

## **ACTION MINUTES**

### **REGULAR MEETING OF THE CITY COUNCIL TUESDAY, JUNE 27, 2017 COUNCIL CHAMBERS, 215 E. BRANCH STREET ARROYO GRANDE, CALIFORNIA**

#### **1. CALL TO ORDER**

Mayor Hill called the Regular City Council Meeting to order at 6:00 p.m.

#### **2. ROLL CALL**

City Council: Council Members Caren Ray, Kristen Barneich, Barbara Harmon, Mayor Pro Tem Tim Brown and Mayor Jim Hill were present.

Staff Present: City Manager Jim Bergman, City Attorney Heather Whitham, Director of Legislative and Information Services/City Clerk Kelly Wetmore, Director of Administrative Services Debbie Malicoat, Public Works Director Chris Magdosku, and Acting Police Chief Beau Pryor

#### **3. MOMENT OF REFLECTION**

#### **4. FLAG SALUTE**

Dennis Allan, representing the Arroyo Grande Valley Kiwanis Club, led the Flag Salute.

#### **5. AGENDA REVIEW**

##### **5.a. Closed Session Announcements:**

Regular City Council Meeting of June 13, 2017:

- a) Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Karen Sisko, Human Resources Manager  
Employee Organization: Arroyo Grande Police Officers' Association (AGPOA)
- b) Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Karen Sisko, Human Resources Manager  
Employee Organization: Service Employees International Union, Local 620
- c) Conference with Labor Negotiator pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Karen Sisko, Human Resources Manager  
Unrepresented employees: Management employees

City Attorney Whitham announced that the City Council met in closed session at a Regular Meeting on June 13, 2017 to discuss the above items, and provided direction to the labor negotiator on all three matters.

##### **5.b. Ordinances Read in Title Only.**

Mayor Pro Tem Brown moved, Council Member Barneich seconded, and the motion passed unanimously that all ordinances presented at the meeting shall be read by title only and all further readings be waived.

**6. SPECIAL PRESENTATIONS**

None.

**7. CITIZENS' INPUT, COMMENTS, AND SUGGESTIONS**

Mayor Hill invited public comment. Speaking from the public were Jerry Rutiz, regarding the annual Harvest Festival and that he would like the City to increase displays and education about Arroyo Grande's agricultural history and programs; and Patricia Price, regarding a recent South San Luis Obispo County Sanitation District meeting and referred to letters from the Regional Water Quality Board to the District regarding the grit removal project, and expressed concern about the management of the District and ongoing personnel issues.

**8. CITY MANAGER REPORT:**

City Manager Bergman reported on a letter that was signed by the County Administrative Officer and the area City Managers to PG&E stating conceptual concurrence with the funding scenario for the Economic Impact Analysis/Fiscal Impact Analysis and strategies to address the economic impacts of the Diablo Canyon Power Plant retirement; announced that the Police Department is implementing the part-time paid Police Cadet Program; provided an update on the Regional Groundwater Sustainability Project; and reminded the public that the July 11, 2017 City Council and July 3, 2017 Planning Commission meetings have been cancelled.

**9. CONSENT AGENDA**

Council Member Ray requested that Item 9.e. be pulled for a separate vote as she would like to abstain. Council Member Harmon requested that Item 9.c. be pulled for a separate vote.

Mayor Hill invited public comment on the remaining consent agenda items. No public comments were received.

**Action:** Mayor Pro Tem Brown moved, and Council Member Barneich seconded the motion to approve Consent Agenda Items 9.a. through 9.g., with the exception of Items 9.c., and 9.e., with the recommended courses of action. The motion passed on the following roll-call vote:

**AYES:** Brown, Barneich, Ray, Harmon, Hill  
**NOES:** None  
**ABSENT:** None

**9.a. Consideration of Cash Disbursement Ratification.**

**Action:** Ratified the listing of cash disbursements for the period June 1, 2017 through June 15, 2017.

**9.b. Consideration of Statement of Investment Deposits.**

**Action:** Received and filed the report listing of investment deposits of the City of Arroyo Grande, as of May 31, 2017, as required by Government Code Section 53646(b).

**9.d. Consideration of a Resolution Authorizing the Deposit of City Funds in Various Financial Institutions.**

**Action:** Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AUTHORIZING THE DEPOSIT OF CITY FUNDS IN VARIOUS FINANCIAL INSTITUTIONS"***.

**9.f. Consideration of Council Appointment to Downtown Parking Advisory Board.**

**Action:** Approved the recommendation of Council Member Ray to appoint Ron Meier to the Downtown Parking Advisory Board.

