



ACTION MINUTES
REGULAR MEETING OF THE CITY COUNCIL

April 9, 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 Member Secrest

Staff Present: City Clerk Jessica Matson, City Attorney Isaac
Rosen, City Manager Matthew Downing,
Assistant City Manager/Public Works Director
Bill Robeson, Administrative Services Director
Nicole Valentine, Chief of Police Michael
Martinez, Recreation Services Director
Sheridan Bohlken, Interim Fire Chief Keith
Aggson, City Engineer Shannon Sweeney,
Utilities Manager Shane Taylor

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

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

Conference with Real Property negotiators pursuant to Government Code Section 54956.8:

Property: 400 West Branch Street, Arroyo Grande

Agency negotiators: Matthew Downing, City Manager; Bill Robeson, Assistant City Manager/Public Works Director; Isaac Rosen, City Attorney

Negotiating parties:

- Dev Patel, on behalf of Kamla Hotels
- The Housing Authority of San Luis Obispo/People's Self-Help Housing

Under negotiation: Price and terms of payment

City Attorney Rosen announced that there was no reportable action.

5.b Ordinances read in title only

None.

6. SPECIAL PRESENTATIONS

6.a Honorary Proclamation Declaring the Month of April 2024 as "National Sexual Assault Awareness Month"

Mayor Ray Russom read the Honorary Proclamation Declaring the Month of April 2024 as "National Sexual Assault Awareness Month". Nancy DePew with Lumina Alliance, accepted the proclamation.

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

No action was taken on this item.

6.b Honorary Proclamation Declaring April 26, 2024 as "Arbor Day"

Mayor Ray Russom read the Honorary Proclamation Declaring April 26, 2024 as "Arbor Day". Assistant City Manager/Public Works Director Robeson and Recreation Services Director Bohlken, accepted the proclamation.

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

No action was taken on this item.

6.c City Manager Communications

City Manager Downing provided information regarding the Police Explorer Program; change in public noticing to the New Times; Accessory Dwelling Unit Workshop for residents; Arbor Day Celebration; Weed Abatement Season; and completion of the Redwood Tree Lighting project.

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

No action was taken on this item.

7. CITY COUNCIL REPORTS

None.

8. COMMUNITY COMMENTS AND SUGGESTIONS

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

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 requested to pull Item 9.c. for separate consideration.

Mayor Ray Russom invited public comment for Item 9.c. No public comments were received.

Mayor Ray Russom invited public comment for Items 9.a. through 9.b. and Items 9.d. through 9.g. No public comments were received.

Moved by Council Member Barneich
Seconded by Mayor Pro Tem Guthrie

Approve Consent Agenda Items 9.a. through 9.g., with the exception of 9.c., with the recommended courses of action.

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

Passed (5 to 0)

9.a Consideration of Cash Disbursement Ratification

Ratified the listing of cash disbursements for the period of March 1 through March 15, 2024.

9.b Consideration of Statement of Investment Deposits

Received and filed the report listing investment deposits of the City of Arroyo Grande as of February 29, 2024, as required by Government Code Section 53646(b).

9.d Consideration of an Amendment to the Agreement with A-Town AV for the Council Chamber Audio/Video System Upgrade Project and Approval of a Budget Increase Request

1) Approved an Amendment to the Agreement with A-Town AV for design and installation services for an automated Audio/Video system (Attachment 1);

2) Approved a budget adjustment request in the amount of \$58,800; and

3) Found the action exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use (State CEQA Guidelines, § 15301), and that none of the exceptions to the Class 1 exemption apply.

9.e Approval of Minutes

Approved the minutes of the Regular City Council Meetings of March, 12, 2024, and March 26, 2024, as submitted.

9.f Consideration of a Resolution Authorizing the Acceptance of a Tobacco Grant Award

Adopted a Resolution entitled: ***"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE AUTHORIZING THE CHIEF OF POLICE TO EXECUTE AN AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF JUSTICE FOR THE RECEIPT OF GRANT FUNDING THROUGH THE CALIFORNIA HEALTHCARE RESEARCH AND PREVENTION TOBACCO TAX ACT OF 2016 (PROP. 56) TO SUPPORT LOCAL EFFORTS TO REDUCE THE ILLEGAL SALE OF TOBACCO PRODUCTS IN THE CITY"***.

9.g Consider Five Cities Fire Authority Apparatus Bay Doors Replacement Project, PW 2023-11, Notice of Award

- 1) Awarded the contract for the FCFA Apparatus Bay Doors Replacement Project to Santa Barbara Overhead Doors in the amount of \$117,875;
- 2) Authorized the City Manager to approve change orders of 10% of the contract, \$11,788, for unanticipated costs during the construction phase of the project;
- 3) Approved one budget adjustment totaling \$130,000 of ARPA Funds; and
- 4) Determined that this Project is categorically exempt from the California Environmental Quality Act (CEQA) under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use. (State CEQA Guidelines, § 15301.)

9.c Consider Adoption of a Resolution Updating the Fund Balance and Reserve Policy

Staff responded to questions from Council.

Council discussion ensued regarding a policy to address how excess reserves are managed.

Moved by Mayor Pro Tem Guthrie

Seconded by Council Member George

Continue this item to a date uncertain.

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

Passed (5 to 0)

10. PUBLIC HEARINGS

11. OLD BUSINESS

11.a Discussion of City Water Supply, Central Coast Blue, and Future Resources; and Consider Approval of a Budget Adjustment Request

City Manager Downing introduced the Item. City Engineer Sweeney gave a presentation on the City's Water Supply, Central Coast Blue and Future Resources and responded to questions from Council. City Manager Downing, Administrative Services Director Valentine, and City Clerk Matson responded to additional questions from Council.

Mayor Ray Russom, as the Central Coast Blue Regional Recycled Water Authority Board Member, requested Council provide her with direction regarding what amount the Council is comfortable with spending for the project and if the Council would like to participate in the project redesign direction.

Mayor Ray Russom called for a brief break at 7:59 p.m. The Council reconvened at 8:06 p.m.

Mayor Ray Russom invited public comment. Speaking from the public was Pamela Storton, Victor Early, Deborah Early, Lauren Westfall, Alexandria Davis, April Dury, Julie Tacker, Brenda Auer, and Jeff Edwards. No further public comments were received.

Council discussion ensued regarding the City's share of the cost of the project; exiting the Cost Sharing Agreement for the Central Coast Blue project and having staff participate in the project redesign.

Administrative Services Director Valentine responded to questions from Council regarding the budget amendment.

Further Council discussion ensued regarding continuing with the Joint Powers Authority or work with regional partners to seek an alternative water supply source; storage of rainwater; a potential ballot measure to purchase State water outside of an emergency; conducting a new Water Supply Alternatives Study; and evaluating rates.

Council directed staff to bring back an item to City Council to exit the cost sharing agreement for the CCB Project; continue researching water supply alternatives with the JPA; complete a new water supply alternatives study as soon as possible; look into doing a rate study analysis; and bring back an item to Council for placement of a measure on the November 2024 ballot for the purchase of State water.

City Attorney Rosen commented that his firm can assist with ballot language should the Council place a measure on the ballot.

Moved by Mayor Pro Tem Guthrie
Seconded by Council Member George

Direct staff to bring back an Item to City Council to withdraw from the Cost Sharing Agreement for Central Coast Blue and approve a budget amendment totaling \$514,200.

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

Passed (5 to 0)

12. **NEW BUSINESS**

None.

13. **COUNCIL COMMUNICATIONS**

Council Member Secrest commented that she will not be present for the July 23, 2024 Council Meeting. Mayor Ray Russom commented that she will not be present for the June 25, 2024 Council Meeting. Mayor Pro Tem Guthrie commented he will not be present for the May 14, 2024 Council Meeting.

Council Member Barneich requested staff bring back an item to approve flying the Pride Flag and Juneteenth Flag this year. Council Member George concurred.

Council Member George commended the Recreation Services Department for the successful Egg Hunt event.

14. ADJOURNMENT

There being no further business to come before the City Council, Mayor Ray Russom adjourned the meeting at 9:21 PM.

Caren Ray Russom, Mayor

Jessica Matson, City Clerk