

CITY COUNCIL MINUTES
Tuesday, February 18, 2003 7:30 PM

**MEETING LOCATION: PASO ROBLES LIBRARY/CITY HALL
CONFERENCE CENTER, 1000 SPRING STREET**

**PLEASE SUBMIT ALL CORRESPONDENCE FOR CITY COUNCIL PRIOR
TO THE MEETING WITH A COPY TO THE CITY CLERK**

7:30 PM – CONVENE REGULAR MEETING

CALL TO ORDER – Downstairs Conference Center

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL Councilmembers George Finigan, Jim Heggarty, Duane Picanco and Mayor Frank Mecham. Councilmember Gary Nemeth joined deliberations at 7:35 PM.

PUBLIC COMMENTS

- Danna Stroud provided an update on the activities of REC, Inc.

AGENDA ITEMS TO BE DEFERRED

City Manager App advised Council that Agenda Items No. 1, 2 and 15 are being recommended for continuance.

PRESENTATIONS – None

NOTICED HEARINGS

1. Continue Hearing - Code Amendment 03-001 - In-lieu Fees for Sidewalks and Street Improvements

R. Lata, Community Development Director

Consider continuing a public hearing to establish in-lieu fees for sidewalks and street improvements. (In October 2002 Council directed that a Code Amendment be initiated to establish in-lieu fees in order to implement the provisions of the Circulation Element of the General Plan. Additional time is needed to integrate existing Code provisions with those being proposed.)

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral.

Councilmember Heggarty, seconded by Councilmember Nemeth, moved to continue the open public hearing to the Council's regular meeting of March 4, 2003. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

2. AB1600 - Development Impact Fees

M. Compton, Administrative Services Director

Consider adopting revised Development Impact Fees (DIFs). (Council directed a comprehensive review of the City's development impact fees to determine whether those fees are adequate to defray the cost of public facilities related to development projects. If approved, the new DIFs would become effective sixty days after adoption.)

Mayor Mecham opened the public hearing. Speaking from the public were Susan Harvey, Dean Di Sandro, Kathy Barnett, Tom Rusch and Cody Ferguson. There were no further comments from the public, either written or oral.

Councilmember Nemeth, seconded by Councilmember Finigan, moved to continue this item to the Council meeting of March 4, 2003. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

3. Pre-Zone 02-008 (McKinley - Annexation No. 84)

R. Lata, Community Development Director

Consider approving a pre-zone of property proposed for annexation to the City of Paso Robles—a 1.92-acre parcel located at 3650 Plymouth Hill Road, west of the intersection of 38th and Vine Streets, just north of the City limit. Applicant wishes to annex in order obtain City water service.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public hearing was closed.

Councilmember Nemeth, seconded by Councilmember Finigan, moved to adopt Resolution No. 03-20 approving a Negative Declaration for Rezone 02-008 (McKinley – Annexation No. 84). Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

Councilmember Nemeth, seconded by Councilmember Finigan, moved to introduce Ordinance No. xxx N.S. approving Rezone 02-008, changing Subarea 1 of the Zoning Map to provide a pre-zoning designation of Residential Single-Family, 2-acre Minimum (R-1, B5) for the property located at 3650 Plymouth Hill, in anticipation of Annexation No. 84 to annex the property into the City; and set March 4, 2003, as the date for adoption of said Ordinance. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

4. Street Abandonment 02-005 (Jiffy Lube – Petrilli)

R. Lata, Community Development Director

Consider abandoning a 60-foot wide unimproved street as shown in the staff report exhibits. (Area proposed to be abandoned is the “old” South River Road alignment, south of Oak Hill Road and east of the current South River Road. The Planning Commission recommended approval of the abandonment request. Ed Petrilli, Phase II Realty, submitted the request for the purpose of accommodating the proposed development of PD 02-008, Jiffy Lube. At their meeting of January 21, 2003, Council adopted a Resolution of Intent to Abandon, which set a public hearing to consider abandonment of this right-of-way.)

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public hearing was closed.

Councilmember Nemeth, seconded by Councilmember Heggarty, moved to adopt Resolution No. 03-21 to abandon an unimproved street and retain an easement for water, sanitary sewer, storm drains and public services as shown on Exhibits A and B as requested by the adjacent property owners. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

CONSENT CALENDAR

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Consent Calendar Items No. 5 - 14 were unanimously approved on a single motion by Councilmember Heggarty, seconded by Councilmember Nemeth, with Item No. 15 being continued to the Council meeting of March 4, 2003.

