



CITY COUNCIL MEETING  
AGENDA SUMMARY

Tuesday, October 8, 2024, 6:00 p.m.

In person at:

Arroyo Grande City Council Chambers  
215 E. Branch Street, Arroyo Grande, CA 93420

AND via Zoom at:

[https://arroyogrande-org.zoom.us/webinar/register/WN\\_NRsyFrUIQ\\_6179\\_iBTyDVA](https://arroyogrande-org.zoom.us/webinar/register/WN_NRsyFrUIQ_6179_iBTyDVA)

Please click the link above to register to join the Zoom Meeting

*This City Council meeting is being conducted in a hybrid in-person/virtual format. Please be advised that while the City will endeavor to ensure these remote participation methods are available, the City does not guarantee that they will be technically feasible or work all the time. Further, the City reserves the right to terminate these remote participation methods (subject to Brown Act restrictions) at any time and for any reason. Members of the public may participate and provide public comment on agenda items during the meeting in person at the location identified above, by registering and joining the Zoom meeting, or by submitting written public comments to the Clerk of the Council at [publiccomment@arroyogrande.org](mailto:publiccomment@arroyogrande.org) by 2:00 p.m. the day of the meeting. Meetings will be broadcast live on Channel 20 and streamed on the [City's YouTube Channel](#).*

**CLOSED SESSION:**

None.

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1. **CALL TO ORDER**
  2. **ROLL CALL**
  3. **MOMENT OF REFLECTION**
  4. **FLAG SALUTE**
  5. **AGENDA REVIEW**
    - 5.a Closed Session Announcements  
None.
    - 5.b Ordinances read in title only  
None.
  6. **SPECIAL PRESENTATIONS**
    - 6.a Honorary Proclamation Declaring October 2024 as "Dating and Domestic Violence Awareness Month"
    - 6.b City Manager Communications  
(DOWNING)

**Recommended Action:**

Receive correspondence/comments as presented by the City Manager and Provide

direction, as necessary.

7. **CITY COUNCIL REPORTS**

None.

Reports are made during the Second Council Meeting each month.

8. **COMMUNITY COMMENTS AND SUGGESTIONS**

This public comment period is an invitation to members of the community to present issues, thoughts, or suggestions on matters not scheduled on this agenda. Comments should be limited to those matters that are within the jurisdiction of the City Council. Members of the public may provide public comment in-person or remotely by registering and joining the Zoom meeting utilizing the link provided below. Once in the meeting, please use the “raise hand” feature to indicate your desire to provide public comment.

- Click the link below to register to join the webinar: [https://arroyogrande-org.zoom.us/webinar/register/WN\\_NRsyFrUIQ\\_6179\\_iBTyDVA](https://arroyogrande-org.zoom.us/webinar/register/WN_NRsyFrUIQ_6179_iBTyDVA)
- After registering, you will receive a confirmation email containing information about joining the webinar.

***Please be advised that while the City will endeavor to ensure these remote participation methods are available, the City does not guarantee that they will be technically feasible or work all the time. Further, the City reserves the right to terminate these remote participation methods (subject to Brown Act restrictions) at any time and for any reason. Please attend in person or submit your comment via email to the City Clerk by 2:00 p.m. the day of the meeting to have it included as part of the record.***

The Brown Act restricts the Council from taking formal action on matters not published on the agenda. In response to your comments, the Mayor or presiding Council Member may:

- Direct City staff to assist or coordinate with you.
- A Council Member may state a desire to meet with you.
- It may be the desire of the Council to place your issue or matter on a future Council agenda.

Please adhere to the following procedures when addressing the Council:

- Comments should be limited to 1 minute or less.
- Your comments should be directed to the Council as a whole and not directed to individual Council members.
- Slanderous, profane or personal remarks against any Council Member or member of the audience shall not be permitted.

9. **CONSENT AGENDA**

The following routine items listed below are scheduled for consideration as a group. The recommendations for each item are noted. Any member of the public who wishes to comment on any Consent Agenda item may do so at this time. Any Council Member may request that any item be withdrawn from the Consent Agenda to permit discussion or change the recommended course of action. The City Council may approve the remainder of the Consent Agenda on one motion.

**9.a Cash Disbursement Ratification**  
(VALENTINE)

**Recommended Action:**

Review and ratify the attached listing of cash disbursements for the period of September 1 through September 15, 2024.

**9.b Statement of Investment Deposits for August 2024**  
(VALENTINE)

**Recommended Action:**

Receive and file the attached report listing investment deposits of the City of Arroyo Grande as of August 31, 2024, as required by Government Code Section 53646(b).

**9.c Fiscal Year 2023-24 Year-End Financial Status Report**  
(VALENTINE)

**Recommended Action:**

Receive and file the Fiscal Year 2023-24 Year-End Financial Status Report.

**9.d Approval of Minutes**  
(MATSON)

**Recommended Action:**

Approve the minutes of the City Council Meeting of September 24, 2024, as submitted.

**9.e Cancellation of the December 24, 2024, City Council Meeting**  
(DOWNING)

**Recommended Action:**

Cancel the second regular City Council meeting in December due to its proximity to the Christmas and New Year holidays.

**9.f Temporary Use Permit 24-007 Authorizing Use of Heritage Square Park for the 2024 Arroyo Grande Beer and Wine Festival**  
(PEDROTTI)

**Recommended Action:**

1) Adopt a Resolution approving Temporary Use Permit 24-007 authorizing the use of Heritage Square Park for the 2024 Arroyo Grande Beer and Wine Festival; and

2) Determine that this project is categorically exempt per Section 15304(e) of the CEQA Guidelines regarding minor temporary uses of land.

**10. PUBLIC HEARINGS**

**10.a Approval of a Six-Month Lease Agreement Between the City of Arroyo Grande and RE/MAX Success for Property Located at 214 East Branch Street**  
(ROBESON)

**Recommended Action:**

1) Adopt a Resolution authorizing the City Manager to execute a six-month lease

agreement, in substantially final form, between the City of Arroyo Grande and RE/MAX Success for the City-owned property at 214 East Branch Street, also known as Old City Hall, subject to any minor, technical, or non-substantive changes as approved by the City Manager in consultation with the City Attorney; and

2) Determine that the approval of a short-term lease agreement for 214 East Branch Street is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c) (2)-(3), 15378). The lease of the property, where no development or demolition is proposed, constitute an administrative activity of the City. Alternatively, the adoption of resolution to enter a lease agreement is exempt from CEQA on that basis that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (State CEQA Guidelines, § 15061, subd. (b)(3).) The entering into a lease agreement is for the collection of rental fees and does not result in new construction or physical change in the environment.

**11. BUSINESS ITEMS**

None.

**12. COUNCIL COMMUNICATIONS**

Any Council Member may ask a question for clarification, make an announcement, or report briefly on his or her activities. In addition, subject to Council policies and procedures, Council Members may request staff to report back to the Council at a subsequent meeting concerning any matter or request that staff place a matter of business on a future agenda. Any request to place a matter of business for original consideration on a future agenda requires the concurrence of at least one other Council Member.

**13. ADJOURNMENT**

All staff reports or other written documentation, including any supplemental material distributed to a majority of the City Council within 72 hours of a regular meeting, relating to each item of business on the agenda are available for public inspection during regular business hours in the City Clerk’s office, 300 E. Branch Street, Arroyo Grande. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by the Americans with Disabilities Act. To make a request for disability-related modification or accommodation, contact the Legislative and Information Services Department at 805-473-5400 as soon as possible and at least 48 hours prior to the meeting date.

This agenda was prepared and posted pursuant to Government Code Section 54954.2 Agenda reports can be accessed and downloaded from the City’s website at [www.arroyogrande.org](http://www.arroyogrande.org) If you would like to subscribe to receive email or text message notifications when agendas are posted, you can sign up online through the “Notify Me” feature.

City Council Meetings are streamed live on the [City's YouTube Channel](#) and recorded for replay on Arroyo Grande’s Government Access Channel 20.



**HONORARY PROCLAMATION  
DECLARING OCTOBER 2024 AS  
“DATING AND DOMESTIC VIOLENCE AWARENESS MONTH”**

**WHEREAS**, Dating and Domestic Violence Awareness Month calls attention to the fact that intimate partner violence is widespread and impacts every person in Arroyo Grande; and

**WHEREAS**, Lumina Alliance provides essential, lifesaving services for survivors, their children, and families throughout San Luis Obispo County including Arroyo Grande; and

**WHEREAS**, domestic violence is a pattern of control in an intimate relationship where one person uses coercion and violence to gain power and control over his or her partner; and

**WHEREAS**, domestic violence can result in physical injury, psychological trauma, and even death. The devastating consequences of domestic violence can cross generations and can last a lifetime; and

**WHEREAS**, there is a need to focus on the individualized needs of domestic violence survivors; and

**WHEREAS**, the marginalization of certain groups in society, including undocumented individuals, transgender individuals, and those living with disabilities, increases their vulnerability to intimate partner violence; and

**WHEREAS**, LUMINA ALLIANCE continues to provide a safe environment to those affected by domestic violence with a 24-hr crisis line, advocacy, therapy, transitional and emergency housing, and prevention education, with the help of dedicated volunteers and professionals; and

**WHEREAS**, LUMINA ALLIANCE has received over two thousand calls to the crisis & information line, provided more than six thousand collective nights for shelter clients, and provided more than four thousand eight hundred hours of therapy; and

**WHEREAS**, LUMINA ALLIANCE serves as “A Bright Light During Dark Times” for survivors of Intimate Partner Violence, illuminating a path toward safety and healing; and

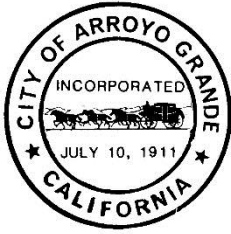
**WHEREAS**, the City of Arroyo Grande strongly supports the efforts of LUMINA ALLIANCE, how every segment of our society can work together to address intimate partner violence, and how to help survivors connect with services; and

**NOW, THEREFORE BE IT RESOLVED**, that I, Caren Ray Russom, Mayor of the City of Arroyo Grande, do hereby proclaim the month of October to be “Dating and Domestic Violence Awareness Month” in Arroyo Grande and recognize the important work done by domestic violence programs.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Seal of the City of Arroyo Grande to be affixed this 8<sup>th</sup> day of October 2024.

\_\_\_\_\_  
CAREN RAY RUSSOM, MAYOR





## MEMORANDUM

**TO:** City Council

**FROM:** Nicole Valentine, Administrative Services Director

**BY:** Lynda Horejsi, Accounting Manager

**SUBJECT:** Cash Disbursement Ratification

**DATE:** October 8, 2024

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### RECOMMENDATION:

Review and ratify the attached listing of cash disbursements for the period of September 1 through September 15, 2024.

### IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

There is a \$1,323,001.91 fiscal impact for the period of September 1 through September 15, 2024, that includes the following items:

- Accounts Payable Checks \$858,113.47
- Payroll & Benefit Checks \$464,888.44

### BACKGROUND:

Cash disbursements are made weekly based on the submission of all required documents supporting the invoices submitted for payment. Prior to payment, Administrative Services staff review all disbursement documents to ensure that they meet the approval requirements adopted in the Municipal Code and the City's Purchasing Policies and Procedures Manual.

### ANALYSIS OF ISSUES:

The attached listing represents the cash disbursements required of normal and usual operations during the period. The disbursements are accounted for in the FY 2023-24 and FY 2024-25 budgets.

### ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve staff's recommendation;
2. Do not approve staff's recommendation; or
3. Provide other direction to staff.

**Item 9.a.**

**ADVANTAGES:**

- The Administrative Services Department monitors payments of invoices for accountability, accuracy, and completeness using standards approved by the City Council.
- Invoices are paid in a timely manner to establish goodwill with merchants.
- Discounts are taken where applicable.

**DISADVANTAGES:**

There are no disadvantages identified in this recommendation.

**ENVIRONMENTAL REVIEW:**

Ratifying the cash disbursements is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.)

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

**ATTACHMENTS:**

1. September 1 through September 15, 2024 – Accounts Payable Check Register
2. September 6, 2024 – Payroll & Benefit Check Register

PAID INVOICES REPORT

INV GROUP:090424SV

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
101730 PERS - ACTIVE MED								
INVOICE: 1-17646840	09/04/24		302319	M	09/04/24	110.00.0000.2109.	HEALTH INSURANCE	145,911.49
INVOICE: 1-17646840	09/04/24		302319	M	09/04/24	100.10.4145.5131.	HEALTH INSURANCE	248.39
INVOICE: 1-17646840	09/04/24		302319	M	09/04/24	100.00.0000.1111.	ACCOUNTS RECEIVABLE - FCF	101.78
INVOICE: 1-17646840	09/04/24		302319	M	09/04/24	100.10.4099.5136.	RETIREEES HEALTH INSURANCE	8,287.04
INVOICE: 1-17646840	09/04/24		302319	M	09/04/24	100.00.0000.1111.	ACCOUNTS RECEIVABLE - FCF	796.60
INVOICE: 1-17646840	09/04/24		302319	M	09/04/24	220.60.4303.5136.	RETIREEES HEALTH INSURANCE	633.43
INVOICE: 1-17646843	09/04/24		302320	M	09/04/24	110.00.0000.2109.	HEALTH INSURANCE	2,178.49
INVOICE: 1-17646843	09/04/24		302320	M	09/04/24	100.10.4145.5131.	HEALTH INSURANCE	5.23
							REPORT TOTALS	158,162.45

	COUNT	AMOUNT
TOTAL MANUAL CHECKS	2	158,162.45



## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:090524

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
115009 ADEPT EVENTS LLC								
INVOICE: 202675	07/02/24		302321	P	09/05/24	100.40.4421.5504.	PUBLIC RELATIONS	1,095.00
116296 ADVANCE AUTO PARTS								
INVOICE: 3051420511446	07/23/24		302322	P	09/05/24	640.50.4712.5603.	MAINTENANCE-MACH & EQUIP	27.35
114672 AMAZON CAPITAL SERVICES								
INVOICE: 14FR-47QJ-779F	08/01/24		302323	P	09/05/24	100.20.4130.5201.	SUPPLIES-OFFICE	42.01
106607 AT&T								
INVOICE: 000022195761	08/25/24		302324	P	09/05/24	100.10.4145.5403.	TELECOMMUNICATIONS	29.78
101917 BOB'S EXPRESS WASH								
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	100.30.4201.5601.	MAINTENANCE-VEHICLES	13.00
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	100.30.4203.5601.	MAINTENANCE-VEHICLES	146.00
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	100.30.4204.5601.	MAINTENANCE-VEHICLES	63.00
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	640.50.4712.5601.	MAINTENANCE-VEHICLES	13.00
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	220.60.4303.5601.	MAINTENANCE-VEHICLES	16.00
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	100.20.4160.5601.	MAINTENANCE-VEHICLES	22.00
INVOICE: 24 1503	07/31/24		302325	P	09/05/24	100.50.4301.5601.	MAINTENANCE-VEHICLES	13.00

## City of Arroyo Grande



## PAID INVOICES REPORT

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TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 24	07/31/24 1503		302325	P	09/05/24	640.50.4712.5601.	MAINTENANCE-VEHICLES	20.00
INVOICE: 24	07/31/24 1503		302325	P	09/05/24	612.50.4610.5601.	MAINTENANCE-VEHICLES	20.00
INVOICE: 24	07/31/24 1503		302325	P	09/05/24	100.50.4320.5601.	MAINTENANCE-VEHICLES	20.00
INVOICE: 24	07/31/24 1503		302325	P	09/05/24	220.60.4303.5601.	MAINTENANCE-VEHICLES	40.00
105726 BRENNTAG PACIFIC INC								
INVOICE: BPI456054	08/27/24		302326	P	09/05/24	640.50.4712.5274.	CHEMICAL SUPPLIES	2,751.50
INVOICE: BPI454238	08/20/24		302326	P	09/05/24	640.50.4712.5274.	CHEMICAL SUPPLIES	1,862.44
INVOICE: BPI456438	08/29/24		302326	P	09/05/24	640.50.4712.5274.	CHEMICAL SUPPLIES	-140.00
100090 BRISCO MILL & LUMBER YARD								
INVOICE: 188733	07/10/24		302327	P	09/05/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	61.11
INVOICE: 188782	07/18/24		302327	P	09/05/24	640.50.4712.5273.	SMALL TOOLS	60.82
INVOICE: 188789	07/18/24		302327	P	09/05/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	32.57
INVOICE: 188790	07/18/24		302327	P	09/05/24	640.50.4712.5255.	SPECIAL DEPARTMENT SUPPLI	3.21
INVOICE: 188796	07/19/24		302327	P	09/05/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	20.01
INVOICE: 188810	07/22/24		302327	P	09/05/24	640.50.4712.5273.	SMALL TOOLS	37.70
INVOICE: 188816	07/23/24		302327	P	09/05/24	640.50.4712.5273.	SMALL TOOLS	26.93
	07/24/24		302327	P	09/05/24		MAINTENANCE-BUILDINGS	71.21

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:090524

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 188823						640.50.4712.5604.		
INVOICE: 188828	07/24/24		302327	P	09/05/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	287.24
112669 BURT INDUSTRIAL SUPPLY INC								
INVOICE: 145415	07/12/24		302328	P	09/05/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	156.78
INVOICE: 145809	07/19/24		302328	P	09/05/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	419.56
109756 CIVICPLUS LLC								
INVOICE: 314705	08/28/24		302329	P	09/05/24	100.10.4140.5303.	CONTRACTUAL SERVICES	2,888.79
115466 CONSOR NORTH AMERICA INC								
INVOICE: N192663CA.00-57	08/15/24	20250018	302330	P	09/05/24	350.50.5679.7501.	DESIGN & SURVEY	51,883.45
100722 DELTA DENTAL								
INVOICE: BE006226081	09/01/24		302331	P	09/05/24	110.00.0000.2110.	DENTAL INSURANCE	7,792.29
INVOICE: BE006226081	09/01/24		302331	P	09/05/24	100.10.4099.5132.	DENTAL INSURANCE	2,203.88
114291 ESCRIBE SOFTWARE LTD								
INVOICE: 9707	08/30/24		302332	P	09/05/24	100.10.4140.5303.	CONTRACTUAL SERVICES	12,247.67
INVOICE: 9707	08/30/24		302332	P	09/05/24	100.10.4140.5303.	CONTRACTUAL SERVICES	10,458.00

## City of Arroyo Grande



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TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
105531 EXECUTIVE INFORMATION SERV INC	08/01/24		302333	P	09/05/24	100.30.4204.5607.	MAINTENANCE-COMPUTER SOFT	22,080.00
INVOICE: EISMN0000455								
107743 FAMCON PIPE AND SUPPLY INC	08/28/24		302334	P	09/05/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	351.78
INVOICE: S100135836.001								
109525 FIGUEROA'S TIRES	06/24/24		302335	P	09/05/24	640.50.4712.5601.	MAINTENANCE-VEHICLES	30.00
INVOICE: 106163								
INVOICE: 106390	07/11/24		302335	P	09/05/24	640.50.4712.5601.	MAINTENANCE-VEHICLES	470.76
INVOICE: 106929	08/16/24		302335	P	09/05/24	640.50.4712.5601.	MAINTENANCE-VEHICLES	580.54
115803 GERBER, MICHAEL H	08/30/24		302336	P	09/05/24	100.40.4424.5353.	SERVICES-EVENTS	600.00
INVOICE: 090824								
112624 GROVER TOOL AND RENTALS	08/29/24		302337	P	09/05/24	100.50.4320.5605.	MAINTENANCE-GROUNDS	195.00
INVOICE: 1-549932								
108351 HARVEY'S HONEY HUTS	08/19/24		302338	P	09/05/24	220.60.4303.5303.	CONTRACTUAL SERVICES	106.08
INVOICE: 51601								
114171 HEALTH AND HUMAN RESOURCE CTR	08/06/24		302339	P	09/05/24		EMPLOYEE ASSISTANCE PROGR	197.64

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:090524

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: E0325965						100.10.4145.5147.		
INVOICE: E0325965	08/06/24		302339	P	09/05/24	100.00.0000.1111.	ACCOUNTS RECEIVABLE - FCF	49.41
110108 LEVEL 3 COMMUNICATIONS LLC								
INVOICE: 700719418	08/17/24		302340	P	09/05/24	100.30.4201.5403.	TELECOMMUNICATIONS	5,593.12
INVOICE: 700719418	08/17/24		302340	P	09/05/24	100.10.4145.5403.	TELECOMMUNICATIONS	2,411.35
100429 MINER'S ACE HARDWARE, INC								
INVOICE: 613524	08/28/24		302341	P	09/05/24	100.50.4320.5255.	SPECIAL DEPARTMENT SUPPLI	72.15
INVOICE: 613594	08/29/24		302341	P	09/05/24	220.60.4303.5613.	MAINTENANCE-STREETS & BRI	35.54
114729 PIERCE, GREGORY								
INVOICE: 061924-SPRING 2024	08/01/24		302342	P	09/05/24	100.30.4201.5502.	TUITION & REIMBURSEMENT	2,000.00
111308 SITEONE LANDSCAPE SUPPLY LLC								
INVOICE: 145327772-001	08/23/24		302343	P	09/05/24	100.50.4320.5605.	MAINTENANCE-GROUNDS	54.05
100550 SLO COUNTY AIR POLLUTION								
INVOICE: 23758	07/01/24		302344	P	09/05/24	100.50.4305.5303.	CONTRACTUAL SERVICES	1,082.07
100605 SOCALGAS								
	08/23/24		302345	P	09/05/24		UTILITIES	14.07

