



ACTION MINUTES
REGULAR MEETING OF THE CITY COUNCIL

June 14, 2022, 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 George, Council Member Barneich, Council Member Paulding, Council Member Storton

Staff Present: City Clerk Jessica Matson, City Attorney Timothy Carmel, City Manager Whitney McDonald, Assistant City Manager/Public Works Director Bill Robeson, Administrative Services Director Nicole Valentine, Community Development Director Brian Pedrotti, Planning Manager Andrew Perez, Recreation Services Director Sheridan Bohlken, Police Chief Michael Martinez

Given the recent increase in COVID-19 cases in San Luis Obispo County, and in compliance with Assembly Bill (AB) 361, which allows for a deviation of teleconference rules required by the Ralph M. Brown Act, this meeting was conducted in a hybrid in-person/virtual format.

1. CALL TO ORDER

2. ROLL CALL

City Clerk Matson took roll call.

3. MOMENT OF REFLECTION

4. FLAG SALUTE

Council Member Paulding led the Flag Salute.

5. AGENDA REVIEW

5.a Closed Session Announcements

a) CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8:

Property: 400 West Branch Street

Agency negotiators: Whitney McDonald, City Manager; Bill Robeson, Assistant City Manager/Public Works Director

Negotiating parties: Dev Patel, on behalf of Kamla Hotels

Under negotiation: Price and terms of payment

City Attorney Carmel announced that the City Council met in Closed Session at 5:00 p.m. to discuss the above item, and stated that there was no reportable action.

5.b Ordinances read in title only

Moved by Mayor Ray Russom

Seconded by Council Member Barneich

Move that all ordinances presented at the meeting shall be read by title only and all further readings be waived.

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

6. SPECIAL PRESENTATIONS

6.a Update Regarding Countywide COVID-19 Efforts

City Manager McDonald provided a brief update on COVID-19 and the continuance of hybrid meetings.

Mayor Ray Russom invited public comment. No public comments were received.

No action was taken on this item.

6.b City Manager Communications

City Manager McDonald provided information that the City will be receiving the second installment of the ARPA Funding allocation; that the Swinging Bridge Project has been selected for federal funding; that the City will be hosting Water School on June 29, 2022 and gave an update on the current water supply; and discussed upcoming items for Council consideration.

Mayor Ray Russom invited public comment. No public comments were received.

No action was taken on this item.

6.c Mayor's Commendation Recognizing Officer Alejandro Estrada

Mayor Ray Russom read the Mayor's Commendation presented to Alejandro Estrada for his life saving efforts that occurred on May 23, 2022.

Mayor Ray Russom invited public comment. Speaking from the public were Ms. Janice Moore's daughter who also read a letter from Ms. Moore, and Jeanette Windsaw. No further public comments were received.

No action was taken on this item.

6.d Introduction and Oath of Office - Police Officer Raul Chavez

Police Chief Martinez introduced Police Officer Raul Chavez, highlighted his educational and professional background, and facilitated the badge pinning ceremony. City Clerk Matson administered the Oath of Office.

Mayor Ray Russom invited public comment. No public comments were received.

6.e San Luis Obispo Countywide Plan to Address Homelessness Update

County Administrative Officer Wade Horton introduced the item and Joe Dzvonik, Homeless Manager, County of San Luis Obispo provided an update on the San Luis Obispo Countywide Plan to Address Homelessness.

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

7. COMMUNITY COMMENTS AND SUGGESTIONS

Mayor Ray Russom invited public comment. Speaking from the public were Tracy Sunny, Mike Lopresti, and Gaea Powell. No further public comments were received.

8. CONSENT AGENDA

Mayor Ray Russom invited public comment. No public comments were received.

Moved by Council Member Barneich
Seconded by Council Member Storton

Approve Consent Agenda Items 8.a. through 8.j., with the recommended courses of action. City Attorney Carmel read the full title of the Ordinance in Item 8.e.

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

8.a Consideration of Cash Disbursement Ratification

Ratified the listing of cash disbursements for the period of May 1 through May 15, 2022.

8.b Consideration of Statement of Investment Deposits

Received and filed the report listing investment deposits of the City of Arroyo Grande as of April 30, 2022, as required by Government Code Section 53646(b).

8.c Consideration of Approval of Fiscal Year 2022-23 Appropriation Limit

Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING A TAX PROCEEDS EXPENDITURE APPROPRIATION LIMIT FOR FISCAL YEAR 2022-23"***.

8.d Approval of Minutes

Approved the minutes of the Regular City Council Meeting of May 24, 2022, as submitted.

8.e Consideration of Adoption of an Ordinance Adding Chapter 3.23 to Title 3 of the Arroyo Grande Municipal Code Regarding a Transaction and Use Tax ("Sales Tax")

Adopted an Ordinance entitled: ***"AN ORDINANCE OF THE CITY OF ARROYO GRANDE ADDING CHAPTER 3.23 TO TITLE 3 OF THE ARROYO GRANDE MUNICIPAL CODE RELATED TO A TRANSACTIONS AND USE TAX TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION"***.

8.f Consideration of Adoption of a Resolution Declaring a Continued Local Emergency Related to the COVID-19 Pandemic and Authorizing the Continuance of Remote Teleconference Meetings of the Legislative Bodies Pursuant to Government Code Section 54953(e)(3)

Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DECLARING A CONTINUED LOCAL EMERGENCY RELATED TO THE CORONAVIRUS (COVID-19) PANDEMIC AND AUTHORIZING THE CONTINUANCE OF REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY OF ARROYO GRANDE PURSUANT TO GOVERNMENT CODE SECTION 54953(e)"***.

8.g Consideration of Adoption of a Resolution Approving the Arroyo Grande Tourism Business Improvement District Fiscal Year 2022-23 Budget

Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING THE FISCAL YEAR 2022-23 BUDGET FOR THE ARROYO GRANDE TOURISM BUSINESS IMPROVEMENT DISTRICT"***.

8.h Consideration of a Resolution to Adopt Projects to be Funded by the Road Repair and Accountability Act of 2017 (SB1) for Fiscal Year 2022-23

1) Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2022-23 FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017"***; and 2) Authorized the Director of Administrative Services to submit the Resolution to the California Transportation Commission (CTC).

8.i Consideration of Approval of a Memorandum of Understanding with the Arroyo Grande Police Department and the Lucia Mar Unified School District for School Resource Officer Services, Fiscal Year 2022-23

Approved and authorized the Chief of Police to execute an agreement between the City of Arroyo Grande and the Lucia Mar Unified School District to share the cost of salary and benefits for one School Resource Officer position in Fiscal Year 2022-23.

8.j Consideration of Approval of a Memorandum of Understanding with Lucia Mar Unified School District to Provide Free Child Care through the Bright Futures Expanded Learning Opportunities Program

Approved and authorized the City Manager to execute the MOU with LMUSD for the City to provide child care free of charge to students enrolled in summer school at Ocean View Elementary and be reimbursed through the ELOP grant.

9. PUBLIC HEARINGS

9.a Public Hearing to Consider Adoption of a Resolution Establishing Solid Waste Rates

Administrative Services Director Valentine introduced the item and Bill Statler, Consultant, provided a presentation on the Rate Study. Staff and South County Sanitary General Manager, Jeff Clarin, responded to questions from Council.

Mayor Ray Russom opened the public hearing. Speaking from the public were Jim Guthrie, Michael Zoldak, Heath Jones, and Jeff Clarin. Upon hearing no further public comments, Mayor Ray Russom closed the public hearing.

Mr. Statler and Administrative Services Director Valentine answered questions from the public.

City Clerk Matson reported that the City received 12 written protests and 1 verbal protest during public comment. A successful protest was not achieved.

Moved by Council Member Storton

Seconded by Council Member Barneich

Adopt a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ESTABLISHING INTEGRATED SOLID WASTE COLLECTION SERVICE RATES FOR JUNE 15, 2022, JANUARY 1, 2023 AND JANUARY 1, 2024"***.

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

9.b Consideration of Adoption of Resolutions Directing the Levy of the Annual Assessments for the Parkside Village and Grace Lane Assessment Districts and Landscaping and Lighting Assessment District No. 1, Within Tract 1769, for Fiscal Year 2022-2023

Assistant City Manager/Public Works Director Robeson presented the staff report.

Mayor Ray Russom opened the public hearing. Upon hearing no public comments, Mayor Ray Russom closed the public hearing.

Moved by Council Member Storton

Seconded by Council Member Paulding

Adopt a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DIRECTING THE LEVY of the ANNUAL ASSESSMENTS RELATED TO THE PARKSIDE VILLAGE ASSESSMENT DISTRICT PURSUANT TO THE LANDSCAPING***

AND LIGHTING ACT OF 1972 (STREETS AND HIGHWAYS CODE SECTIONS 22500 ET. SEQ.) FOR FISCAL YEAR 2022-2023".

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

Moved by Council Member Storton

Seconded by Council Member Paulding

Adopt a Resolution entitled: **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DIRECTING THE LEVY of the ANNUAL ASSESSMENTS RELATED TO THE GRACE LANE ASSESSMENT DISTRICT PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972 (STREETS AND HIGHWAYS CODE SECTIONS 22500 ET. SEQ.) FOR FISCAL YEAR 2022-2023".**

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

Moved by Council Member Storton

Seconded by Council Member Paulding

Adopt a Resolution entitled: **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE Directing the LEVY of the ANNUAL ASSESSMENTS RELATED TO THE ARROYO GRANDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 1, WITHIN TRACT 1769, PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972 (STREETS AND HIGHWAYS CODE SECTIONS 22500 ET. SEQ.) FOR FISCAL YEAR 2022-2023".**

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

9.c Continued Discussion and Consideration of the Introduction of an Ordinance Amending Title 16 of the Arroyo Grande Municipal Code to Implement Senate Bill 9; Development Code Amendment 21-002; Location – Citywide

Mayor Ray Russom called for a brief break at 7:51 p.m. The Council reconvened at 7:58 p.m.

Planning Manager Perez presented the staff report and corrected a typographical error in the Ordinance on page 5. Mr. Perez and City Manager McDonald responded to questions from Council.

Mayor Ray Russom opened the public hearing. Speaking from the public were Krista Jeffries, Melissa Watkins, Rachel Mann, Garrett Philbin, Mariam Shah, Lea Hensley, Danny Hensley, and

Suzanne Wells. Upon hearing no further public comments, Mayor Ray Russom closed the public hearing.

Mr. Perez responded to questions from the public.

City Attorney Carmel read the full title of the Ordinance.

Moved by Council Member Paulding

Seconded by Mayor Ray Russom

Introduce an Ordinance entitled: ***"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AMENDING TITLE 16 OF THE ARROYO GRANDE MUNICIPAL CODE AND ADDING SECTIONS 16.32.060 AND 16.20.180 PERTAINING TO REGULATIONS FOR TWO-UNIT RESIDENTIAL DEVELOPMENT WITHIN SINGLE-FAMILY RESIDENTIAL ZONES AND TO PARCEL MAPS FOR URBAN LOT SPLITS TO COMPLY WITH SENATE BILL 9 (SB 9), CALIFORNIA GOVERNMENT CODE SECTIONS 65852.21 AND 66411.7 (DEVELOPMENT CODE AMENDMENT 2-1-002)".***

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

10. OLD BUSINESS

None.

11. NEW BUSINESS

11.a Consideration of Proposals for Tourism Marketing Services for the Arroyo Grande Tourism Business Improvement District, Selection of a Marketing Firm, and Approval of an Agreement for Consultant Services

Council Member Barneich recused herself due to having performed interior design work for the owners of Verdin Marketing on their residence and to avoid any appearance of impropriety, and left the meeting.

City Manager McDonald presented the staff report and explained the presentation process. City Manager McDonald and Assistant City Manager/Public Works Director Robeson responded to questions from Council.

Mayor Ray Russom flipped a coin to determine which firm would present first. It was determined that heads would represent Madison Strategies & Cassandra Maher Marketing, and tails would represent Verdin Marketing. The coin flip landed on heads; therefore Madison Strategies & Cassandra Maher Marketing presented first.

Corrine Madison, Madison Strategies and Cassandra Maher, Cassandra Maher Marketing, presented their proposal and responded to questions from Council.

Mary Verdin, Ashlee Akers, Megan Condict, and Natalie Bovee, Verdin Marketing, presented their proposal and responded to questions from Council.

Kassandra Maher provided follow-up comments.

Mayor Ray Russom invited public comment. Speaking from the public were Tracy Sunny, Gaea Powell, AJ Verdin, Jim Guthrie, and Sean Dasmann. No further public comments were received.

Moved by Council Member Paulding
Seconded by Council Member Storton

Select Verdin Marketing for AGTBID tourism marketing services and Authorize the City Manager to enter into an Agreement for Consultant Services in an amount not to exceed the approved budget amount in a form approved by the City Attorney.

AYES (4): Mayor Ray Russom, Mayor Pro Tem George, Council Member Paulding, and Council Member Storton

ABSENT (1): Council Member Barneich

Passed (4 to 0)

11.b Discussion and Consideration of Approval of the Fiscal Year (FY) 2022-23 Mid-Cycle Budget Update Report, the 5-Year Capital Improvement Program Budget, and the Updated Citywide Combined Salary Schedule, Including the Salary Range for a Management Analyst

Council Member Barneich rejoined the meeting.

At 10:58 p.m., Mayor Ray Russom stated that pursuant to Council policy, the Council must vote unanimously to continue the meeting past 11:00 p.m. Mayor Ray Russom moved to continue the meeting to 11:30 p.m., and the motion passed unanimously by voice vote.

Administrative Services Director Valentine presented the staff report and staff responded to questions from Council.

Mayor Ray Russom invited public comment. Speaking from the public were Jim Guthrie, and Sean. No further public comments were received.

Assistant City Manager/Public Works Director Robeson responded to questions from the public.

At 11:30 p.m., Mayor Ray Russom stated that pursuant to Council policy, the Council must vote unanimously to continue the meeting past 11:00 p.m. Mayor Ray Russom moved to continue the meeting to 11:59 p.m., and the motion passed unanimously by voice vote.

Council discussion ensued regarding the appropriation of excess reserves as presented in the staff report and appropriating funds specifically towards the Short Street Plaza Project. Council concurred to appropriate \$320,000 to sidewalk improvements, \$800,000 to unfunded capital improvement projects, and \$1,030,000 to the Employee Retention Incentive Program to include Five Cities Fire employees.

Moved by Mayor Ray Russom
Seconded by Council Member Barneich

1) Adopt a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING THE FISCAL YEAR 2022-23 BUDGET AND MAKING APPROPRIATIONS FOR THE AMOUNT BUDGETED"; "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ADOPTING THE FISCAL YEAR 2022-2023 CAPITAL IMPROVEMENT PROGRAM BUDGET AND MAKING APPROPRIATIONS FOR THE AMOUNT BUDGETED";*** 2) Appropriate \$2,150,000 of the Reserve Fund Balance toward directed expenditures; and 3) Adopt a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE ESTABLISHING A SALARY RANGE FOR A MANAGEMENT ANALYST AND APPROVING THE UPDATED CITYWIDE COMBINED SALARY SCHEDULE".***

AYES (5): Mayor Ray Russom, Mayor Pro Tem George, Council Member Barneich, Council Member Paulding, and Council Member Storton

Passed (5 to 0)

12. COUNCIL COMMUNICATIONS

None.

13. CLOSED SESSION

None.

14. ADJOURNMENT

There being no further business to come before the City Council, Mayor Ray Russom adjourned the meeting at 11:45 p.m.

Caren Ray Russom, Mayor

Jessica Matson, City Clerk