



CITY OF EL PASO DE ROBLES

"The Pass of the Oaks"

CITY COUNCIL MINUTES

Tuesday, January 16, 2007 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 – Pastor Patrick Sheean

ROLL CALL Councilmembers John Hamon Gary Nemeth, Duane Picanco, Fred Strong, and Frank Mecham

PUBLIC COMMENTS

- Michael Rivera, on illegal immigration issue.

AGENDA ITEMS TO BE DEFERRED (IF ANY) –

By general consent, Council agreed to accommodate guest presenters by moving Item No. 25 to follow Item No. 17 on tonight's agenda.

PRESENTATIONS

State of the City Report – January 2007

F. Mecham, Mayor

Mayor Mecham reviewed the highlights of 2006 in the "2007 State of the City Report."

PUBLIC HEARINGS –

1. Reconsideration of Appeal of Tentative Tract Map 2772 (Owner: Mondo Appellant: Erskine)

R. Whisenand, Community Development Director

CONTINUED FROM DECEMBER 19, 2006. The City Council held a Public Hearing on December 5, 2006 and approved an appeal of the Planning Commission's approval of a tentative tract map for Doug Mondo at the southwest corner of Airport and Dry Creek Roads. The Council voted on December 19, 2006 to reconsider their action of December 5 due to confusion surrounding the effect and timing of the public access condition.

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

Councilmember Strong, seconded by Councilmember Nemeth, moved to continue the Public Hearing to the City Council meeting of February 6, 2007

Motion passed by the following unanimous voice vote.

2. Zoning Code Amendment 06-002, An Ordinance Adding a Definition for "Medical Marijuana Dispensaries", and Prohibiting Establishment of this Business Use

R. Whisenand, Community Development Director

Consider a Zoning Code Amendment adding a definition of medical marijuana dispensaries and prohibiting the establishment of this business use. The City adopted an Urgency Ordinance (896 N.S.) on March 15, 2005 to establish a moratorium on this issue. Ordinance 899 N.S. extended the moratorium and Ordinance on April 19, 2005 to March 15, 2007.

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

Councilmember Hamon, seconded by Councilmember Nemeth, moved to (1) Adopt Resolution No. 07-005 approving the Negative Declaration, and (2) introduce for first reading Ordinance No. XXX N.S.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

CONSENT CALENDAR

Mayor Mecham called for public comments on Consent Calendar items. There were no comments from the public, either written or oral, and the Mayor closed the public discussion.

3. Approve City Council minutes of December 5, 2006 and January 2, 2007

4. Approve Warrant Register: Nos. 67270—67400 (12/29/06) and 67401—67490 (01/05/07)

5. Receive and file Advisory Body Committee minutes as follows:
Paso Robles Pioneer Museum Annual Report July 1, 2005-June 30, 2006
Senior Citizen Advisory Committee Minutes of December 11, 2006
6. Approve the 2007 Certification and Assurances as required by the Federal Transit Administration related to the City's receipt of 5307 grant funds, and authorize the Director of Administrative Services to sign and submit report to the California Department of Transportation.
7. Adopt Resolution No. 07-006 authorizing the purchase of new police firearms and accessories in accordance with the LAPD bid contract No. 220424, pursuant to the equipment grant awarded by the State Law Enforcement Services Fund ("SLESF").
8. Adopt Resolution No. 07-007 declaring police firearms as surplus and authorize the disposal of the equipment.
9. Adopt Resolution No. 07-008 awarding the contract for Maintenance of the City's 23 Traffic Signals to Republic ITS (the sole bid received) in the annual amount of \$98,448 for monthly maintenance and estimated call out service.
10. Adopt Resolution No. 07-009 awarding the construction contract for a CIP project, the Therapy Pool Upgrade (replacing the roof, installing locker rooms, new heating/ventilation, etc.) to Santa Margarita Construction Corporation, the low bid meeting bid document requirements, for \$618,000.
11. Adopt Resolution 07-010 approving a promissory note for funds advanced to prepare the Airport Road Project Study Report ("ARPSR"). Resolution No. 04-172 approved a contract with Omni-Means to prepare the report with funds loaned from the General Fund, secured through a promissory note.
12. Adopt Resolution 07-011 establishing the Ivy Lane Sewer Reimbursement Agreement, and authorize the Mayor to enter into an agreement with William Reisz for the City to collect the reimbursable amounts on behalf of Mr. Reisz, to a total aggregate amount of \$14,847.
13. Adopt Resolution 07-012 amending the City's adopted Conflict of Interest Code. The Conflict of Interest Code, Exhibit "A", is amended annually to update personnel classifications.