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:090524

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE:	19351491006	8/23				100.10.4145.5401.		
	08/23/24		302345	P	09/05/24		UTILITIES	16.35
INVOICE:	14501439005	08/23				100.10.4145.5401.		
	08/21/24		302345	P	09/05/24		UTILITIES	15.78
INVOICE:	07611524005	08/21				100.10.4145.5401.		
	08/26/24		302345	P	09/05/24		UTILITIES	14.79
INVOICE:	05281491315	08/26				100.10.4145.5401.		
114978 SOUSA, GARRETT								
	08/01/24		302346	P	09/05/24		TUITION & REIMBURSEMENT	2,000.00
INVOICE:	061924-FALL/WINTER					100.30.4201.5502.		
116045 STACCATO 2011 LLC								
	08/09/24	20250019	302347	P	09/05/24		MACHINERY & EQUIPMENT	35,987.85
INVOICE:	288120					271.30.4202.6201.		
100733 STANDARD INSURANCE CO								
	09/01/24		302348	P	09/05/24		LIFE INSURANCE	2,702.87
INVOICE:	643870-SEPT					110.00.0000.2113.		
116183 THE SHERWIN-WILLIAMS CO INC								
	08/28/24		302349	P	09/05/24		SPECIAL DEPARTMENT SUPPLI	415.97
INVOICE:	2246-1					100.50.4330.5255.		
106551 UNITED STAFFING ASSOC.								
	08/28/24		302350	P	09/05/24		CONTRACTUAL SERVICES	464.14
INVOICE:	241574					100.50.4320.5303.		
100660 USA BLUE BOOK								
	07/15/24		302351	P	09/05/24		SMALL TOOLS	69.87

PAID INVOICES REPORT

INV GROUP:090524

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: INV00422705						640.50.4712.5273.		
100737 VISION SERVICE PLAN								
INVOICE: 821111269	08/19/24		302352	P	09/05/24	110.00.0000.2119.	VISION INSURANCE	2,101.90
INVOICE: 821111269	08/19/24		302352	P	09/05/24	100.10.4099.5133.	VISION INSURANCE	661.45
107049 VORTEX INDUSTRIES LLC								
INVOICE: 01-1753219	05/22/24		302353	P	09/05/24	100.50.4308.5303.	CONTRACTUAL SERVICES	1,731.37
REPORT TOTALS								176,811.20
						COUNT	AMOUNT	
TOTAL PRINTED CHECKS						33	176,811.20	

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:090624PY

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
100723 CA ST EMPLOYMENT DEVEL DEPT								
INVOICE: PPE082924	09/06/24		302354	M	09/06/24	110.00.0000.2108.	STATE WITHHOLDING	27,507.17
INVOICE: PPE082924	09/06/24		302354	M	09/06/24	110.00.0000.2111.	STATE DISABILITY INSURANC	5,407.11
105981 CA STATE DISBURSEMENT UNIT								
INVOICE: PAYDAY090624	09/06/24		302356	M	09/06/24	110.00.0000.2114.	GARNISHMENTS	230.76
INVOICE: PAYDAY090624	09/06/24		302356	M	09/06/24	110.00.0000.2114.	GARNISHMENTS	154.15
INVOICE: PAYDAY090624	09/06/24		302356	M	09/06/24	110.00.0000.2114.	GARNISHMENTS	16.15
100039 CITY OF ARROYO GRANDE								
INVOICE: PPE082924	09/06/24		302355	M	09/06/24	110.00.0000.2105.	SOCIAL SECURITY	64,571.02
INVOICE: PPE082924	09/06/24		302355	M	09/06/24	110.00.0000.2105.	SOCIAL SECURITY	16,215.27
INVOICE: PPE082924	09/06/24		302355	M	09/06/24	110.00.0000.2104.	FEDERAL WITHHOLDING	67,341.64
100729 PERS - RETIREMENT								
INVOICE: PPE 08.29.27	09/06/24		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	26,288.95
INVOICE: PPE 08.29.27	09/06/24		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	18,084.20
INVOICE: PPE 08.29.27	09/06/24		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	17,515.75
INVOICE: PPE 08.29.27	09/06/24		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	12,177.44
	09/06/24		302357	M	09/06/24		PERS RETIREMENT	11,563.19



# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:090624PY

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: PPE	08.29.27					110.00.0000.2106.		
INVOICE: PPE	08.29.27		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	8,724.31
INVOICE: PPE	08.29.27		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	7,627.81
INVOICE: PPE	08.29.27		302357	M	09/06/24	110.00.0000.2106.	PERS RETIREMENT	7,412.62
115959 STERLING ADMINISTRATION								
INVOICE: 803614	09/10/24		302358	M	09/11/24	100.10.4145.5131.	HEALTH INSURANCE	50.00
INVOICE: 806168	09/11/24		302359	M	09/11/24	110.00.0000.2127.	FLEXIBLE SPENDING ACCOUNT	1,714.98
REPORT TOTALS								292,602.52
						COUNT	AMOUNT	
TOTAL MANUAL CHECKS						6	292,602.52	

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
115009 ADEPT EVENTS LLC								
INVOICE:	07/02/24 202676		302360	P	09/13/24	100.40.4421.5504.	PUBLIC RELATIONS	1,095.00
INVOICE:	07/02/24 202677		302361	P	09/13/24	100.40.4421.5504.	PUBLIC RELATIONS	1,095.00
116296 ADVANCE AUTO PARTS								
INVOICE:	08/20/24 3051423342938		302362	P	09/13/24	100.50.4320.5601.	MAINTENANCE-VEHICLES	7.87
INVOICE:	08/29/24 3051424243292		302362	P	09/13/24	100.50.4320.5601.	MAINTENANCE-VEHICLES	26.10
INVOICE:	08/15/24 3051422842781		302362	P	09/13/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	81.85
115356 ALPINE REFRIGERATION								
INVOICE:	08/29/24 31034		302363	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	175.00
INVOICE:	08/23/24 31211		302363	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	1,054.91
114672 AMAZON CAPITAL SERVICES								
INVOICE:	08/01/24 1XHP-KWX1-79HH		302364	P	09/13/24	100.00.0000.1111.	ACCOUNTS RECEIVABLE - FCF	1,562.65
INVOICE:	08/01/24 1XHP-KWX1-79HH		302364	P	09/13/24	100.10.4140.5702.	DATA PROCESSING EQUIPMENT	64.54
INVOICE:	08/01/24 1XHP-KWX1-79HH		302364	P	09/13/24	100.10.4140.5602.	MAINTENANCE-OFFICE EQUIPM	158.37
INVOICE:	08/01/24 1XHP-KWX1-79HH		302364	P	09/13/24	100.10.4140.5702.	DATA PROCESSING EQUIPMENT	117.45
INVOICE:	08/01/24 1XHP-KWX1-79HH		302364	P	09/13/24	100.10.4140.5702.	DATA PROCESSING EQUIPMENT	75.41
	08/01/24		302364	P	09/13/24		DATA PROCESSING EQUIPMENT	1,001.65

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 1XHP-KWX1-79HH						100.10.4140.5702.		
	08/01/24		302364	P	09/13/24		DATA PROCESSING EQUIPMENT	278.29
INVOICE: 1XHP-KWX1-79HH						100.10.4140.5702.		
	08/01/24		302364	P	09/13/24		DATA PROCESSING EQUIPMENT	892.96
INVOICE: 1XHP-KWX1-79HH						100.10.4140.5702.		
106083 ARROYO GRANDE IN BLOOM INC								
	08/31/24		302365	P	09/13/24		CONTRACTUAL SERVICES	700.00
INVOICE: 090124						100.50.4308.5303.		
	09/02/24		302365	P	09/13/24		MAINTENANCE-GROUNDS	230.05
INVOICE: 090224						100.50.4320.5605.		
113248 BEATTY, IRINA								
	09/05/24		302366	P	09/13/24		SERVICES-CLASSES	352.00
INVOICE: 090524						100.40.4424.5351.		
101917 BOB'S EXPRESS WASH								
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	39.00
INVOICE: 24-1515						100.30.4201.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	442.00
INVOICE: 24-1515						100.30.4203.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	104.00
INVOICE: 24-1515						100.30.4204.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	26.00
INVOICE: 24-1515						100.50.4301.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	13.00
INVOICE: 24-1515						100.20.4160.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	13.00
INVOICE: 24-1515						100.50.4307.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	39.00
INVOICE: 24-1515						640.50.4712.5601.		
	08/31/24		302367	P	09/13/24		MAINTENANCE-VEHICLES	20.00

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 24-1515						640.50.4712.5601.		
INVOICE: 24-1515	08/31/24		302367	P	09/13/24	612.50.4610.5601.	MAINTENANCE-VEHICLES	20.00
INVOICE: 24-1515	08/31/24		302367	P	09/13/24	100.50.4320.5601.	MAINTENANCE-VEHICLES	20.00
INVOICE: 24-1515	08/31/24		302367	P	09/13/24	220.60.4303.5601.	MAINTENANCE-VEHICLES	40.00
112709 BRAND CREATIVE								
INVOICE: 7561	08/26/24		302368	P	09/13/24	100.40.4421.5201.	SUPPLIES-OFFICE	65.18
INVOICE: 7468	08/07/24		302368	P	09/13/24	350.50.5620.5504.	PUBLIC RELATIONS	63.77
111497 BRENDLER JANITORIAL SERVICE								
INVOICE: 4806	09/02/24		302369	P	09/13/24	100.40.4424.5251.	SUPPLIES-RECREATION CLASS	200.00
INVOICE: 4804	09/02/24		302369	P	09/13/24	100.50.4308.5615.	JANITORIAL SERVICES	1,135.00
INVOICE: 4804	09/02/24		302369	P	09/13/24	100.30.4201.5615.	JANITORIAL SERVICES	500.00
100087 BREZDEN PEST CONTROL, INC								
INVOICE: 520920	07/09/24		302370	P	09/13/24	100.50.4308.5604.	MAINTENANCE-BUILDINGS	135.00
INVOICE: 529073	09/09/24		302370	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	174.00
100090 BRISCO MILL & LUMBER YARD								
INVOICE: 188888	08/01/24		302371	P	09/13/24	100.50.4320.5605.	MAINTENANCE-GROUNDS	64.63

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 188896	08/02/24		302371	P	09/13/24	100.50.4308.5604.	MAINTENANCE-BUILDINGS	145.81
INVOICE: 189026	08/26/24		302371	P	09/13/24	220.60.4303.5613.	MAINTENANCE-STREETS & BRI	23.47
INVOICE: 189027	08/26/24		302371	P	09/13/24	220.60.4303.5273.	SMALL TOOLS	25.85
INVOICE: 189034	08/27/24		302371	P	09/13/24	100.50.4320.5605.	MAINTENANCE-GROUNDS	9.67
INVOICE: 188870	07/30/24		302371	P	09/13/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	71.80
INVOICE: 188886	07/31/24		302371	P	09/13/24	612.50.4610.5610.	MAINTENANCE-LINES & PUMPS	588.00
INVOICE: 188906	08/05/24		302371	P	09/13/24	640.50.4711.5603.	MAINTENANCE-MACH & EQUIP	68.38
107697 BURNS, JEREMY								
INVOICE: 09/24-09/25	09/11/24		302372	P	09/13/24	100.30.4203.5501.	TRAVEL/CONFERENCE/TRAININ	150.00
115944 CALIFORNIA TURF EQUIPMENT &								
INVOICE: 647574	09/04/24		302373	P	09/13/24	100.50.4320.5603.	MAINTENANCE-MACH & EQUIP	1,017.60
100994 CALVARY CHAPEL								
INVOICE: 01-38546	01/16/24		302374	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	150.00
113082 CARTRIDGE WORKS INC								
INVOICE: 12267	09/06/24		302375	P	09/13/24	100.10.4120.5201.	SUPPLIES-OFFICE	297.26

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
100171 CLINICAL LABORATORY OF								
INVOICE: 1007977	09/09/24		302376	P	09/13/24	640.50.4710.5310.	WATER TREATMENT SERVICES	1,035.00
109431 CUDDY, GAYLE								
INVOICE: 090524	09/05/24		302377	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	350.00
115535 DASCALOS, ZOE								
INVOICE: 090524	09/05/24		302378	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	69.30
116295 ELAN CITY INC								
INVOICE: 20-4135	08/20/24	20250014	302379	P	09/13/24	220.60.4303.5613.	MAINTENANCE-STREETS & BRI	29,000.00
107743 FAMCON PIPE AND SUPPLY INC								
INVOICE: S100136417.001	09/04/24		302380	P	09/13/24	640.50.4712.5273.	SMALL TOOLS	92.24
100240 FARM SUPPLY CO								
INVOICE: 110472	09/06/24		302381	P	09/13/24	640.50.4712.5255.	SPECIAL DEPARTMENT SUPPLI	43.10
101884 FASTENAL COMPANY								
INVOICE: CABAR131856	08/30/24		302382	P	09/13/24	100.50.4320.5605.	MAINTENANCE-GROUNDS	1,550.69
113533 FIVE CITIES DUPLICATE BRIDGE								

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE:	09/05/24 090524		302383	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	1,620.50
115397 FLOW N CONTROL INC								
INVOICE:	08/10/24 206093		302384	P	09/13/24	612.50.4610.5610.	MAINTENANCE-LINES & PUMPS	1,070.56
109851 FRYER, ELIZABETH								
INVOICE:	09/05/24 090524		302385	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	756.00
100272 GIBBS INTERNATIONAL TRUCKS INC								
INVOICE:	07/26/24 209312N		302386	P	09/13/24	640.50.4712.5601.	MAINTENANCE-VEHICLES	136.33
INVOICE:	07/26/24 209310N		302386	P	09/13/24	220.60.4303.5601.	MAINTENANCE-VEHICLES	566.05
100301 HEACOCK TRAILERS & TRUCK								
INVOICE:	08/09/24 21440		302387	P	09/13/24	220.60.4303.5273.	SMALL TOOLS	1,401.87
100311 HINDERLITER, DE LLAMAS & ASSOC								
INVOICE:	08/16/24 SIN041936		302388	P	09/13/24	100.10.4120.5303.	CONTRACTUAL SERVICES	874.97
INVOICE:	08/16/24 SIN041936		302388	P	09/13/24	120.10.4118.5303.	CONTRACTUAL SERVICES	430.96
INVOICE:	08/16/24 SIN041936		302388	P	09/13/24	100.10.4120.5303.	CONTRACTUAL SERVICES	97.51
INVOICE:	08/16/24 SIN041952		302388	P	09/13/24	120.10.4118.5303.	CONTRACTUAL SERVICES	138.10

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
100726 ICMA RETIREMENT CORP, PLAN ID 302419								
INVOICE:	09/06/24		302460	T	09/13/24	110.00.0000.2117.	DEFERRED COMPENSATION	6,100.46
	6460680							
INVOICE:	09/06/24		302460	T	09/13/24	110.00.0000.2117.	DEFERRED COMPENSATION	13,303.72
	6460680							
INVOICE:	09/06/24		302460	T	09/13/24	110.00.0000.2117.	DEFERRED COMPENSATION	916.66
	6460680							
INVOICE:	09/06/24		302460	T	09/13/24	110.00.0000.2117.	DEFERRED COMPENSATION	135.00
	6460680							
INVOICE:	09/06/24		302460	T	09/13/24	110.00.0000.2117.	DEFERRED COMPENSATION	375.55
	6460680							
115899 JOHNSTON, TROY E								
INVOICE:	09/05/24		302389	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	1,192.52
	1877							
110210 JUAREZ, SR, LARRY								
INVOICE:	08/30/24		302390	P	09/13/24	100.40.4424.5352.	SERVICES-LEAGUES	300.00
	083024							
115534 KELLER, KAYLYN								
INVOICE:	09/05/24		302391	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	69.30
	090524							
107299 KETTING OLIVIER, GASTON								
INVOICE:	08/30/24		302392	P	09/13/24	100.40.4424.5352.	SERVICES-LEAGUES	450.00
	083024							
105057 KIMBALL MIDWEST								



## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 102535570	08/22/24		302393	P	09/13/24	100.50.4305.5255.	SPECIAL DEPARTMENT SUPPLI	249.55
114838 LA PAZ, JHADE								
INVOICE: 090624	09/06/24		302394	P	09/13/24	100.40.4424.5352.	SERVICES-LEAGUES	80.00
114764 LEONG, PRINCESS								
INVOICE: 090524	09/05/24		302395	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	400.00
112806 LEWIS, MAUREEN								
INVOICE: 1214	08/13/24		302396	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	50.00
INVOICE: 090524	09/05/24		302396	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	200.00
INVOICE: 090624	09/06/24		302396	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	50.00
								0
112522 LEXIPOL LLC								
INVOICE: INVCOR11235360	06/01/24		302397	P	09/13/24	100.30.4201.5303.	CONTRACTUAL SERVICES	4,749.05
116276 LORENCZ, LARISSA								
INVOICE: 090924	09/09/24		302398	P	09/13/24	100.40.4424.5352.	SERVICES-LEAGUES	48.00
106701 MAINLINE UTILITY COMPANY								
INVOICE: 5743	07/11/24		302399	P	09/13/24	350.50.5794.7501.	DESIGN & SURVEY	3,200.00

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
102635 MANGIARDI, HEIDY								
INVOICE:	09/05/24 090524		302400	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	1,821.40
100426 MIER BROS LANDSCAPE PRODUCTS								
INVOICE:	08/13/24 380414		302401	P	09/13/24	100.50.4320.5605.	MAINTENANCE-GROUNDS	63.57
INVOICE:	08/22/24 380735		302401	P	09/13/24	220.60.4303.5613.	MAINTENANCE-STREETS & BRI	296.31
100429 MINER'S ACE HARDWARE, INC								
INVOICE:	08/27/24 613475		302402	P	09/13/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	19.38
INVOICE:	08/07/24 612167		302402	P	09/13/24	640.50.4712.5273.	SMALL TOOLS	28.00
INVOICE:	08/06/24 612090		302402	P	09/13/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	16.15
INVOICE:	08/02/24 611811		302402	P	09/13/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	8.37
INVOICE:	07/18/24 610879		302402	P	09/13/24	640.50.4712.5610.	MAINTENANCE-LINES & PUMPS	35.55
INVOICE:	07/17/24 610777		302402	P	09/13/24	640.50.4712.5604.	MAINTENANCE-BUILDINGS	38.77
INVOICE:	08/30/24 613651		302402	P	09/13/24	100.50.4330.5605.	MAINTENANCE-GROUNDS	24.20
INVOICE:	09/03/24 613828		302402	P	09/13/24	100.50.4308.5604.	MAINTENANCE-BUILDINGS	34.44
INVOICE:	09/03/24 613839		302402	P	09/13/24	100.50.4308.5273.	SMALL TOOLS	59.33
INVOICE:	09/04/24 613876		302402	P	09/13/24	100.50.4308.5604.	MAINTENANCE-BUILDINGS	111.24

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	09/04/24		302402	P	09/13/24		MAINTENANCE-STREETS & BRI	91.53
INVOICE: 613918						220.60.4303.5613.		
	09/04/24		302402	P	09/13/24		MAINTENANCE-GROUNDS	76.41
INVOICE: 613924						100.50.4320.5605.		
	09/05/24		302402	P	09/13/24		MAINTENANCE-BUILDINGS	25.39
INVOICE: 613954						100.50.4308.5604.		
	09/06/24		302402	P	09/13/24		MAINTENANCE-STREETS & BRI	32.28
INVOICE: 614014						220.60.4303.5613.		
114042 NELSON, NICCOLA								
	09/05/24		302403	P	09/13/24		SERVICES-CLASSES	496.00
INVOICE: 090524						100.40.4424.5351.		
101265 NEW TIMES								
	06/28/24		302404	P	09/13/24		PUBLIC RELATIONS	515.00
INVOICE: 368997						100.40.4421.5504.		
100466 NOBLE SAW, INC								
	08/19/24		302405	P	09/13/24		MAINTENANCE-VEHICLES	48.84
INVOICE: 625770						220.60.4303.5601.		
115082 NVIRO								
	07/19/24		302406	P	09/13/24		MAINTENANCE-LINES & PUMPS	4,376.71
INVOICE: 3992						612.50.4610.5610.		
999999 ONE TIME PAY								
	07/25/24		302415	P	09/13/24		SPEC.INT.CLASSES	105.00
INVOICE: 01-42516						100.00.4000.4605.		
	03/04/24		302416	P	09/13/24		DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE: 01-39694(1)						100.00.0000.2206.		

PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE:	04/12/24 01-40515		302425	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	04/17/24 01-40612		302409	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	04/24/24 01-40710		302407	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	05/16/24 01-41207		302414	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	09/05/24 090524		302423	P	09/13/24	100.40.4424.5251.	SUPPLIES-RECREATION CLASS	139.48
INVOICE:	07/25/24 01-42511(1)		302410	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	07/09/24 01-42199(1)		302408	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	07/09/24 01-42199(1)		302408	P	09/13/24	100.00.4000.4354.	PARK USER FEES	106.00
INVOICE:	07/09/24 01-42199(2)		302426	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	07/17/24 01-42345(1)		302413	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	08/09/24 01-42823		302411	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	08/09/24 01-42821		302412	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	08/09/24 01-42821		302412	P	09/13/24	100.00.4000.4354.	PARK USER FEES	16.00
INVOICE:	08/09/24 01-42822(1)		302424	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	08/09/24 01-42705(1)		302417	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	07/25/24 01-42511(2)		302427	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	07/16/24 03-02062		302422	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00

City of Arroyo Grande



PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE:	08/09/24 01-42821(1)		302420	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	150.00
INVOICE:	08/09/24 01-42818		302418	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
INVOICE:	08/05/24 03-02119		302421	P	09/13/24	100.00.4000.4354.	PARK USER FEES	50.00
INVOICE:	07/25/24 01-42514(1)		302419	P	09/13/24	100.00.0000.2206.	DEPOSITS-COMMERCIAL BLDG.	50.00
999997 ONE TIME PAY REFUND								
INVOICE:	09/06/24 00029471		302438	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	293.07
INVOICE:	09/06/24 00022200		302430	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	35.67
INVOICE:	09/06/24 00002794		302434	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	52.56
INVOICE:	09/06/24 0023036		302431	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	298.48
INVOICE:	09/06/24 00028769		302428	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	35.69
INVOICE:	09/06/24 00028884		302432	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	27.22
INVOICE:	09/06/24 00028889		302429	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	111.45
INVOICE:	09/06/24 00028897		302433	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	145.49
INVOICE:	09/06/24 00028946		302435	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	60.00
INVOICE:	09/06/24 00028974		302437	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	60.48
INVOICE:	09/06/24 00029143		302436	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	143.76
INVOICE:	09/06/24 00029201		302439	P	09/13/24	640.00.0000.2301.	DEPOSIT RENTERS	79.78

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
115057 ORTEGA, LOUIE								
INVOICE: 091524	09/05/24		302440	P	09/13/24	100.40.4424.5353.	SERVICES-EVENTS	1,500.00
100481 PACIFIC GAS & ELECTRIC CO								
INVOICE: 8532998718-5	08/19/24		302441	P	09/13/24	100.50.4307.5402.	POWER	2,006.74
INVOICE: 8532998718-5	08/19/24		302441	P	09/13/24	640.50.4712.5402.	POWER	12,729.40
INVOICE: 8532998718-5	08/19/24		302441	P	09/13/24	640.50.4711.5402.	POWER	3,224.33
INVOICE: 8532998718-5	08/19/24		302441	P	09/13/24	612.50.4610.5402.	POWER	3,509.44
INVOICE: 8532998718-5	08/19/24		302441	P	09/13/24	100.10.4145.5401.	UTILITIES	11,955.40
INVOICE: 8532998718-5	08/19/24		302441	P	09/13/24	217.50.4560.5355.	PARKWAY MAINTENANCE-TR 17	13.77
INVOICE: 1940974818-3	08/14/24		302441	P	09/13/24	100.50.4307.5402.	POWER	19,674.36
116305 PEARSON JR, PATRICK C								
INVOICE: 092224	09/05/24		302442	P	09/13/24	100.40.4424.5353.	SERVICES-EVENTS	1,000.00
100492 PETTY CASH								
INVOICE: 1935	09/06/24		302443	P	09/13/24	100.00.0000.1033.	CHANGE CASH-SPECIAL RECRE	400.00
115459 PRUDENTIAL OVERALL SUPPLY								

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE:	08/08/24 80956695		302444	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	25.03
INVOICE:	08/08/24 80956696		302444	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	48.02
INVOICE:	08/08/24 80956697		302444	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	27.63
INVOICE:	08/08/24 80956699		302444	P	09/13/24	100.50.4308.5303.	CONTRACTUAL SERVICES	31.17
INVOICE:	08/08/24 80956702		302444	P	09/13/24	100.50.4320.5143.	UNIFORM ALLOWANCE	57.31
INVOICE:	08/08/24 80956698		302444	P	09/13/24	640.50.4712.5143.	UNIFORM ALLOWANCE	43.31
INVOICE:	08/08/24 80956700		302444	P	09/13/24	100.50.4305.5143.	UNIFORM ALLOWANCE	37.10
INVOICE:	08/08/24 80956701		302444	P	09/13/24	100.50.4330.5143.	UNIFORM ALLOWANCE	23.08
INVOICE:	08/08/24 80956703		302444	P	09/13/24	220.60.4303.5143.	UNIFORM ALLOWANCE	31.33
INVOICE:	08/08/24 80956704		302444	P	09/13/24	100.50.4308.5143.	UNIFORM ALLOWANCE	24.49
INVOICE:	08/08/24 80956705		302444	P	09/13/24	612.50.4610.5143.	UNIFORM ALLOWANCE	23.77
INVOICE:	08/15/24 80957882		302444	P	09/13/24	640.50.4712.5143.	UNIFORM ALLOWANCE	43.31
INVOICE:	08/15/24 80957883		302444	P	09/13/24	100.50.4305.5143.	UNIFORM ALLOWANCE	16.80
INVOICE:	08/15/24 80957884		302444	P	09/13/24	100.50.4330.5143.	UNIFORM ALLOWANCE	23.08
INVOICE:	08/15/24 80957885		302444	P	09/13/24	100.50.4320.5143.	UNIFORM ALLOWANCE	36.47
INVOICE:	08/15/24 80957886		302444	P	09/13/24	220.60.4303.5143.	UNIFORM ALLOWANCE	31.33
INVOICE:	08/15/24 80957887		302444	P	09/13/24	100.50.4308.5143.	UNIFORM ALLOWANCE	24.49

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE:	08/15/24 80957888		302444	P	09/13/24	612.50.4610.5143.	UNIFORM ALLOWANCE	23.77
INVOICE:	08/29/24 80960376		302444	P	09/13/24	640.50.4712.5143.	UNIFORM ALLOWANCE	43.31
INVOICE:	08/29/24 80960377		302444	P	09/13/24	100.50.4305.5143.	UNIFORM ALLOWANCE	16.80
INVOICE:	08/29/24 80960378		302444	P	09/13/24	100.50.4330.5143.	UNIFORM ALLOWANCE	23.08
113127 ROBERT HALF								
INVOICE:	08/13/24 63944109		302445	P	09/13/24	100.10.4120.5303.	CONTRACTUAL SERVICES	1,092.00
INVOICE:	08/19/24 63962389		302445	P	09/13/24	100.10.4120.5303.	CONTRACTUAL SERVICES	1,092.00
INVOICE:	08/29/24 64013133		302445	P	09/13/24	100.10.4120.5303.	CONTRACTUAL SERVICES	1,092.00
INVOICE:	09/05/24 64037963		302445	P	09/13/24	100.10.4120.5303.	CONTRACTUAL SERVICES	254.35
116304 SANTA MARIA SUN								
INVOICE:	05/23/24 367659		302446	P	09/13/24	100.40.4421.5504.	PUBLIC RELATIONS	632.00
100605 SOCALGAS								
INVOICE:	09/06/24 01121606006 9/6		302447	P	09/13/24	100.10.4145.5401.	UTILITIES	16.27
INVOICE:	09/06/24 12041607008 9/6		302447	P	09/13/24	100.10.4145.5401.	UTILITIES	114.84
INVOICE:	09/09/24 09301508454 9/9		302447	P	09/13/24	100.10.4145.5401.	UTILITIES	27.31

115665 SORIANO, ZACHARY



## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
	08/30/24		302448	P	09/13/24		SERVICES-LEAGUES	176.00
INVOICE:	083024					100.40.4424.5352.		
105339 ST JOHN'S LUTHERAN CHURCH								
	09/03/24		302449	P	09/13/24		SUPPLIES-RECREATION CLASS	500.00
INVOICE:	090324					100.40.4424.5251.		
113174 TCA TOOLS INC								
	09/12/24		302450	P	09/13/24		MAINTENANCE-MACH & EQUIP	544.41
INVOICE:	091224132289					100.50.4305.5603.		
105134 UK INT'L SOCCER CAMPS INC								
	09/05/24		302451	P	09/13/24		SERVICES-CLASSES	14,060.20
INVOICE:	090524					100.40.4424.5351.		
109403 US BANK OF CALIFORNIA								
	09/06/24		302461	T	09/13/24		PARS RETIREMENT	754.22
INVOICE:	PPE 08.29.24					110.00.0000.2107.		
	09/06/24		302461	T	09/13/24		PARS RETIREMENT	188.57
INVOICE:	PPE 08.29.24					110.00.0000.2107.		
108239 VERDIN MARKETING INK								
	08/31/24		302452	P	09/13/24		ADVERTISING	13,561.64
INVOICE:	12005					240.10.4150.5301.		
102137 VERIZON WIRELESS								
	09/04/24		302453	P	09/13/24		TELECOMMUNICATIONS	304.08
INVOICE:	9973045084					100.10.4145.5403.		

## City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
109908 VISIT SLO CAL								
INVOICE: 073124	07/31/24		302454	P	09/13/24	761.00.0000.2007.	DUE TO COUNTY OF SLO	28,421.58
INVOICE: 073124	07/31/24		302454	P	09/13/24	100.00.4000.4771.	COUNTY TMD ASSESSMNT ADMI	-568.43
102609 WATERBOYS PLUMBING								
INVOICE: 31369	08/07/24		302455	P	09/13/24	226.50.4306.5303.	CONTRACTUAL SERVICES	1,009.00
100699 WILSON ELECTRIC COMPANY INC, LEE								
INVOICE: 2407	08/02/24		302456	P	09/13/24	220.60.4303.5303.	CONTRACTUAL SERVICES	1,635.00
INVOICE: 3766	08/29/24		302456	P	09/13/24	220.60.4303.5303.	CONTRACTUAL SERVICES	145.00
INVOICE: 3769	08/29/24		302456	P	09/13/24	220.60.4303.5303.	CONTRACTUAL SERVICES	751.63
113459 YOUTH EVOLUTION BASKETBALL								
INVOICE: 090324 B CAMP	09/03/24		302457	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	539.00
INVOICE: 090324- S CAMP	09/03/24		302457	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	441.00
INVOICE: 090524	09/05/24		302457	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	4,630.50
115052 YOUTH TECH INC.								
INVOICE: 7761	06/19/24		302458	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	1,865.50
INVOICE: 7794	06/26/24		302458	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	1,827.00

# City of Arroyo Grande



## PAID INVOICES REPORT

INV GROUP:091324

TO FISCAL 2024/03 07/01/2024 TO 06/30/2025

VENDOR NAME	INV DATE	PO	CHECK NO	T	CHK DATE	GL ACCOUNT	GL ACCOUNT DESCRIPTION	
INVOICE: 7865	07/18/24		302458	P	09/13/24	100.40.4424.5351.	SERVICES-CLASSES	2,002.00
115850 ZEPEDA, MISTY								
INVOICE: 090924	09/09/24		302459	P	09/13/24	100.40.4424.5352.	SERVICES-LEAGUES	48.00

REPORT TOTALS 230,537.30

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	100	208,763.12
TOTAL EFT TRANSFERS	2	21,774.18

\*\* END OF REPORT - Generated by Lynda Horejsi \*\*

## CITY OF ARROYO GRANDE

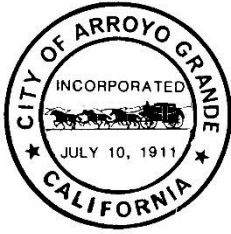
## DEPARTMENTAL LABOR DISTRIBUTION

## PAY PERIOD

08/30/24 - 09/12/2024

9/20/2024

BY FUND		BY ACCOUNT	
General Fund	407,161.82	5101	Salaries Full time 251,695.82
Streets Fund	16,675.73	5101	Volunteer Employee Retirement -
Sewer Fund	15,821.13	5102	Salaries Part-Time - PPT 4,649.25
Water Fund	25,229.76	5103	Salaries Part-Time - TPT 5,925.88
	<u>464,888.44</u>	5105	Salaries OverTime 17,211.45
		5106	Salaries Strike Team OT -
		5107	Salaries Standby 2,116.20
		5108	Holiday Pay 23,555.35
		5109	Sick Pay 6,994.23
		5110	Annual Leave Buyback -
		5111	Vacation Buyback -
		5112	Sick Leave Buyback -
		5113	Vacation Pay 8,350.32
		5114	Comp Pay 5,399.17
		5115	Annual Leave Pay 11,740.44
		5116	Salaries - Police FTO 190.56
		5121	PERS Retirement 39,093.08
		5122	Social Security 24,499.02
		5123	PARS Retirement 151.61
		5126	State Disability Ins. 3,511.44
		5127	Deferred Compensation 766.66
		5131	Health Insurance 52,116.49
		5132	Dental Insurance 2,873.28
		5133	Vision Insurance 749.18
		5134	Life Insurance 384.60
		5135	Long Term Disability 481.54
		5137	Leave Payouts -
		5142	Unemployment Insurance -
		5143	Uniform Allowance -
		5144	Car Allowance 887.50
		5146	Council Expense -
		5147	Employee Assistance -
		5148	Boot Allowance -
		5149	Motor Pay 162.87
		5150	Bi-Lingual Pay 175.00
		5151	Cell Phone Allowance 1,207.50
			<u>464,888.44</u>
<b>OVERTIME BY DEPARTMENT:</b>			
Administrative Services	-		
Information Services	-		
Community Development	-		
Police	15,988.75		
Public Works - Maintenance	397.52		
Public Works - Enterprise	825.18		
Recreation - Administration	-		
Recreation - Special Events	-		
	<u>17,211.45</u>		



## MEMORANDUM

**TO:** City Council

**FROM:** Nicole Valentine, Administrative Services Director

**BY:** Lynda Horejsi, Accounting Manager

**SUBJECT:** Statement of Investment Deposits for August 2024

**DATE:** October 8, 2024

---

### **RECOMMENDATION:**

Receive and file the attached report listing investment deposits of the City of Arroyo Grande as of August 31, 2024, as required by Government Code Section 53646(b).

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

There is no funding impact on the City related to these reports. However, the City does receive interest revenue based on the interest rate of the investments. Little to no future staff time is projected.

### **BACKGROUND:**

The Administrative Services department has historically submitted to the City Council a monthly report providing the following information:

1. Type of investment.
2. Financial institution (bank, savings and loan, broker, etc.).
3. Date of maturity.
4. Principal amount.
5. Rate of interest.
6. Current market value for all securities having a maturity of more than 12 months.
7. Relationship of the monthly report to the annual statement of investment policy.

### **ANALYSIS OF ISSUES:**

This report represents the City's investments as of August 31, 2024, and includes all investments managed by the City. As of August 31, 2024, the investment portfolio complied with all State laws and the City's investment policy.

**Item 9.b.**

**ALTERNATIVES:**

The following alternatives are provided for the Council’s consideration:

1. Approve staff’s recommendation to receive and file the attached report listing the investment deposits;
2. Do not approve staff’s recommendation; or
3. Provide other direction to staff.

**ADVANTAGES:**

Safety of principal is the foremost objective of the City. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

**DISADVANTAGES:**

Some level of risk is present in any investment transaction. Losses could be incurred due to market price changes, technical cash flow complications such as the need to withdraw a non-negotiable Time Certificate of Deposit early, or even the default of an issuer. To minimize such risks, diversification of the investment portfolio by institution and by investment instruments are being used as much as is practical and prudent.

**ENVIRONMENTAL REVIEW:**

The Statement of Investment Deposits is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378).

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City’s website in accordance with Government Code Section 54954.2.

**ATTACHMENTS:**

1. Portfolio Summary: August 31, 2024

300 E. Branch St.  
Arroyo Grande, CA 93420  
Phone: (805) 473-5400



**CITY OF ARROYO GRANDE**  
**Portfolio Summary**  
**August 31, 2024**

Investments	Principal Value	Current Market Value	Interest Rate	Date of Purchase	Term	Maturity Date	% of Portfolio
<b>Local Agency Investment Fund</b>	\$ 5,278,114.43	\$ 5,278,114.43	4.579%				18.388%
<b>Certificates of Deposit</b>							
Pacific Premier Bank	249,000.00	249,000.00	4.880%	February 21, 2024	12 mos	February 21, 2025	0.868%
Mountain America Federal Credit Union	249,000.00	249,000.00	4.750%	October 14, 2022	24 mos	October 15, 2024	0.868%
Enerbank USA	247,000.00	247,000.00	1.850%	October 25, 2019	60 mos	October 25, 2024	0.861%
Wells Fargo Bank	249,000.00	249,000.00	4.600%	October 28, 2022	24 mos	October 28, 2024	0.868%
Beal Bk Plano TX	247,000.00	247,000.00	1.350%	March 26, 2022	36 mos	March 26, 2025	0.861%
Beal Bk Las Vegas NV	247,000.00	247,000.00	1.250%	March 26, 2022	36 mos	March 26, 2025	0.861%
First Technology Federal	248,000.00	248,000.00	5.000%	April 14, 2023	24 mos	April 14, 2025	0.864%
Flagstar Bank	245,000.00	245,000.00	0.850%	May 15, 2020	60 mos	May 15, 2025	0.854%
American Express National Bank	246,000.00	246,000.00	3.100%	May 25, 2022	36 mos	May 25, 2025	0.857%
New York Community Bank	249,000.00	249,000.00	0.550%	July 1, 2021	48 mos	July 1, 2025	0.868%
Chief Financial Federal Credit Union	249,000.00	249,000.00	4.600%	October 12, 2022	36 mos	October 14, 2025	0.868%
Live Oak Bank	249,000.00	249,000.00	3.150%	May 25, 2022	48 mos	May 26, 2026	0.868%
UBS Bank USA	249,000.00	249,000.00	0.900%	July 21, 2021	60 mos	July 21, 2026	0.868%
Toyota Financial Savings Bank	248,000.00	248,000.00	0.950%	July 22, 2021	60 mos	July 22, 2026	0.864%
Chartway Federal Credit Union	248,000.00	248,000.00	5.250%	July 28, 2023	60 mos	July 28, 2026	0.864%
California Credit Union Glendale	243,000.00	243,000.00	5.450%	October 26, 2023	36 mos	October 26, 2026	0.847%
Alliant Credit Union	248,000.00	248,000.00	5.500%	November 15, 2023	36 mos	November 16, 2026	0.864%
Bank United NA	249,000.00	249,000.00	1.350%	December 8, 2021	60 mos	December 8, 2026	0.868%
Capital One Bank USA	248,000.00	248,000.00	1.250%	December 8, 2021	60 mos	December 8, 2026	0.864%
Discover Bank	246,000.00	246,000.00	3.200%	May 18, 2022	60 mos	May 19, 2027	0.857%
United Teletech Financial Credit Union	248,000.00	248,000.00	3.500%	November 8, 2023	53 mos	April 1, 2028	0.864%
Morgan Stanley Bank	244,000.00	244,000.00	4.650%	April 6, 2023	60 mos	April 6, 2028	0.850%
Maine Savings Federal Credit Union	249,000.00	249,000.00	4.800%	July 21, 2023	60 mos	July 21, 2028	0.868%
Bank Hapoalim BM New York	244,000.00	244,000.00	4.600%	May 21, 2024	60 mos	May 21, 2029	0.850%
Morgan Stanley Private Bank	244,000.00	244,000.00	4.650%	May 22, 2024	60 mos	May 22, 2029	0.850%
<b>Total Certificates of Deposit</b>	<b>6,182,000.00</b>	<b>6,182,000.00</b>					<b>21.544%</b>
<b>Agency Bonds</b>							
Federal Home Loan Bank	499,252.43	518,409.32	1.000%	July 19, 2022	29 mos	December 20, 2024	1.739%
Federal Farm Credit Bank	998,431.00	979,441.26	0.430%	March 17, 2021	48 mos	March 3, 2025	3.479%
Federal Natl Mortgage Assn	1,000,000.00	957,180.21	0.500%	October 20, 2020	60 mos	October 20, 2025	3.484%
Federal Home Loan Bank	999,500.00	950,385.98	0.800%	March 17, 2021	60 mos	March 10, 2026	3.482%
Federal Home Loan Bank	994,396.00	961,131.47	2.400%	March 17, 2021	72 mos	March 29, 2027	3.464%
Federal Home Loan Bank	500,000.00	490,903.56	3.375%	May 17, 2022	60 mos	May 17, 2027	1.742%
Federal Agriculture Mortgage Corp	2,029,036.00	2,072,171.70	4.320%	May 17, 2024	60 mos	April 26, 2029	7.068%
<b>Total Agency Bonds</b>	<b>7,020,615.43</b>	<b>6,929,623.50</b>					<b>24.458%</b>

300 E. Branch St.  
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**CITY OF ARROYO GRANDE**  
**Portfolio Summary**  
**August 31, 2024**

Investments	Principal Value	Current Market Value	Interest Rate	Date of Purchase	Term	Maturity Date	% of Portfolio
<b><i>Municipal Bonds</i></b>							
California State GO Various Purp Bond	\$ 491,810.00	\$ 487,880.00	3.100%	May 12, 2022	47 mos	April 1, 2026	1.713%
California State Taxable GO Unlimited	1,256,116.00	1,318,988.80	3.500%	November 1, 2023	53 mos	April 1, 2028	4.376%
<b>Total Municipal Bonds</b>	<b>1,747,926.00</b>	<b>1,806,868.80</b>					<b>6.089%</b>
<b><i>Treasury Obligations</i></b>							
U.S. Treasury 365 -Day Bill	4,999,380.89	5,006,098.26	5.000%	August 22, 2024	3 mos	November 29, 2024	17.416%
U.S. Treasury BL-2024 Series	2,489,952.50	2,496,718.75	4.500%	March 4, 2024	9 mos	November 30, 2024	8.674%
U.S. Treasury Z-2026 Series	984,728.00	945,468.75	1.100%	December 6, 2021	53 mos	May 31, 2026	3.431%
<b>Total Treasury Obligations</b>	<b>8,474,061.39</b>	<b>8,448,285.76</b>					<b>29.521%</b>
<b>TOTAL INVESTMENTS</b>	<b>\$ 28,702,717.25</b>	<b>\$ 28,644,892.49</b>					<b>100.000%</b>





## MEMORANDUM

**TO:** City Council

**FROM:** Nicole Valentine, Director of Administrative Services

**SUBJECT:** Fiscal Year 2023-24 Year-End Financial Status Report

**DATE:** October 8, 2024

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### **RECOMMENDATION:**

Receive and file the Fiscal Year 2023-24 Year-End Financial Status Report.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

Preparation of the Fiscal Year (FY) 2023-24 Year-End Financial Status Report (the “Year-End Report”) requires staff time within the existing work plan and budget for the Administrative Services Department. At year-end, FY 2023-24 revenues for the Consolidated General Fund were \$25.7 million, or three percent (3%), higher than the Adjusted Budget. Actual Expenditures were \$29.2 million, and below the Adjusted Budget by approximately \$3.4 million, or ten percent (10%).

