

CITY COUNCIL MINUTES

Tuesday, May 4, 2004 7:30 PM

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

7:30 PM – CONVENE REGULAR MEETING

CALL TO ORDER – Downstairs Conference Center

PLEDGE OF ALLEGIANCE

Lead by Scout Kevin T. Alexander, Boy Scouts of America, Troop 101

INVOCATION

Led by Pastor Marcus Serven

ROLL CALL Councilmembers George Finigan, Jim Heggarty, Gary Nemeth, Duane Picanco and Mayor Frank Mecham

PUBLIC COMMENTS

- Dale Gustin reminded Council that the annual Wine Festival will be held in the City Park the weekend of May 16 and 17, and encouraged the public to support this event.
- Thomas Hardwick expressed appreciation to Council and staff for keeping the City involved in the Nacimiento water pipeline project, and asked for a timeline on the repair of the damaged City water tank.
- Alan Salazar of the Chumash Indian Tribe announced that as part of “The National Day of Prayer,” a *Sacred Prayer Circle* will be held at 6:00 p.m. on Thursday, May 6th in the Downtown City Park. People of all cultures and religions were invited to participate.
- Lana Adams, Chief Executive Officer of the Boys & Girls Club of North San Luis Obispo County, provided an update on upcoming projects and activities of the Club.

AGENDA ITEMS TO BE DEFERRED - None

PRESENTATIONS

1. Water Conservation

M. Williamson, Interim Public Works Director

Meg Williamson gave a briefing on the City's water conservation program—needs and goals of the City and status of current water conservation program efforts.

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.

It was the consensus of the Council to receive and file the report.

PUBLIC HEARINGS

2. Appeal of Planning Commission Approval of Tract 2358 - Planned Development 04-004 and Rezone 03-009 (Peterson / Franklin Project)

J. Falkenstien, Acting Community Development Director

Consider appeal filed by James Cutter regarding Planning Commission's approval of Tract 2358 on March 23, 2004. (This subdivision divides two existing parcels, totaling 2.87 acres, into seven single-family residential lots. Property is located at 723 and 733 Rolling Hills Road, north of Creston Road. The project is consistent with the City's General Plan and Zoning Code, and the State Subdivision Map Act.)

Mayor Mecham opened the public hearing. Speaking from the public were Robert Atkinson, Doreen Rogers, Roy Collier, James Cutter, Kathy Barnett, and Bud Franklin (applicant). There were no further comments from the public, either written or oral, and the public hearing was closed.

Councilmember Nemeth, seconded by Councilmember Finigan, moved to deny the appeal and uphold the Planning Commission's approval of Tentative Tract 2358 and PD 04-004, subject to the conditions of approval contained in Planning Commission Resolution No. 04-00 and based on the Tract 2358 and PD 04-004 meeting requirements of the City's General Plan and Zoning Code, the Planning Commission's findings, the staff report for this meeting, the public testimony and staff comments, and the issues of the appeal not meeting the required findings of denial as listed in Section 66474 of the Subdivision Map Act.

Motion passed by the following roll call vote:

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

Council recessed for five minutes at 9:05.

**ADJOURN TO JOINT MEETING OF PUBLIC FINANCING AUTHORITY,
REDEVELOPMENT AGENCY & CITY COUNCIL**

ROLL CALL Agencymembers Jim Heggarty, Frank Mecham, Gary Nemeth, Duane Picanco and Chairman Finigan

3. Second Implementation Agreement for Canyon Creek Apartments - Peoples' Self-Help Housing Corp. (PSHHC)

J. Falkenstien, Acting Community Development Director

Consider a request from PSHHC to modify the approved Participation Agreement in order to reduce the required percentage of affordable units from 100% to 49%, extend the period of the loan from 35 years to 55 years, update the schedule of performance, and make other minor revisions related to tax credit funding. (This project is a proposed 68-unit affordable senior apartment complex to be located on a 7-acre site on the southwest corner of Oak Hill Road and Nicklaus Drive.)

Chairman Finigan opened the public hearing. Speaking from the public were Kathy Barnett and Dale Gustin. There were no further comments from the public, either written or oral, and the public discussion was closed.

Agencymember Mecham, seconded by Agencymember Heggarty, moved to adopt Resolution No. RA 04-02 approving a Second Implementation Agreement to the Participation Agreement for the Canyon Creek Apartments Project.

Motion passed by the following unanimous roll call vote:

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

ADJOURN TO CITY COUNCIL MEETING

CONSENT CALENDAR

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

Consent Calendar Items Nos. 4 – 7, 9 – 13, and 15 and 16.1* were unanimously approved on a single motion by Councilmember Nemeth, seconded by Councilmember Heggarty, with the exception of Items Nos. 8, 14 and 16.1 being pulled for discussion, and with Councilmember Picanco abstaining on Warrant Register Items Nos. 047259, 047300, and 047042.

*A second motion was made at the end of the meeting correcting the prior motion by approving Consent Calendar Items Nos. 4 – 7, 9 – 13, and 15 – 16. Motion by Councilmember Nemeth and seconded by Councilmember Heggarty, with the same exceptions and abstentions as in the first motion.

4. Approve City Council minutes of April 20, 2004 D. Fansler, City Clerk
5. Approve Warrant Registers: Nos. 47139 – 47313 (4/16/04) and 47314 – 47455 (4/23/04)
M. Compton, Administrative Services Director
6. Receive and file Advisory Body Committee minutes as follows:
Citizens Airport Advisory Committee meeting of March 25, 2004
7. Adopt Resolution No. 04-87 declaring certain City property as surplus and approving disposal as identified in Exhibit A. (The City's adopted equipment replacement program provides for replacing computers on a pre-determined schedule.)
M. Compton, Administrative Services Director
9. Adopt Resolution No. 04-89 approving a budget appropriation of \$1,000 from General Fund reserves and authorize the Director of Administrative Services to execute an agreement to participate in the Local Government Tax Data Sharing Program. The State of California Franchise Tax Board has developed a new program to share business gross receipt tax data with local governments for purposes of confirming same for business licensing.)
M. Compton, Administrative Services Director
10. Adopt Resolution No. 04-90 declaring its intent to self-insure for workers' compensation and authorizing the City's participation in the program offered by the California Joint Powers Insurance Authority. (The City has been participating in the Central Coast Cities Self-Insurance Fund's [CCCSIF] liability program since July 2003 following the CCCSIF Board's vote to dissolve the program. In February 2004, the Board voted to dissolve the workers' compensation program effective June 30th, leaving members to pursue their own options. Most member agencies are opting to join CJPIA workers' compensation. This membership would result in considerable savings to the City.)
M. Compton, Administrative Services Director
11. Adopt Resolution No. 04-91 accepting the public improvements of Tract 2254-2 into the City's maintenance system. (This tract is a 15-lot subdivision on a 3.9-acre site located along Silver Oak Drive, off Beechwood Drive, south of Meadowlark Lane, and east of Creston Road. All public improvements have been constructed to the satisfaction of the City Engineer.)
J. Falkenstien, Acting Community Development Director
12. Adopt Resolution No. 04-92 accepting the public improvements of Tract 2373 into the City's maintenance system. (This tract is a 21-lot subdivision, with one open space lot, on a 12.5-acre site located along the west side of Golden Hill Road and the south side of Union Road, south of Highway 46. All public improvements have been constructed to the satisfaction of the City Engineer.)
J. Falkenstien, Acting Community Development Director
13. Adopt Resolution No. 04-93 initiating proceedings for the annual levy for the maintenance of district facilities; adopt Resolution No. 04-94 declaring the intent to levy and cause a notice to be published for a public hearing to be scheduled on June 1, 2004; and adopt Resolution No. 04-95 approving the Draft Preliminary Engineer's Levy Report as presented and making it available to the public for review and comment. (A Landscape and Lighting District was formed in 1989 for the maintenance of streetlights, hardscapes, detention basins, parkways, median islands, open space, slopes, and other appurtenant facilities and operations relating to the L&L District. The annual levy is a two-step process. The first step is for Council to adopt resolutions to initiate the proceedings by scheduling a Public Hearing. Final step takes place at the Public Hearing, wherein the City Council would adopt a resolution to approve the final levy report.)

15. Adopt Resolution No. 04-97 approving a Purchase and Sale Agreement with Union Asphalt, Inc. for a permanent pipeline and temporary construction easement for \$19,915; and authorize the Mayor to execute the agreement. (The Thunderbird well fields, located on the west bank of the Salinas River, provide a large portion of the City's potable water. The existing waterline connects to the 21st Street water storage tank. The Water Master Plan includes a second parallel line, diverting eastward across the Salinas River to South River Road to serve the City's eastside water demands. The planned waterline will connect to the water storage tanks at Golden Hill Road. A portion of the pipeline will be located on property owned by Union Asphalt.)
M. Williamson, Interim Public Works Director
16. Adopt Resolution No. 04-98 authorizing the purchase of \$16,464 in exercise equipment from low bidder LA Gym Equipment. (In January 2004, Council approved the acceptance of a Federal Emergency Management Agency Assistance to Firefighters Grant for \$84,375; approximately \$16,000 of the grant funds was allocated to exercise equipment. Vendors were invited to submit bids for various pieces of equipment and three qualifying bids were received, ranging between \$16,464 and \$21,685.)
K. Johnson, Chief of Emergency Services

CONSENT ITEMS PULLED FOR DISCUSSION:

8. Adopt Resolution No. 04-88 approving a budget appropriation for \$95,000 from the Economic Incentive Fund. (The economic incentive agreement with Pacific Coast Hotel Properties provides for a building permit fee waiver not to exceed \$35,000 and reimbursement for public improvements on Theatre Drive and Alexa Court not to exceed \$95,000. To qualify for reimbursement, Pacific Coast Hotel Properties must document that the public improvements cost at least \$95,000 and that transient occupancy lodging tax collections were at least \$95,000. Both conditions have been met.)
M. Compton, Administrative Services Director
14. Adopt Resolution No. 04-96 rescinding all bids and terminating construction contracts to repair earthquake damages at Centennial Park, Senior Center, Veteran's Building, and the Library/City Hall; and direct staff to re-bid the projects using a quantified, line item bid. (The bidding format for these contracts contained the scope of work to be completed and asked for a "lump sum" price. Contracts were awarded to the lowest responsive bidder for each project. Subsequent to contract award, FEMA/OES informed the City that coverage of damages would be limited unless a line item format was used.)
M. Williamson, Interim Public Works Director

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

Councilmember Nemeth, seconded by Councilmember Finigan, moved to approve pulled Consent Items Nos. 8 and 14. Motion passed by the following unanimous roll call vote:

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

DISCUSSION

17. Fiscal Year 2004-05 Budget and 4-Year Financial Plan

M. Compton, Administrative Services Director

Consider adopting the operating budget and 4-year financial plan for fiscal year 2005. (Due to the State budget crisis last year, the City adopted a 1-year budget in order to gauge State revenue takeaways and their impact on the City's budget. It is again recommended that a 1-year operating budget be adopted until such time as the State adopts a plan to resolve budget deficiencies. This budget generally maintains existing levels of service in the City.)

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

Councilmember Heggarty, seconded by Councilmember Nemeth, moved to adopt Resolution No. 04-99 approving the FY 2004-05 operating budget and 4-year financial plan for fiscal year 2005.

Motion passed by the following roll call vote:

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

18. Melody Drainage Basin

M. Williamson, Interim Public Works Director

Review the use and maintenance of Melody Drainage Basin. (This basin is located between Caddie Lane and Melody Drive, surrounded by single-family residences. The facility was designed, and continues to serve, as a storm water detention basin.)

Mayor Mecham opened the public hearing. Speaking from the public were Ray Barksdale, Maria White, Dale Gustin, Michelle Santos, Eric Farior, and Kathy Barnett. There were no further comments from the public, either written or oral, and the discussion was closed.

Councilmember Nemeth, seconded by Councilmember Picanco, moved to (1) receive and file; (2) direct staff to return to Council by the meeting of August 17th with a scope of work (basin alternative analysis); (3) appoint Mayor Mecham and Councilmember Nemeth to an ad hoc committee to assist with the evaluation, reporting back to Council by August 17, 2004; and (4) in the interim, conduct a general weed abatement and clean-up of the area.

Motion passed by the following unanimous roll call vote:

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

Council recessed for ten minutes.

19. Award of Construction Contract – 13th Street Bridge Widening Project

M. Williamson, Interim Public Works Director

Consider awarding a construction contract for the 13th Street Bridge Widening Project. (Bids for this project were solicited and two bids were received at the Bid Opening on April 15th, ranging from a low bid of \$12,113,691 to a high bid of \$13,388,726. Staff reviewed the low bid submitted by Whittaker Contractors of Santa Margarita and finds it to be responsive.)

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

Councilmember Nemeth, seconded by Councilmember Picanco, moved to adopt Resolution No. 04-100 (1) awarding a construction contract for the 13th Street Bridge Widening Project to Whitaker Contractors of Santa Margarita in the amount of \$12,113,69; and (2) revising the project budget to \$20 million and authorize supplemental appropriations per Exhibit A of the staff report.

Motion passed by the following unanimous roll call vote:

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

20. Award Construction Contract for Installation of Equipment to Control Flow of Sulfur Spring at City Hall Parking Lot

M. Williamson, Interim Public Works Director

Consider awarding a construction contract for the installation of equipment to control the flow of a sulfur spring at City Hall parking lot. (Per Council's direction of April 20th, staff reviewed discrepancies of two bid items on proposals received, as well as checking five of the low bidder's six references. All responses were favorable relative to work schedules, work quality, and overall working relationship with the contractor's clients.)

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

Councilmember Heggarty, seconded by Councilmember Finigan, moved to adopt Resolution No. 04-101 awarding a construction contract for the installation of equipment to control the flow of a sulfur spring at City Hall parking lot to low bidder Associated Pacific Contractors, Inc. for \$70,953.

Motion passed by the following unanimous roll call vote:

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

21. Award of Contract to Update the City's Water and Sewer Master Plans

M. Williamson, Interim Public Works Director

Consider approving a contract to update the City's Water and Sewer Master Plans to Boyle Engineering. (The current Sewer and Water Master Plans were prepared in 1993. With the recent update of the General Plan, these master plans need updating, as well. A Request for Proposal was sent to 15 firms, with three responding. Proposals ranged from \$159,470 to \$415,000. Staff and Council's ad hoc committee reviewed the proposals and found that the team from Boyle Engineering provided the most comprehensive proposal.)

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

Councilmember Nemeth, seconded by Councilmember Finigan, moved to (1) authorize the City Manager to enter a contract with Boyle Engineering in the amount of \$159,470 to update the City's Water and Sewer Master Plans; and (2) terminate the Sewer and Water Master Plans ad hoc committee formed in March 2004 with Councilmember Finigan and Nemeth.

Motion passed by the following unanimous roll call vote:

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

22. Earthquake Recovery – Federal Reimbursement Process Assistance

M. Williamson, Interim Public Works Director

Consider appropriating additional funds to continue professional services dealing with earthquake issues and Federal Emergency Management Administration (FEMA). (The City entered into a contract with Kermani Consulting Group in February 2004 to assist the City in navigating the complex and time consuming public assistance reimbursement process with FEMA. While tentative agreement with FEMA has been reached on the majority of outstanding public project repairs, there remains a significant amount of reimbursement exposure on three key projects, representing \$6.4 million of estimated city-wide repair costs.)

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

Councilmember Picanco, seconded by Councilmember Heggarty, moved to adopt Resolution No. 04-102 approving a budget appropriating of \$30,000 to extend earthquake recovery related services under an existing consultant contract.

Motion passed by the following unanimous roll call vote:

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

23. Pollution Liability Coverage

M. Compton, Administrative Services Director

Consider approving a budget appropriation for liability coverage (non-landfill). (The proposed coverage is for both sudden and gradual pollution. Pollution events are rare, but the cost of an event can be quite severe. The City’s insurance broker indicates that the coverage offered by the California Joint Powers Insurance Authority is a good purchase.)

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

Councilmember Nemeth, seconded by Councilmember Heggarty, moved to adopt Resolution No. 04-103 approving an appropriation from General Fund reserves to Budget Account No. 100-140-5230-138.

Motion passed by the following roll call vote:

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

CITY MANAGER

24. Schedule Date for Applicant Interview & Appointment and/or Make Appointment - Citizens’ Transportation Advisory Committee

J. App, City Manager

Determine preferred course of action to fill one vacancy on the Citizens’ Transportation Advisory Committee.

1 vacancy – 1 applicant: William J. Beasley

Term: At the pleasure of the Council

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

Mayor Mecham, seconded by Councilmember Finigan, moved to appoint William Beasley to the Citizens’ Transportation Advisory Committee for an indeterminate term.

Motion passed by unanimous voice vote.

25. Schedule Date for Applicant Interviews & Appointments - Housing Authority

J. App, City Manager

Select date for conducting interviews and making appointments to fill a vacancy on the Housing Authority.

1 vacancy – 4 applicants: Member-at-large, regular term to fill the vacated term previously filled by David Rouff

Term: Expiring February 28, 2007

William J. Beasley*
Barbara L. Dabul
Michael R. Talen
Edward J. Tascona

* Pursuant to Council policy, appointees may serve on only one standing committee at a time. As Mr. Beasley has been appointed to the Citizens' Transportation Advisory Committee by action of the prior agenda item, his name is being withdrawn as an applicant to the Housing Authority.

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

It was the consensus of Council to postpone setting the date for conducting interviews and making appointment to the Housing Authority until the first Council meeting in June, at which time a date will be set for interviews and appointments to the Youth Commission, the Senior Citizens Advisory Committee, the Library Board of Trustees, and the Parks & Recreation Advisory Committee.

CORRESPONDENCE - None

ADVISORY BODY COMMUNICATION - None

AD HOC COUNCIL BUSINESS

26. Formation of Ad Hoc Committee – Carnegie Library Retrofit and Fire Station No. 2 Expansion

J. Falkenstien, Acting Community Development Director

Consider forming a Council ad hoc committee to work with staff to evaluate consultants' statements of qualifications and proposals for the design of the Carnegie Library seismic retrofit and Fire Station No. 2 expansion projects.

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

It was the consensus of Council to appoint Councilmembers Nemeth and Finigan to an ad hoc committee to work with staff to address issues relating to selection of design consultants for the Carnegie Library seismic retrofit and Fire Station No. 2 expansion projects, with the term of the committee extending to September 30, 2004.

CONSENT ITEM PULLED FOR DISCUSSION

16.1 Read, by title only, and adopt Ordinance No. 875 N.S. amending Sections 14.04.020 and 14.16.020 of the City of El Paso de Robles Municipal Code to adjust sewer and water user fees. (Increases are being considered to provide funds to cover operating shortfalls in both sewer and water operations.) 1ST READING APRIL 20, 2004
M. Compton, Administrative Services Director

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 discussion was closed.

Councilmember Picanco, seconded by Councilmember Nemeth, moved to approve Consent Item No. 16.1.

Motion passed by the following unanimous roll call vote:

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

COUNCIL COMMENTS - None

It was the consensus of Council to adjourn from regular session at 11:55 PM. Motion passed by unanimous voice vote.

ADJOURNMENT: to THE **TIP-A-COP DINNER** AT 6:00 PM ON THURSDAY, MAY 13, 2004, AT THE PASO ROBLES INN, 1103 SPRING STREET; AND TO THE **REGULAR MEETING** AT 7:30 PM ON TUESDAY, MAY 18, 2004, AT THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET.

Submitted:

Sharilyn M. Ryan, Deputy City Clerk
Approved:

**THESE MINUTES ARE NOT OFFICIAL OR A PERMANENT PART OF THE RECORDS
UNTIL APPROVED BY THE CITY COUNCIL AT THE NEXT REGULAR MEETING.**