5. Approve City Council minutes of February 1 and 4, 2003
D. Fansler, City Clerk
6. Approve Warrant Register – Warrant Nos. 38324 - 38491 (1/31/03) to 38492 - 38609 (2/7/03).
M. Compton, Administrative Services Director
7. Receive and file Advisory Body Committee minutes as follows:
Citizens Airport Advisory meetings of November 7 and 20 and December 19, 2002
Youth Commission meeting of January 8, 2003
8. Extend ad hoc committee to review the banner policy of Library and Recreation Services to April 1, 2003.
B. Partridge, Library & Recreation Services Director
9. Extend ad hoc committee to review funding options for art in public places to May 1, 2003.
B. Partridge, Library & Recreation Services Director
10. Extend ad hoc committee to address updating fees for services in the Community Development Department to July 1, 2003.
R. Lata, Community Development Director
11. Extend ad hoc committee to address issues relating to traffic capacity and design of the Highway 46 West / 101 Interchange to December 16, 2003.
R. Lata, Community Development Director
12. Adopt Resolution No. 03-22 accepting the avigation easement offered by Jamie and Franziska Bea for the property located at 2338 Prospect Avenue. (The avigation easement provides for the City's use of airspace, in accordance with Federal Aviation Regulations.)
R. Lata, Community Development Director
13. Adopt Resolution No. 03-23 authorizing installation of a septic system at 75 21st Street, contingent upon the applicants entering into an Agreement, subject to approval of the City Attorney, to participate in the formation of a future assessment district to extend the sewer line to the property, and with the design of the septic system subject to approval of the Regional Water Quality Control Board, and that the applicants' sewer system be designed in conformance with all requirements indicated in Section 14.08.070 (Sewerage System Operations) of the Paso Robles Municipal Code. The obligations and covenants of the Agreement shall run with the land and shall be binding on the successors and assigns of the applicants. (Applicants John and June Bertoni have submitted building plans for a new residence on subject property, which is approximately ¼ mile west of Vine Street. The closest sewer is in 21st Street, approximately 1,500 feet east.)
R. Lata, Community Development Director

14. Receive and file letter from Mayor Mecham to the County Planning Commission regarding El Pomar – Estrella Area Plan and Environmental Impact Report. (This letter is consistent with prior City comments on county area developments and their unmitigated impacts on City facilities and services.)
R. Lata, Community Development Director
15. Read, by title only, and adopt Ordinance No. xxx N.S. amending the Municipal Code to amend Table 21.16.200 to permit employee housing in Commercial, Industrial, Agricultural, and Parks and Open Space Districts as a Conditional Use – Code Amendment 02-011. (Subsequent to the September 17, 2002, City Council meeting, review of California's Employee Housing Act indicated that compliance would involve a considerable amount of oversight by the California Department of Housing and Community Development. Additional time was needed to assess the amount of involvement in, and consequences of, compliance with the Employee Housing Act. The City Attorney's office has since provided an opinion that the Employee Housing Act allows for cities to use their zoning codes to regulate the location of employee housing. The Employee Housing Act does require owners of employee housing to obtain a permit from the State Department of Housing and Community Development, but it does not require cities to become involved in that permitting process.) FIRST READING SEPTEMBER 17, 2002; SECOND READING CONTINUED FROM OCTOBER 1, 2002
R. Lata, Community Development Director

This item was referred back to the Planning Commission for further refinement.

PUBLIC DISCUSSION

16. **Request to Remove Two Oak Trees – 523 Grand Canyon Drive (Humble)**
R. Lata, Community Development Director

Consider a request to remove two native Blue Oak trees (8 inches and 10 inches in diameter) on a residential lot proposed for development. (Applicant Gene Humble requests the removal of the two trees to accommodate the construction of a new house on the parcel located on Lot 123 of Tract 2281, 523 Grand Canyon Drive. An Arborist Report indicates that there are in excess of 50 trees on the site and a need for thinning of the trees to allow for quality growth exists. The Arborist recommends that the trees be removed in order to begin the thinning process.)

Mayor Mecham opened the public hearing. Speaking from the public were Susan Harvey, Ted Plemons (representing the applicants Eugene & Janet Huffman) and Mike Menath. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Picanco, moved to adopt Resolution No. 03-24 approving the removal of two native Blue Oak trees, one 8-inch diameter and one 10-inch diameter, based on the arborist identifying the trees as being stressed or unhealthy and the fact that there are over 50 other oak trees on the lot that would be preserved; and approving a replacement ratio of 4.5 inches of Blue Oaks, to be planted in a location that is appropriate for the species of tree as determined by a horticulture professional (e.g., Blue Oaks shall be planted in a non-irrigated environment). Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

17. Council Goals for Fiscal Years 2004-2007

J. App, City Manager

Confirm top goals for Fiscal Years 2004-2007. (Every two years, Council adopts goals, as well as a 2-year budget and 4-year financial plan. The new budget and financial plan will be oriented around the goals adopted by the Council. On February 1st, Council developed and ranked a list of 32 goals. Goals must now be confirmed for inclusion in the new 2-year budget and 4-year financial plan.)