Consent Calendar Items Nos. 3 - 13 were approved on a single motion by Councilmember Nemeth, seconded by Councilmember Hamon, with Councilmember Picanco abstaining on Warrant Register Items Nos. 067359.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

DISCUSSION

14. Downtown Parking Financing

R. Whisenand, Community Development Director

Consider authorizing preparation of a Downtown long-term parking development Phase II financing plan. Kimley-Horn and EPS have submitted a proposal to update the 2002 Downtown Parking and Circulation Analysis and Action Plan and complete a Downtown Parking Financing Plan. The proposed project is estimated not to exceed \$55,000 and may take up to six months to complete.

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

Councilmember Hamon, seconded by Councilmember Picanco, moved to reject the proposal from Kimley-Horn/EPS, and directed staff to develop an action plan based upon the 2002 study findings, and formulate financing options based on those findings, current work, and the experience of other cities.

Motion passed by the following unanimous voice vote.

15. Canyon Creek Apartments – Assistance to Education Enhancement Program and Determination of Payment in Lieu of Taxes Agreement

R. Whisenand, Community Development Director

Consider terminating or suspending the Payment in Lieu of Taxes (“PILOT”) Agreement for Peoples’ Self-Help Housing Corp.’s Canyon Creek Apartments in return for provision of educational enhancement services to both residents of Canyon Creek and to the general public, with a focus on children at the K-6 age group. Jeanette Duncan, from PSHHC, answered questions from the Council.

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

Councilmember Strong, seconded by Councilmember Nemeth, moved to adopt Resolution No. 07-013 to approve an amendment to the PILOT Agreement for Canyon Creek Apartments, in a form approved by the City Attorney, to provide that payments in lieu of taxes be suspended as long as PSHHC or its successors continue to operate the Educational Enhancement Program as noted.

Motion passed by the following roll call vote.

AYES: Hamon, Nemeth, Strong
NOES: Picanco, Mecham
ABSTAIN:
ABSENT:

Council adjourned for a 10-minute recess at 8:55 PM. Council reconvened at 9:08 PM. with the Mayor and all City Councilmembers present.

16. State Transit Assistance Applications for Transit Projects

M. Compton, Director of Administrative Services

Mr. Compton distributed a sixth application submitted to SLOCOG on January 11, 2007, as listed below.

1. Sidewalk to bus stop on Creston Road @ Food4Less	\$ 18,000
2. Sidewalk to bus stop on Niblick Road @ Albertson's	\$ 30,000
3. Construction of restrooms at Transit Center for after hours use by Greyhound Bus & Amtrak customers	\$146,000
4. Marketing plan implementation (guides, bus painting, etc)	\$175,000
5. Installation of additional bus shelters with benches and trash receptacles	\$ 75,000
6. Purchase of 6 Electronic Headway Signs	\$70,000

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 Mayor closed the public discussion.

Councilmember Strong, seconded by Councilmember Picanco, moved to adopt Resolution No. 07-014 affirming the six applications for State Transit Assistance ("STA") submitted to the San Luis Obispo Council of Governments (SLOCOG) on January 4 and 11, 2007.

Motion passed by the following unanimous roll call vote.

- AYES: Hamon, Nemeth, Picanco, Strong, and Mecham
- NOES:
- ABSTAIN:
- ABSENT:

17. 839 12th Street (A & R Furniture) – Request for Covered Walkway

R. Whisenand, Community Development Director

Consider a request to allow placement of a temporary wood walkway on the west side of Pine Street to protect the public during the seismic retrofit process at 839 12th Street.

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

Councilmember Nemeth, seconded by Councilmember Strong, moved to adopt Resolution No. 07-015 approving the request for an encroachment permit for a temporary covered walkway on Pine Street for the building located at 839 Pine Street from January 17 to May 1, 2007, and directing the applicant to paint the structure to amend its appearance. Unless extended by the City Council, the covered walkway shall be removed no later than May 15, 2007.

Motion passed by the following unanimous roll call vote.

- AYES: Hamon, Nemeth, Picanco, Strong, and Mecham
- NOES:
- ABSTAIN:
- ABSENT:

25. GASB 43 & 45 – Report on Other Post Employment Benefits (OPEB) –

M. Compton, Director of Administrative Services

GASB standards require the City to measure and disclose annual OPEB costs, which include payments made to retired employees for such items as health insurance coverage. Council awarded the contract to Demsey, Filliger & Associates in September 2006, and the firm has completed the actuarial study for presentation to Council, given by Mr. Filliger.

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 Mayor closed the public discussion.

Councilmember Strong, seconded by Councilmember Hamon, moved to receive and file the Demsey, Filliger & Associates GASB 45 Valuation as of July 1, 2006 Report.

Motion passed by the following unanimous voice vote.

18. Business License Classifications - Code Amendment

M. Compton, Director of Administrative Services

The current business license tax classification under §5.04.290 of the Municipal Code does not list a specific classification for water parks. The City has received a business license application to operate a water park. The annual license tax based on gross receipts is established in the manner as set forth in §5.04.220, amended most recently by Resolution No. 98-146.