**9.g. Monthly Water Supply and Demand Update.**

**Action:** Received and filed the monthly Water Supply and Demand Update Report.

**ITEMS PULLED FROM THE CONSENT AGENDA**

**9.c. Consideration of a Resolution Establishing the Job Description and Salary Range for the Engineering Inspector Position.**

**Recommended Action:** Adopt a Resolution establishing the job description and salary range for the Engineering Inspector position.

Council Member Harmon stated she requested a separate vote on this item as she continues to oppose moving forward with the one year contracted Engineering Inspector position and associated salary expenditures.

Mayor Hill invited public comment. No public comments were received.

**Action:** Council Member Barneich moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ESTABLISHING THE JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF ENGINEERING INSPECTOR”***. Council Member Ray seconded, and the motion passed on the following roll-call vote:

**AYES:** Barneich, Ray, Hill  
**NOES:** Harmon, Brown  
**ABSENT:** None

**9.e. Consideration of Approval of Minutes.**

**Recommended Action:** Approve the minutes of the Regular City Council Meeting of June 13, 2017, as submitted.

Council Member Ray stated she would abstain as she was not present at the June 13<sup>th</sup> meeting.

Mayor Hill invited public comment. No public comments were received.

**Action:** Council Member Barneich moved to approve the minutes of the Regular City Council Meeting of June 13, 2017, as submitted. Council Member Harmon seconded, and the motion passed on the following roll-call vote:

**AYES:** Barneich, Harmon, Brown, Hill  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** Ray

**10. PUBLIC HEARINGS**

**10.a. Consideration of Adoption of Resolutions Directing the Levy of the Annual Assessments for the Parkside Village Assessment District, Grace Lane Assessment District and Landscaping and Lighting District No. 1 within Tract 1769 for Fiscal Year 2017-2018.**

Mayor Hill declared a conflict of interest due to ownership of real property in the Grace Lane neighborhood, stepped down from the dais and left the room. Mayor Pro Tem Brown took over as Presiding Officer.

Public Works Director Magdosku presented the staff report and recommended that the Council: 1) Conduct a public hearing for the levy and collection of assessments for the Parkside Village Assessment District, Grace Lane Assessment District, and Landscaping and Lighting Assessment District No. 1, within Tract 1769; 2) Adopt a Resolution directing the levy of the annual assessment for the Parkside Village Assessment District pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 et. seq.) for Fiscal Year 2017-2018; 3) Adopt a Resolution directing the levy of the annual assessment for the Grace Lane Assessment District pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 et. seq.) for Fiscal Year 2017-2018; and 4) Adopt a Resolution directing the levy of the annual assessment for the Landscaping and Lighting Assessment District No. 1 pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 et. seq.) within Tract 1769, for Fiscal Year 2017-2018. Staff responded to questions from Council.

Mayor Pro Tem Brown opened the public hearing. Hearing no public comments, Mayor Pro Tem Brown closed the public hearing.

**Action:** Council Member Harmon moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DIRECTING THE LEVY OF THE ANNUAL ASSESSMENTS RELATED TO THE PARKSIDE VILLAGE ASSESSMENT DISTRICT PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972 (STREETS AND HIGHWAYS CODE SECTIONS 22500 ET. SEQ.) FOR FISCAL YEAR 2017-2018”.*** Council Member Ray seconded, and the motion passed on the following roll-call vote:

**AYES:** Harmon, Ray, Barneich, Brown  
**NOES:** None  
**ABSENT:** Hill

**Action:** Council Member Harmon moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DIRECTING THE LEVY OF THE ANNUAL ASSESSMENTS RELATED TO THE GRACE LANE ASSESSMENT DISTRICT PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972 (STREETS AND HIGHWAYS CODE SECTIONS 22500 ET. SEQ.) FOR FISCAL YEAR 2017-2018”.*** Council Member Barneich seconded, and the motion passed on the following roll-call vote:

**AYES:** Harmon, Barneich, Ray, Brown  
**NOES:** None  
**ABSENT:** Hill

**Action:** Council Member Harmon moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DIRECTING THE LEVY OF THE ANNUAL ASSESSMENTS RELATED TO THE ARROYO GRANDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 1, WITHIN TRACT 1769, PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972 (STREETS AND HIGHWAYS CODE***

**SECTIONS 22500 ET. SEQ.) FOR FISCAL YEAR 2017-2018”.** Council Member Barneich seconded, and the motion passed on the following roll-call vote:

**AYES:** Harmon, Barneich, Ray, Brown  
**NOES:** None  
**ABSENT:** Hill

Mayor Hill returned to the meeting and took his place at the dais.