Mayor Mecham opened the public hearing. Speaking from the public were Kathy Barnett, Cody Ferguson and John Dunn (goal-setting workshop facilitator). There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Picanco, seconded by Councilmember Heggarty, moved to adopt the top goals as listed in Exhibit C for Fiscal Years 2004-2007. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

Council adjourned for a 10-minute recess at 8:45 PM.

18. 101 / 46 West Project Study Report

J. Deakin, Public Works Director

Consider engaging URS Corporation to complete a Project Study Report (PSR) for Highway 101/46 West interchange. (In order to meet Caltrans requirements, additional work is required to complete the PSR, and added funding needs to be authorized to proceed.)

Mayor Mecham opened the public hearing. Speaking from the public were J. "Jocko" Cutter, Keith Belmont, Kathy Barnett, Cody Ferguson and Chuck Mendelson. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Finigan, moved to adopt Resolution No. 03-25 (1) approving retention of Budget Account No. 130.910.5452.308 for the 101/46 West Project Study Report (PSR) and appropriation of an additional \$70,000, and (2) directing the City Manager to sign a Consultant Services Agreement with URS Corporation in the amount of \$264,235 for completion of the 101/46 West PSR based on the attached Scope of Work and Fee Proposal. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

19. General Plan Level of Service (LOS) Designation – Highway 46 West / 101 Interchange

R. Lata, Community Development Director

Consider whether to initiate a General Plan Amendment that would establish an interim/temporary Level of Service "D" as the traffic flow standard for the intersection of Highways 46 West and 101. (The temporary LOS "D" designation would allow pending developments to proceed if they provide approximately \$585,000 in funding for interim traffic mitigation measures, including a lengthening of the southbound Highway 101 off-ramp and other intersection modifications to facilitate traffic flow. The pending developments would also be obligated to participate in funding long-term improvements, which are being designed in a Project Study Report with the goal of re-establishing LOS "C" as the standard for the interchange. A change to the General Plan would be subject to public hearings before the Planning Commission and City Council before it becomes effective. If LOS "D" is not established [on a temporary basis], there will not be funding for lengthening the off-ramp or other intersection improvements in the foreseeable future.)

Mayor Mecham opened the public hearing. Speaking from the public were Kathy Barnett, Keith Belmont, Larry Lovelace (McDonald's Corporation), Susan Harvey, John Knight (RRM Design Group), and Chuck Mendelson. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Heggarty, moved to direct staff to initiate a General Plan Amendment that would consider a modification to the City's LOS standard for an interim period and only for the Highway 46 West / 101 interchange area. The change in standard would be from "C" to "D" and the interim period would be until a Project Study Report is adopted and implemented in a manner designed to provide future LOS "C" for the subject interchange. Project specific considerations would be deferred to the Planning Commission and staff would seek the City Attorney's assistance to formulate participation agreements that would ensure that the set of feasible interim mitigation measures, including extension of the southbound Highway 101 off-ramp, would be implemented. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

Making a declaration of conflict (his personal residence being in the Orchard Bungalow development area), City Manager Jim App stepped down from the dais and left the room until deliberations were concluded.

Councilmember Heggarty stepped down from the dais and refrained from voting on Item No. 19 due to a conflict of interest, his personal residence being in the Orchard Bungalow development area. He remained out of the room until the public discussion was closed and Council had voted on the item.

20. Orchard Bungalow Assessment District (OBAD)

J. Deakin, Public Works Director

Consider accepting streets of the Orchard Bungalow Tract that were improved with Assessment District funds into the City’s Maintenance System. (In February 2001 Council directed staff to initiate proceedings to formally declare Orchard Bungalow streets as public streets. The streets proposed for acceptance are listed in the staff report. The resolution requires City staff to remove existing traffic control devices that do not meet City Standards, however, accepting streets does not require that the City widen those streets. The existing paved streets are being accepted as non-standard streets, with the standard 40-foot width dedicated. Additionally, a portion of Vista Grande between Union Road and Walnut Drive was never constructed; it is a “paper” road. It is recommended that it be formally abandoned.)

Mayor Mecham opened the public hearing. Speaking from the public were Kathy Barnett, Mike Menath, Bonnie DeGraw, Robert Pettit, and John Hanna. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Finigan, moved to adopt Resolution No. 03-26 accepting the streets within the Orchard Bungalow Assessment District into the City’s Maintenance System. Motion passed by the following roll call vote:

AYES: Finigan, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: Heggarty
ABSENT: None

Councilmember Nemeth, seconded by Councilmember Finigan, moved to adopt Resolution No. 03-27 approving intent to abandon the unimproved portion of Vista Grande between Union Road and Walnut Drive. Motion passed by the following roll call vote:

AYES: Finigan, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: Heggarty
ABSENT: None

Councilmember Heggarty and City Manager App returned to their seats at the dais.

