

NOTICE OF SPECIAL MEETING OF THE GROVER BEACH CITY COUNCIL

A Special Meeting of the City Council of the City of Grover Beach is hereby called for **Monday March 30, 2020 at 4:00 p.m.** to consider the matters set forth in the attached Special Meeting Agenda.

JEFF LEE, MAYOR

SPECIAL MEETING AGENDA GROVER BEACH CITY COUNCIL MONDAY, MARCH 30, 2020, 4:00 P.M.

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) 473-4568 prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Rather than attending in person, residents should call 805-321-6639 to provide public comment via phone (the phone line will open just prior to the start of the meeting at 4:00 PM) or written public comments can be submitted via email to gbadmin@groverbeach.org prior to the Council meeting start time of 4:00 PM. If submitting written comments in advance of the meeting, please note the agenda item. Written comments will be read out loud during the City Council meeting on the appropriate agenda item subject to the customary 3-minute time limit.

CALL TO ORDER

ROLL CALL

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

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

BUSINESS

- 1. Overview of City's COVID-19 Response** – City Manager Bronson The Council will receive and update on the City's response to the COVID-19 pandemic and provide direction.
Recommended Action: Receive an update on the City's response to the COVID-19 pandemic and provide input to staff.
- 2. Urgency Ordinance Affirming Actions of the County of San Luis Obispo Related to the COVID-19 Pandemic** - City Attorney Hale The Council will consider adopting an urgency ordinance affirming actions of the County of San Luis Obispo related to the COVID-19 Pandemic.
Recommended Action: Adopt the Urgency Ordinance affirming actions of the County of San Luis Obispo and their enforceability within the City of Grover Beach
- 3. Waiver of Late Penalties and Interest for Transient Occupancy Tax Payments and Water and Sewer User Fees**– Administrative Services Director Purcell The Council will consider adopting an urgency ordinance regarding waiving late penalties and interest for Transient Occupancy Tax payments and Water and Sewer user fees.

Recommended Action: Adopt an Urgency Ordinance authorizing the Administrative Services Director to 1) waive late penalties and interest for remittance of Transient Occupancy Tax revenues received for February through April 2020 until August 31, 2020 and 2) suspend service disconnections for non-payment of fees and waive late penalties and interest for water and sewer utility customers for February, March and April 2020 billings until August 31, 2020.

- 4. **City of Grover Beach Emergency and Disaster Purchasing Policy**– Administrative Services Director Purcell The Council will consider the adoption of a Resolution for a policy for Emergency and Disaster Purchasing.

Recommended Action: Adopt the Resolution creating a City of Grover Beach Emergency and Disaster Purchasing Policy

ADJOURNMENT

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Staff reports or other written materials relating to each item of business referred to on this agenda are on file in the City Clerk’s Office and are available for public inspection and reproduction during normal business hours at City Hall, 154 South 8th Street, Grover Beach, CA. If you have questions regarding any agenda item, please contact the appropriate City Department.

Note: This agenda was prepared and posted pursuant to Government Code Section 54956. 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.

- c: Mayor and Council Members
Commissions & Committee Members
City Manager; City Attorney
Department Directors
Media: *The Tribune / New Times*
Post: City Hall



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** March 30, 2020
FROM: Matthew Bronson, City Manager/Emergency Services Director
PREPARED BY: Matthew Bronson, City Manager/Emergency Services Director
SUBJECT: Update on City's COVID-19 Response

RECOMMENDATION

Receive an update on the City's response to the COVID-19 pandemic and provide input to staff.

BACKGROUND

The City continues to carefully monitor the COVID-19 Coronavirus pandemic and following the direction of the County Public Health Department in coordination with other local agencies. This is a significant public health situation that the City is responding to address community needs with the public health and safety of the community as the highest priority. The City took a series of initial actions beginning on March 14, 2020 including cancelling or postponing events along with recreation classes and facility rentals and closing City facilities to public access through the end of March. The City Manager/Emergency Services Director declared a local emergency declaration on March 16, 2020 which was ratified by the City Council as a precautionary measure in responding to this public health situation and enable reimbursement of related costs.

Subsequently, the County of San Luis Obispo issued an executive order on March 18, 2020 for a countywide "shelter at home" beginning on March 19, 2020 to slow the spread of infection from this virus. The order is in effect until April 17, 2020 and will be re-evaluated every two weeks. In addition, the State, on March 19, 2020 issued a similar "stay at home" order that went into effect immediately statewide. Both orders are intended to have residents stay at home except for going to essential businesses such as grocery stores and pharmacies and working in essential services. The lists of businesses allowed to stay open under full or limited service or that need to be closed under the County's order are available at <https://www.emergencyslo.org/en/shelter-at-home-order.aspx>. The City has been working to ensure business compliance with these orders through oversight by the Code Compliance Officer and recognizes the efforts of local businesses to voluntarily comply. As a precaution, the City is taking steps to actively enforce this order if need be which is the subject for a subsequent agenda item during this meeting.