### **BACKGROUND:**

Each fiscal year the City Council adopts a budget, which commits government resources and services to accomplish the City’s mission of making Arroyo Grande the best place possible for everyone who lives, works, and visits here. The Year-End Report is the fourth and final financial performance report that staff will present to the City Council during the 2023-24 fiscal year. The purpose of the FY 2023-24 Year-End Report is to:

- Compare year-end revenues received and expenditures incurred to the end of the prior year and to Adjusted Budget to determine the City’s financial performance;
- Provide explanations for key account variances and identify any potential trends that might impact financial planning; and
- Provide other key year-end information including headcount statistics, status of Capital Improvement Projects, and completed Budget Adjustment Requests.

### **ANALYSIS OF ISSUES:**

Year-End Revenue and Expenditures Compared to Prior Year

**Item 9.c.**

**Table 1. Current Year-End Actuals Compared to Prior Year-End Actuals**

	Year-End FY 2023-24	Year-End FY 2022-23	Variance
Revenue	25,734,266	25,499,631	234,635
Expenditures	29,196,236	23,065,400	6,130,836

The Consolidated General Fund shown in Table 1 is the primary operating fund of the City and accounts for resources and services traditionally associated with government. The Consolidated General Fund provides administrative, financial, police protection, community development, public works, fire, and recreation services to the community and other funds. The Consolidated General Fund accounts for revenues that have unrestricted uses and are not required legally or by contractual agreement to be accounted for in another fund. The City has historically reported on the Consolidated General Fund separately from the Measure O 2006 Sales Tax Fund, although the City’s auditors traditionally combine this information in the Annual Comprehensive Financial Report.

The Measure O 2006 Sales Tax Fund accounts for the revenues derived from Measure O 2006, a local 1/2% sales tax approved by the City’s voters in November 2006. Measure O 2006 included advisory measures when passed, providing direction on the uses to which the funding should be allocated. To ensure accountability, the measure included a provision requiring the City to publish and distribute an annual report to each household on the revenues and expenditures from the sales tax proceeds. To aid in the collection and reporting of this information, the City has accounted for this fund in a separate account.

This report presents information for the Consolidated General Fund that includes Measure O 2006 Tax Fund revenues and expenditures. Consolidated General Fund revenues at the end of FY 2023-24 were approximately \$234,636 higher than at the end of FY 2022-23. Expenditures were approximately \$6.1 million higher through the end of this year compared to the prior year. A more thorough explanation of year-end variances is set forth in the attached financial report (Attachment 1). The following is a summary of the year-end variances between the two fiscal years.

Year-End Revenue and Expenditures Compared to Adjusted Budget

**Table 2. Year-End Actuals Compared to Adjusted Budget**

	FY 2023-24 Adjusted Budget	FY 2023-24 Year-End Actuals	Variance
Revenue	24,894,617	25,734,266	839,649
Expenditures	32,554,477	29,196,236	(3,358,241)

**City Council**  
**Fiscal Year 2023-24 Year-End Financial Status Report**  
**October 8, 2024**  
**Page 3**

Table 2 above compares year-end actual results to the Adjusted Budget. FY 2023-24 Year-End actual revenue was above the Adjusted Budget by \$839,650. Year-End actual expenditures were lower than the Adjusted Budget by approximately \$3.4 million. The following is a summary of the year-end revenue and expenditure variances compared to the Adjusted Budget. A more thorough explanation of year-end variances is set forth in the attached financial report.

Revenue (\$839,650 higher)

General Fund revenue for FY 2023-24 is more than the Adjusted Budget by \$839,650. The majority of the variance is related to increased Property Tax, Measure O-2006 Sales Tax, User Fees, and Franchise Fees revenues that exceeded the Adjusted Budget. The Year-End Report includes greater detail regarding the causes for the revenue variances.

Expenditures (approximately \$3.4 million lower)

Actual expenditures were \$3,358,241 lower than the Budget by 10%. All of the City's departments are under their spending targets. Some of the more significant savings occurred in the Measure O 2006 Sales CIP Allocation, Administrative Services, Public Works, Community Development, and Police Departments. The Year-End Report includes greater detail regarding the causes for the expenditure variances in these departments.

Section 5 of the Third Quarter Report includes a new update on the Goal Status Reports to Council, that includes the City's progress towards completing Major City Goals and Capital Improvement Plan. This information is provided to keep the City Council apprised of the status of the Goal Status Reports and includes progress towards completing Major City Goals and Capital Improvement Plan.

**ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

1. Receive and file the Fiscal Year 2023-24 Year-End Financial Status; or
2. Provide other direction to staff.

**ADVANTAGES:**

The financial report presents an updated review of the City's financial performance in FY 2023-24.

**DISADVANTAGES:**

No disadvantages have been identified at this time.

**ENVIRONMENTAL REVIEW:**

No environmental review is required for this item.

**Item 9.c.**

**City Council  
Fiscal Year 2023-24 Year-End Financial Status Report  
October 8, 2024  
Page 4**

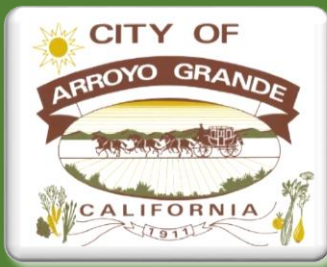
**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

**ATTACHMENTS:**

1. Fiscal Year 2023-24 Year-End Financial Status Report

**Item 9.c.**



City of Arroyo Grande  
Fiscal Year 2023-24  
Year-End Financial Status Report

## INTRODUCTION

The following report is an overview of the City's fiscal position at the end of the Fiscal Year (FY) 2023-24. The purpose of this report is to update the public and the City Council on the City's financial position at year-end and compare actual results to the prior year and the Adjusted Budget to determine the City's performance. The timeframe of this report is July 1, 2023 through June 30, 2024.

The financial report is organized in the following sections:

**Section 1** – an overview of City's financial position after the end of FY 2023-24. As part of the analysis, brief explanations of significant revenue and expenditure variances are included.

**Section 2** – a listing of any personnel changes occurring during the year and a summary of headcount by department. This section also includes the City's calculated vacancy rate.

**Section 3** – an update on the Capital Improvement Projects (CIP) managed by the Public Works and Community Development Departments. This section includes CIP that were completed along with their final costs.

**Section 4** – a listing of Budget Amendment Requests previously approved by Council and completed in the fourth quarter of the fiscal year.

**Section 5** – an update on the Goal Status Reports to Council that includes progress towards completing Major City Goals and Capital Improvement Plan.

### *ENSURING FISCAL STABILITY:*

*In Fall 2020, the City Council established a goal to ensure financial stability for the organization throughout the planning, budgeting, and expenditure process, including preparation and presentation of year-end and quarterly financial reports.*

## SECTION 1: OVERVIEW OF FINANCIAL POSITION

**CITY FUND STRUCTURE**

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The overall City budget is comprised of many individual funds, which are categorized below. This financial report will focus primarily on the Consolidated General Fund but will also report on all Governmental Funds.

Consolidated General Fund – The Consolidated General Fund is the primary operating fund of the City, which accounts for resources and services traditionally associated with government. The Consolidated General Fund provides administrative, financial, police protection, community development, public works, fire, and recreation services to the community and other funds. The Consolidated General Fund accounts for revenues that have unrestricted uses and are not required legally or by contractual agreement to be accounted for in another fund. The City has historically reported on the Consolidated General Fund separately from the Measure O 2006 Sales Tax Fund, although the City's auditors traditionally combine this information in the Annual Comprehensive Financial Report (ACFR). The Measure O 2006 Sales Tax Fund accounts for the revenues derived from Measure O 2006, a local 1/2% sales tax approved by the City's voters in November 2006. Measure O 2006 included advisory measures when passed providing direction on the uses to which the funding should be allocated. To ensure accountability, the measure included a provision requiring the City to publish and distribute an annual report to each household on the revenues and expenditures from the sales tax proceeds. To aid in the collection and reporting of this information, the City has accounted for this fund in a separate account. This report will present information for the Consolidated General Fund that includes Measure O 2006 Sales Tax Fund revenues and expenditures.

Special Revenue Funds – Special revenue funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Funds – This fund is used to account for the accumulation of resources and payment of long-term debt principal interest. This includes the USDA loan issued by the City to finance the relocation of City Hall.

Enterprise Funds - An enterprise fund is a separate accounting and financial reporting mechanism for which revenues and expenditures are segregated into a fund with financial statements separate from all other governmental activities. These funds include Water and Sewer services provided to City residents.

Private Purpose Fund – The private-purpose fund was created to hold the assets of the former Redevelopment Agency of the City of Arroyo Grande until they are distributed.

Agency Funds – Agency funds are funds that the City holds on behalf of another entity. Currently, there are three Agency funds. One is the Sanitation District fund, which accounts for the receipt and remittance of wastewater processing fees on behalf of the South San Luis Obispo County Sanitation District. The second is the Downtown Parking Fund, which collects assessments from Arroyo Grande Village merchants within the boundaries of the Parking and Business Improvement Area for maintenance of the Village parking lots. The third is the San Luis Obispo Tourism Marketing District (SLOTMD) Fund, which accounts for the receipt and remittance of assessments collected from lodging operators on behalf of the SLOTMD.

The chart below shows an overview of the City’s fund structure.

ALL FUNDS										
GOVERNMENTAL FUNDS			PROPRIETARY FUNDS		FIDUCIARY FUNDS					
General Fund	Legislative & Information Services	Fire Protection Impact Fees	Debt Service Funds	City Hall Debt Service	Enterprise Funds	Sewer	Private Purpose Fund	Successor Agency to RDA	Agency Funds	Downtown Parking
	Administrative Services	Public Access Television		Sewer Facility		Water		Sanitation Distribution		
	Community Development	Police Protection Impact		Water Facility		Lopez Water		San Luis Obispo Tourism		Marketing District (SLOTMD)
	Police Department	Park Development								
	Recreation Services	Park Improvement								
	Public Works	Recreation Community Center								
	Local Sales Tax Fund	Grace Lane Assessment District								
		Parkside Assessment District								
		Street (Gas Tax)								
		Traffic Signalization								
		Traffic Circulation								
		Transportation Facility Impact								
		Transportation								
		In-Lieu Water Neutralization								
		In-Lieu Affordable Housing								
		Tourism Business Improvement Dist.								
		Water Availability								
		CDBG Grant Fund								
		American Rescue Plan Act (ARPA)								
		State COPS Block Grant								

**CURRENT YEAR ACTUALS COMPARED TO PRIOR YEAR**

Table 1 below reflects revenue and expenditure patterns of FY 2023-24 and compares results against the FY 2022-23 results for all Governmental Funds as well as the City’s Consolidated General Fund. The totals in the table reflect the year-end actuals for both revenue and expenditures.

Table 1

Governmental Funds			
	Year-End FY 2023-24	Year-End FY 2022-23	Variance
Revenue	\$ 30,352,133	\$ 29,333,353	\$ 1,018,780
Expenditures	\$ 33,047,468	\$ 27,439,298	\$ 5,608,170

Consolidated General Fund			
	Year-End FY 2023-24	Year-End FY 2022-23	Variance
Revenue	\$ 25,734,267	\$ 25,499,631	\$ 234,636
Expenditures	\$ 29,196,236	\$ 23,065,400	\$ 6,130,836

The following discussion focuses on both the City’s Governmental Funds and the Consolidated General Fund and provides a comparison between FY 2023-24 and FY 2022-23 results for both revenue and expenditures. Governmental Funds and Consolidated General Fund revenue and expenditures for FY 2023-24 are generally higher than the prior year. The Governmental Funds category includes Special Revenue Funds, Debt Service Funds, as well as the Consolidated General Fund.

**Governmental Funds** – At the end of FY 2023-24, Governmental Fund revenue was – 3.5%, or \$1 million higher than prior year, and expenditures were higher by 20.4% or \$5.6 million.

The majority of the revenue and expenditure variances in Governmental Funds were attributed to variances within the Consolidated General Fund and the American Rescue Plan Act (ARPA) Fund,

which is separate from the Consolidated General Fund and not otherwise addressed in this report. The Governmental Funds category includes the Consolidated General Fund as well as other Special Revenue Funds. The Consolidated General Fund and ARPA Fund variances are explained as follows:

Consolidated General Fund - The Consolidated General Fund is the primary operating fund of the City and accounts for resources and services traditionally associated with government. Consolidated General Fund revenues through the end of FY 2023-24 were 1%, or \$234,636 higher than the prior year. Expenditures increased by 26.6%, or \$6.1 million higher through the end of this year compared to the prior year. The majority of the variance between the two fiscal years is related to increased costs of one-time payments for Liability and Property Insurance, CalPERS Unfunded Accrued Liability, and Workers Compensation.

ARPA Fund – The ARPA Fund was created to help separately track funding provided pursuant to the American Rescue Plan Act. This Act is intended to provide financial aid to families, governments, businesses, schools, non-profits, and others impacted by the COVID-19 public health crisis. To date, the City has received the full amount allocated, totaling \$4,300,241. In FY 2021-22, expenditures incurred totaled \$604,246. In FY 2022-23, expenditures incurred totaled \$745,837. In FY 2023-24, expenditures incurred totaled \$1,121,731. The remaining \$1,828,427 is currently recognized as revenue in FY 2024-25.

## CONSOLIDATED GENERAL FUND IMPACTS

The following discussion focuses on the City’s Consolidated General Fund performance. Chart 1 starts off with a simple overview of Consolidated General Fund performance compared to the Adjusted Budget. Next are expenditures by category (Table 2). This is followed by a summarized look at FY 2023-24 actual expenditures compared to the Adjusted Budget (Table 3). Lastly, a discussion of Consolidated General Fund revenue is included, which compares actual results to the Adjusted Budget (Table 4).

Chart 1

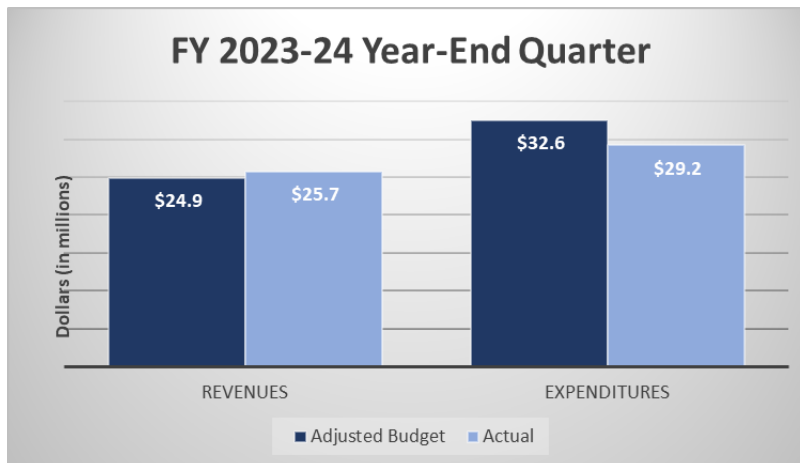


Chart 1 shows a simple comparison of actual revenue and expenditures to the Adjusted Budget. Consolidated General Fund revenue exceeded the Adjusted Budget by \$839,649. Property Tax, Measure O-2006 Sales Tax, User Fees, and Franchise Fees revenues exceeded the Adjusted Budget. The actual expenditures totaled \$29.2 million, or 90% of the full year’s Budget, and are under the budget by \$3.4

million. A more detailed discussion on Consolidated General Fund revenue and expenditure variances is included later in this report.



Table 2

Expenditure Category	FY 2023-24	% of
	Year-End Actuals	Actuals
Personnel Costs	\$ 12,790,046	43.8%
Operating Costs	9,997,641	34.2%
Debt Service	310,018	1.1%
Capital Outlay	135,275	0.5%
Transfers Out	5,963,255	20.4%
Total	<u>\$ 29,196,235</u>	

Table 2 reflects major expenditure cost categories within the Consolidated General Fund. This chart is intended to explain where the City’s resources were spent during the fiscal year. Within the total expenditures of \$29.2 million, 43.8% of the City’s costs are associated with personnel, 34.2% with operating and maintenance, 1.1% for the City’s debt

service, 0.5% for Capital Outlay, and 20.4% with transfers to other funds.

Table 3 reflects the year-end status of all Consolidated General Fund operating departments. Some departments include multiple divisions. The divisions are consolidated under their respective department, rather than reflected individually within the table.

Table 3 – Consolidated General Fund Expenditures by Department

Consolidated General Fund Department Variances - Year-End				
Consolidated General Fund Department	FY 2023-24	FY 2023-24	Dollar	%
	Adjusted Budget	Actuals	Fav/(Unfav)	Fav/(Unfav)
City Administration	\$ 1,751,100	\$ 1,731,651	\$ 19,449	1%
Legislative & Information Services	449,460	422,012	27,448	6%
Measure O 2006 Sales Tax Fund	1,269,800	1,234,861	34,939	3%
Measure O 2006 CIP Allocation	7,715,691	4,917,827	2,797,864	36%
Administration Services	5,297,212	5,810,091	(512,879)	-10%
Non-Departmental Annual Payments	2,836,525	2,756,790	79,735	3%
Community Development	1,996,822	1,680,784	316,038	16%
Police Department	6,905,599	6,702,366	203,233	3%
Recreation Services	901,370	916,482	(15,112)	-2%
Public Works	3,430,898	3,023,372	407,526	12%
<b>TOTAL EXPEDITURES</b>	<b>32,554,477</b>	<b>29,196,236</b>	<b>3,358,241</b>	<b>10%</b>

Overall, the City was under the Adjusted Budget by 10%, or \$3.4 million. The majority of City departments were under spent, except for Administrative Services and Recreation Services. Some of the more significant savings occurred in the Measure O 2006 Sales CIP Allocation, Administrative Services, Public Works, Community Development, and Police Departments. A more detailed explanation of key expenditure variances by individual department/division is provided below.

## KEY EXPENDITURE VARIANCES FOR INDIVIDUAL DIVISIONS/DEPARTMENTS FOR FISCAL YEAR 2023-24

Department: Measure O-06 Sales & Use Tax Fund CIP Allocations	This fund accounts for the revenues derived from Measure O-06, a local 1/2% sales tax approved by the City's voters in November 2006. This budget included \$7.7 million allocated to ongoing CIP projects. A large amount of progress was made but with timing of project completion there is a significant amount of savings that will be carried over in FY 2024-25.
Division: Fund 218	
Issue: Overall savings in Transfers Out to CIP Projects and debt service	
Impact to Consolidated General Fund: \$2,762,925 savings	

Department: Administrative Services	The Administrative Services Department includes the City's Fiscal and Information Technology functions, as well as Non-Departmental expenditures. This budget included a line item reflecting budgeted salary savings for the entire Consolidated General Fund instead of budgeting these savings within each specific department. This creates an overage at year-end due to
Division: Various (4120, 4140, 4145)	
Issue: Overall savings in Transfers Out to CIP Projects and debt service	
Impact to Consolidated General Fund: \$512,879 overage	

the salary savings actually happening in specific departments and discussed there due to the fluctuation of salary savings moving between different departments because of vacancies.

Department: Public Works	The Public Works Department includes the functions of Government Buildings, Engineering, Auto Shop, Administration, Park Maintenance, and Soto Sports Complex Divisions within the Consolidated General Fund. The majority of the favorable variance in this department can be attributed to salary savings. For simplicity. Some of the more significant variances
Division: Various (4213, 4301, 4305, 4307, 4420, 4430)	
Issue: Overall savings in salaries and contractual services	
Impact to Consolidated General Fund: \$407,526 savings	

include:

- The Public Works Administration Division had a vacant Public Works Director/Assistant City Manager position and had a vacant Assistant Capital Projects Manager the first half of the fiscal year. Additionally, one employee was on medical leave resulting in labor savings of approximately \$229,600.
- The Parks Division has savings of approximately \$160,000 related to the replacement of a bucket truck that has not yet been purchased.

Department: Community Development	The Community Development Department includes the functions of Planning and Building & Safety Divisions. The majority of the favorable variance in this department can be attributed to salary savings and lower spending in contractual services. Some of the more significant variances include:
Division: Various (4130, 4212)	
Issue: Overall savings in salaries and contractual services	
Impact to Consolidated General Fund: \$316,038 savings	

- The vacancy of the Building Permit Technician position during the first half of the fiscal year resulted in a portion of the Division's overall labor savings totaling approximately \$82,400.

- Contractual services for the Planning Division had savings of approximately \$227,600 related to the Comprehensive General Plan Update, this is an ongoing update that is anticipated to be carried over in FY 2024-25.

Department: Police Services
Division: Various (4201, 4203, 4204, 4209)
Issue: Overall savings in salaries and benefits and contractual services
Impact to Consolidated General Fund: \$203,233 savings

Police Services includes the functions of Administration, Patrol Services, Support Services, and the Office of Traffic Safety (OTS) Grant for Traffic/DUI Enforcement Program. For simplicity, Police Services will be analyzed in total rather than by individual divisions. Some of the more significant variances include:

- The Police Department has had vacancies throughout the fiscal year and one medical leave, resulting in labor savings of approximately \$107,700.
- The Police Department administers the ABC Grant and OTS Traffic Enforcement program that operate on the federal fiscal year from October 1, 2023, to September 30, 2024, these programs had savings totaling \$72,300 that is anticipated to be carried over in FY 2024-25.

### KEY REVENUE VARIANCES BY ACCOUNT FOR THE THIRD QUARTER

Table 4 – Consolidated General Fund Revenue

Consolidated General Fund Revenue Variances - Year-End					
REVENUE BY CATEGORY	FY 2023-24 Adjusted Budget	FY 2023-24 Actuals	Dollar (Unfav)/Fav	%	Fav/(Unfav)
Property Tax	\$ 6,327,486	\$ 6,822,920	\$ 495,434	8%	
Sales Tax	5,268,158	5,158,345	(109,813)	-2%	
Measure O-06 Sales & Use Tax	2,962,000	3,283,349	321,349	11%	
Transient Occ. Tax	1,545,000	1,407,882	(137,118)	-9%	
Property Tax in Lieu of VLF	2,001,300	2,129,113	127,813	6%	
Franchise Fees	795,600	960,744	165,144	21%	
License & Permit Fees	579,500	549,661	(29,839)	-5%	
User Fees	521,500	916,310	394,810	76%	
Planning Fees	371,500	485,561	114,061	31%	
Recreation Fees	415,867	574,162	158,295	38%	
Transfers In	3,114,066	2,755,008	(359,058)	-12%	
Other Revenue	992,640	691,211	(301,429)	-30%	
<b>TOTAL</b>	<b>24,894,617</b>	<b>25,734,266</b>	<b>839,649</b>	<b>3%</b>	

As reflected in Table 4, actual revenue exceeded the Adjusted Budget by \$839,649. Property Tax, Measure O-2006 Sales Tax, User Fees, and Franchise Fees revenues are all showing positive results while Transfers in and Other Revenue reflect an unfavorable variance. A more detailed discussion is included below to help explain actual revenue variances.

**Property Tax** – The majority of the City’s property tax revenue comes from Secured Property Taxes. Property tax revenues ended the year in a favorable position by \$495,434, or 8% above the Adjusted Budget. Property tax collected grew 4.8% over the previous fiscal year, as the housing market continues to rise. Property tax represents 26.5% of the City’s annual revenue.

**Sales Tax and Measure O 2006 Sales Tax Fund** – Actual Sales tax is lower than anticipated, while Measure O 2006 Sales Tax exceeded the Adjusted Budget by \$321,349, or 11%. Certain business categories like building and construction, online shopping, general consumer goods, fuel and service stations, and food and drugs continued to show strong sales tax receipts and exceeded expectations.

**Transient Occupancy Tax (TOT)** – TOT revenue is reflecting a \$137,118 unfavorable variance to the Adjusted Budget. TOT revenues appear to have hit a steady rate of increase compared to the large increase experienced in FY 2022-23.

**Property Tax in Lieu of Vehicle License Fees (VLF)** – Actual Property tax in lieu of VLF revenue exceeded the Adjusted Budget by \$127,813, or 6% above the Adjusted Budget.

**Franchise Fees** – The City received Franchise Fees from Charter Communication, Waste Connections, College Towing, Southern California Gas, PG& E, and Phillips 66. Franchise Fee revenues ended the year in a favorable position by \$165,144, or 6% above the Adjusted Budget.

**License & Permit Fees, User Fees, and Planning Fees** – License and permit revenue is below the Adjusted Budget by \$29,839. Planning revenue exceeded the Adjusted Budget by \$114,061. Revenue in this category is customer driven and fluctuates over the course of a year as well as year over year based on demand.

**Recreation Fees** – Recreation revenue is above the Adjusted Budget by \$158,295.

**Other Revenues** – This revenue category includes business license tax, fines, revenue from other government agencies, charges for services and any other revenues accounts received in the consolidated general fund. The largest variance in this category is related to three revenue accounts. The expense recovery for police vehicles revenue related to the sale of surplus Police Patrol vehicles has not taken place since the new leased vehicles have not yet been received. This results in a revenue shortfall of approximately \$301,429. The revenue from other government agencies accounts for the SB 1090 funds earmarked for use of the general plan update totaling \$227,600 and Retraining Scholarship Program totaling \$21,500. Once these funds are spent for these projects, the revenue will be recognized at that time. The remainder of the variance is related to the Expense Recovery budget for the sale of the Police Fleet vehicles. The City has not yet sold these vehicles due to the long lead time of receiving the new fleet vehicles.

## SECTION 2: POSITION CHANGES AND HEADCOUNT NUMBERS

**POSITION ALLOCATION CHANGES MADE BY THE CITY COUNCIL (Year-End)**

None made during this quarter.

**FULL TIME EQUIVALENT (FTE) BY DEPARTMENT – PERMANENT STAFF ONLY**

The following table reflects FTE staffing by department. The table only includes permanent staff and does not include part-time or temporary staffing. While departments may hire part-time staff on a regular or seasonal basis, they are not included in the analysis below.

Department	Adopted Budget Headcount (FTE's)	Vacancies (Year-End)	% of Total Staffing	Vacant Positions
City Manager & Human Resources	3	-	4%	
Administrative Services	7	-	9%	
Community Development	10	-	13%	
Legislative & Info Services	2	-	3%	
Police Services	29	3	37%	Police Officer (3)
Public Works	24	1	31%	Engineering Inspector
Recreation Services	3	-	4%	
<b>Total</b>	<b>78</b>	<b>4</b>	<b>100%</b>	

**EMPLOYEE VACANCY RATE**

The City's employee vacancy rate at the end of the FY 2023-24 was 5.1%. This equates to four (4) vacant positions. The vacancy rate tracks the number of permanent vacant positions at the end of the quarter in comparison to the total number of permanent positions available. Unlike a turnover rate, which tracks employees that separated during the period, the vacancy rate only looks at vacancies at the end of the period. The costs associated with turnover include the cost of advertising new positions, training, overtime, lowered productivity, and workload balance.

SECTION 3: UPDATE ON COMPLETED CAPITAL PROJECTS

This information is provided to keep the Council apprised of the status of the City’s Capital Improvement Projects (CIP).

Project	Fund	Budget FY 2023-24	Current Status	Project Budget Expended
191 Tally Ho	Sales Tax	\$ 110,000	Complete	\$ 86,826
Lift Station 3	FEMA/CalOES/Sales Tax	\$ 850,000	Complete	\$ 67,475
Financial Management Software	Sewer/Water/Sales Tax	\$ 413,000	In Progress	\$ 89,238
Women's Club Lighting Project	Donations	\$ 821	In Progress	\$ -
Public Safety Video Cameras	COPS/Sales Tax	\$ 1,125,000	In Progress	\$ 162,076
Replacement Generator at Fire Station 1	Other Gov Agencies/General/Sales Tax	\$ 610,714	Complete	\$ 474,788
Arroyo Grande Creek Remediation	Sales Tax, FEMA, CalOES	\$ 400,000	In Progress	\$ 188,638
Active Transportation Plan	ATP/Sales Tax	\$ 250,000	In Progress	\$ 105,783
Bridge Street Bridge Habitat	HBP	\$ 100,290	In Progress	\$ 102,799
Swinging Bridge Rehabilitation	Sales Tax	\$ 1,100,292	Complete	\$ 727,213
Arroyo Grande Creek Pavement Management Program	Sales Tax	\$ 6,300	In Progress	\$ 21,299
Sidewalk Repairs and Traffic Way Bridge Replacement	USHA/General/SB1/Sales Tax/General Fund	\$ 6,825,153	In Progress	\$ 5,264,820
Trenchless Sewer Rehabilitation - El Camino Real to West Branch	Sales Tax/CDBG	\$ 586,644	In Progress	\$ 486,776
Phased Mains Replacement - South Halcyon Road, Cornwall Street to Fair Oaks Avenue	HBP/Sales Tax	\$ 1,165,593	In Progress	\$ 560,802
Phased Main Replacement - Highway 101 Crossing Upgrade, El	ARPA	\$ 282,000	Complete	\$ 188,378
Fire Station 1 Apparatus Bay Doors	Water Facility/ARPA	\$ 785,892	In Progress	\$ 705,531
Galvanized Service				
Fair Oaks Ave Active Transportation Improvements, Valley Road to Traffic Way	ARPA/Water Fund	\$ 335,000	In Progress	\$ -
Virginia Drive and S. Halcyon Road Curb Ramp and Sidewalk	Sales Tax	\$ 115,000	In Progress	\$ -
Public Works Office Space	Water	\$ 63,655	In Progress	\$ -
City Hall Front Door ADA	Developer/Other Gov Agencies/Sales Tax	\$ 125,000	Not started	\$ -
Recreation Services / Community Center Building	CDBG	\$ 56,749	Not Started	\$ -
Halcyon Road Complete Streets	Sales Tax	\$ 100,000	In Progress	\$ 1,006
Water Well #11 Facilities	CDBG	\$ 53,341	Not Started	\$ -
	Sales Tax	\$ 44,745	In Progress	\$ -
	HSIP/RSHA/USHA/Safe Routes to School/General/Sales Tax/ATP	\$ 1,304,000	In progress	\$ 2,764
	Water Availability	\$ 42,771	Not Started	\$ -

**SECTION 4: APPROPRIATION TRANSFERS AND BUDGET ADJUSTMENTS****Administrative and Previously-Approved Year-End Budget Adjustments**

The following year-end budget adjustments were previously approved by the City Council or are classified as administrative and not requiring City Council approval.

Administrative Services Department: Appropriated funds for two budget adjustments reviewed in the Third Quarter Financial Status Report. Reallocating funds for two CIP Projects:

- \$10,000 from the 2022 Pavement Management Program to the Corrugated Metal Pipe (CMP) project this fiscal year will enable the City to capitalize on the presence of a contractor with video equipment completing work on the sewer trenchless repair project to gather information necessary for FY 2024-25 CMP lining scheduled for next fiscal year.
- \$291,200 from the Phased Main Replacement under Highway 101 to Crossing Upgrade project that has not yet started to the other two Phased Main Replacement projects that are near completion or expected to be completed in the ARPA deadline timeframe.

Approved at the May 14, 2024, City Council meeting, Item 9.c.

Administrative Services Department: Approved a budget adjustment request in the amount of \$58,800 to amend the Agreement with A-Town AV to upgrade the Audio/Video system in the Council Chamber. Approved on April 9, 2024, Council meeting, Item 9.d.

Capital Improvement Program: Approved a budget adjustment request in the amount \$130,000 of ARPA Funds to fully fund the FCFA Apparatus Bay Doors Replacement Project that was originally budgeted with Measure O-2006 Local Sales Tax Fund. Approved on April 9, 2024, Council meeting, Item 9.g.

Water Fund: Approved budget adjustment totaling \$514,200 from the Water Enterprise Fund Balance is needed to fund the City's share of the CCB project preconstruction costs for FY 2023-24. Approved on April 9, 2024, Council meeting, Item 11.a.

**SECTION 5: UPDATE ON MAJOR CITY GOALS AND CAPITAL IMPROVEMENT PLAN**

This information is provided to keep the City Council apprised of the status of the Goal Status Reports to Council that includes progress towards completing Major City Goals and Capital Improvement Plan. These reports present updates and communications about the status of City projects, goals, and performance measures. The four major goals are:



**Funding**

Support a thriving community through fiscal responsibility, economic development efforts, and additional and alternative revenue streams.



**Fire Services**

Implement operational and fire and emergency service delivery improvements through the Five Cities Fire Authority, and complete the transition of services to Oceano due to its exit from the Authority.



**Infrastructure**

Invest in and complete critical infrastructure projects throughout the City through the strategic prioritization of projects based on available resources.




**General Plan Update**


Prioritize and complete major work efforts for the comprehensive General Plan update to provide a vision and framework for future development within the City.


The following tables provide a breakdown of the Council Goal’s Work Plan by goal. Here is a key for purposes of defining each department.

Key	
CMO	City Manager's Office
AS	Administrative Services
LIS	Legislative and Information Services
PD	Police Department
PW	Public Works
Rec	Recreation Services
Fire	Five Cities Fire Authority
CD	Community Development



Goal	Strategy	Task/Action	Carryover Action or New	Responsible Department	Anticipated to Start	Completion Target	Update
<b>Funding</b> 	1.1 Economic Development	1.1a Evaluate Economic Development Management Services	New	CMO	1Q FY2023-24	3Q FY 2024-25	In Progress
		1.1b Obtain Economic Development Management Services	New	CMO	3Q FY 2023-24	4Q FY 2024-25	Not started
		1.1c Support Modifications to the AGTBID	New	CMO/CA/Rec/LIS	In Progress	2Q FY 2023-24	Completed
		1.1c.i. Transition Administration to City staff	New	CMO/Rec/PW	In Progress	1Q FY 2023-24	Completed
		1.1c.ii. Complete Modifications to AGTBID Bylaws and Advisory Board Structure	New	CMO/CA/LIS	In Progress	2Q FY 2023-24	Completed
		1.1d 400 W. Branch Disposition and Development Agreement	New	CMO/CA/CD	In Progress	2Q FY 2024-25	In Progress
		1.1e Complete Transition of Temporary Parklets to Permanent Parklets	Carryover	CD/PW	In Progress	1Q FY2023-24	Completed
	1.1f Develop 1-3 Special Events that drive visitation during shoulder and winter months and build destination awareness	New	Rec	In Progress	2Q FY 2024-25	In Progress	
	1.2 Pursue Revenue Measure	1.2a Issue an RFP for a consultant to develop a survey and outreach strategy to community	New	CMO/LIS	1Q FY2023-24	1Q FY2023-24	Completed
		1.2b Award contract with consultant to develop a survey and outreach strategy to community	New	CMO/LIS	1Q FY2023-24	1Q FY2023-24	Completed
		1.2c Conduct public outreach to the community to communicate need for additional revenue, including facilitation of a Citizen Committee	Carryover	CMO/LIS	1Q FY2023-24	1Q FY 2024-25	In Progress
		1.2d Bring Revenue ballot measure to Council for consideration	Carryover	CMO/AS/LIS	3Q FY 2023-24	4Q FY 2023-24	In Progress
	1.3 Evaluate Potential to Enable Cannabis Businesses within City	1.3a Conduct study session with the City Council regarding potential cannabis ordinance	Carryover	CD/CA/CMO	3Q FY 2023-24	4Q FY 2024-25	Not started
		1.3b Prepare and adopt cannabis ordinance, if directed by the City Council	New	CD/CA/CMO	3Q FY 2023-24	4Q FY 2024-25	Not started
		1.3c Evaluate feasibility of a Cannabis Tax	New	CD/AS/CA/CMO	3Q FY 2023-24	4Q FY 2024-25	In Progress
<b>Fire Services</b> 	2.1 Work with Regional Partners on Fire Services in 5 Cities	2.1a Pursue potential contract with the County to serve Oceano	New	Fire/CMO	3Q FY 2023-24	4Q FY 2023-24	In Progress
	2.2 Funding for Fire Services	2.2a Consider including Public Safety in proposed Revenue measure	New	CMO/AS/LIS	3Q FY 2023-24	4Q FY 2023-24	Completed

<p>Infrastructure</p> 	<p>3.1 Pursue Alternative Funding Sources for Infrastructure Needs</p>	<p>3.1a Consider Community partnership for Mark M. Millis Community Center construction</p>	<p>Carryover</p>	<p>CMO/Rec/PW</p>	<p>In progress</p>	<p>4Q FY 2024-25</p>	<p>In Progress</p>
		<p>3.1b Include infrastructure in new Revenue Measure plans and outreach</p>	<p>Carryover</p>	<p>AS/CMO/LIS/ PW/CD</p>	<p>1Q FY 2023-24</p>	<p>4Q FY 2024-25</p>	<p>Completed</p>
		<p>3.1c Collect FEMA reimbursement for January - March 2023 storm damage</p>	<p>New</p>	<p>AS</p>	<p>In progress</p>	<p>3Q FY 2024-25</p>	<p>In Progress</p>
		<p>3.1d Pursue Grant applications and administration for infrastructure projects</p>	<p>Carryover</p>	<p>PW/CD/AS</p>	<p>In progress</p>	<p>Ongoing</p>	<p>In Progress</p>
	<p>3.2 Work with Regional Partners on Infrastructure Projects</p>	<p>3.2a Support ongoing development and financing of Central Coast Blue project</p>	<p>Carryover</p>	<p>CMO/AS/PW</p>	<p>In Progress</p>	<p>2Q FY 2024-25</p>	<p>In Progress</p>
		<p>3.2b NCMA Management Agreement Amendments</p>	<p>New</p>	<p>PW</p>	<p>3Q FY 2023-24</p>	<p>Ongoing</p>	<p>In Progress</p>
	<p>3.3 Prioritize Key Infrastructure Projects</p>	<p>3.3a Traffic Way Bridge</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>In progress</p>	<p>2Q FY 2025-26</p>	<p>In Progress</p>
		<p>3.3a.i. Traffic Way Bridge Design</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>In progress</p>	<p>4Q FY 2023-24</p>	<p>In Progress</p>
		<p>3.3a.ii. Traffic Way Bridge ROW</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>Completed</p>	<p>1Q FY 2024-25</p>	<p>Completed</p>
		<p>3.3a.iii. Traffic Way Bridge Construction</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>3Q FY 2024-25</p>	<p>2Q FY 2025-26</p>	<p>Not started</p>
		<p>3.3b Swinging Bridge Rehabilitation</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>Completed</p>	<p>2Q FY 2024-25</p>	<p>Completed</p>
		<p>3.3b.i. Swinging Bridge Rehabilitation NEPA</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>Completed</p>	<p>3Q FY 2023-24</p>	<p>Completed</p>
		<p>3.3bii Swinging Bridge Rehabilitation Bid for Construction</p>	<p>Carryover</p>	<p>CD/PW</p>	<p>Completed</p>	<p>3Q FY 2023-24</p>	<p>Completed</p>
	<p>3.3b.iii. Swinging Bridge Construction</p>	<p>New</p>	<p>CD/PW</p>	<p>Completed</p>	<p>2Q FY 2024-25</p>	<p>Completed</p>	

Infrastructure (continued)  	3.3c Halcyon Complete Streets	New	CD/PW			In Progress
	3.3c.i. Halcyon Complete Streets Design	New	CD/PW	1Q FY 2024-25	1Q FY 2024-25	In Progress
	3.3c.ii. Halcyon Complete Streets ROW acquisition	New	CD/PW	1Q FY 2023-24	1Q FY 2024-25	Not started
	3.3c.iii. Halcyon Complete Streets Construction	New	CD/PW	1Q FY 2024-25	2Q FY 2025-26	Not started
	3.3d ATP Development	New	CD/PW	In Progress	3Q FY 2024-25	In Progress
	3.3d.i. Award ATP Contract to Consultant	New	CD/PW	Completed	4Q FY 2022-23	Completed
	3.3d.ii. Final Approval of ATP by Council	New	CD/PW	3Q FY 2024-25	3Q FY 2024-25	Not started
	3.3e 2022 Pavement Management Program Construction	New	CD/PW	1Q FY 2023-24	2Q FY 2023-24	In Progress
	3.3f 2024 Pavement Management Program Design	New	CD/PW	2Q FY 2023-24	1Q FY 2024-25	In Progress
	3.3g 2024 Pavement Management Program Construction	New	CD/PW	4Q FY 2023-24	3Q FY 2024-25	Not started
	3.3h Community Safety Camera Network	Carryover	Police/CD	In Progress	4Q FY 2023-24	In Progress
	3.3i Replacement Generator at Station 1	New	CD/PW/Fire	Completed	4Q FY 2023-24	Completed
	3.3j Lift Station 3	New	CD/PW	Completed	1Q FY 2024-25	Completed
	3.3k AG Creek Remediation (Debris removal and bank stabilization)	New	CD/PW	4Q FY 2022-23	4Q FY 2023-24	In Progress
	3.3l Concrete Repair Program	New	CD/PW	1Q FY 2024-25	4Q FY 2024-25	In Progress
	3.3m Concept plan/design for new Mark M. Millis Community Center Building	New	CD/PW/Rec	1Q FY 2023-24	3Q FY 2024-25	In Progress
3.3n CMP Lining	New	CD/PW	1Q FY 2024-25	Ongoing	Not started	

General Plan Update  	4.1 Public Outreach	4.1a Plan and Host a Kick-Off Meeting with Community	New	CD/LIS	1Q FY 2023-24	1Q FY 2023-24	Completed
	4.2 Diversity Equity Inclusivity Justice Lens	4.2a Management of DEIJ consultant	New	CD	In Progress	Ongoing	In Progress
	4.3 General Plan Elements		New	CD	2Q FY 2023-24	3Q FY 2024-25	Not started
	4.4 Baseline Analysis of Existing and Future Business Needs	4.4a Survey Local Businesses	Carryover Action	CD	1Q FY 2023-24	4Q FY 2023-24	In Progress
		4.4b Conduct a Retail Market Analysis	New	CD	1Q FY 2023-24	4Q FY 2023-24	Not started
	4.5 Climate Action Plan		New	CD	2Q FY 2023-24	3Q FY 2025-26	In Progress
	4.6 Code Update	4.6a Bring code changes to Planning Commission for approval	New	CD	3Q FY 2025-26	3Q FY 2025-26	Not started
		4.6b Bring draft Ordinance of code revision update to Council	New	CD	4Q FY 2025-26	4Q FY 2025-26	Not started
	4.7 EIR	4.7a Complete draft EIR	New	CD	1Q FY 2024-25	3Q FY 2024-25	Not started
		4.7b Complete final EIR	New	CD	3Q FY 2024-25	4Q FY 2024-25	Not started
4.8 Objective Design Standards		Carryover	CD/CA	1Q FY 2023-24	1Q FY 2023-24	In Progress	



**ACTION MINUTES**  
**REGULAR MEETING OF THE CITY COUNCIL**

**September 24, 2024, 6:00 p.m.**  
**Hybrid City Council Chamber/Virtual Zoom Meeting**  
**215 East Branch Street, Arroyo Grande**

Council Members Present: Mayor Ray Russom, Mayor Pro Tem Guthrie,  
Council Member Barneich, Council Member  
George

Council Members Absent: Council Member Secret

Staff Present: City Clerk Jessica Matson, City Attorney Isaac  
Rosen, Assistant City Manager/Public Works  
Director Bill Robeson, Fire Chief Scott Hallett,  
Police Chief Michael Martinez, Community  
Development Director Brian Pedrotti, City  
Engineer Shannon Sweeney

**This meeting was conducted in a hybrid in-person/virtual format.**

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**1. CALL TO ORDER**

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

**2. ROLL CALL**

City Clerk Matson took roll call.

**3. MOMENT OF REFLECTION**

**4. FLAG SALUTE**

Mayor Ray Russom led the flag salute.

**5. AGENDA REVIEW**

**5.a Closed Session Announcements**

None.

**5.b Ordinances read in title only**

None.

**6. SPECIAL PRESENTATIONS**

**6.a Honorary Proclamation Declaring October 6-12, 2024 as "Fire Prevention Week"**

Mayor Ray Russom read the Honorary Proclamation Declaring October 6-12, 2024 as "Fire Prevention Week". Five Cities Fire Authority (FCFA) Chief Hallett and members of the FCFA accepted the Proclamation and acknowledged Captain Leathers who has been coordinating the Burn Relay for years. The next Burn Relay will be on October 10th and there will be an Open House at the FCFA on October 12th at 10 a.m.

No action was taken on this item.

**6.b Introduction of New Police Officers - Bradley Pullen and Vincent Spencer**

Chief Martinez introduced new Police Officers, Bradley Pullen and Vincent Spencer and highlighted their educational and professional background. City Clerk Matson administered the Oath of Office.

**6.c City Manager Communications**

Assistant City Manager/Public Works Director Robeson provided information regarding upcoming Virtual Town Hall Meetings on October 8th and 10th regarding Measure E-24; City booth at the Harvest Festival; Movie Night at Harvest Festival on Friday, September 27th; Diaper Derby at Harvest Festival on Saturday, September 28th; Active Transportation Plan Workshop on September 26th; and the Wireless Telecommunications Ordinance item continued by Planning Commission.

Assistant City Manager Robeson and City Clerk Matson responded to questions from Council.

No action was taken on this item.

**7. CITY COUNCIL REPORTS**

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

**7.a MAYOR RAY RUSSOM**

1. California Joint Powers Insurance Authority (CJPIA)
2. Five Cities Fire Authority
3. San Luis Obispo County Mayor's Meeting
4. South San Luis Obispo County Sanitation District (SSLOCSD)
5. Other

**7.b MAYOR PRO TEM GUTHRIE:**

1. County Water Resources Advisory Committee (WRAC)

2. Council of Governments/Regional Transit Authority/ South County Transit (SLOCOG/SLORTA/SCT)
3. Integrated Waste Management Authority Board (IWMA)
4. REACH Economic Development Roundtable
5. Other

**7.c COUNCIL MEMBER BARNEICH:**

1. Audit Committee
2. Homeless Services Oversight Council (HSOC)
3. Zone 3 Water Advisory Board
4. Other

**7.d COUNCIL MEMBER GEORGE:**

1. Five Cities Fire Authority
2. Visit SLO CAL Advisory Board
3. Other

**8. COMMUNITY COMMENTS AND SUGGESTIONS**

Mayor Ray Russom invited public comment. Speaking from the public were Aileen Loe, Alexandria Davis, Victor, Gaea Powell. Mayor Ray Russom gave three warnings to commenter Powell at the conclusion of the one minute comment period. Following non-compliance, Mayor Ray Russom called a recess in accordance with Government Code Section 54957.95 regarding disruptions.

City Council went on a recess at 6:35 p.m. and returned at 6:40 p.m.

Public comment continued. Speaking from the public were Michael Punsalon, Colleen Martin, and Randy. No further public comments were received.

Assistant City Manager Robeson responded to questions from the public.

**9. CONSENT AGENDA**

Mayor Ray Russom asked the Council if there were any questions or any items to be pulled from the consent agenda for further discussion. Mayor Pro Tem Guthrie made comments on Item 9.c. thanking former Committee Member CJ Horstman for his service and welcoming Fernando Garcia to the Committee.

Mayor Ray Russom invited public comment. Speaking from the public was Alexandria Davis. No further public comments were received.

Moved by Council Member Barneich  
 Seconded by Council Member George

Approve Consent Agenda Items 9.a. through 9.i., with the recommended courses of action.

AYES (4): Council Member Barneich, Council Member George, Mayor Pro Tem Guthrie, and Mayor Ray Russom

ABSENT (1): Council Member Secrest

Passed (4 to 0)

**9.a Cash Disbursement Ratification**

Reviewed and ratified the listing of cash disbursements for the period of August 16 through August 31, 2024.

**9.b Approval of Minutes**

Approved the minutes of the Special City Council Meeting of September 9, 2024, as submitted.

**9.c Consideration of Appointment to the Architectural Review Committee**

Approved the recommendation of Mayor Pro Tem Guthrie to appoint Fernando Garcia III to the Architectural Review Committee.

**9.d Consideration of Appointment to the Community Service Grant Program Committee**

Appointed Alexandria Davis to the Community Service Grant Program Committee to fill a vacancy.

**9.e Conflict of Interest Code Biennial Review and Resolution Amending the City of Arroyo Grande Conflict of Interest Code**

Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING AN AMENDED CONFLICT OF INTEREST CODE FOR DESIGNATED POSITIONS"***.

**9.f Contract Amendment No. 4 for Consulting Services with Consor Engineers, for Cost Increase and Time Extension Associated with Design, Environmental, and Construction Support Services for the Traffic Way Bridge Replacement Project**

Authorized the City Manager to approve Amendment No. 4 to the contract for consultant services with Consor Engineers for the following: 1) to extend the contract end date from October 31, 2024 to October 31, 2026; and 2) adjusted the not-to-exceed compensation to incorporate the additional services needed to address lengthened project schedule, design changes, right-of way and utility issues, and to include construction support services.

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

Received and filed the Monthly Water Supply and Demand Update

**9.h Temporary Use Permit 24-006 Authorizing Temporary Closure of Branch Street for Halloween in the Village from 3:00 PM to 7:00 PM Tuesday, October 31, 2024; Applicant - Cheers! Arroyo Grande**

1) Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING TEMPORARY USE PERMIT CASE NO. 24-006"***



***AUTHORIZING “HALLOWEEN IN THE VILLAGE” ON THURSDAY, OCTOBER 31, 2024 AND DIRECTING STAFF TO IMPLEMENT RELATED SAFETY MEASURES INCLUDING NO PARKING ZONES AND STREET CLOSURES AND FINDING THE ACTION EXEMPT FROM CEQA”; and***

2) Determined that this project is categorically exempt per Section 15304(e) of the CEQA Guidelines regarding minor temporary uses of land.

**9.i General Plan Update Progress Report – September 2024**

Received an update on the status of the Comprehensive General Plan Update project.

**10. PUBLIC HEARINGS**

None.

**11. BUSINESS ITEMS**

None.

**12. COUNCIL COMMUNICATIONS**

Council Member Barneich shared her excitement about the Harvest Festival on Friday and Saturday, September 27th-28th.

Council Member George expressed her appreciation for the Fire Department and their service to the community.

Mayor Pro Tem Guthrie reminded the community of the Harvest Festival and Parade starting at 4 p.m. on Friday, September 27th.

Mayor Ray Russom thanked the Harvest Festival Committee.

**13. ADJOURNMENT**

There being no further business to come before the City Council, Mayor Ray Russom adjourned the meeting at 6:52 p.m.

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Caren Ray Russom, Mayor

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Jessica Matson, City Clerk



## MEMORANDUM

**TO:** City Council

**FROM:** Matthew Downing, City Manager

**BY:** Jessica Matson, Director of Legislative & Information Services/  
City Clerk

**SUBJECT:** Cancellation of the December 24, 2024, City Council Meeting

**DATE:** October 8, 2024

---

**RECOMMENDATION:**

Cancel the second regular City Council meeting in December due to its proximity to the Christmas and New Year holidays.

**IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

There are minimal cost savings due to reduced staff time associated with agenda and meeting preparation.

**BACKGROUND:**

Traditionally, and in accordance with the City Council Handbook, the City Council has canceled the second regularly scheduled December meeting due to scheduling conflicts surrounding the holidays.

**ANALYSIS OF ISSUES:**

The City Council meets twice a month on the second and fourth Tuesdays. This year, the second regular meeting in December is scheduled for Tuesday, December 24, 2024. Due to the proximity to the Christmas and New Year holidays, there exists the potential for scheduling conflicts for the City Council, City staff, as well as members of the public due to vacation plans and scheduled City Hall holiday closures. Cancellation of the December 24, 2024, City Council meeting will avoid these conflicts.

**ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

1. Cancel the December 24, 2024 meeting;
2. Do not cancel the December 24, 2024 meeting and take no further action;
3. Reschedule the December 24, 2024 meeting to a different date; or
4. Provide other direction to staff.

**Item 9.e.**

**City Council  
Cancellation of the December 24, 2024, City Council Meeting  
October 8, 2024  
Page 2**

**ADVANTAGES:**

Canceling the December 24, 2024, meeting provides the City Council, staff, and the public an opportunity to plan a vacation and enjoy the holidays without being absent from a meeting or concerned about missing an important item for their vote or input.

**DISADVANTAGES:**

Cancellation of a regular meeting may result in heavier agendas at the prior and following meetings.

**ENVIRONMENTAL REVIEW:**

No environmental review is required for this item.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.



## MEMORANDUM

**TO:** City Council

**FROM:** Brian Pedrotti, Community Development Director

**BY:** Shayna Gropen, Assistant Planner

**SUBJECT:** Temporary Use Permit 24-007 Authorizing Use of Heritage Square Park for the 2024 Arroyo Grande Beer and Wine Festival

**DATE:** October 8, 2024

---

### **RECOMMENDATION:**

- 1) Adopt a Resolution approving Temporary Use Permit 24-007 authorizing the use of Heritage Square Park for the 2024 Arroyo Grande Beer and Wine Festival; and
- 2) Determine that this project is categorically exempt per Section 15304(e) of the CEQA Guidelines regarding minor temporary uses of land.

### **IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:**

No direct impact is anticipated as a result of this event. The applicant will cover the application fees. Additionally, the project stipulates that the applicant must provide sufficient restrooms and trash facilities for the event. The applicant will reimburse City-related expenses incurred, which are expected to be minimal, if any.

### **BACKGROUND:**

Cheers Arroyo Grande submitted an application for a Temporary Use Permit to utilize Heritage Square Park for a beer and wine festival to be held on Saturday, November 9, 2024. The proposed event is called the Arroyo Grande Beer and Wine Festival (Attachment 2). The net proceeds will go towards costs for Halloween in the Village, which is also organized by the applicant. Any remaining proceeds will be donated to support the installation of Christmas lights on buildings in the Village. The proposed event is expected to attract a substantial number of participants to Heritage Square Park in the Village.

A proposal for an event on City property, along with the request to reserve street parking adjacent to the event site, requires the approval of a Temporary Use Permit. Furthermore, the service and consumption of alcohol at Heritage Square Park may be permitted solely by City Council Resolution and is contingent upon the issuance of a public safety and welfare permit by the Chief of Police. The purpose of the Temporary Use Permit is to ensure that the event is conducted in a manner that is compatible with the surrounding

**Item 9.f.**

**City Council**  
**Temporary Use Permit 24-007 Authorizing Use of Heritage Square Park for the**  
**2024 Arroyo Grande Beer and Wine Festival**  
**October 8, 2024**  
**Page 2**

area and provides a successful experience for the applicant, attendees, neighbors, and the City. This event, which was successfully held in 2023, replaced the "Beer Feast," previously hosted at Heritage Square Park from 2016 to 2019.

Staff Advisory Committee

The Staff Advisory Committee (SAC) reviewed the proposed project on September 7, 2024. Members of the SAC, which includes staff from Police, Fire, and Public Works, reviewed various aspects of the project and determined that there would be no anticipated problems with parking, neighbors, or security. The SAC supported the project, provided it meets the conditions of approval outlined in the prepared Resolution.

**ANALYSIS OF ISSUES:**

Event Description

The applicant proposes to utilize Heritage Square Park between the hours of 6:00 am and 8:00 pm, with the event occurring between the hours of 12:00 pm and 4:00 pm. The hours outside of the event will be used for set-up and tear-down of the event. The applicant indicates this event will include approximately thirty (30) breweries, fifteen (15) wineries, three food vendors, and live music. The number of tickets available for the event will be limited to 700. As required by the Department of Alcoholic Beverage Control, waist-high fencing will be installed at the back of the adjacent sidewalks to close the event, and only persons 21 years of age and older will be admitted. Live music is proposed at the Rotary Bandstand during the event. The applicant will provide security as approved by the Police Department.

Parking

The applicant is not requesting to reserve parking in City-owned lots, as is usually done for other Village events. Instead, they are requesting to reserve street parking immediately adjacent to the park for loading and unloading equipment, beverages for breweries and wineries, and attendees' pickup and drop-off by designated drivers, rideshare services, or other transportation arrangements.

Attendee Identification

The event will be accessible only to ticket holders. Presale tickets will be available, with additional tickets sold at the event. Attendees who have paid for beer and wine tastings will receive wristbands indicating their participation status. Designated drivers, who are allowed to attend and enjoy food, will receive a different wristband and will not receive a tasting glass. Individuals under 21 years old and those without wristbands will not be permitted to enter the event area. Private security will be on hand to remove anyone found in the event without the proper wristbands.

Restrooms

The applicant must ensure there are sufficient restrooms in addition to those available at Heritage Square Park. Previous events at the park have included extra portable

**Item 9.f.**

**City Council**  
**Temporary Use Permit 24-007 Authorizing Use of Heritage Square Park for the**  
**2024 Arroyo Grande Beer and Wine Festival**  
**October 8, 2024**  
**Page 3**

restrooms on Short Street next to the venue. The event map (Attachment 3) indicates three (3) restrooms outside the fenced area to meet this requirement.

**ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

1. Adopt the Resolution approving TUP 24-007;
2. Modify and adopt the Resolution approving TUP 24-007;
3. Do not adopt the Resolution; or
4. Provide other direction to staff.

**ADVANTAGES:**

This event will offer a platform for local breweries and wineries to present their products, enhancing the City's visibility and stimulating economic activity within the community. Additionally, net proceeds from the event will be allocated to Halloween in the Village, and the applicant will donate any remaining balance to support the installation of Christmas lights on buildings in the Village.

**DISADVANTAGES:**

The event is expected to attract a substantial crowd where alcohol consumption will occur, potentially leading to noise disturbances for nearby residents and an increased risk of impaired driving. To address these concerns, conditions of approval will include notifying residents and providing incentives for designated drivers. These measures are intended to mitigate potential negative impacts and ensure the event's success. Staff feedback indicated that no specific negative issues were reported from last year's event.

**ENVIRONMENTAL REVIEW:**

The festival is categorically exempt from the California Environmental Quality Act ("CEQA") under Section 15304(e) of the CEQA Guidelines, the Class 4 exemption, which applies to minor public or private alterations in the condition of land, water, and/or vegetation where the project does not involve removal of healthy, mature, scenic trees except for forestry and agricultural purposes. Specifically, subsection (e) exempts temporary uses in land having negligible or no permanent effects on the environment. The event is proposed at Heritage Square Park which is an established park that regularly accommodates events of this size, scale, and duration.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2. Additionally, the applicant shall mail or hand deliver notification of the event to all properties between Bridge Street and Whitely Street from Branch Street to Allen Street at least one week before the event.

**Item 9.f.**

**City Council  
Temporary Use Permit 24-007 Authorizing Use of Heritage Square Park for the  
2024 Arroyo Grande Beer and Wine Festival  
October 8, 2024  
Page 4**

**ATTACHMENTS:**

1. Proposed Resolution
2. Applicant Letter
3. Event Map

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE APPROVING TEMPORARY USE PERMIT NO. 24-007; AUTHORIZATION TO USE CITY PROPERTY FOR A BEER AND WINE FESTIVAL ON NOVEMBER 9, 2024; LOCATED AT HERITAGE SQUARE PARK; APPLIED FOR BY CHEERS ARROYO GRANDE**

**WHEREAS**, the organizers of the Arroyo Grande Beer and Wine Festival have requested the use of Heritage Square Park for a beer and wine festival; and

**WHEREAS**, the purpose of the Temporary Use Permit is to ensure the event is conducted in a manner that is compatible with the surrounding area; and

**WHEREAS**, the applicant will be responsible for costs associated with security, cleanup, and payment of all related fees and costs for use of City property and City employee time related to the event; and

**WHEREAS**, the project is in compliance with the California Environmental Quality Act (CEQA), it has been determined that this project is Categorically Exempt per Section 15304(e) of the CEQA Guidelines regarding minor temporary uses of land and that none of the exceptions to the Class 4 exemption set forth in State CEQA Guidelines section 15300.2 apply; and

**WHEREAS**, the City Council finds, after due study and deliberation that the following circumstances exist, in accordance with Arroyo Grande Municipal Code section 16.16.090.

**Temporary Use Permit Findings:**

1. The operation of the requested use at the location proposed and within the time period specified will not jeopardize, endanger, or otherwise constitute a menace to the public health, safety, or general welfare.

*The operation of the requested use at the location proposed and within the time period specified will not jeopardize, endanger or constitute a menace because the site will be contained via fencing, security will be provided, the attendees will be identified with wristbands, and restrooms will be provided to prevent disruptions to the public health, safety, or general welfare.*

2. The proposed site is adequate in size and shape to accommodate the temporary use without material detriment to the use and enjoyment of other properties located adjacent to and in the vicinity of the site.



*The proposed site is adequate in size and shape to accommodate the temporary use without detriment to the use and enjoyment of other properties located adjacent to and in the vicinity of the site because the event will be contained by fences and the applicant will provide security, the proposed site functions as a permanent park, and is accustomed to a higher flow of visitors on the site.*

3. The proposed site is adequately served by streets or highways having sufficient width and improvements to accommodate the kind and quantity of traffic that the temporary use will or could reasonably be expected to generate.

*The proposed site is adequately served by South Mason and Nelson Streets, which are of significant width and improvements to accommodate the kind and quantity of traffic that the temporary use will generate.*

4. Adequate temporary parking to accommodate vehicular traffic to be generated by the use will be available either on- site or at alternate locations acceptable to the City Council.

*Adequate temporary parking to accommodate vehicular traffic to be generated is available because Heritage Square Park is located in a commercial district that has ample public parking for visitors.*

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Arroyo Grande hereby approves Temporary Use Permit 24-007, authorizing the use of City property as presented to the City Council on October 8, 2024, with the above findings and subject to the conditions as set forth in Exhibit "A", attached hereto and incorporated herein by this reference.

On motion of \_\_\_\_\_, seconded by \_\_\_\_\_, and on the following roll call vote, to wit:

**AYES:**  
**NOES:**  
**ABSENT:**

The foregoing Resolution was passed and adopted this 8<sup>th</sup> day of October, 2024.

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CAREN RUSSOM, MAYOR

ATTEST:

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JESSICA MATSON, CITY CLERK

APPROVED AS TO CONTENT:

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MATTHEW DOWNING, CITY MANAGER

APPROVED AS TO FORM:

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ISAAC ROSEN, CITY ATTORNEY

**EXHIBIT "A"  
CONDITIONS OF APPROVAL FOR  
TEMPORARY USE PERMIT NO. 24-007**

This approval authorizes the use of Heritage Square Park and on street parking on the north side of Nelson Street, and east side of Short Street adjacent to the park for a beer and wine festival between 6:00 am and 8:00 pm on Saturday, November 9, 2024, with the event occurring from 12:00 pm to 4:00 pm.

General Conditions

1. The applicant shall ascertain and comply with all State, County and City requirements as are applicable to this project.
2. The event shall occur in substantial conformance with the application and plans on file in the Community Development Department office.
3. The applicant shall comply with all the conditions of the City Council Resolution adopted on October 8, 2024.
4. Comply with all California Department of Alcoholic Beverage Control requirements applicable to the project.
5. The applicant shall agree to defend, indemnify and hold harmless the City, its agents, officers, and employees harmless, at its sole expense from any action brought against the City, its agents, officers, or employees because of said approval, or in the alternative, to relinquish such approval. The applicant shall reimburse the City, its agents, officers, or employees, for any court costs and attorney's fees which the City, its agents, officers, or employees may be required by a court to pay as a result of such action. The City may, at its sole discretion, participate at its own expense in the defense of any such action but such participation shall not relieve the applicant of their obligations under this condition.

Public Works Department Conditions

6. The applicant is responsible for providing dumpster, trash bags and enough restroom facilities to serve the event. Any supplies the Public Works Department may need to provide must be reimbursed by the applicant.
7. The applicant shall have an individual designated to periodically inspect the restrooms and areas around food vendors and waste containers. That individual shall be responsible for maintaining the cleanliness of these areas and gathering and disposing of all debris.
8. The applicant shall reimburse the City for the costs of any Public Works staff services required for this event, including, but not limited to, restroom maintenance, trash, etc.
9. The applicant shall remove any tape placed on streets, parking areas, and grass after the event.
10. Applicant is responsible for notifying the City of Arroyo Grande Public Works Department (805-473-5485), at least two weeks prior to the event date so that sprinkler heads can be marked for avoidance from damage during the event.

**RESOLUTION NO.**  
**PAGE 5**

The applicant shall reimburse the City for any damage to the irrigation system at the park.

Engineering Division Conditions

11. The applicant shall provide restroom facilities, barricades, and signage as required.
12. The applicant shall provide a \$1,000,000 comprehensive general liability insurance policy naming the City as additional insured by October 26, 2024.
13. The applicant shall reimburse the City for the costs of Engineering Division services and any other City services required for this event.

Building and Life Safety Division Conditions

14. The project shall comply with the most recent edition of the California State Fire and Building Codes and the Uniform Building and Fire Codes as adopted by the City of Arroyo Grande. Specifically, all temporary-wiring provisions of the N.E.C. must be met.
15. Emergency access must be maintained to the satisfaction of the Building Official and Fire Chief. A detailed chart or map will be provided to Building and Life Safety Division and Fire Department for approval prior to the event, showing placement of all booths, to include actual dimensions of access pathways for fire apparatus and emergency vehicles.
16. The use of generators must be reviewed and approved by the Building Official.
17. The applicant shall identify an individual to act as liaison with the Fire Department for the purpose of maintaining life and safety.

Police Department Conditions

18. All temporary "No Parking" signs shall be posted by the applicant a minimum of 48 hours prior to the event, stating the dates and times of restriction.
19. Private security personnel will be provided by the applicant, to the satisfaction of the Chief of Police.
20. Failure to provide private licensed security will result in AGPD Officers being assigned with expenses billed to the applicant.

Special Conditions

21. The applicant shall mail or hand deliver notification of the event to all properties between Bridge Street and Whitely Street from Branch Street to Allen Street at least one week before the event.



August 26, 2024

City of Arroyo Grande  
300 East Branch Street Arroyo Grande, Ca 93420

To Whom it May Concern,

We are submitting the items below for departmental review.

Arroyo Grande Beer & Wine Festival - Saturday, November 9, 2024

We request the use of the lawns and bandstand at Heritage Square Park from 6:00a.m. -8:00p.m. on Saturday, November 9. The event hours will be from 12:00p.m.-4:00p.m.

The net proceeds will be going towards Trick or Treating in the Village and we will be donating the remaining balance to help pay for Christmas lights on buildings in the village.

Cheers Arroyo Grande will provide the necessary insurance policy to the city at least 2 weeks prior to the event. We will also obtain the necessary "Daily License Application/Authorization" from the State of California Department of Alcohol Beverage Control.

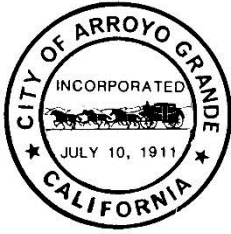
We will compensate the City for any extra expenses incurred as agreed upon. We will abide by all rules and regulations that will be discussed and agreed upon. Cheers Arroyo Grande will provide and place all barricades and signs as necessary. The ABC requires that the Heritage Square area be fenced off with waist high fencing. This will be done by Cheers Arroyo Grande. Entry areas will be monitored and only persons over 21 years old will be granted admission. Cheers Arroyo Grande will provide security as approved by the City of Arroyo Grande Police Department. We will provide Swinging Bridge security as needed.

This is a community event which will be limited to 30 breweries and 15 wineries and distilleries, plus 3 food vendors. Attendance will be limited to 700 attendees. Cheers Arroyo Grande will provide music at the Rotary Bandstand for the event. Tickets for the event are \$70 for general admission and \$30 for designated drivers. There will be two different colored wristbands to differentiate between designated drivers and general admission tickets.

Thank you for your consideration.

Sincerely,  
Laura Beth Amy and Mindy Calmenson  
Cheers Arroyo Grande





## MEMORANDUM

**TO:** City Council

**FROM:** Bill Robeson, Assistant City Manager/Public Works Director

**SUBJECT:** Approval of a Six-Month Lease Agreement Between the City of Arroyo Grande and RE/MAX Success for Property Located at 214 East Branch Street

**DATE:** October 8, 2024

---

### RECOMMENDATION:

1) Adopt a Resolution authorizing the City Manager to execute a six-month lease agreement, in substantially final form, between the City of Arroyo Grande and RE/MAX Success for the City-owned property at 214 East Branch Street, also known as Old City Hall, subject to any minor, technical, or non-substantive changes as approved by the City Manager in consultation with the City Attorney; and

2) Determine that the approval of a short-term lease agreement for 214 East Branch Street is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c) (2)-(3), 15378). The lease of the property, where no development or demolition is proposed, constitute an administrative activity of the City. Alternatively, the adoption of resolution to enter a lease agreement is exempt from CEQA on that basis that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (State CEQA Guidelines, § 15061, subd. (b)(3).) The entering into a lease agreement is for the collection of rental fees and does not result in new construction or physical change in the environment.

### IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The subject six-month lease will keep an active lease term at the site, and the monthly rental cost is unchanged from the City's prior lease on the site, so minimal financial impact is projected at this phase. The temporary lease is intended to allow for further specialized evaluations of specific aspects of the building, which will provide accurate cost estimates regarding possible future building repairs and a longer-term disposition.

**Item 10.a.**

## City Council

### Approval of a Six-Month Lease Agreement Between the City of Arroyo Grande and RE/MAX Success for Property Located at 214 East Branch Street

October 8, 2024

Page 2

#### **BACKGROUND:**

Soon after the City Council's February 23, 2010, decision to purchase the property at 300 East Branch Street (the former Farm Credit building) to establish a new City Hall, staff was relocated from the Old City Hall building at 214 East Branch Street.

On October 12, 2010, the City Council approved a lease agreement with RE/MAX Del Oro Property Inc. for the entire 3,200-square-foot Old City Hall building. RE/MAX Del Oro, the tenant for 14 years, is in the process of terminating its lease, which expires on October 8, 2024.

#### **ANALYSIS OF ISSUES:**

RE/MAX Success is the new tenant that would utilize the Old City Hall space during a six-month lease period. The former owner of RE/MAX Del Oro has retired, and a new lease needs to be executed with RE/MAX Success.

The new six-month lease rental cost is proposed to remain at \$4,202.84 the ending rental cost for RE/MAX Del Oro. The proposal not to change the rent amount is based on the need for the City to evaluate the building further, the inconvenience of inspectors entering all parts of the building over several weeks, and to evaluate City's options with respect to a longer-term disposition of the City owned site. The City has evaluated the site and the need to conduct further inspections, and find this short-term lease at the negotiated rental rate is not less than the fair market value of the site at its highest and best use in the short-term.

Most of the existing terms of the original lease (except for the lease period and a Repair and Maintenance clause) will be applied to the new lease. Key terms of the proposed lease are as follows:

- A six-month term.
- The tenant will pay possessory interest taxes.
- The tenant will be provided half of the basement at no additional cost, and the City has reserved the right to continue using the other half for storage.
- The tenant will pay operating expenses, including electric, gas, cable, telephone, water, sewer, and garbage.
- RE/MAX Success to carry a \$1,000,000 liability insurance policy naming the City as an additional insured.

As described above, a previous lease provision that has been removed for this temporary six-month lease period is a "Repair and Maintenance" clause, stating, "Tenant shall repair and maintain the roof, structural foundations, exterior walls, Common Areas, the heating, air conditioning, electrical, plumbing and water systems, if any." This term is not applicable during this phase of additional building condition evaluations. This term may be reinstated if a long-term lease or other disposition is pursued.

**Item 10.a.**



## **City Council**

### **Approval of a Six-Month Lease Agreement Between the City of Arroyo Grande and RE/MAX Success for Property Located at 214 East Branch Street**

**October 8, 2024**

**Page 3**

The next step is to conduct more detailed inspections of certain facets of the building, such as the electrical system, foundation, heating, ventilation, and air conditioning (HVAC), and compliance with the Americans with Disabilities Act (ADA). After these inspections are completed and accurate costs are formulated, staff can better provide more in-depth information on which the City Council can base future decisions regarding this City-owned property.

The City substantially complied with the notice requirements associated with the “economic opportunity” statutes (Government Code section 55200, et seq.). As articulated in the City’s published notice, the proposed six-month lease allows the City to convert office space into income-producing space over a short-term period while it investigates options for a longer-term property disposition of the real property and represents the highest and best use of the property in the short-term.

The proposed six-month lease does not constitute a “disposition” under the Surplus Land Act. Specifically, the proposed six-month lease is: (A) for a term of 15 years or less; and (B) there will be no development or demolition on the site over the six-month term. (Government Code section 54221(d)(2).).

#### **ALTERNATIVES:**

The following alternatives are provided for the Council’s consideration:

1. Authorize the City Manager to execute a six-month lease agreement between the City of Arroyo Grande and RE/MAX Success for the City-owned property at 214 East Branch Street subject to any minor, technical, or non-substantive changes as approved by the City Manager in consultation with the City Attorney;
2. Do not approve a six-month lease agreement with RE/MAX Success, which may result in the building's vacancy due to upcoming inspections and possible future repairs; or
3. Provide other direction to staff.

#### **ADVANTAGES:**

A six-month lease will allow for further specialized evaluations of specific aspects of the building while allowing the City to consider longer-term options, including a possible disposition under the Surplus Land Act. These evaluations will provide accurate cost estimates regarding possible repairs and potentially aid in developing long-term lease conditions and/or other options for the property.

#### **DISADVANTAGES:**

The six-month lease provides only a short-term solution for the City-owned site.

#### **ENVIRONMENTAL REVIEW:**

The approval of a short-term lease agreement for 214 East Branch Street, is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential

**Item 10.a.**

**City Council**

**Approval of a Six-Month Lease Agreement Between the City of Arroyo Grande and RE/MAX Success for Property Located at 214 East Branch Street**

**October 8, 2024**

**Page 4**

to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378). The lease of the property, where no development or demolition is proposed, constitute an administrative activity of the City. Alternatively, the adoption of resolution to enter a lease agreement is exempt from CEQA on that basis that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (State CEQA Guidelines, § 15061, subd. (b)(3).) The entering into a lease agreement is for the collection of rental fees and does not result in new construction or physical change in the environment.

**PUBLIC NOTIFICATION AND COMMENTS:**

A Public Hearing Notice and Summary of Lease Agreement were published in the newspaper on September 26, 2024, and October 3, 2024, and published on the City's website, in substantial compliance with the "Economic Opportunities" statutes under State law. The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

**ATTACHMENTS:**

1. Proposed Resolution
2. Lease Agreement in Substantially Final Form

**Item 10.a.**

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AUTHORIZING THE CITY MANAGER TO EXECUTE A SIX-MONTH LEASE BETWEEN THE CITY OF ARROYO GRANDE AND RE/MAX SUCCESS FOR THE CITY-OWNED PROPERTY AT 214 EAST BRANCH STREET, ALSO KNOWN AS OLD CITY HALL**

**WHEREAS**, the City of Arroyo Grande (“City”) owns the commercial property located at 214 E. Branch St., Arroyo Grande, California, 93420 (the “Property”). The Property is improved with a commercial office building and other improvements; and

**WHEREAS**, RE/MAX Success is seeking to enter into a six-month lease agreement (“Lease”) with the City for a portion of the Property consisting of approximately 3,200 square foot building; and

**WHEREAS**, the City, on July 23, 2024 conducted a commercial building inspection and inspection report through Professional Inspection Services, a third-party inspection company; and

**WHEREAS**, the City, after review of the inspection report, found that building conditions such as the foundation, electrical, heating, ventilation and air-conditioning systems would need additional inspection; and

**WHEREAS**, the City and RE/MAX Success have agreed to a six-month lease to allow additional inspections of the building to occur before the City considers a longer-term disposition; and

**WHEREAS**, after the applicable building inspections have occurred and at the end of the six-month lease term, the Council will consider the resulting inspection information and direct staff on how to proceed with a longer-term disposition; and

**WHEREAS**, the City substantially complied with the notice requirements associated with the “economic opportunity” statutes (Government Code section 55200, et seq.), and the proposed six-month lease allows the City to convert office space into income-producing space over a short-term period while City investigates options for a longer-term property disposition, and represents the highest and best use of the property in the short-term; and

**WHEREAS**, the proposed six-month lease does not constitute a “disposition” under the Surplus Land Act, as the proposed six-month lease is: (A) for a term of 15 years or less; and (B) there will be no development or demolition on the site over the six-month term. (Government Code section 54221(d)(2)).

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Arroyo Grande, as follows:

**RESOLUTION NO.**  
**PAGE 2**

1. The foregoing recitals are true and correct and are incorporated herein.
2. The term of this Lease (“Initial Term”) shall be for a period of six (6) months, unless terminated earlier.
3. Tenant shall pay to Landlord as rent for the Premises the sum of Four Thousand Two Hundred Two and 84/100 Dollars (\$4,202.84) per month (“Rent”).
4. The City Council authorizes the City Manager to execute a six-month lease agreement (attached in substantially final form) between the City of Arroyo Grande and RE/MAX Success for the City-owned property at 214 East Branch Street, also known as Old City Hall, subject to any minor, technical, or non-substantive changes as approved by the City Manager in consultation with the City Attorney.
5. Adoption of this Resolution for a short-term lease agreement for 214 East Branch Street, is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378). The lease of the property, where no development or demolition is proposed, constitute an administrative activity of the City. Alternatively, the adoption of the resolution to enter a lease agreement is exempt from CEQA on that basis that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (State CEQA Guidelines, § 15061, subd. (b)(3).) The entering into a lease agreement is for the collection of rental fees and does not result in new construction or physical change in the environment.

On motion of Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, and by the following roll call vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

the foregoing Resolution was passed and adopted this 8th day of October, 2024.

**RESOLUTION NO.  
PAGE 3**

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**CAREN RAY RUSSOM, MAYOR**

**ATTEST:**

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**JESSICA MATSON, CITY CLERK**

**APPROVED AS TO CONTENT:**

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**MATTHEW DOWNING, CITY MANAGER**

**APPROVED AS TO FORM:**

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**ISAAC ROSEN, CITY ATTORNEY**

**RESOLUTION NO.  
PAGE 4**

**EXHIBIT A  
LEASE AGREEMENT**

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

**LEASE AGREEMENT**

1. **PARTIES:** This Lease (“Lease”) is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2024 (“Effective Date”) by and between CITY OF ARROYO GRANDE, a California municipal corporation (“Landlord”), and p16:3, a California C corporation DBA RE/MAX SUCCESS (“Tenant”). The Landlord and Tenant are sometimes referred to individually as a “Party” and collectively as the “Parties.”

2. **PROPERTY.** Landlord owns the commercial property located at 214 E. Branch St., Arroyo Grande, California, 93420 (the “Property”). The Property is improved with an industrial office building and other improvements.

3. **PREMISES:** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord a portion of the Property consisting of approximately 3,200 square feet, referred to herein as the "Premises" and shown on **Exhibit A**. The Property also contains common areas which Tenant may use on a non-exclusive basis in common with other tenants of the Property, consisting of parking area, sidewalks, driveways, entrances and public walkways necessary for access of the Property (the “Common Areas”). Tenant’s non-exclusive right to use the Common Area shall be considered part of the Premises. Tenant’s proportionate share of the Property is agreed to be \_\_\_\_% (“Proportionate Share”), which represents the rentable square footage of the Premises to the total rentable area of the Property. Tenant shall be entitled to use approximately \_\_\_\_% of basement space, in the western portion of the Premises. Landlord reserves the right to use the approximately 50% of basement space, in the eastern portion of the Premises.

4. **TERM:** The term of this Lease (“Initial Term”) shall be for a period of six (6) months from and after the Effective Date of this Lease, terminating on \_\_\_\_\_, 202\_\_\_\_, unless terminated earlier. Upon expiration of the initial term of this Lease, if no new lease agreement is executed and the Tenant remains in possession of the property with the consent of the Landlord, this Lease shall continue on a month-to-month basis under the same terms and conditions. Either party may terminate this Lease by giving the other party written notice at least ninety (90) days in advance.

5. **OCCUPANCY.** Tenant acknowledges it has been in occupancy of the Premises since on or about \_\_\_\_\_, under a sublease from DEL ORO PROPERTIES, INC., a California corporation d/b/a RE/MAX Del Oro, which entered into that certain Lease Agreement dated April 27, 2021 with Landlord (“Prior Lease”). Accordingly, the Prior Lease is hereby terminated by the execution of this Lease (except for such provisions which expressly survive). Tenant shall retain possession of the Premises on the Initial Term subject to all terms and conditions of this Lease, and provided Tenant delivers an insurance certificate to Landlord upon execution. The effectiveness of this Lease is conditional upon Tenant’s delivery of the insurance certificate and first month's rent and security deposit.

6. **RENT:** Tenant shall pay to Landlord as rent for the Premises the sum of Four Thousand Two Hundred Two and 84/100 Dollars (\$4,202.84 ) per month (“Rent”).

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

(a) Late Charge. Tenant acknowledges that late payment by Tenant to Landlord of rent will cause Landlord to incur costs not contemplated by this Lease. If any installment of rent due from Tenant is not received by Landlord within five (5) days after it becomes due, Tenant shall pay to Landlord an additional sum of 5% of the overdue rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord.

(b) Interest on Unpaid Rent. Rent or other charges under this Lease not paid within five (5) days of the date due shall, in addition to any late charges under Section 6(a) above, bear interest at the lesser of the maximum legal rate or 10% per annum from the date due until paid.

(c) Annual Adjustment. Beginning on the first anniversary of the Commencement Date, Base Rent shall increase annually at the end of each 12-month period by the greater of (i) four percent (4%) or (ii) increase in the Consumer Price Index ("CPI") as determined by the U.S. Bureau of Labor Statistics for all Urban Consumers for the San Francisco/Oakland/San Jose Metropolitan Area over the previous year. Should the CPI be discontinued, the index used for comparison shall be a comparable index as designated by the Bureau. It is recognized by both parties that the Index for any month is not published for approximately two months. Tenant shall, therefore, continue to pay the current rental paid by Tenant until such time as the new rental is calculated and, at that time, Tenant shall pay within ten (10) days of notice of the new Base Rent the new amount plus arrearages. In no event shall Base Rent ever decrease below the prior year's Base Rent even if the CPI is negative. In such event, the Base Rent shall remain the same

(d) Place of Payment of Rent. Rent, and all other sums which shall become due under this Lease, including but not limited to late charges and any additional charges owed by Tenant shall be payable by hand delivery or mail at 300 E. Branch St., Arroyo Grande, CA 93420, or at such other place as Landlord may designate from time to time in writing. Mailed payments must be received (not postmarked) by Landlord by the date due.

7. CONDITION OF, AND IMPROVEMENTS TO, PREMISES.

(a) Improvements. Under this Lease, Landlord shall have no obligation or responsibility, actual or implied, to install, construct, accommodate, or make any improvements to the Premises prior to, or as a condition of, Tenant's occupation of the Premises.

(b) As-Is Condition. Tenant warrants and agrees that Tenant is currently in possession of the Premises. Tenant agrees to take possession of the Premises under this Lease in its AS-IS condition (which exists on the date this Lease is signed). Landlord makes no representations regarding the condition, status, compliance with laws or suitability for a particular purpose for Tenant's use.

(c) Condition Upon Surrender. Upon termination of this Lease, Tenant shall surrender the Premises to Landlord in as good condition as when originally received, ordinary wear and tear and damage by fire, earthquake, flood or act of God excepted, and including any repairs or improvements made by Tenant. If Tenant fails to maintain the Premises in good order and repair, after



SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

thirty (30) days' prior written notice, Landlord may, at its option, make such repairs, and Tenant shall pay the reasonable cost thereof as additional rent hereunder within ten (10) days after receipt of a written statement therefor. In the event the giving of thirty (30) days' prior notice may result in additional damage to the Premises, Landlord may make such repairs, at Tenant's expense, without thirty days' prior written notice.

(d) Inspection by Certified Access Specialist. Landlord discloses that the Premises have not undergone inspection by a Certified Access Specialist as referenced in California Civil Code Section 1938 subsection (e) which provides: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to the foregoing Section 1938(e), Tenant acknowledges and agrees that, if Tenant wishes to have the Premises inspected by a CASp: (i) Tenant must notify Landlord on or before the date when Tenant executes this Lease pursuant to the election below; (ii) the inspection will be at Tenant's sole cost and expense; (iii) the inspection must be scheduled through Landlord and in coordination with the Building's property manager; (iv) any repairs or modifications necessary to correct any violation of construction-related accessibility standards that is noted in the CASp report shall be Tenant's responsibility; and (v) Tenant must provide a copy of the CASp report to Landlord on completion. By initialing below, Tenant represents that:

Tenant wishes to have a CASp inspection of the Premises Initials: \_\_\_\_\_

Tenant hereby waives its right to have a CASp inspection of the Premises Initials: \_\_\_\_\_

8. **USE:** Tenant shall use and occupy the Premises only for general office use (the "Agreed Use"), or any other legal use which is reasonably comparable thereto, and for no other purpose. Tenant shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to neighboring properties.

9. **USES PROHIBITED.** In addition to uses prohibited pursuant to Paragraph 7, Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the Premises which will in any way increase the existing rate of or affect any fire or other insurance upon the Property or any of its contents, or cause a cancellation of any insurance policy covering the Property or any part thereof or any of its contents. Tenant shall not use the Premises for any cannabis related uses, dispensary, manufacture, assembly, the sale of cannabis or accessories related to cannabis products. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Property or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

any waste in or upon the Premises. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to sell or solicit in any manner or store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Landlord shall have the right, without notice, in addition to any other rights and remedies that it may have, to remove the property and charge the cost to Tenant, which cost shall be payable as additional rent immediately upon demand by Landlord.

10. COMPLIANCE WITH LAWS/HAZARDOUS MATERIALS.

(a) Tenant, at Tenant's expense, shall comply with and cause all of Tenant's agents to comply with all applicable laws, ordinances, rules and regulations of governmental authorities applicable to the Premises or the use or occupancy thereof, including, without limitation, the law commonly known as the Americans With Disabilities Act and California Code of Regulations Title 8, Sections 3281 through 3299 (collectively, "Laws").

(b) Tenant shall not cause or permit any Hazardous Materials, as defined below, to be brought upon, kept, used, discharged, deposited or leaked in or about the Premises or the Property by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors), except to the extent such Hazardous Materials are cleaning or office supplies customarily kept or used by typical tenants similar to Tenant and are kept and used in accordance with all applicable laws. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of any Hazardous Material on the Premises or the Property caused or suffered or permitted by Tenant or any of Tenant's agents or by anyone in the Premises (other than Landlord or its agents, employees or contractors) results in contamination of the Premises or the Property, or if contamination of the Premises or the Property by any Hazardous Material otherwise occurs for which Tenant is legally liable, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, damages, costs, liabilities and expenses (including, without limitation, diminution in value or use of the Property, attorneys' fees, consultant fees and expert fees) which arise during or after the Term as a result of such contamination. This indemnification shall include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work on or under the Premises. "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local, state or federal governmental authority or by common law decisions, including without limitation (i) all chlorinated solvents, (ii) petroleum products or by-products, (iii) asbestos and (iv) polychlorinated biphenyls.

11. WASTE; NUISANCE; QUIET ENJOYMENT. Tenant shall not suffer or commit any waste or nuisance on the Premises, nor shall Tenant interfere with or obstruct the rights of or disturb the quiet enjoyment of any other tenant or occupant of the building or injure or annoy them. Tenant shall not use or allow the Premises to be used for any improper, immoral, or objectionable purposes, to be determined Landlord's sole and absolute judgment.

(a) Tenant shall, at Tenant's sole cost and expense, maintain the Premises above, in good condition and repair. Said maintenance shall include but not be limited to, the interior of the Premises, exterior doors, walls and windows, all fixtures and equipment, including without limitation, heating and ventilation systems, plate glass, electrical wiring, plumbing fixtures, plumbing

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

drains (from the interior of the Premises to the point of connection of Tenant's drainage system with the sanitary sewer system owned, managed, and/or maintained by the local municipality). Tenant hereby waives California Civil Code Sections 1932(1), 1941 and 1942 and any other applicable existing or future law, ordinance or governmental regulation permitting Tenant to make repairs at Landlord's expense.

12. **SIGNS.** All signs and graphics of every kind visible in or from public view or corridors, or the exterior of the Premises, whether inside or outside the Premises, shall be subject to Landlord's prior written approval and shall be subject to compliance with any applicable Laws, including local sign ordinances and Historic Preservation laws.

13. **TRADE FIXTURES AND EQUIPMENT.** Tenant at its own expense shall provide and maintain all trade fixtures and equipment reasonably required to enable it to conduct its business in the Premises in a business-like manner. Tenant shall keep all trade fixtures and equipment clean and in good repair. Kitchens or other food preparation facilities shall be steam cleaned annually. Landlord may inspect the Premises in its sole discretion to ensure good maintenance practices and review the current condition of the Premises. Such fixtures and equipment shall remain the property of Tenant, and Tenant may remove or if required to do so by Landlord, shall remove the same or any part thereof upon the termination of this Lease. Prior to lease expiration or earlier termination, Tenant shall repair at its own expense any damage to the Premises caused by its removal of said fixtures or equipment. All trade fixtures and equipment installed by Tenant pursuant thereto shall not be subject to, and shall be free of any lien for payment of rent by Tenant or for the performance of any other obligation of Tenant. Tenant shall keep Tenant's fixtures and equipment insured for full replacement value.

14. **TAXES:** Tenant will be and remain responsible for all property taxes and assessments, if any, which may be due or levied against the real property. Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxes and that, if a possessory interest is created, Tenant shall be responsible for payment of property taxes levied against such possessory interest, and shall pay such possessory interest taxes directly to the taxing authority prior to delinquency.

15. **UTILITIES:** Tenant shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon.

16. **DEFAULT AND LANDLORD'S REMEDIES.**

(a) **Default.** The occurrence of any of the following shall constitute a default by Tenant:

(i) Tenant shall fail to pay when due any rent or any other monetary sum payable under this Lease.

(ii) Tenant shall fail to observe, keep or perform any of the other terms, covenants, agreements or conditions contained in this Lease if such default continues for a period of ten (10) days after written notice by Landlord specifying the nature of the default with reasonable particularity, unless the nature of the default is such that more than ten (10) days is required to cure it

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

and Tenant commences to cure it within such ten (10) -day period and thereafter diligently pursues it to completion.

(iii) Tenant shall become bankrupt or insolvent or make a transfer in fraud of creditors, or make an assignment for the benefit of creditors, or take or have taken against Tenant any proceedings of any kind under any provision of the Federal Bankruptcy Act or under any other insolvency, bankruptcy or reorganization act and, in the event any such proceedings are involuntary, Tenant is not discharged from the same within thirty (30) days thereafter.

(iv) A receiver is appointed for a substantial part of the assets of Tenant, and such receivership is not released within thirty (30) days.

(v) The abandonment of the Premises by Tenant, or the vacation (hereby defined to be thirty (30) or more consecutive days of continual absence from the Premises) of the Premises by Tenant.

(vi) This Lease or any estate of Tenant hereunder shall be levied upon by any attachment or execution and such levy is not released within thirty (30) days.

Notices given under this Section shall specify the alleged default and the applicable Lease provisions, and shall demand that Tenant perform the provisions of this Lease or pay the rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises.

(b) Landlord's Remedies. If any default by Tenant shall occur, and following notice of default as required by this Lease (for the period applicable to the default under the applicable provision of this Lease), Landlord shall have the following remedies in addition to all other rights and remedies provided by law or equity, to which Landlord may resort cumulatively or in the alternative.

(i) Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall so elect to terminate this Lease, then Landlord may recover from Tenant:

(1) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(2) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(3) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(4) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

(5) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

As used in Subparagraphs (a) and (b) above of this Section, the "worth at the time of award" is computed by allowing interest at the maximum rate an individual is permitted by law to charge. As used in subparagraph (c) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(ii) In the event of the vacation or abandonment of the Premises by Tenant, or in the event that Landlord shall elect to reenter as provided herein or shall take possession of the Premises pursuant to legal proceeding or pursuant to any notice provided by law, then Landlord shall have the remedy specified by Civil Code Section 1951.4, in which Landlord may from time to time recover all rental as it becomes due or relet the Premises or any part thereof for the account of Tenant on such term or terms and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable, with the right to make alterations and repairs to the Premises. In the event that Landlord shall elect so to relet, then rentals received by Landlord from such reletting shall be applied first, to the payment of any indebtedness, other than rent due hereunder, owed by Tenant to Landlord; second, to the payment of any cost (including commissions) of such reletting; third, to the payment of the cost of any alterations and repairs to the Premises; fourth, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. Should that portion of such rentals received from such reletting during any month, which is applied to the payment of rent hereunder, be less than the rent payable during that month by Tenant hereunder, then Tenant shall pay such deficiency to Landlord upon demand. Tenant shall also pay to Landlord, as soon as ascertained, any and all costs and expenses incurred by Landlord in such reletting or in making such alterations and repairs not covered by the rentals received from such reletting.

No reentry or taking possession of the Premises by Landlord pursuant to this Section shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.

17. ASSIGNMENT AND SUBLETTING. Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord which may be withheld in Landlord's sole discretion. If an assignment or subletting involves a use other than that permitted in this Lease, Tenant must comply with said use. Consent to one assignment, subletting, occupation or use by another person shall not be deemed to be consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease. No sublease or assignment shall release Tenant from continuing liability hereunder. In the event that Landlord shall consent to a sublease or assignment hereunder, Tenant shall pay Landlord reasonable attorney fees and costs incurred in connection with the processing of documents necessary to giving of such consent. Any excess consideration above the

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

rental rate provided in this Lease Tenant is entitled to as a result of any assignment or sublease shall be divided and paid 50% to Tenant and 50% to Landlord; provided, however, that if Tenant is in default under this Lease, Landlord shall be entitled to all such excess consideration.

(a) Procedures. Should Tenant desire to assign, transfer, sublet, mortgage, pledge, hypothecate or encumber this Lease or any interest therein (a "Transfer"), Tenant shall request, in writing, Landlord's consent to the proposed Transfer at least 60 days before the intended effective date of the proposed Transfer (which request shall be accompanied by a payment of Five Hundred Dollars (\$500.00) to reimburse Landlord for costs incurred in connection with reviewing such proposed Assignment), which request shall include any information reasonably requested by Landlord to evaluate the proposed Transfer. Within 30 days after receipt of Tenant's request for consent to the proposed Transfer together with all of the above-required information, Landlord shall respond and shall have the right to: (a) consent to the proposed Transfer; (b) refuse to consent to the proposed Transfer; or (c) terminate this Lease, such termination to be effective 30 days after Tenant's receipt of Landlord's notice electing to so terminate. If Landlord shall exercise its termination right hereunder, Landlord shall have the right to enter into a lease or other occupancy agreement directly with the proposed transferee, and Tenant shall have no right to any of the rents or other consideration payable by such proposed transferee under such other lease or occupancy agreement. A consent to one Transfer by Landlord shall not be deemed to be a consent to any subsequent Transfer to any other party.

(b) Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the proposed assignee, subtenant or transferee (each a "Transferee") proposes to change the use of the Premises from the permitted use pursuant to Section 8, and the new proposed use of the Premises (i) is a non-retail use; or (ii) is a use which would breach any exclusive use rights granted in writing to another tenant in the Property; or (iii) is a use which would duplicate the primary use of any other tenant or occupant in the Property; or (iv) in Landlord's reasonable opinion, is inconsistent with the tenant mix in the Property at the time of the request for Landlord's consent (excepting the use specified in Section 8 above); (b) the proposed Transferee's financial condition, net worth or liquidity is inadequate, based upon Landlord's reasonable business judgment consistent with generally accepted industry standards necessary to support all of the financial and other obligations of Tenant under this Lease; (c) the business reputation or character of the proposed Transferee is not reasonably acceptable to Landlord; (d) the proposed Transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant, including Landlord's ability to obtain Percentage Rent; or (e) the business of the proposed Transferee is not, in Landlord's reasonable judgment, a business that is likely to attract patrons to the Property, based on the demographics and clientele of the Property, or the business or reputation of the proposed Transferee is inconsistent with the image of the Property; (f) the proposed Transferee would, in Landlord's reasonable judgment, be unlikely to generate revenues in sufficient amounts to sustain the level of percentage rent obligations then being incurred by Tenant; (g) the proposed Transferee will create a vacancy elsewhere in the Property; (h) the proposed Transferee is a person with whom Landlord is, or recently has been, within the past three (3) months, negotiating to lease space in property owned by Landlord, including the Property; (i) Tenant is in default under the Lease, or has defaulted hereunder on more than three (3) occasions during the twelve (12) months preceding the request by Tenant; (j) the proposed business plan (or past business history) of the proposed Transferee indicates a possible likelihood of detriment to any portion of the Property or to the Rent to be received by Landlord hereunder; (k) the proposed

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

Transferee will operate under a trade name other than that stated in this Lease; and/or (l) the proposed Transferee does not, in Landlord's reasonable judgment, have sufficient business experience (including substantial experience in comparable retail centers) to successfully operate a retail establishment in the Premises in the manner contemplated in the Lease.

18. DESTRUCTION OF PREMISES.

(a) Destruction Due to Risk Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or the Property and other improvements in which the Premises are located are totally or partially destroyed from a risk covered by insurance carried by either Tenant or Landlord for the Property, rendering the Premises totally or partially inaccessible or unusable, Landlord shall restore the Premises or the Property, and other improvements in which the Premises are located, to substantially the same condition as they were immediately before destruction if they can be repaired within 270 days from date of destruction. Such destruction shall not terminate this Lease. If the existing laws do not permit the restoration, either party can terminate this Lease immediately by giving notice to the other party. Provided, however, if the cost of the restoration exceeds the amount of proceeds received from the insurance, or the estimate of time to fully restore the Premises exceeds the lesser of 270 days or the remaining Term of the Lease, Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining that the restoration cost will exceed the insurance proceeds.

(b) Destruction Due to Risk Not Covered by Insurance. If, during the term of this Lease and any renewal term, the Premises or the Property and other improvements in which the Premises are located are totally or partially destroyed by a risk not covered by the insurance, rendering the Premises totally or partially inaccessible or unusable, Landlord can elect to terminate this Lease by giving notice to Tenant within fifteen (15) days after determining the restoration cost and replacement value.

(c) Abatement or Reduction of Rent. In case of destruction, there shall be an abatement or reduction of rent between the date of destruction and the date of substantial completion of restoration based on the extent to which the destruction interferes with Tenant's use of the Premises.

(d) Waiver of Civil Code Sections. Tenant waives the provisions of California Civil Code Section 1932(2) and California Civil Code Section 1933(4) with respect to any destruction of the Premises.

19. INDEMNITY.

(a) Waiver of Claims. To the extent permitted by law, Tenant waives all claims against Landlord for damage to person or property arising for any reason. Tenant assumes all such risks for Tenant and any employees, licensees, invitees, agents, or contractors.

(b) General Indemnity. Tenant shall indemnify, protect, defend (at Tenant's sole cost and with legal counsel acceptable to Landlord) and hold harmless, Landlord and Landlord's affiliated entities, and each of their respective members, managers, partners, officers, employees,

SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

volunteers, council members, board members, lenders, agents, contractors, successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all court costs and attorney fees, arising at any time during or after the Term, as a result (directly or indirectly) of or in connection with (i) default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or (ii) Tenant's use of the Premises, the conduct of Tenant's business or any activity, work or things done, permitted or suffered by Tenant or Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants (individually, a "Tenant Party" and collectively "Tenant Parties") in or about the Premises, the Property, the Common Area or other portions of the Premises except as provided by law or for claims caused solely by Landlord's gross negligence or willful misconduct. Tenant's indemnity is not intended to nor shall it relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease to the extent such policies cover the results of negligent acts or omissions of Landlord, its employees, agents, volunteers, contractors, council members, board members and officers or the failure of Landlord to perform any of its obligations under this Lease. The obligations of Tenant under this Section 20(b) shall survive the termination or earlier expiration of this Lease.

(c) Exemption of Landlord from Liability. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to the Premises and its property including, but not limited to, Tenant's fixtures, equipment, furniture and alterations, or illness or injury to persons in, upon or about the Premises, arising from any cause, and Tenant hereby expressly releases Landlord and waives all claims in respect thereof against Landlord, except only such claims as are caused solely by Landlord's gross negligence or willful misconduct. Tenant hereby agrees that Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom or for damage to the property of Tenant, or injury to or illness or death of Tenant or any Tenant Party or any other person in or about the Premises, whether such damage, illness or injury is caused by fire, steam, electricity, gas, water or rain, or from the breakage, leakage or other defects of sprinklers, wires, appliances, ventilation, plumbing, air conditioning or lighting fixtures, or from any other cause, and whether said damage, illness or injury results from conditions arising upon the Premises, upon other portions of the Property or from other sources or places, and regardless of whether the cause of such damage, illness or injury or the means of repairing the same is inaccessible to Tenant, except only damage, illness or injury caused solely by Landlord's gross negligence or willful misconduct.

20. **ENTRY BY LANDLORD.** Except for emergencies such as fire, water intrusion and the like which may be at any time, Landlord and its agents shall have the right to enter the Premises at reasonable times to inspect and examine the same and to make such repairs to the Premises as the Landlord shall deem advisable, and to show the Premises to prospective tenants, buyers or lenders.

21. **ATTORNEY'S FEES AND COURT COSTS:** In the event of any legal action arising out of or concerning this Lease or any performance or nonperformance hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees and all other costs incurred in connection therewith or as a result thereof.

22. **WAIVER; ACCORD AND SATISFACTION.** No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such right or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular rent



SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES

payment involved. No payment by Tenant or receipt by Landlord of a lesser amount than the rent payment herein stipulated shall be deemed to be other than on account of the rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease.

23. **BINDING ON SUCCESSORS AND ASSIGNS:** The terms and conditions of this Lease shall be binding upon and shall inure to the benefit of each of the parties hereto, their heirs, personal representatives, successors and assigns.

24. **TIME OF ESSENCE:** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

25. **NOTICE:** All notices, statements, demands, requests, consents, approvals, authorizations, appointments or designations hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party, if sent by United States registered mail, return receipt requested, postage prepaid and addressed as follows:

TO TENANT: RE/MAX Success  
Attn:  
\_\_\_\_\_  
\_\_\_\_\_, CA \_\_\_\_\_

TO LANDLORD: City of Arroyo Grande  
Attn: City Manager  
300 E. Branch St.,  
Arroyo Grande, CA 93420

Any Party may change its address by giving notice to the other Party in the manner provided for in this Section.

26. **WAIVERS:** No waiver by Landlord or Tenant of any breach hereof or of any provisions hereof shall be deemed a waiver of any subsequent breach or provision (even if the subsequent breach is the same as said previous breach or provision).

27. **DELIVERY OF RELATED DOCUMENTS:** Tenant will execute or provide, as requested by Landlord, such other documents and information as may be reasonably necessary to carry out the purpose of this Lease.

28. **NO RIGHT TO HOLDOVER:** Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Tenant holds over, then the Rent shall be increased to one hundred fifty percent (150%) of the Rent in effect during the last month of the Term. Nothing contained herein shall be construed as consent by Landlord to any holding over by Tenant. The foregoing provisions of this Section are in addition to and do not affect Landlord's right of re-entry or any rights of Landlord hereunder or as otherwise

**SUBSTANTIALLY FINAL FORM  
SUBJECT TO FINAL APPROVAL BY THE PARTIES**

provided by law. If Tenant fails to surrender the Premises upon the expiration of this Lease, Tenant shall indemnify, protect, defend and hold Landlord harmless from all loss or liability, including without limitation, any claim made by any succeeding tenant founded on or resulting from such failure to surrender. Such indemnity shall survive the expiration of this Lease.

**29. COVENANTS AND CONDITIONS; CONSTRUCTION OF AGREEMENT:**

All provisions of this Lease to be observed or performed by Tenant are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the parties, but rather according to its fair meaning as a whole, as if both parties had prepared it.

**30. ESTOPPEL CERTIFICATE.** Tenant shall execute and deliver to Landlord within ten (10) days of request a commercially reasonable estoppel statement. Landlord and Tenant intend that any estoppel statement delivered pursuant to this Section may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the building or any interest therein and failure to execute and return such estoppel shall be a material breach of the Lease.

**31. BINDING EFFECT; CHOICE OF LAW:** This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

**32. SEVERABILITY.** If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

**33. AUTHORITY/CONSENTS & APPROVALS.** Each of the persons executing this Lease on behalf of Tenant warrants and represents that Tenant is a duly organized and validly existing entity, that Tenant has full right and authority to enter into this Lease and that the persons signing on behalf of Tenant are authorized to do so and have the power to bind Tenant to this Lease. Tenant shall provide Landlord upon request with evidence reasonably satisfactory to Landlord confirming the foregoing representations. The approval of Landlord, wherever required in this Lease, shall mean the approval of the City Council.

**34. ENTIRE AGREEMENT; AMENDMENT:** This Lease constitutes the entire agreement between the Parties with respect to the lease of the Premises, and this Lease shall not be modified, amended, altered, or changed except with the written consent of Landlord and Tenant. Any provision of this Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Lease.

**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the Parties hereto have caused this Lease to be executed and attested to by their proper officers hereunto duly authorized and their official seals to be hereto affixed, on the day and year first set forth above.

**TENANT:**

RE/MAX Success

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**LANDLORD:**

CITY OF ARROYO GRANDE,  
a California municipal corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL FORM:**

BEST, BEST & KRIEGER LLP

By: \_\_\_\_\_

Name: \_\_\_\_\_