21. Restricted Time Parking – Melody Drive

R. Lata, Community Development Director

Consider authorizing restricted time parking on the west curb of Melody Drive from Veronica Drive to Niblick Road. (On school mornings, Melody Drive is a congested roadway from Veronica Drive to Niblick Road. Installation of “No Parking” signs, effective Monday through Friday from 0700 a.m. to 0900 a.m., would provide sufficient space allowing vehicles to make a right turn at Niblick, while vehicles are waiting to turn left. Residents would only be impacted with restricted parking for a two-hour period on weekdays.)

CONTINUED FROM JANUARY 21, 2003

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Heggarty, moved to approve installation of two "NO PARKING, 7:00 a.m. to 9:00 a.m., Monday through Friday" signs on Melody Drive from Veronica Drive to Niblick Road. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

22. Comprehensive Annual Financial Report

M. Compton, Administrative Services Director

Presentation of the Comprehensive Annual Financial Report for fiscal year ending June 30, 2002, for City Council consideration.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Picanco, seconded by Councilmember Heggarty, moved to receive and file the Comprehensive Annual Financial Report for fiscal year ending June 30, 2002. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

23. Infrastructure Valuation and Useful Life

M. Compton, Administrative Services Director

Consider modifying "capitalization" thresholds for certain fixed assets and establishing the "useful life" for public infrastructure. (Governmental Accounting Standards Board Statement Number 34 [GASB 34] changed the structure and content of local government financial reporting. One change is related to infrastructure reporting—the requirement for local governments to capitalize and depreciate general infrastructure assets, e.g., roads, bridges and sidewalks.)

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Heggarty, seconded by Councilmember Nemeth, moved to adopt Resolution No. 03-28 establishing new capitalization thresholds for infrastructure and modifying the existing threshold for non-infrastructure. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

CITY MANAGER

24. Housing Authority – Appointments to Expired Terms

J. App, City Manager

Provide direction for filling two vacancies on the Housing Authority. (The terms of David Rouff and Raymond Hanson expire on February 28, 2003. Advertisements were run throughout the month of January to solicit applicants, with only two applications being received from the two incumbents.)

City Manager Jim App noted a correction to the spelling of Ray Hampson's name and pointed out that the terms being filled correctly expire on February 28, 2007 versus 2006.

Mayor Mecham opened the public hearing. There were no comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Councilmember Finigan, moved to appoint David Rouff and Raymond Hampson as regular members to the Housing Authority for 4-year terms expiring February 28, 2007. Motion passed by the following unanimous roll call vote:

AYES: Finigan, Heggarty, Nemeth, Picanco and Mecham
NOES: None
ABSTAIN: None
ABSENT: None

CORRESPONDENCE

25. Conservation Framework – American Land Conservancy and Hearst Corporation

Consider endorsement of a conservation framework for the 82,000-acre Hearst Ranch property. (The Hearst Corporation and the American Land Conservancy have agreed to a conservation framework. Municipalities in the County have been asked to endorse the proposal.)

Mayor Mecham opened the public hearing. Speaking from the public was Kathy Barnett. There were no further comments from the public, either written or oral, and the public discussion was closed.

Councilmember Nemeth, seconded by Mayor Mecham, moved to adopt Resolution No. 03-xx endorsing the Conservation Framework of the American Land Conservancy and Hearst Corporation. Motion failed by the following roll call vote:

AYES: Nemeth and Mecham
NOES: Finigan, Heggarty and Picanco
ABSTAIN: None
ABSENT: None

ADVISORY BODY COMMUNICATION

AD HOC COUNCIL BUSINESS - None

COUNCIL COMMENTS

- Councilmember Picanco asked staff to review the City's agreement with Charter Communications, adding that their promise to provide lesser rates for seniors and low-income households has not been fulfilled.
- Councilmember Heggarty informed Council that he had been appointed to the Airport Land Use Committee and the League of Cities Committee for Tax and Revenue.

Councilmember Nemeth moved to adjourn from regular session at 10:45 PM. Motion passed by unanimous voice vote.

ADJOURNMENT: to the SMART GROWTH CONFERENCE AT 8:30 AM ON FRIDAY, FEBRUARY 28, 2003, AT THE EMBASSY SUITES IN SAN LUIS OBISPO; AND TO THE REGULAR CITY COUNCIL MEETING AT 7:30 PM ON TUESDAY, MARCH 4, 2003, AT THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET.

**THESE MINUTES ARE NOT OFFICIAL NOR A PERMANENT PART OF THE RECORDS
UNTIL APPROVED BY THE CITY COUNCIL AT THE NEXT REGULAR MEETING.**

Submitted:

Sharilyn M. Ryan, Deputy City Clerk
Approved: