

AGENDA
GROVER BEACH CITY COUNCIL
GROVER BEACH CITY HALL - COUNCIL CHAMBER
154 SOUTH EIGHTH STREET
GROVER BEACH, CALIFORNIA
MONDAY, FEBRUARY 3, 2020, 6:00 PM

*Next Resolution No. 20-04
Next Ordinance No. 20-00*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting, please contact the City Clerk's Office (805-473-4567) at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

**PLEASE SUBMIT ALL CORRESPONDENCE FOR CITY COUNCIL PRIOR
TO THE MEETING WITH A COPY TO THE CITY CLERK**

City Council meetings are webcast live on the City website at www.groverbeach.org and broadcast live on Charter Cable Television's Government Access Channel 20. Re-broadcasts are daily at 1:00 a.m., 9:00 a.m., and 6:00 p.m. the week of the meeting, and Thursdays and Sundays at 1:00 a.m., 9:00 a.m., and 6:00 p.m. the week following the meeting.

CALL TO ORDER

MOMENT OF SILENCE

FLAG SALUTE

ROLL CALL Council Members Desi Lance, Barbara Nicolls, Mariam Shah, Mayor Pro Tem Karen Bright, and Mayor Jeff Lee

CLOSED SESSION ANNOUNCEMENTS

None

AGENDA REVIEW

At this time the City Council will review the order of business to be conducted and receive requests for, or make announcements regarding, any change(s) in the order of the day. The Council should by motion adopt the agenda as presented or as revised.

CEREMONIAL CALENDAR

1. Introduction of 2019 Grover Beach Citizen of the Year – Tom Rehder
2. Introduction of Community Development and Administrative Services New Employees

PRESENTATIONS

None

PUBLIC COMMUNICATIONS

During this time, the Council will allow up to 15 minutes for Public Communication with additional communication, if necessary, allowed after the Regular Business Items. Any member of the public may address the Council for a period not to exceed three minutes total on any item of interest within the jurisdiction of this Council. The Council will listen to all communications; however, in compliance with the Brown Act, the Council cannot act on items not on the agenda.

CONSENT AGENDA

The following routine items listed below are scheduled for consideration as a group. Recommendations for each item are noted in parentheses. Members of the audience may speak on any item(s) listed on the Consent Agenda. Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion. Items withdrawn from the Consent Agenda will be heard after the rest of the Consent Agenda is approved.

3. **Minutes of the City Council Meeting on Tuesday, January 21, 2020.**
(Recommended Action: Approve the minutes as submitted or revised.)
VOICE VOTE
4. **Amendment to the Classification and Compensation Plan for Police Officer - Police Chief Peters**
(Recommended Action: Adopt the Resolution amending the Classification and Compensation Plan for the Police Officer.)
ROLL CALL VOTE
5. **2019-2020 State Community Development Block Grant (CDBG) Application – Community Development Director Buckingham and Associate Planner Reese**
(Recommended Action: Adopt the Resolution authorizing the submission of a 2019-2020 CDBG Public Improvement OTC application for a water line replacement project.)
ROLL CALL VOTE

PUBLIC HEARING

None

REGULAR BUSINESS

6. **North Oak Park Boulevard Traffic Safety Issues**– Public Works Director/City Engineer Ray and Police Chief Peters.
(Recommended Action: Staff is recommending continuance of this agenda item to a date uncertain.)
7. **Water Infrastructure Financing Preliminary Placement Bank Approval –** Administrative Services Director Purcell. The Council will review information from financial institutions for the City's water infrastructure financing and consider approval of the winning bidder.
(Recommended Action: Approve BBVA USA as the winning bidder.)

PUBLIC COMMUNICATIONS

Any member of the public may address the Council for a period not to exceed three minutes total on any item of interest within the jurisdiction of this Council. The Council will listen to all communications; however, in compliance with the Brown Act, the Council cannot act on items not on the agenda.

COUNCIL COMMITTEE REPORTS

This item gives the Mayor and Council Members the opportunity to present reports to the other members regarding committees, commissions, boards, or special projects on which they may be participating.

Five Cities Fire Joint Powers Authority	Jeff Lee (Alt: Karen Bright)
Monterey Bay Community Power Policy Board	Jeff Lee
South SLO County Sanitation District (SSLOCSD)	Jeff Lee (Alt: Karen Bright)
Integrated Waste Management Authority (IWMA)	Karen Bright (Alt: Mariam Shah)
SLO Council of Governments / SLO Regional Transit Authority (SLOCOG / SLORTA)	Karen Bright (Alt: Jeff Lee)
Zone Three Advisory Committee	Karen Bright (Alt: Mariam Shah)
South County Chambers of Commerce	Desi Lance (Alt: Jeff Lee)
Visit SLO CAL	Desi Lance (Alt: Karen Bright)
Economic Vitality Corporation (EVC)	Barbara Nicolls (Alt: Karen Bright)
SLO County Water Resources Advisory Committee (WRAC)	Barbara Nicolls (Alt: Desi Lance)
South County Transit (SCT)	Barbara Nicolls (Alt: Desi Lance)
Air Pollution Control District (APCD)	Mariam Shah (Alt: Barbara Nicolls)
Homeless Services Oversight Council (HSOC)	Mariam Shah (Alt: Barbara Nicolls)

League of California Cities - Policy Committee Reports and Other League Matters

Channel Counties Division	Mariam Shah
Transportation, Communication & Public Works Policy Committee	Jeff Lee
Governance, Transparency & Labor Relations Policy Committee	Matthew Bronson

COUNCIL COMMUNICATIONS

This item gives individual Council Members the opportunity to seek consensus for scheduling a specific item on a future agenda, authorizing staff time to provide background information and prepare a staff report for a future agenda, or to comment on Council business, City operations, projects or other items of community interest.

CITY MANAGER'S REPORTS AND COMMENTS

CITY ATTORNEY'S REPORTS AND COMMENTS

CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

Santa Maria Water Conservation District et al v. City of Santa Maria, Lead Case No. 1-97-CV-770214 in the Superior Court for the State of California for the County of Santa Clara.

- Kieran L. Adam, et al. v. City of Santa Maria, et al. – Santa Barbara County Case No. 19CV02091
- JC & Elsie Teixeira Family Limited Partnership – San Luis Obispo County Case No. 19CV-0230
- Koch California Ltd., et al. – San Luis Obispo County Case No. 19CV-0227

- JC & Elsie Teixeira Family Limited Partnership, et al. – Santa Barbara County Case No. 19CV02086

ADJOURNMENT

* * * * *

Per Resolution No. 17-21, the public portion of City Council meetings will be scheduled to start at 6:00 p.m. and conclude no later than 11:00 p.m. Any open session items remaining on the agenda at 11:00 p.m. that have not been discussed or considered by the City Council will be continued to an adjourned meeting of the City Council (scheduled before the next regular meeting). However, the City Council may choose to continue the meeting past 11:00 p.m. upon a proper motion and a 4/5ths vote in favor of such an action.

* * * * *

Staff reports or other written materials relating to each item of business referred to on this agenda are available from the City website www.groverbeach.org and on file in the City Clerk's Office. A public counter copy is available for public inspection and reproduction during normal business hours at City Hall, 154 South 8th Street, Grover Beach, CA. Related materials submitted after distribution of the agenda packet are available in the City Clerk's Office during normal business hours. If you have questions regarding any agenda item, please contact the appropriate City Department. Any writings or documents regarding any item on this agenda, not exempt from public disclosure, provided to a majority of the City Council and distributed subsequent to distribution of the agenda packet will be made available for public inspection in the City Clerk's Office during normal business hours.

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Note: This agenda was prepared and posted pursuant to Government Code Section 54954.2. This agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at City Hall for any revisions or call the City Clerk's Office at (805) 473-4567 for more information.

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The agenda and staff reports are also available on the City's website: www.groverbeach.org



CITY OF GROVER BEACH POLICIES AND PROCEDURES FOR CONDUCT AND DECORUM AT COUNCIL MEETINGS

(Pursuant to Resolution No. 07-44, adopted 04-16-07)

1.0 DECORUM AND ORDER – COUNCIL MEMBERS

Council Members shall accord the utmost courtesy to each other, to administrative staff and to the public appearing before the City Council and shall refrain at all times from rude, abusive, and/or derogatory remarks or those that reflect upon a person's integrity, motives or personality.

2.0 DECORUM AND ORDER – STAFF

2.1 City Manager Responsibilities

The City Manager is responsible for ensuring that members of the administrative staff observe the rules of decorum and order set forth in this Policy.

2.2 Addressing the City Council

Any administrative staff member desiring to address the City Council or members of the public shall first be recognized by the Mayor/Presiding Officer. All remarks shall be addressed to the Mayor/Presiding Officer and not to any individual Council Member or member of the public. Administrative staff members shall accord the utmost courtesy to the City Council, other administrative staff members and the public.

3.0 DECORUM AND ORDER – MEMBERS OF THE PUBLIC

3.1 Addressing the City Council

Any member of the public desiring to address the City Council or members of the public shall first be recognized by the Mayor/Presiding Officer at the appropriate place on the agenda. All remarks shall be addressed to the Mayor/Presiding Officer and not to any individual Council Member, member of the administrative staff or member of the public.

3.2 Time limitation for addressing the City Council

Public comment when addressing the City Council shall be generally limited to three (3) minutes per speaker. Depending on the extent of the agenda and the number of persons desiring to speak on an issue, the Mayor/Presiding Officer may, at the beginning of the hearing, set a different time limit for each speaker. Any person may speak for a longer period of time upon approval from the Mayor/Presiding Officer, when deemed necessary, for instance when a person is speaking on behalf of a group, or has a graphic or slide presentation requiring more time.

3.3 Removal

Any member of the public making personal, impertinent, and slanderous or profane remarks or who becomes boisterous while addressing the City Council, staff or general public or while attending the City Council meeting and refuses to come to order at the direction of the Mayor/Presiding Officer, shall be removed from the Council Chambers by the sergeant-at-arms and may be barred from further attendance before the Council during that meeting. Unauthorized remarks from the audience, stamping of feet, whistles, yells, and similar demonstrations shall not be permitted by the Mayor/Presiding Officer. The Mayor/Presiding Officer may direct the sergeant-at-arms to remove such offenders from the room.¹

3.4 Prosecution

Aggravated cases shall be prosecuted on appropriate complaint signed by the Mayor/Presiding Officer.

4.0 ENFORCEMENT OF DECORUM

In extreme cases, such as when a meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals as provided for in this Policy, the Mayor/Presiding Officer may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this Section. Nothing in this Section shall prohibit the City Council from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

No Documentation for this Agenda Item –

**Introduction of 2019 Grover Beach Citizen of the Year
- Tom Rehder**

Agenda Item No. 1

**Introduction of 2019 Grover Beach Citizen of the Year
- Tom Rehder**

(CC Mtg 2/03/2020)

No Documentation for this Agenda Item –

**Introduction of Community Development and
Administrative Services New Employees**

Agenda Item No. 2

**Introduction of Community Development and
Administrative Services New Employees**

(CC Mtg 2/03/2020)

**MINUTES
CITY COUNCIL MEETING
TUESDAY, JANUARY 21, 2020**

CALL TO ORDER Mayor Lee called the meeting to order at 6:00 p.m. in the City Hall Council Chamber, 154 South Eighth Street, Grover Beach, California.

MOMENT OF SILENCE

FLAG SALUTE The flag salute was led by Karen Kahn.

ROLL CALL

City Council: Council Members Desi Lance, Barbara Nicolls, Mariam Shah, Mayor Pro Tem Bright, and Mayor Jeff Lee were present.

City Staff: City Manager Matthew Bronson, City Attorney David Hale, City Clerk Wendi Sims, Police Chief John Peters, Administrative Services Director Deanne Purcell, Community Development Director Bruce Buckingham, Public Works Director/City Engineer Greg Ray, and Parks & Recreation Program Director Kathy Petker were also present.

Also present was Fire Chief Steve Lieberman, Five Cities Fire Authority.

CLOSED SESSION ANNOUNCEMENTS

None

AGENDA REVIEW

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

CEREMONIAL CALENDAR

1. Holiday of Lights Award Winners were announced:

Business Winners -

Best Overall Theme: Out on the Beach

Best Use of Lights: Shell Beach Floral

Best Window Display: SLOCO Data

Residential Winners –

Mayor's Award 1st Place: 1258 Ramona Avenue

Mayor's Award 2nd Place: 490 S. 8th Street

Mayor's Award 3rd Place: 1416 Mentone Avenue

City Council Award 1st Place: 1654 Seabright Avenue

City Council Award 2nd Place: 34 Gull Court

City Council Award 3rd Place: 48 Park Drive

Commissioner's Award 1st Place: 1136 Ritchie Road
Commissioner's Award 2nd Place: 1205 San Sorrento Ct
Commissioner's Award 3rd Place: 1092 Atlantic City Avenue

2. **Mid-State Fair 75th Anniversary Proclamation** the Mayor read the Proclamation for the Mid-State Fair 75th Anniversary.

PRESENTATIONS

3. **3C-REN Presentation on Energy Efficiency Programs** was presented by Jon Griesser of San Luis Obispo County.

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.

Bev Cloud
Aimee Mulliner
Everly French
Amy Hennings
Renee Froggé
Krista Jeffries
Lorraine Kitman

The Mayor asked the City Manager to give a brief statement on the Coastal Dance and Music Academy, and the Public Works Director/City Engineer to make a comment on red curbing on South Oak Park.

CONSENT AGENDA

It was moved by Mayor Pro Tem Bright and seconded by Council Member Lance 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 – Lance, Nicolls, Shah, Mayor Pro Tem Bright and Mayor Lee
NOES: Council Members – None
ABSENT: Council Members – None
ABSTAIN: Council Members – None

4. **Treasurer's Report for the Period November 26, through December 31 ,2019.**
Action: Approved the Treasurer's Report as submitted.

5. **Treasurer's Report for the 2017 Streets Bond Account - \$15,000,000 (Measure K14: Grover Beach Street Rehabilitation; Safety Improvement Bond Measure) for the Period November 26, through December 31, 2019.**
Action: Approved the Treasurer's Report as submitted.
6. **Minutes of the City Council Meeting on Monday, January 6, 2020.**
Action: Approve the minutes as submitted or revised.
7. **FY 2018-19 Comprehensive Annual Financial Report**
Action: Received and filed the FY 2018-19 Comprehensive Annual Financial Report.
8. **Discontinuance of Residential Water Service Policy**
Action: Adopted the Discontinuance of Residential Water Service Policy as required by SB 998.

PUBLIC HEARING

9. **Potential Programs for Inclusion in the 2020 State Community Development Block Grant (CDBG) Application**

Mayor Lee read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report.

City Manager Bronson made a brief comment before introducing Associate Planner Reese who gave an in-depth PowerPoint presentation on the Community Development Block Grant Application.

Mayor Lee invited public comment on this matter.

Janna Nichols

There being no further public comments received, the Mayor closed the public comment.

Discussion was had amongst the Council and staff on the projects that are being considered for the CDBG Application.