In accordance with both the countywide and statewide orders, the City has focused its service delivery to the community during this timeframe to maintain "essential governmental functions" allowed under the executive order which are defined as the following City services:

- Police patrol and dispatch
- Water treatment and water/wastewater distribution
- Infrastructure projects
- Storm-water response
- Permit review and issuance for applicable residential and commercial permits

Fire and emergency medical services continue to be provided to the public by the Five Cities Fire Authority. City facilities including City Hall and Community Centers are closed to public access and as an employee workplace with City staff primarily working from home to continue providing services to the best of their ability. Facility closures also include park facilities such as playgrounds, sports courts, and the skate park to reduce the spread of the COVID-19 virus in conjunction with the County's "shelter at home" order. Individuals can still access outdoor park areas while adhering to social distance requirements. The Police Station and Corporation Yard remain in operation given their essential services function. The public can call the City's main telephone line at (805) 473-4550 or send an email to cityhall@groverbeach.org to ask questions or get more information about the City's response or services during this time.

The City organization has performed well since the beginning of this public health situation and made a successful transition to a virtual service delivery model aside from field operations. City staff have worked closely with other local agencies and community partners and have continued to provide important services for the community while addressing community questions and concerns. The City has also actively communicated with the public through social media posts, videos, and website updates and will send out a postcard over the next week to every household with how to find key resources and information. This is an evolving public health situation with our efforts focused on reducing the potential spread of COVID-19 in the community and in our City organization. The City is working in a virtual Emergency Operations Center (EOC) environment where key staff are coordinating on emergency issues remotely though a physical EOC can be established as warranted.

At the same time, the City is aware of the growing economic impacts caused by the necessary public health actions that have been taken. The scale of reported business losses in the city is significant which has already led to numerous job losses and reduction of economic activity which will impact City revenues necessary to continue providing essential services to the community. At the same point, the recent drop in the stock market has caused a commensurate decline in CalPERS valuation which will impact the City's future pension costs if the stock market does not fully recover. Though the City's finances are currently stable given the City's reliance upon property taxes and other revenue sources, staff is tightening current year spending along with assessing the City's financial condition and projecting potential scenarios as part of the FY 2020-21 budget process in preparation for an economic downturn over the next fiscal year. Staff is also working closely with the South County Chambers of Commerce as part of the City's economic development contract and exploring ways to further support the Chamber given their vital role today in supporting the business community.

Staff requests that the Council receive this update on the City's COVID-19 pandemic and provide input to staff. Staff will provide such updates on a regular basis during upcoming scheduled Council meetings along with special meetings where needed. Lastly, for the time being, Council meetings will be held in a virtual format where members of the Council along with staff and the public will be participating remotely aside from 1-2 members and/or staff participating in person at City Hall. This format is authorized under the revisions to the Brown Act in adhering to necessary physical distance requirements to reduce the spread of the virus.

FISCAL IMPACT

There is no fiscal impact from this item.

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Receive an update on the City's response to the COVID-19 pandemic and provide input to staff; or
2. Provide alternative direction to staff.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Adopt the Urgency Ordinance affirming actions of the County of San Luis Obispo and their enforceability within the City of Grover Beach; or
2. Do not adopt the Urgency Ordinance; or
3. Provide alternative direction to staff.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Urgency Ordinance

URGENCY ORDINANCE NO. _____

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH EXPRESSLY AFFIRMING ACTIONS OF THE COUNTY OF SAN LUIS OBISPO RELATED TO THE COVID-19 PANDEMIC AS APPLICABLE AND ENFORCEABLE WITHIN CITY JURISDICTION AND MAKING DETERMINATIONS REGARDING THE PROCLAIMED LOCAL EMERGENCY

WHEREAS, the federal Centers for Disease Control and Prevention (“CDC”) have confirmed thousands of cases of individuals who have severe respiratory illness caused by a novel coronavirus, called COVID-19, as well as deaths caused by this illness; and

WHEREAS, the World Health Organization declared COVID-19 a pandemic, and the CDC announced that community spread of COVID-19 is likely to occur in the United States; and

WHEREAS, the President of the United States has proclaimed a Declaration of a National Emergency and, on March 4, 2020, the Governor of the State of California has declared a State of Emergency for the State of California and issued Executive Orders and direction regarding measures to mitigate the spread of cases of COVID-19 within the State of California; and

WHEREAS, the increase of reported cases and deaths associated with COVID-19 also prompted the County of San Luis Obispo to declare a local public health emergency on March 13, 2020; and

WHEREAS, on March 16, 2020, the Governor of the State of California issued an executive order, Executive Order N-28-20, which suspends any state law that would preempt or otherwise restrict a local government’s exercise of its police powers to impose substantive restrictions on residential or commercial evictions based on nonpayment of rent, or a foreclosure, arising out of a substantial decrease in household or business income or substantial out-of-pocket medical expenses caused by the COVID-19 pandemic, or any local, state, or federal government response to COVID-19 that is documented; and

WHEREAS, Section 5304 of the Grover Beach Municipal Code and the Emergency Service Act (Gov. Code §§ 8550 et seq.) empower the Director of Emergency Services (City Manager) to declare a local emergency when the City is affected by extreme peril to the safety of persons and property within the territorial limits of the city caused by such conditions as an epidemic, and the City Council ratified the Director’s emergency declaration at an emergency meeting on March 16, 2020 regarding the COVID-19 pandemic; and

WHEREAS, on March 18, 2020, the San Luis Obispo County Emergency Services Director issued Local Emergency Order and Regulation No. 3, providing for suspension of commencement of evictions related to COVID-19; and

WHEREAS, on March 18, 2020, the San Luis Obispo County Emergency Services Director further issued a Countywide Shelter at Home Order and Regulation No. 4 for the County of San Luis Obispo that took effect on Thursday, March 19, 2020 at 5:00 pm., and that was further amended and ratified by the County Health Officer on March 21, 2020 (“Order No. 4”); and

WHEREAS, on March 19, 2020, the Governor issued Executive Order N-33-20, including the Order of the State Public Health Officer mandating all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as outlined at <https://www.cisa.gov/identifying-critical-infrastructure-during-covid-19>;

WHEREAS, Health & Safety Code Section 101029 and Government Code Section 41601 authorize the City’s peace officers to enforce orders of the State and County Public Health Officers issued for the purpose of preventing the spread of any contagious, infectious, or communicable disease; and

WHEREAS, in accordance with the Governor’s Executive Order N-28-20 and San Luis Obispo County’s Local Emergency Order and Regulation No. 3 COVID-19, there is an urgent need to issue limitations on the authority of landlords to commence evictions of tenants within the jurisdiction of the City in order to protect the health, safety and welfare citizens within the jurisdiction of the City in light of the proclaimed State and local emergency and the declared local public health emergency regarding the COVID-19 pandemic;

WHEREAS, the COVID-19 pandemic continues to spread rapidly worldwide and in the U.S., continuing to present an immediate and significant risk to public health and safety, and resulting in serious illness or death to vulnerable populations, including the elderly and those with underlying health conditions; and

WHEREAS, heightened levels of public health and safety planning and preparedness have been necessitated in preparation for and response to confirmed cases of COVID-19 in the County of San Luis Obispo, and rapid response not lending itself to otherwise applicable notice and approval timelines has been and will be necessary to respond to the rapidly evolving pandemic and to mitigate against the spread of COVID-19 and its resulting public health and safety impacts; and

WHEREAS, in the absence of such actions, County wide health services may become overwhelmed and unable to keep up with medical demand for care and availability of hospital or care facility capacity.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GROVER BEACH DOES HEREBY ORDAIN AS FOLLOWS:

PART 1. All recitals set forth above, and all recitals included in support of Federal, State and County actions referenced herein, are adopted as though fully set forth herein as findings in support of this Ordinance.

PART 2. A local emergency continues to exist throughout the City of Grover Beach, and the City has been undertaking, and will continue through cessation of this emergency to undertake, necessary measures and incur necessary costs, which are directly related to the prevention of the spread of COVID-19 and are taken in furtherance of: the Secretary of Health and Human Services' determination that a public health emergency has existed since January 27, 2020; the City Director of Emergency Services' Declaration of a Local Emergency on March 16, 2020; the Governor's Declaration of a State of Emergency on March 4, 2020; the President of the United States' Proclamation Declaring a National Emergency on March 13, 2020; the County Emergency Services Director's Declaration of a Local Emergency and the County Public Health Director's Declaration of a Public Health Emergency on March 13, 2020, and related orders and directions.

PART 3. During the existence of said local emergency, the powers, functions, and duties of the City of Grover Beach Director of Emergency Services and the Grover Beach City Council shall be those prescribed by state law, ordinances, and resolutions of this City and by the City of Grover Beach Emergency Operations Plan, notwithstanding otherwise applicable procedures, timelines or methods of action and the Director of Emergency Services is expressly authorized to take any and all actions in furtherance of emergency powers to address the local emergency.

PART 4. San Luis Obispo County Emergency Services Director Orders 3 and 4, establishing regulations for the suspension of commencement of evictions and mandatory shelter at home regulations, respectively, as currently in effect, are hereby expressly affirmed, acknowledged and declared to be enforceable within the City of Grover Beach and shall be enforceable under Municipal Code Sections 5300 et seq and other pertinent provisions of the Municipal Code.

PART 5. The Director of Emergency Services and Administrative Services Director or their designees are hereby directed and authorized to pursue recovery from all available State and Federal agencies for reimbursement for COVID-19 related City costs and expenses from and after the Determination That a Public Health Emergency Exists since January 27, 2020.

PART 6. In accordance with the Governor of the State of California's Executive Order N-28-20, this ordinance shall remain in effect until May 31, 2020 unless extended by the City Council. In order to prevent inconsistencies, the Director of Emergency Services may suspend the effectiveness of any provisions in this ordinance in the event that the President of the United States, Congress, Governor of the State of California or California

State Legislature or other body with jurisdiction adopts an order or legislation that similarly prohibits evictions and foreclosures for failure to pay rent by individuals impacted by the COVID-19 crisis.

PART 7. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the remaining provisions of this Urgency Ordinance.

PART 8. Urgency Declaration; Effective Date. The City Council finds and declares that the adoption and implementation of this ordinance is necessary for the immediate preservation and protection of the public peace, health and safety as detailed above and as the City and public would suffer potentially irreversible displacement of commercial and residential tenants resulting from evictions and foreclosure for failure to pay rent during the COVID-19 crisis. During this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing displacement, to protect the City's affordable housing stock, and to prevent housed individuals from falling into homelessness, especially given state and county directives to stay at home. Promoting stability amongst commercial tenancies is also conducive to public health, allowing businesses to follow the advice and directives of public health officials to close and allowing employees to avoid public contact during times of a public health crisis without fear of imminent eviction or foreclosure. Loss of income as a result of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including payment of rent and mortgages. The Council therefore finds and determines that the immediate preservation of the public peace, health and safety, and protection of life and property, require that this Ordinance be enacted as an urgency ordinance pursuant to Government Code Section 36937 and take effect immediately upon adoption by four-fifths of the City Council.

PART 9. Publication. The City Clerk shall certify to the adoption of this Urgency Ordinance. Not later than fifteen (15) days following the passage of this Urgency Ordinance, the Urgency Ordinance, along with the names of the City Council members voting for and against the Urgency Ordinance, shall be published in a newspaper of general circulation in the City of Grover Beach.

PASSED, APPROVED, and ADOPTED by the City Council on March 30, 2020, on the following roll call vote, to wit:

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

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

JEFF LEE, MAYOR

Attest:

WENDI SIMS, CITY CLERK

Approved as to Form:

DAVID P. HALE, CITY ATTORNEY



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** March 30, 2020

FROM: Matthew Bronson, City Manager

PREPARED BY: Deanne Purcell, Administrative Services Director

SUBJECT: Waiver of Late Penalties and Interest for Transient Occupancy Tax Payments and Water and Sewer User Fees.

RECOMMENDATION

Adopt an Urgency Ordinance authorizing the Administrative Services Director to 1) waive late penalties and interest for remittance of Transient Occupancy Tax payments received for February through April 2020 until August 31, 2020 and 2) suspend service disconnections for non-payment of fees and waive late penalties and interest for water and sewer utility customers for February, March and April 2020 billings until August 31, 2020.

BACKGROUND

The City is in the early ramp-up stages of the COVID-19 global pandemic. During these difficult times, the City has declared a state of emergency and the County has declared shelter in place orders for non-essential activities. The impact of the global pandemic and resulting actions has decreased economic activity within the city particularly with regards to travel and tourism. The City is currently assessing the economic impact to the City's finances, but staff is aware that lodging properties throughout the county are now experiencing drastic declines in occupancy while still having to pay their own fixed operating costs. Due to lodging properties experiencing reduced revenues because of decreased occupancy, staff is requesting that the Council adopt an Urgency Ordinance to waive late penalties and interest on Transient Occupancy Tax (TOT) payments for February-April 2020 until August 31, 2020. This Ordinance also includes waiver of late penalties and interest for water and sewer user fee payments for February-April 2020 also until August 31, 2020.

Transient Occupancy Tax Payments

It is in the City's interest to work with its lodging businesses that generate TOT revenue and support City's essential services. This assistance would be a temporary measure that will help the lodging properties get through this difficult time while still being able to receive these payments during the same fiscal year. Similar actions have been taken in Pismo Beach, San Luis Obispo, and Paso Robles and are being considered in other cities. Staff proposes that the City would waive late penalties and interest for TOT payments for February through April 2020 that are currently due on March 31, 2020, April 30, 2020, and May 31, 2020 respectively until August 31, 2020. The City's fiscal year ends on June 30, 2020 and closes its accounts for the fiscal year on August 31, 2020, which is the latest date that these payments can be delayed while still recording these revenues in the same fiscal year. The Urgency Ordinance shown in Attachment 1 includes this action. Staff recommends that Council still require that lodging properties submit their TOT forms on time so that staff can account for those expected revenues for the fiscal year.

It is important to stress that staff is not proposing a waiver or deferral of TOT payments themselves. Rather, this is an action to waive interest and penalties through August 31, 2020 for those lodging establishments that may need to submit February-April 2020 payments late given the current economic situation. In addition, the lodging operators are expected to pay the City the 1% countywide Tourism Marketing District assessment collected on behalf of Visit SLO CAL as the City does not have the power to waive or defer these payments absent action by Visit SLO CAL. The lodging establishments will submit those assessments to the City along with the full accounting of gross receipts and TOT collected at the regular schedule and the City will then forward those collections to Visit SLO CAL. Lastly, this action applies to short-term rental units along with other accommodations in the city.

Utility Customers

The City recognizes that the COVID-19 pandemic has a significant impact on our utility customers both residential and commercial. The health and safety of our residents is important to the City and staff understands the need for customers to have their water and sewer service uninterrupted during the COVID-19 outbreak. Staff recommends suspending shut-offs for nonpayment and waiving late payment penalties for all water and sewer customers for billings sent in February through April 2020 that are currently due on March 15, 2020, April 15, 2020, and May 15, 2020 respectively, until August 31, 2020. The City's fiscal year ends on June 30, 2020 and closes its accounts for the fiscal year on August 31, 2020, which is the latest date that these payments can be delayed while still recording these revenues in the same fiscal year. The attached Urgency Ordinance in Attachment 1 includes this action.

FISCAL IMPACT

The estimated TOT payments from February through April are \$60,000 with the actual fiscal impact from waiving the late penalties and interest an undetermined amount that is dependent on the number of late payments. The fiscal impact from waiving late penalties and interest for utility payments is estimated as a total of \$20,000 in lost revenue including late penalties and costs of door hangers and reconnection fees for the three-month period. The City will absorb this cost in this year's operating budget.