**10.b. Consideration of the Annual Public Hearing for the Arroyo Grande Tourism Business Improvement District.**

Administrative Services Director Malicoat presented the staff report and recommended that the Council: 1) Hold a public hearing to receive testimony regarding the City Council's intention to continue the Arroyo Grande Tourism Business Improvement District (AGTBID) and levy an annual assessment for fiscal year 2017-18; 2) Determine whether a legally sufficient number of protests have been made; and 3) If a legally sufficient protest is not made, adopt a Resolution levying an annual assessment for the AGTBID for the 2017-18 fiscal year. Staff responded to questions from Council.

Mayor Hill opened the public hearing. Hearing no public comments, Mayor Hill closed the public hearing.

Council comments ensued regarding online marketing of vacation rentals on [visitarroyogrande.org](http://visitarroyogrande.org) and the need to include photos of the properties instead of a map; acknowledgement of a letter submitted by Jim Guthrie which raises issues about the high level of marketing at the County level and whether there was an over-saturation of marketing efforts; and a suggestion for presentations to the Council throughout the year on how the AGTBID funds are being spent so that it is easier to make decisions next year. City Attorney Whitham noted that the City did not receive any written protests.

**Action:** Council Member Ray moved to adopt a Resolution entitled: ***“A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE LEVYING AN ANNUAL ASSESSMENT FOR the ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT FOR THE 2017-18 FISCAL YEAR,”*** and, further, starting with the date the Annual Report is approved, that there be a presentation by Judith Bean on behalf of the AGTBID Advisory Board at three months and again at nine months, which would provide the Council with more information prior to consideration of next year's Annual Report. Council Member Barneich seconded the motion.

Council Member Barneich noted that one letter was received by the City Council from Gay Grooms who requested that homestays be excluded from the TBID. City Attorney Whitham noted the letter would be included in the record.

The motion passed on the following roll-call vote:

**AYES:** Ray, Barneich, Harmon, Brown, Hill  
**NOES:** None  
**ABSENT:** None

**11. OLD BUSINESS**

**11.a. Consideration of a Staff Presentation, Receive Public Comment, and Provide Key Policy Direction to Staff Concerning the Development of Local Regulations for Non-Medical Marijuana Including Land Uses Under the Control, Regulate, And Tax Adult Use Of Marijuana Act.**

City Manager Bergman and Community Development Director McClish presented the staff report and recommended that the Council: 1) Receive an analysis of issues including preliminary recommendations from staff; 2) Receive public comment, and 3) Direct staff to develop an ordinance regulating personal indoor cultivation and restricted deliveries in a manner similar to the City's medical marijuana regulations and prohibit all other non-medical marijuana related land uses at this time.

Mayor Hill invited public comment. Speaking from the public were Patty Welsh, Arroyo Grande, on behalf of those who need medical marijuana for terminal illnesses, expressed concern with restrictions on outdoor cultivation, and supported permitted mobile delivery services for medical marijuana; Jerry Rutiz, commented that he was not here to advocate cannabis use, referred to spirit of law, and stated that the City Council should not put road blocks in place to continue putting cannabis in hiding; that the City should allow a brick and mortar store because it would be easier to regulate and enforce, commented that delivery services could become problematic, and suggested that the City can implement a tax to receive revenue; Robert Olsen, referred to the 2016 Colorado study before and after legalization of marijuana use which resulted in an increase in statistics for traffic deaths, youth use, and emergency services and hospitalizations related to marijuana use, and recommended the Council stay within the law but do not facilitate the use of marijuana further due to the enormous social costs; Cynthia Gonzales, representing Elite Care, referred to the Colorado study and stated she has received information and data that contradicts the study, commented that teen use is unchanged, there is little impact on traffic fatalities, that marijuana is used to treat palliative and chronic conditions, referred to a recently passed Senate trailer bill, stated that medical cannabis will be highly regulated and California has learned from Colorado's experience and will want to be a leader; noted that Elite Care is not a grower, and answered questions about how much cannabis can be delivered per day, per person and how age verification is determined; Tammy Peluso, representing Elite Care, provided additional information and clarification on personal outdoor cultivation; how much product value can be carried by a delivery service and how it is packaged for delivery, commented on teen use, commented on death statistics, and stated that California is much more prepared to deal with cannabis; Rob Keim, St. Barnabas, commented on State law as it relates to cannabis, expressed appreciation for the City's conservative approach, and asked questions regarding penalties; Robert Olsen, clarified that his previous comments were related directly to the use of recreational marijuana; Kevin Gotchal, questioned why only three mobile delivery permits were allowed in the City as it appears to limit commerce and revenue for the City; commented on testing labs and stated the City should get in front of the regulations and be able to enforce them, and commented that the City could benefit from the tax if they considered that as an option; and Patricia Price, suggested that testing and research might be a good niche for Arroyo Grande as there are not a lot of related community impacts.

In response to the public comment period, staff responded to questions regarding penalties and potential revenue sources for certain land uses.

**Action:** Mayor Hill moved to direct staff to develop an ordinance regulating personal indoor cultivation and restricted deliveries in a manner similar to the City's medical marijuana regulations and prohibit all other non-medical marijuana related land uses at this time. Council Member Harmon seconded, and the motion passed on the following roll-call vote:

**AYES:** Hill, Harmon, Ray, Barneich, Brown  
**NOES:** None  
**ABSENT:** None

## **12. NEW BUSINESS**

None.

## **13. CITY COUNCIL REPORTS**

The Mayor and Council Members provided brief reports from the following committee, commission, board, or other subcommittee meetings that they attended as the City's appointed representative.

**(a) MAYOR HILL:**

- (1) South San Luis Obispo County Sanitation District (SSLOCSD)
- (2) Brisco/Halcyon Interchange Subcommittee
- (3) Oversight Board to the Successor Agency to the Dissolved Arroyo Grande Redevelopment Agency

**(b) MAYOR PRO TEM BROWN:**

- (1) San Luis Obispo Council of Governments/Regional Transit Authority (SLOCOG/RTA)
- (2) Integrated Waste Management Authority Board (IWMA)
- (3) South County Transit (SCT)
- (4) Brisco/Halcyon Interchange Subcommittee

**(c) COUNCIL MEMBER BARNEICH:**

- (1) Zone 3 Water Advisory Board
- (2) Homeless Services Oversight Council (HSOC)
- (3) Other

**(d) COUNCIL MEMBER HARMON:**

- (1) County Water Resources Advisory Committee (WRAC)
- (2) Air Pollution Control District (APCD)
- (3) Five Cities Fire Authority (FCFA)
- (4) Other: Attended the Visit SLO CAL advisory committee meeting.

**(e) COUNCIL MEMBER RAY:**

- (1) California Joint Powers Insurance Authority (CJPIA)
- (2) Economic Vitality Corporation (EVC)
- (3) Tourism Marketing Committee

## **14. COUNCIL COMMUNICATIONS**

Council Member Harmon invited everyone to the Heritage Square Park on Tuesday, July 4<sup>th</sup> at 1:00 p.m. for a patriotic concert in celebration of the July 4<sup>th</sup> holiday.

Mayor Hill noted that with school being out for the summer, there is a need to be more vigilant while driving; announced that he attended the Family Fun Day at Elm Street Park, and announced that the Police Department has a new K-9 Officer and that there is a Go Fund Me account (ArroyoGrandeK9) for those who would like to contribute.

**15. COMMUNITY COMMENTS AND SUGGESTIONS**

Mayor Hill invited public comment. Speaking from the public were Patricia Price, who read and submitted to the Council a letter sent from the Central Coast Regional Water Quality Control Board to the South San Luis Obispo County Sanitation District Administrator regarding District personnel and operational issues; and Kevin Gotchal, pastor of LifePoint, who stated that it was a joy to work with the City's Recreation staff on special events, and thanked staff for efforts on resurfacing and paving of Valley Road, and suggested forming a study group to consider extending Valley Road to Grand Avenue.

**16. CLOSED SESSION**

At 10:01 p.m., City Attorney Whitham announced the City Council would adjourn to closed session to consider the following items:

- a) **CONFERENCE WITH LABOR NEGOTIATOR** pursuant to Government Code Section 54957.6:  
Agency Designated Representative: Karen Sisko, Human Resources Manager  
Employee Organization: Arroyo Grande Police Officers' Association (AGPOA)
  
- b) **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** pursuant to Government Code Section 54957:  
Title: City Attorney

Adjourned to closed session.

**16. RECONVENE TO OPEN SESSION:**

At 11:40 p.m., the Council reconvened to open session. City Attorney Whitham announced that the City Council provided direction to its labor negotiator on the negotiations with the AGPOA and that there was no reportable action related to the City Attorney evaluation.

**17. ADJOURNMENT**

Mayor Hill adjourned the meeting at 11:42 p.m.

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**Jim Hill, Mayor**

**ATTEST:**

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**Kelly Wetmore, City Clerk**

(Approved at CC Mtg \_\_\_\_\_)