Action: It was on consensus of the Council to direct staff to proceed with the application for funding under the 2020 Community Development Block Grant (CDBG) non-entitlement program.

Recess: Upon consensus of the City Council, the meeting recessed at 7:19 p.m.

Reconvened: At 7:29 p.m. the meeting reconvened with all members of Council present

REGULAR BUSINESS

10. North Oak Park Boulevard Traffic Safety Improvements

At the time Mayor Lee announced that this item would be continued to February 3rd due to news about an accident that just occurred on North Oak Park Boulevard.

Mayor Lee did invite public comment on this matter.

Phil Schaaf
Les Henderson
Rachel Mann
Jorge Aguilar
Rick Robbiano
Annie Aquino
Randy Martin
John A. Wysong

No further public comments were received at this time and the Mayor closed public comment.

There was no further discussion.

Action: Item continued to Monday, February 3, 2020.

Recess: Upon consensus of the City Council, the meeting recessed at 7:50 p.m.

Reconvened: At 8:01 p.m. the meeting reconvened with all members of Council present

11. Central Coast Blue Memorandum of Agreement Framework-

Mayor Lee read the title to the foregoing item and deferred to staff for a report.

City Manager Bronson gave a brief overview before turning to the Public Works Director/City Engineer Ray for a PowerPoint presentation regarding the Central Coast Blue Memorandum of Agreement Framework.

Mayor Lee invited public comment on this matter.

Cynthia Replogle
Julie Tacker
Brad Snook

No further public comments were received at this time and the Mayor closed public comment.

Council had a discussion regarding the agreement and asked questions of staff and Dan

Heimel of WSC.

Action: On the consensus of the Council they agreed and gave direction to staff that they would like to see a Central Coast Blue Stakeholders Ad Hoc committee set up with the other cities for further discussion on the cost sharing and governance of the agreement. Council Member Lance was selected to be on the committee.

COUNCIL COMMITTEE REPORTS

Council Member Shah gave an update on the Homeless Services Oversight Council (HSOC) and announced she has an Air Pollution Control District (APCD) meeting on Wednesday, January 22.

Council Member Nicolls announced that both the Economic Vitality Corporation (EVC) and the South County Transit (SCT) meetings would be held on Wednesday, January 22.

Council Member Lance made comment on the South County Chambers of Commerce meeting.

Mayor Pro Tem Bright made comment on the SLO Council of Governments / SLO Regional Transit Authority (SLOCOG/SLORTA), the Integrated Waste Management Authority (IWMA) and the Zone Three Advisory Committee meetings.

Mayor Lee gave a brief update on the Five Cities Fire Joint Powers Authority (FCFA) meeting as well as the South SLO County Sanitation District (SSLOCSD) meeting.

League of California Cities:

Council Member Shah mentioned that the next Channel Counties Division dinner will be on February 28 in Solvang, and that she has a League Executives meeting the first week of February.

Mayor Lee commented that both City Manager Bronson and he would be attending the LLC Policy Committee meetings on Thursday, January 23 in Sacramento

COUNCIL COMMUNICATIONS

- A. Council Member Lance announced that the South County Chambers of Commerce Annual Dinner would be held on Wednesday, January 22.
- B. Mayor Pro Tem Bright mentioned that she had been contacted by a few people that there was a problem with the live stream of the council meetings and would like staff to look into it, which City Manager Bronson made note of.
- C. Mayor Lee commented that he and City Manager Bronson had attended the Parks, Recreation, and Beautification Commission last week and had the opportunity to give them an overview of the Council's goals and gave them some items to consider including the Monarch Butterflies as well as a movement call the "10-Minute Walk".

Mayor Lee also wanted to announce that on Saturday, January 25, John Preston with “22 and You” would be walking through Grover Beach on his trip from Palo Alto to San Diego to raise awareness for first responder’s PTSD and suicide.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Bronson announced two public workshops that are coming up in February. The Housing Element Update Community Workshop will be held on February 12 and the Community Forum: Help Shape the Future of Ramona Garden Park will be held on February 19, both at the Ramona Garden Park Center at 6:00 p.m. on the respective dates.

He also informed the Council of the new city website design that would be unveiled at the end of the week.

CITY ATTORNEY'S REPORTS AND COMMENTS

None

CLOSED SESSION

None

ADJOURNMENT

There being no further business to come before the City Council, Mayor Lee adjourned the meeting at 10:04 p.m.

JEFF LEE, MAYOR

Attest:

WENDI SIMS, CITY CLERK
(Approved at CC Mtg _____)



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** February 3, 2020

FROM: Matthew Bronson, City Manager

PREPARED BY: John Peters, Chief of Police
Karla Mattocks, Management Analyst / Human Resources

SUBJECT: Amendment to the Classification and Compensation Plan for Police Officer

RECOMMENDATION

Adopt the Resolution amending the Classification and Compensation Plan for Police Officer.

BACKGROUND

The Police Department has been engaged in a constant recruitment effort for multiple Police Officer vacancies for several years. On June 19, 2018, the Council adopted a new Memorandum of Understanding (MOU) with the Grover Beach Police Officers' Association (GBPOA) that included three years of salary increases for sworn positions. These increases were approved with the desire to bring the sworn officer compensation up to a competitive rate consistent with other San Luis Obispo County law enforcement agencies. The desired effect was to improve recruitment to fill Police Officer vacancies and to retain current officers who may have been seeking a more competitive salary elsewhere.

On November 18, 2019, the Council adopted an amendment to the Classification and Compensation Plan for Police Sergeant and Police Commander after a Human Resources Department review of the salary schedule for both positions. The review determined the salary schedules were well below the average in San Luis Obispo County which had negatively affected a recent Sergeant recruitment. With the adoption of the amendment, the salary schedule for Sergeant received a 10% increase while the salary schedule for Commander received a 5% increase. These increases brought the salary schedules for these positions in the competitive average for the county.

A subsequent review by Human Resources of the Police Officer salary schedule discovered that it is again significantly below the average in San Luis Obispo County and may be negatively affecting our recruitment efforts. The review determined the Grover Beach Police Officer salary is the lowest in San Luis Obispo County once again and therefore the recruitment of lateral or academy trained applicants has diminished because of the non-competitive salary. The Grover Beach Police Officer top step salary is currently \$6,987, or about 8% below the county average.

The below information is the top step salary information from each city surveyed.

	<u>Police Officer</u>
Arroyo Grande	\$83,292
Atascadero	\$82,680
Grover Beach	\$81,468
Paso Robles	\$89,448
Pismo Beach	\$89,228
San Luis Obispo	\$109,876
County Average	\$88,449

Staff is recommending an adjustment to the salary schedule for the Police Officer position in order to increase our competitiveness in recruiting new police officers as well as retaining the experienced police officers currently on staff. The adjustment would be a 5% increase in the salary schedule effective February 24, 2020. This increase would bring the top step salary of Police Officer to about \$85,548 annually. This is still short of the county average; however, the current Grover Beach Police Officers' Association Memorandum of Understanding provides for an additional 5% increase for all represented sworn members in July 2020. The combined adjustment and previously approved increase scheduled for July 2020 will allow the Police Officer salary to stay near the county average for the duration of the current bargaining agreement.

Below is a comparison of the current and proposed salary schedule:

Current Salary Schedule:

<u>Section 4 - Competitive Service</u>	A	B	C	D	E	F
Police Officer	5320	5586	5865	6158	6466	6789

Proposed Salary Schedule:

<u>Section 4 - Competitive Service</u>	A	B	C	D	E	F
Police Officer	5586	5865	6159	6467	6790	7129

The fiscal impact for this adjustment would be approximately \$16,152 for the remainder of this fiscal year and \$69,887 for next fiscal year. The FY 2020-21 amount will vary depending on the number of vacancies that are filled during that year. The \$16,152 fiscal impact for this year can be absorbed in the approved Police Department budget due to salary savings from multiple vacancies. The funding for the following year would need to be included in the FY 2020-21 budget.

Staff believes by completing this salary schedule adjustment, the Grover Beach Police Department recruitment for lateral and academy graduate Police Officer positions will be more attractive to potential candidates. Increasing the competitiveness in these key positions will help the City to fill the current vacancies and ensure proper succession planning for anticipated retirements within the next 24 months.

FISCAL IMPACT

For the remainder of FY 2019-20, the estimated cost impact would be approximately \$16,152 which would be covered by utilizing expected salary savings in the Police Department budget. For FY 2020-21, the estimated cost impact would be approximately \$69,887 that would need to be included in the General Fund budget.

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Adopt the Resolution amending the Classification and Compensation Plan for the Police Officer; or
2. Provide staff with direction.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Resolution No. 20-__ - Amending Resolution No. 02-73 amending the Classification and Compensation Plan for the Police Officer.

RESOLUTION NO. 20-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, AMENDING THE CLASSIFICATION AND COMPENSATION PLAN FOR POLICE OFFICER

WHEREAS, Resolution No. 02-73 was adopted by the City Council on September 17, 2002, establishing rules governing compensation rates and related requirements for all job classes; and

WHEREAS, on June 19, 2018, the City Council of Grover Beach adopted Resolution No. 18-54 for the purpose of adopting the Memorandum of Understanding (MOU) between the City of Grover Beach and the Grover Beach Police Officers’ Association; and

WHEREAS, on February 3, 2020, the City Council received a report from City staff identifying that the current salary schedule for Police Officer is the lowest in San Luis Obispo County and significantly below the average for Police Officer salary schedules in San Luis Obispo County which is negatively affecting the ability to recruit and retain Police Officers for the City; and

WHEREAS, the City Council is desirous of increasing the recruitment and retention of Police Officers by amending the Classification and Compensation Plan for the job classification of Police Officer providing a five percent (5%) increase to the salary schedule of Police Officer effective February 24, 2020; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Grover Beach does hereby amend the Salary Schedule of the Classification and Compensation Plan Resolution No. 02-73 as depicted in the attached Exhibit A – Staffing Detail and Salary Schedule.

On motion by Council Member _____, seconded by Council Member _____, and on the following roll-call vote, to wit:

AYES: Council Members -
NOES: Council Members -
ABSENT: Council Members -
ABSTAIN: Council Members -

the foregoing Resolution was **PASSED, APPROVED**, and **ADOPTED** at a meeting of the City Council of the City of Grover Beach, California this 3rd day of February 2020.

**** D R A F T ****

JEFF LEE, MAYOR

Attest:

WENDI SIMS, CITY CLERK

City of Grover Beach
STAFFING DETAIL & SALARY SCHEDULE

Compensation Plan – Police Officer

Current Salary Schedule:

<u>Section 4 - Competitive Service</u>		A	B	C	D	E	F
Police Officer		5320	5586	5865	6158	6466	6789

Proposed Salary Schedule:

<u>Section 4 - Competitive Service</u>		A	B	C	D	E	F
Police Officer		5586	5865	6159	6467	6790	7129



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** February 3, 2020

FROM: Matthew Bronson, City Manager

PREPARED BY: Bruce Buckingham, Community Development Director
Janet Reese, Associate Planner

SUBJECT: 2019-2020 State Community Development Block Grant Application

RECOMMENDATION

Adopt the Resolution authorizing the submission of a 2019-2020 Community Development Block Grant (CDBG) Public Improvement Over the Counter (OTC) application for a water line replacement project.

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program authorizes the use of funds to assist low- and moderate-income families or aid in the prevention or elimination of slums or blight. There are two types of CDBG programs: "entitlement" and "non-entitlement". Metropolitan cities and urban counties are entitled to receive annual grants under the "entitlement" program – direct from HUD. Metropolitan cities are principal cities or Metropolitan Areas (MAs) or other cities within MAs that have populations of at least 50,000. Urban Counties are within MAs that have population of 200,000 or more excluding the population of metropolitan cities within their boundaries. The "non-entitlement" program is administered by the State Department of Housing and Community Development (HCD) and where the City can apply for funding under a competitive application process. The City has received \$3.2 million in 2013 and 2017 CDBG funding for water line improvements and \$645,000 for Eviction Prevention and Security Deposit programs through successful application for the non-entitlement program.

On January 21, 2020, the Council held a public hearing to consider the projects or programs to apply for funding. At the conclusion of the public hearing, the Council indicated applications should be submitted for the following:

- Public Improvements OTC: Water Line Improvements totaling \$3,000,000.
- Public Service: subsistence payments (eviction prevention) and security deposits (rapid rehousing) totaling \$500,000.

Applications for Public Improvements OTC projects will be reviewed in the order they are submitted. Therefore, Adams Ashby Group and staff have been diligently working on the application for the water line project for it to be ready to submit when the application period opens on February 14, 2020. Applications for Public Services are not due until April 15, 2020 and staff is working with 5Cities Homeless Coalition to confirm they are eligible to apply for the proposed programs and to finalize the funding request for each proposed program. Once this is confirmed, staff will return to the Council for formal authorization to submit the Public Service application in March.

Accordingly, staff requests the Council adopt the resolution authorizing the submission of a 2019-2020 CDBG Public Improvement OTC application for a water line replacement project.

ALTERNATIVES

1. Adopt the Resolution authorizing the submission of a 2019-2020 CDBG Public Improvement OTC application for a water line replacement project; or
2. Provide direction to staff.

FISCAL IMPACT

Adams Ashby Group, the city's general administration consultant, estimates the cost to prepare the OTC application to be approximately \$7,500, and an additional \$1,000 for the non-OTC applications. The costs associated with the preparation of applications are an eligible expenditure of 2017 CDBG General Administration funds. Approximately 25 percent of the 2017 CDBG General Administration funds have been expended in the past year, with 18 months remaining in the State contract; therefore, there are sufficient funds to prepare the 2019-2020 CDBG applications using 2017 CDBG funds. If awarded, an approved CDBG application is 100% grant funded, including the costs to administer the grant.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Resolution

RESOLUTION NO. 20-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 2019-2020 FUNDING YEAR OF THE STATE CDBG PROGRAM

WHEREAS, the California Department of Housing and Community Development (the "Department") is authorized to allocate Community Development Block Grant (CDBG) Program funds made available from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, on January 21, 2020 the Department issued a Notice of Funding Availability announcing the availability of 2019 and 2020 funds under the CDBG program (the "NOFA"); and

WHEREAS, the City Council conducted a public hearing on January 21, 2020 to allow for public comments on the proposed CDBG application; and

WHEREAS, in response to the 2019-2020 NOFA, the City of Grover Beach, a municipal corporation, (the "Applicant"), wishes to apply to the Department for, and receive an allocation of, CDBG funds.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Grover Beach hereby authorizes and directs the City Manager to submit a State CDBG application as follows:

SECTION 1:

The City Council of the City of Grover Beach has reviewed and hereby approves one or more application(s) up to \$3,500,000 for the following CDBG activities, inclusive of General Administration and Activity Delivery:

1. Public Improvement Project - Water Line Improvements Up to \$ 3,000,000

SECTION 2:

The City of Grover Beach acknowledges compliance with state and federal public participation requirements in the development of this application.

SECTION 3:

The City of Grover Beach hereby authorizes and directs the City Manager to sign this application and act on the City's behalf in all matters pertaining to this application.

SECTION 4:

If the application is approved, the City Manager is authorized to enter into and sign the grant agreement and any subsequent amendments with the State of California for the purposes of this grant.

SECTION 5:

If the application is approved, the City Manager is authorized to sign Funds Requests and other required reporting forms.

On motion by _____, seconded by _____, and on the following roll-call vote, to wit:

AYES: Council Members –
NOES: Council Members –
ABSENT: Council Members –
ABSTAIN: Council Members –

the foregoing RESOLUTION NO. 20-__ was **PASSED, APPROVED**, and **ADOPTED** at a Regular Meeting of the City of Grover Beach City Council on this 3rd day of February 2020.

DRAFT

JEFF LEE, MAYOR

Attest:

WENDI SIMS, CITY CLERK

No Documentation for this Agenda Item –

North Oak Park Boulevard Traffic Safety Issues

Agenda Item No. 6

North Oak Park Boulevard Traffic Safety Issues

(CC Mtg 2/03/2020)



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** February 3, 2020
FROM: Matthew Bronson, City Manager
PREPARED BY: Deanne Purcell, Administrative Services Director
SUBJECT: Water Infrastructure Financing Preliminary Placement Bank Approval

RECOMMENDATION

Review information from bidders for the \$4.5 million water infrastructure private placement financing and approve BBVA USA as the winning bidder with the lowest true interest cost.

BACKGROUND

In May 2019, staff began preliminary discussions with the City's consultants A. M. Peché & Associates LLC, Piper Sandler & Co. ("Piper Sandler" and formerly Piper Jaffray) and Kutak Rock LLP (the "Financing Team") on the potential to finance water system improvements needed by the City's water enterprise system. The individual consultants from these firms have had significant experience with Grover Beach as they had been hired by the City to assist in the issuance of General Obligation Bonds for street repairs and/or potential financing for the Grover Beach Lodge project. The consultants analyzed different maturity structures, including 15 or 20-year amortizations, and sale methods (public sale or private placement) to determine an optimal structure for the financing. Staff had several conference calls over the period of several months and in reviewing various analyses, it was determined that a private placement loan with a 20-year maturity would be more economical than a public sale of water revenue bonds.

On August 19, 2019, the City Council adopted an updated Water Master Plan that included the capital needs of the Water Fund and the potential funding options for addressing these needs. During this meeting, staff identified the possibility of pursuing loan financing to accelerate these recommended improvements given favorable interest rates. Based on the review and analysis prepared by the Financing Team at that time, the City could enter into a private placement loan in the amount of \$4.5 million that would provide proceeds to the City of \$4.3 million, a loan term of 20 years, and an estimated average annual debt service payment of \$317,000.

On November 18, 2019, the City Council heard a presentation from staff and Albert Peché reviewing the Water Fund capital needs, current and prospective utility rates, and financing options for the water improvements (the "2020 Water Revenue Project Financing"). The City Council adopted a resolution authorizing staff to proceed with the financing process and confirming the approved 6% increase in water rates on July 1, 2020 as per the Prop. 218 hearing approving rate increases on March 6, 2017.

In December 2019, staff worked with the Financing Team to review a Term Sheet, prepared by Piper Sandler, and draft legal documents prepared by Kutak Rock LLP, that would go out to

potential bidders for the financing. Because of the importance of having independent water enterprise projections, the services of Tuckfield & Associates, a Rate Consultant with experience with the City, was engaged to prepare: three years of historical cashflows and five-year projected cashflows showing that proposed debt service would meet the 1.20 times coverage requirement.

Bid Process

On January 6, 2020, Piper Sandler sent out the Term Sheet, three years of the City CAFRs including the FY 2018-19 CAFR, the projections and other relevant information out to 48 potential banks, including several local and regional banks shown in Attachment 1. Piper Sandler received several questions over the following two weeks from 10 banks and staff cooperated with responding to these inquiries. Bids were due on January 22, 2020.

11 banks requested additional information as shown in Attachment 2. Of these 11 banks, seven banks submitted bids. Attachment 3 shows the results of the three lowest bids that complied with a fixed rate financing as requested in the Term Sheet. BBVA USA ("BBVA") provided the lowest true interest cost when factoring in all costs. BBVA has previous experience with the City as it had been considering private placement financing to fund prospective City costs related to the Grover Beach Lodge and had visited the city and met with staff as part of this process.

Below is a summary of BBVA's bid:

- Interest Rate – 2.57% fixed rate: 121 bps over 79% of the prevailing 10-year LIBOR swap rate (LIBOR rate on 1/22/20 was 1.72%). Subject to change daily prior to locking. Final Rate of 2.43%
- Lock – 30 days; 3 bps premium for 60-day lock
- Additional Fees - \$10,000 Bank Counsel plus out of pocket expenses
- Estimated Annual Average Debt Service – \$289,000
- Optional Redemption – 10 years at Par
- Default Rate – 5% plus Final Rate
- Maturity Date - September 1, 2039
- Expected Closing Date – February 26, 2020
- Additional Requirements – Annual CAFR and budget provided within 270 days of the end of the fiscal year. CAFR to include debt service coverage calculation.

BBVA's final rate of 2.43% is very competitive reflecting the current market environment and the strong financial position of the City and is also lower than the rate shown in the bid summary. The City Manager has provided a preliminary acceptance of the BBVA bid pending Council approval in order to lock in this final rate. The costs of issuance are estimated to be approximately \$146,000 which is 3.27% of the estimated par amount of \$4,466,000. These costs are well within the 3% to 5% costs of issuance. Because this is a private placement, there was savings from not having to prepare an official statement, rating fees, trustee and paying agent fees, and ongoing continuing disclosure requirements.

Next Steps

Pending Council's approval of BBVA as the winning bidder, below are the following next steps in the financing process:

- February 7-12, 2020 – Final credit approval from Bank, final numbers and draft of legal documents
- February 18, 2020 – City Council approval of Issuance Resolutions/Legal Documents
- February 19-26, 2020 – Documents signed by the City (February 19), pre-closing (February 24 - BBVA needs all signed documents two days prior to closing) and closing (February 26). The financing must close by February 26 to avoid an additional 3 basis points increase in the rate.

FISCAL IMPACT

Estimated debt service of approximately \$289,000 will start in FY 2020-21 and will be repaid by Water Enterprise Fund revenues.

ALTERNATIVES

The Council has the following alternatives to consider:

1. Approve BBVA as the winning bidder; or
2. Reject all bids; or
3. Provide alternate direction to staff.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Banks sent Term Sheet and bidding information
2. Summary of the 11 Banks that made inquiries
3. Summary of 3 lowest bids

1st Capital Bank
Academy Bank
American Riviera Bank
Bank of the Sierra
Bank of the West
BB&T
BBVA Compass
BciCapital
Beneficial State Bank
Boston Private Bank
CapitalOne
Citizens Business Bank
City National Bank
CoBank
Community Bank of Santa Maria
Community West Bank
F&M Long Beach
First Bank - 12229
First Foundation Bank
First Internet Bank
First Republic Bank
Fremont Bank
Glacier Bank
Homestreet Bank
JPMC
Key Government Finance
Mechanics Bank
Mission Bank
Montecito Bank and Trust
Monterey County Bank
NBH
Opus Bank
Pacific Premier Bank
Pacific Western Bank
Pinnacle Public Finance
Signature Bank
Sterling National Bank
Sunflower Bank
Tri-Counties Bank
Umpqua Bank
Union Bank
United Security Bank
US Bank
Valley Republic Bank
Wells Fargo
Westamerica Bank
Western Alliance Bank
Zions Bank

BBVA Compass
CapitalOne
City National Bank
Community Bank of Santa Maria
First Foundation Bank
First Republic Bank
JPMC
Key Government Finance
Sterling National Bank
Western Alliance Bank
Zions Bank

CITY OF GROVER BEACH
2020 Water Revenue Project Installment Purchase Contract
Summary of 3 Lowest Bids

Attachment 3

	BBVA ⁽¹⁾ (30-day lock)	BBVA ⁽¹⁾⁽²⁾ (60-day lock)	Sterling National Bank	MFC (City National)
Rate (TE, BQ)	2.57%	2.60%	2.76%	2.86%
Origination Fee	\$0		\$0	\$7,500
Bank Counsel Fee ⁽³⁾	\$10,000		\$0	\$0
Other Fees	Out of pocket expenses, CDIAC fee		CDIAC fee	CDIAC fee
Par Amount	\$4,465,000	\$4,465,000	\$4,455,000	\$4,465,000
TIC	2.59%	2.62%	2.76%	2.88%
Average Annual Debt Service	\$292,732	\$293,591	\$297,171	\$300,634
Total Debt Service	\$5,712,337	\$5,729,107	\$5,798,965	\$5,866,529
Optional Call Features	10 years @ 100% Option to prepay at par after the 5th or 7th year is available on request at a premium.		Anytime through 9/1/23 @ 102% 9/2/23 through 9/1/25 @ 101% Callable 9/2/25 and thereafter @ 100%	Any date beginning 9/1/26 @ 100%
Default Rate	5.00% over locked rate		10% but will be open to negotiation (10% is late fee on only the specific amount that is late)	None
Continuing Disclosure/Reporting Obligations	(1) Annual audited financial statements due within 210 days after end of FY (2) Annual approved operating budget due within 30 days after end of FY. (3) Annual certification from City that City has met the 1.2x rate coverage amount due within 210 days after end of FY. (4) Any other information Lender may request from time to time.		Will require typical annual information (i.e. annual audits, etc.)	Will require typical annual information (i.e. annual audits, etc.)
Subject to:	Final credit approval and signed term sheet. Credit approval will require information regarding the Lopez Dam including certain questions as stated in the Term Sheet response.		Final credit approval process.	Final credit approval and receipt of all documents and opinions in form acceptable to Bank.

⁽¹⁾ Rate has not been locked in. Indexed to daily LIBOR swap rate.

⁽²⁾ BBVA would require a 3 bps premium for locking the rate 60 days.

⁽³⁾ Represents a not-to-exceed amount for BBVA.