential streets, as well as major streets, were rated as either "poor" or "failed" and that, without a substantial infusion of revenue capable of sustaining a long-term street rehabilitation program, the street system would completely fail within six to ten years. Further, survey results from the public research firm indicated residents were clearly aware of the need to improve street conditions, and there was sufficient support for a general obligation bond issue in the range of \$27 to \$48 million. It was also noted that survey results indicated support for a higher bond amount in order to increase rehabilitation efforts on residential streets.

He stated that due to the two-thirds majority required to pass a bond measure at the ballot box, he recommended discontinuing further consideration of the proposed City Charter measure at this time. Although both measures were considered important to the future of the City, he noted that the need to abate further deterioration of the City's street system was of higher priority.

City Manager Perrault then introduced pavement engineering consultants Joe Ririe and Joe Seely of Pavement Engineering, Inc.

Referencing a PowerPoint presentation, Mr. Ririe described the industry standard practice for assessing pavement conditions, assigning an index to describe pavement conditions, and establishing priorities for maintenance. After assessing the City's street system, he noted the findings indicated a systemwide average pavement condition index of "poor". He also displayed a chart of pavement conditions projected over the next ten-year period and the corresponding funding levels required to either maintain or improve those conditions, noting a systemwide average street condition of "failed" was projected by the end of the ten-year period with current funding levels. He then responded to questions from the Council.

City Manager Perrault introduced public research firm consultants Richard Bernard and Adam Sonenshein of Fairbank Maslin Maullin Metz & Associates.

Referencing a PowerPoint presentation, Mr. Bernard described the methodology for surveying a random sample of Grover Beach voters. He reviewed survey details regarding voter sentiment towards local government, the quality of local streets, and whether voters would vote "yes" in favor of or "no" to oppose a bond measure specifically designated for street rehabilitation. He then responded to questions from the Council.

Discussion ensued regarding the survey results; the assessment of pavement conditions; alternative funding mechanisms previously analyzed that were determined to either be too costly or insufficient to effectively finance a long-term street rehabilitation program; financial impacts to property owners with general obligation bonds; and anticipated increases in property values and business development as a result of street improvements. Additional discussion was held regarding the requirement for a two-thirds majority to pass a bond measure; whether to place a bond measure on the ballot in 2014 or 2016 when higher voter turnout would be anticipated during a presidential election year; the correlation between increased costs to rehabilitate a street the further it deteriorated; and whether the City could afford to wait an additional two years before placing the question before voters regarding a bond measure to rehabilitate streets.

Mayor Peterson invited public comments on this matter.

The following persons spoke in support of issuing general obligation bonds to rehabilitate streets:

- Gracia Bello, Grover Beach resident;
- Gene Bello, Grover Beach resident;
- Tony Lawrence, Grover Beach property owner;
- Steve DeVencenzi, Planning Director, San Luis Obispo Council of Governments, who noted the diminishing availability of funds from state and federal sources for street construction projects;
- Mariam Shah, Grover Beach resident;
- Dave Ekbohm, Grover Beach resident and former Mayor; and
- Steve Lieberman, Grover Beach resident and former Mayor.

The following persons also spoke:

- John Laferriere, Grover Beach resident and Planning Commission Chair, who suggested displaying a map indicating current pavement conditions. He also urged analyzing previous election cycle data to apply towards preparing for a bond measure; and
- Paulette Messenheimer, Grover Beach resident, who expressed concerns regarding water use for street construction projects during drought conditions, improving access for the disabled, awarding contracts to local vendors, and using environmentally-friendly street construction materials.

There were no further public comments received.

Discussion was held comparing street rehabilitation projects with street maintenance efforts; recent street rehabilitation projects completed by the City; whether to focus bond proceeds on specifically rehabilitating residential streets or a combination of street types; retaining consultant services to assist the City with voter education; deferring further consideration of a City Charter measure to focus attention on a bond measure; the dollar amount for the proposed bonds; and the time frame required to place a bond measure on the November 2014 ballot.

Council Member Nicolls recommended placing a \$38 million bond issue on the November 2014 ballot, expressing concerns that a \$48 million bond issue might not be approved by the voters.

**Action:** It was moved by Mayor Pro Tem Lee and seconded by Council Member Marshall to: 1) proceed with the development of a \$48 million general obligation bond issue on the November 4, 2014 ballot; and 2) discontinue further consideration of the proposed City Charter measure at this time. The motion carried on the following roll call vote:

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

### **CLOSED SESSION**

At 9:41 p.m., the City Council met in Closed Session concerning the following item:

1. **Conference with Labor Negotiators**  
Pursuant to Government Code Section 54957.6.  
Agency Negotiator: City Manager Robert Perrault, Police Chief/Assistant City Manager James Copsey, Administrative Services Director Gayla Chapman, Assistant Administrative Services Director Eve Byrd, Human Resources Coordinator Channelle Hubbard (may include some or all of the above)  
Represented Employee Group: General Employees - (SEIU) Service Employees International Union, Local 620

Closed Session announcement: At 9:51 p.m., the Council reconvened in open session with all Council Members present. It was announced that no reportable actions were taken in Closed Session.

### **ADJOURNMENT**

There being no further business to come before the City Council, Mayor Peterson adjourned the meeting at 9:52 p.m.

/s/ DEBBIE PETERSON, MAYOR

Attest:  
/s/ DONNA L. McMAHON, CITY CLERK  
(Approved at CC Mtg 08/18/2014)