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Adopt an Urgency Ordinance to waive late penalties and interest for TOT payments for the months of February through April 2020 payable by August 31, 2020 and suspend utility shut offs and waive penalties on late utility payments until August 31, 2020; or
2. Do not adopt Ordinance; or
3. Provide alternative direction to staff.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Urgency Ordinance

URGENCY ORDINANCE NO. 20-__

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA AUTHORIZING THE ADMINISTRATIVE SERVICES DIRECTOR TO WAIVE ANY PENALTIES AND INTEREST FOR LATE PAYMENTS OF TRANSIENT OCCUPANCY TAX PAYMENTS RECEIVED FOR FEBRUARY, MARCH AND APRIL 2020 UNTIL AUGUST 31, 2020; FURTHER AUTHORIZE WAIVER OF INTEREST AND PENALTIES ON FAILURE TO PAY SEWER AND WATER USER FEES

WHEREAS, the federal Centers for Disease Control and Prevention (“CDC”) have confirmed thousands of cases of individuals who have severe respiratory illness caused by a novel coronavirus, called COVID-19, as well as deaths caused by this illness; and

WHEREAS, the World Health Organization declared COVID-19 a pandemic, and the CDC announced that community spread of COVID-19 is likely to occur in the United States; and

WHEREAS, the President of the United States has proclaimed a Declaration of a National Emergency and, on March 4, 2020, the Governor of the State of California has declared a State of Emergency for the State of California and issued Executive Orders and direction regarding measures to mitigate the spread of cases of COVID-19 within the State of California; and

WHEREAS, the increase of reported cases and deaths associated with COVID-19 also prompted the County of San Luis Obispo to declare a local public health emergency on March 13, 2020; and

WHEREAS, Section 5304 of the Grover Beach Municipal Code and the Emergency Service Act (Gov. Code §§ 8550 et seq.) empower the Director of Emergency Services (City Manager) to declare a local emergency when the City is affected by extreme peril to the safety of persons and property within the territorial limits of the city caused by such conditions as an epidemic, and the City Council ratified the Director’s emergency declaration at an emergency meeting on March 16, 2020 regarding the COVID-19 pandemic; and

WHEREAS, on March 18, 2020, the San Luis Obispo County Emergency Services Director further issued a Countywide Shelter at Home Order and Regulation No. 4 for the County of San Luis Obispo that took effect on Thursday, March 19, 2020 at 5:00 pm., and that was further amended and ratified by the County Health Officer on March 21, 2020 (“Order No. 4”); and

WHEREAS, on March 19, 2020, the Governor issued Executive Order N-33-20, including the Order of the State Public Health Officer mandating all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as outlined at <https://www.cisa.gov/identifying-critical-infrastructure-during-covid-19>;

WHEREAS, therefore as a consequence of the above enumerated executive and health orders, lodging properties within the City are now experiencing reduced revenues due to decreased occupancy, and staff is requesting the City allow February 2020 through April 2020 TOT payments be deferred until after August 31, 2020; and

WHEREAS, it is in the City's best interest to continue to maintain essential services and work with its lodging businesses that have contributed to the City's financial well-being and will continue to support City's essential services; and

WHEREAS, this a temporary measure that will help the lodging properties get through this difficult time, while still being able to receive these payments during the same fiscal year; and

WHEREAS, the ability of members of the public to maintain the necessary sanitary conditions to assist in fighting COVID-19 will depend upon access to vital and important public utility services; and

WHEREAS, as a consequence of the extensive economic challenge to the community, it is in the City's best interest to work with members of the public to assist them during this time of unprecedented pandemic to maintain services necessary to continue normal and daily operations necessary to fight COVID-19.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GROVER BEACH DOES HEREBY ORDAIN AS FOLLOWS:

PART 1. Notwithstanding anything to the contrary in Chapter 6 of Article X, Transient Occupancy Tax, of the Grover Beach Municipal Code, the Administrative Services Director is authorized to waive penalties and interest for late Transient Occupancy Tax (TOT) revenues received as otherwise authorized by section 10607 of the Municipal code for February, March and April 2020 transient occupancy lodging services as long as payment is received by August 31, 2020. If City does not receive remittance of all TOT payments due for February, March and April, 2020 by August 31, 2020, then City shall be entitled to full payment of all TOT payments due along with any pertinent interest or penalties that otherwise would have accrued from February, 2020 or from that time when interest payments would commence under section 10607.

PART 2. Notwithstanding anything to the contrary in Chapter 1 of Article VII, Public Works, or any other pertinent provision of the Grover Beach Municipal Code, or the Administrative Services Section of the Grover Beach Master Fee Schedule, the Administrative Services Director is authorized to waive any fees or penalties for late payment of sewer and water utility fees otherwise billable in February, March or April of 2020, as long as payment is received by August 31, 2020. The Administrative Services Director is authorized herein to suspend termination of services for non-payment of sewer or water services up to August 31, 2020 which date shall be considered the due date for payment of fees for the months of February, March or April, 2020. If City does not receive payment in full of all water or sewer fees due for February, March and April, 2020 by August 31, 2020, then City shall be entitled to full payment of all owed sewer and water fees along with any pertinent interest or penalties that otherwise would have accrued from February, 2020 or when late payments commenced as authorized by the Master Fee Schedule.

PART 3. Urgency Declaration; Effective Date. The City Council finds and declares that the adoption and implementation of this ordinance is necessary for the immediate preservation and protection of the public peace, health and safety as detailed above and as the City and public would suffer potentially irreversible loss of commercial and private lodging establishments within the City. This ordinance would further promote the public peace, health and safety by allowing necessary and important public utilities like sewer and water services at a time when water and sewer are vital public services necessary for every residence or commercial building to assist the public in fighting the COVID-19 virus. Promoting stability amongst commercial and private lodging facilities within the City and the assurance of vital public utilities is conducive to public health.

Loss of income as a result of COVID-19 may inhibit City residents and businesses from fulfilling their financial obligations, including payment of rent and mortgages. The Council therefore finds and determines that the immediate preservation of the public peace, health and safety, and protection of life and property, require that this Ordinance be enacted as an urgency ordinance pursuant to Government Code Section 36937 and take effect immediately upon adoption by four-fifths of the City Council.

PART 4. Under the provisions of the California Environmental Quality Act (CEQA) Guidelines Section 15061 (b) (3), this ordinance is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, such as the adoption of the regulations contained herein, the activity is not subject to CEQA.

PART 5. This ordinance shall not be interpreted in any manner to conflict with controlling provisions of state or federal law, including, without limitation, the Constitution of the State of California. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected thereby. If this ordinance, or any section, subsection or clause of this ordinance shall be deemed unconstitutional or invalid as applied to a particular appeal, the validity of this ordinance and its sections, subsections, and clauses in regard to other contracts shall not be affected.

PART 6. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the remaining provisions of this Urgency Ordinance.

PART 7. This ordinance shall become effective immediately upon passage and adoption hereof, as it is an urgency ordinance intended to immediately protect the public welfare, health and safety, and shall be approved by a minimum four-fifths vote of the Council.

The City Clerk shall certify to the passage and adoption of this Ordinance, shall enter the same in the book of original ordinances of the City and shall make a minute of the passage and adoption thereof in the records of the meeting at which the same is passed and adopted.

Before the expiration of fifteen (15) days after the passage of this Ordinance, it shall be published once, together with names of the Council Members voting thereon, in a newspaper of general circulation within the City.

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 –

PASSED, APPROVED, and ADOPTED by the City Council on March 30, 2020, on the following roll call vote, to wit:

JEFF LEE, MAYOR

ATTESTS:

WINDI SIMS, CITY CLERK

APPROVED AS TO FORM:

DAVID P. HALE, CITY ATTORNEY



CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and City Council **DATE:** March 30, 2020
FROM: Matthew Bronson, City Manager/Emergency Services Director
PREPARED BY: Deanne Purcell, Administrative Services Director
SUBJECT: City of Grover Beach Emergency and Disaster Purchasing Policy

RECOMMENDATION

Adopt the Resolution creating a City of Grover Beach Emergency and Disaster Purchasing Policy

BACKGROUND

On March 13, 2020, the County of San Luis Obispo Health Officer declared a public health emergency, the County of San Luis Obispo Emergency Services Director proclaimed a local emergency due to the COVID-19 pandemic, and local school closures went into effect. On March 14, 2020, the County of San Luis Obispo Public Health Department announced the first confirmed case of COVID-19 in the county and since that date numerous cases of COVID-19 have been confirmed.

The health, safety and welfare of city residents, businesses, visitors and staff are of utmost importance to the City and additional future measures may be needed to protect the community. It is imperative to prepare for and respond to suspected or confirmed COVID-19 cases within the City, and to prepare to respond to an increasing number or individuals who may require medical care. Preparing for, responding to, mitigating, and recovering from the spread of COVID-19 requires the City to divert resources from normal day-to-day operations, and has and will continue to impose extraordinary requirements on and expenses to the City. On March 16, 2020, the City Council ratified a local emergency declaration enacted by the City Manager/Emergency Services Director as a precautionary measure in responding to this public health situation and enable reimbursement of related costs.

Emergency and Disaster Purchasing Policy

Emergency and disaster purchasing has a number of unique elements different from normal purchasing activities. The first is that emergency spending limits are expanded and authorized by Council without the subsequent need to obtain prior approval of specific expenditures. Following Council authorization of the overall limits, there can be individual limits and aggregate limits which give emergency managers the necessary authority to act quickly under exigent circumstances.

Second, emergency purchasing practices includes special exemptions or processes for soliciting bids for emergency work. Emergency work covers two separate concepts. The first concept regards purchases made under “crisis” conditions, where there is an immediate threat to health, safety, or improved property. When this condition exists, the City has wider latitude to do what is necessary to save lives and prevent further damage to improved property including pursuing “sole

source” or “no bid” procurement. Once the “immediate threat” phase has passed, this wide latitude is greatly narrowed at which point the “sole source” or “no-bid” procurement is essentially no longer available.

However, serious emergency situations may still exist for which there is a need for “expedited” purchasing procedures. This is the purpose for alternative advertising methods, alternative locations for posting requests for proposals, the minimum number of bids required and shortened periods of time for submission of bids. The “normal” procurement process essentially continues, but with slightly lesser requirements than for the “normal” procurement process. Under both the “crisis” and “expedited” procurement provisions, the delegation of purchasing authority may still be to expedite the process.

A third facet of disaster purchasing is the identification and separation of “disaster purchases” from routine day-to-day purchases for the purpose of tracking disaster costs. All purchases made under emergency circumstances and that fall within this policy will be coded to a specific disaster project code, set up within the City’s finance system with disaster identification. This will help to track and identify disaster purchases and the City has done so with COVID-19 costs.

It is important to have a formal Emergency and Disaster Purchasing Policy which the City has not had to date and has now been developed for the Council’s approval. The purpose of the policy shown in Attachment 2 is to reduce the normal requirements for procuring goods where there is an immediate threat to health, safety or improved property to do what is necessary to save lives and prevent further damage to property. The proposed policy also provides for purchase priority for local vendors first in order to expeditiously receive goods and services and prevent further threat to public health and safety.

FISCAL IMPACT

There is no fiscal impact from adopting this policy.

ALTERNATIVES

The City Council has the following alternatives to consider:

1. Adopt the Resolution creating a City of Grover Beach Emergency and Disaster Purchasing Policy; or
2. Do not adopt the Resolution; or
3. Provide alternative direction to staff.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

ATTACHMENTS

1. Resolution, Exhibit A Emergency Purchasing and Disaster Policy

RESOLUTION NO. 20-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, ESTABLISHING THE CITY OF GROVER BEACH'S EMERGENCY AND DISASTER PURCHASING POLICY

WHEREAS, the City of Grover Beach wishes to establish an emergency and disaster purchasing policy; and

WHEREAS, the emergency and disaster purchasing policy is activated when a local state of emergency has been declared by the City Manager/Emergency Services Director; and

WHEREAS, the emergency and disaster purchasing policy provides more latitude to allow for expedited purchases when there is an immediate threat to health, safety or improved property; and

WHEREAS, the City Manager/Emergency Services Director on March 16, 2020 declared a local state of emergency in response to the COVID-19 crisis which was then ratified by the Grover Beach City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Grover Beach, California, the "Emergency and Disaster Purchasing Policy," as set forth in Exhibit A, attached hereto and incorporated herein, is hereby approved.

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 special meeting of the City Council of the City of Grover Beach, California this 30th day of March, 2020.

JEFF LEE, MAYOR

Attest:

WINDI SIMS, CITY CLERK



Exhibit A

EMERGENCY AND DISASTER PURCHASING POLICY

Policy Statement

The City of Grover Beach (City) is a full-service City, providing police, public works, parks and recreation and community development services. As such, it is the City's responsibility to establish policies for prudent financial oversight and accountability.

The City Council sets legislative financial management policies, as recommended by staff. During declared states of emergency, the City may be required to invoke emergency purchasing practices to maintain core public services. These emergency practices are only authorized when the City Manager, acting in the capacity of the Director of Emergency Services, or the City Council of the City of Grover Beach declares a local state of emergency.

Purpose

When the City of Grover Beach has declared a local state of emergency, any official or employee who is required to purchase materials, supplies or services on behalf of the City for their department shall use purchasing practices set forth in this document until such time as the local state of emergency has been lifted.

This Policy modifies the City's normal purchasing practices to assure that, in exigent circumstances caused by a proclaimed disaster or emergency, the City is able to acquire the goods and services required to address an immediate threat to health, safety or improved property while still maintaining an effective purchasing process and complying with applicable local and state purchasing laws. Where the City is included in a major disaster or emergency declared by the President of the United States, this Policy also assures that City procurements comply with federal regulations applicable to FEMA disaster grant reimbursement.

Definitions

For purposes of this Policy, (a) a proclaimed disaster or emergency exists if (i) the Governor has declared a state of emergency for an area which includes the geographic territory of the City; or (ii) the Chief Executive Officer of the City has declared an emergency in the City; (b) "Exigent Circumstances" are situations in which (i) a disaster or emergency has been proclaimed, and (ii) the public exigency for goods and services required to address an immediate threat to health, safety, or improved property will not permit competitive solicitation.

Emergency and Disaster Purchasing Policy

Disaster purchasing has a number of facets, first emergency spending limits are expanded and authorized by council without the need to obtain their prior approval. There can be individual limits and aggregate limits which give emergency managers the necessary authority to act quickly under exigent circumstances.

The concept of emergency purchases regards purchases made under "crisis" conditions, where there is an immediate threat to health, safety or improved property. When this condition (an immediate threat to

health, safety or improved property) exists, the city has wider latitude to do what is necessary to save lives and prevent further damage to improved property. Given this, and operating under the understanding that when an emergency is in place, the City will be in need of supplies, goods and services as quickly as possible, local vendors within the City and County will be contacted first to obtain the quickest possible acquisition to preserve immediate health and safety for the Grover Beach community. This is consistent with the policy directives outlined below.

Section 1 - Delegations of Purchasing Authority in Exigent Circumstances.

- (a) if the City Manager determines that goods and services must be procured before the City Council is able to assemble and approve purchases, the City Manager has authority, subject to the limitations set forth in sub-paragraphs (a)(i) and (a)(ii), to approve the immediate rental or purchase of any equipment, supplies, services or other items necessary to respond to an immediate threat to health, safety or improved property.
 - (i) Limits of Single Purchase Authority. The City Manager shall have the authority to make individual purchases up to \$250,000 on his or her signature alone. The City Manager shall have the authority to make purchases in excess of \$250,000 up to a maximum of \$500,000 when countersigned by the Mayor or in the Mayor's absence countersigned by another council member.
 - (ii) Limits of Aggregate Purchase Authority. The City Manager shall have the authority to make aggregate purchases up to \$500,000 on his or her signature alone. The City Manager shall have the authority to make purchases in excess of \$500,000 up to a maximum of \$1,500,000 when countersigned by the Mayor or in the Mayor's absence countersigned by another council member.
- (b) Sub-delegation to EOC Coordinator. The EOC Coordinator shall be a designee of the City Manager at any time that the City Manager is not available to approve purchases as allowed in this section.
- (c) Administrative Procedures: Reporting Requirements.
 - (i) As soon as possible after purchases are made under this section 1, the City Manager, EOC Coordinator, or department head shall submit to the Purchasing Officer (Administrative Services Director) a requisition and a notation that the commodity has been ordered on an emergency basis from the vendor designated.
 - (ii) The Purchasing Officer will inform the City Manager and the City Council of any individual purchase under this section with a contract amount greater than \$125,000, and also whenever the aggregate of purchases under this section is greater than \$200,000 dollars.
 - (iii) The Purchasing Officer will obtain the City Manager's (or EOC Coordinator as the City Manager's designee) approval prior to any purchase by a department head if the amount is \$150,000 dollars or more.
 - (iv) The Purchasing Officer shall have the authority to approve all disaster related purchases under \$150,000 thousand dollars.
 - (v) The Purchasing Officer will expedite the verification of funds available and complete the preparation of the purchase order.

Section 2 - Procurement Procedures in Exigent Circumstances.

Upon receipt of requisitions under Section 1 above, the Purchasing Officer shall prepare purchase orders for the emergency equipment, supplies, services or other items in accordance with the requirements of this section.

- (a) *Exempt Purchases.* Purchases below \$200,000 shall not be required to be formally bid. Purchases greater than \$200,000 may be made following the procedures specified in this section. The signature(s) of the City Manager, Purchasing Officer and/or Department Head are still required as provided in Section 1.
- (b) *Justification of "Sole Source" or "No-bid" Contracts.* Where exigent circumstances require immediate procurement from the nearest available source:
 - (i) the Procurement Officer shall complete a Sole Source Justification Form;
 - (ii) procurement should be limited to that portion of the work that must be performed immediately, allowing subsequent procurement by competitive proposals of the remainder of the work;
 - (iii) "Sole source" or "no-bid" acquisitions shall be necessary for one of the following reasons: placement of emergency protective measures; procurement of a scarce commodities, goods, or services; or acquisition or rental of emergency equipment , emergency consulting services, emergency road clearance or other emergency requirements.
- (c) *Provision for Alternate Bid Solicitation Procedures.* The City's normal requirements for sealed bids shall not apply to acquisitions under Section 1. However, the Procurement Officer shall conduct telephonic or other electronic bid solicitation from potential vendors or suppliers, in lieu of written and/or sealed bids, in an effort to obtain multiple competitive proposals when and if time allows in light of the exigent circumstances.
- (d) *Locations of Postings for Requests for Proposals or Solicitation of Bids.* The Procurement Officer may waive normal requirements for public posting of requests for proposals or solicitation of bids. Notices soliciting bids or requests for proposals shall be posted at the Emergency Operations Center or Alternate Emergency Operations Center, if the Primary Emergency Operations Center is not being used.
- (e) *Length of Time for Posting Requests for Proposals or Solicitation of Bids.* The Procurement Officer may shorten the normal bid period to expedite the award of contracts for emergency equipment, goods, or services. The Procurement Officer should seek to assure that the shortened bid period allows multiple suppliers to submit bids.
- (f) *Number of Bids Required.* Solicited bids that are non-responsive shall count towards the minimum numbers of bids required when there is a declared emergency or disaster in the City.

Section 3 - Notification and Ratification

- (a) *Posting of Contract Awards.* Under this section, all contracts awarded that exceed \$750,000 shall be presented to the City Council for ratification and shall be publicly posted within sixty (60) days of the award.
- (b) *Authority to Cancel Emergency Procurements.* As a provision of this policy, the City has the absolute authority to rescind a contract for non-performance within 24 hours when a contractor

or vendor, once awarded a contract, is unable to perform under the terms of the contract and the resulting delay or non-performance presents an immediate threat to life, safety or improved property.

- (c) *Notification Requirement for Emergency Purchases.* For any purchase in excess of \$150,000, the City Manager shall report all such purchases to the City Council within thirty (30) days.
- (d) *Requirement for Separate Invoicing.* All purchases or rentals made during proclaimed emergency or disaster conditions shall require separate invoicing from routine (non-disaster related) purchases. All invoices shall state the goods, services or equipment provided and shall specify where the goods or services were delivered and be coded to the designated disaster project code.
- (e) *Auditing of Invoices for Debris Clearance Prior to Payment.* All invoices for debris clearance and removal shall be audited by the City prior to payment to the vendor. Vendors shall be notified of this requirement prior to the awarding of any contract for debris clearance and/or removal. Audits shall be in accordance with procedures for debris removal monitoring specified in FEMA's Publication 325, Debris Management Guide.
- (f) *Limitations of Disaster Purchasing Policy.* For the purposes of this section, an emergency or disaster shall be deemed to exist when a condition exists that presents an immediate threat to health, safety or improved property and a local emergency or disaster has been proclaimed. Any purchases that do not meet the standard of being necessary for responding to an immediate threat to health, safety or improved property shall follow the City's regular purchasing provisions.