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

Councilmember Nemeth, seconded by Councilmember Strong, moved to introduce and hold first reading of Ordinance No. XXX N.S. to modify business license tax classification under §5.04.290; and set February 6, 2007 as the date for adoption of said ordinance.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

19. Award of Contract – Roofing Replacement at Centennial Park

D. Monn, Public Works Director

Consider awarding a contract to Best, Inc. to replace the roofing at Centennial Park. Centennial Park opened in 1989 and includes a gym, community center and pool office/lifeguard room. The roofs are in need of replacement and the adopted Capital Improvement Budget includes an allocation of \$150,000 for this work. Due to price inflation in the roofing industry, an additional \$54,000 is needed for the project. One bid was received, submitted by Best, Inc. for \$203,775 which was reviewed, and deemed a responsive bid.

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

Councilmember Strong, seconded by Councilmember Hamon, moved to adopt Resolution No. 07-016 awarding the roof repair contract at Centennial Park to Best Inc. in the amount of \$203,775, and appropriating an additional \$54,000 for the project from the Facilities Repair Fund.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

20. Promissory Note for Highway 101/46W Interchange Improvements

M. Compton, Director of Administrative Services

Consider approval of a promissory note for funds advanced prior to the formation of a Community Facilities District ("CFD") for interchange improvements. Formation of the CFD may take several months and until established and bonds are sold funds must be advanced from other sources to cover expenditures. The remaining amount required to acquire property and prepare the design for Theatre Drive improvements is \$6.7 million.

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 Mayor closed the public discussion.

Councilmember Hamon, seconded by Councilmember Strong, moved to adopt Resolution No. 07-017 approving a promissory note for amounts advanced from the Sewer Operations Fund to the Traffic Mitigation Development Impact Fee Fund for costs incurred prior to the formation of the CFD and sale of bonds.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham

NOES:

ABSTAIN:

ABSENT:

**21. Highway 101/46W Interchange Improvements -
Purchase of 250 Gahan Place (Munari)**

D. Monn, Public Works Director

Consider authorizing the purchase of property at 250 Gahan Place (APN 009-831-009) to facilitate the installation of future interchange improvements. An appropriation of \$1.762 million is needed to cover the acquisition and any additional closing costs.

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

Councilmember Nemeth, seconded by Councilmember Strong, moved to adopt the following resolutions:

- 1) Resolution No. 07-018 accepting the Planning Commission report on consistency with the General Plan, and

- 2) Resolution No. 07-019 accepting the deed of purchase and authorizing and directing the City Clerk to record the document with the County Recorder's Office; and
- 3) Resolution No. 07-020 approving a \$1,762,000 budget appropriation from the Hwy 101/46W CFD Fund.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

**22. Highway 101/46W Interchange Improvements –
Purchase of 390 Gahan Place (Laughlin)**

D. Monn, Public Works Director

Consider authorizing the purchase of property at 390 Gahan Place (APN 009-831-008) to facilitate the installation of future interchange improvements. An appropriation of \$5.444 million is needed to cover the acquisition and any additional closing costs.

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

Councilmember Hamon, seconded by Councilmember Nemeth, moved to adopt the following resolutions:

- 1) Resolution No. 07-021 accepting the Planning Commission report on consistency with the General Plan, and
- 2) Resolution No. 07-022 accepting the deed of purchase and authorizing and directing the City Clerk to record the document with the County Recorder's Office; and
- 3) Resolution No. 07-023 approving a \$5,444,000 budget appropriation from the Hwy 101/46W CFD Fund.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

23. Intersection Improvements South River Road/Charolais Road

D. Monn, Public Works Director

Consider adoption of a Plan Line for future improvements to the intersection at South River Road and Charolais Road. Council awarded a contract to Whitlock & Weinberg Transportation, Inc. (W-Trans) in December 2005 to assess the intersection and provide recommendations for possible future improvements. The ad hoc committee has reviewed the preliminary findings of the study and supports the recommendation that a roundabout is both feasible and the most efficient traffic handling device for this intersection. Steve Weinberger, with W-Trans, presented his report.

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 Mayor closed the public discussion.

Councilmember Strong, seconded by Councilmember Hamon, moved to adopt the Plan Line for the intersection of South River Road and Charolais Road, and accept the recommendation of W-Trans to install a roundabout at this intersection.

Motion passed by the following unanimous roll call vote.

AYES: Hamon, Nemeth, Picanco, Strong, and Mecham
NOES:
ABSTAIN:
ABSENT:

**24. Comprehensive Annual Financial Report ("CAFR") -
Fiscal Year ending June 30, 2006**

M. Compton, Director of Administrative Services

Consider the Comprehensive Annual Financial Report ("CAFR") for the fiscal year ending June 30, 2006.

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 Mayor closed the public discussion.

Councilmember Strong, seconded by Councilmember Nemeth, moved to receive and file the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2006.

Motion passed by the following unanimous voice vote.

25. Considered following Item No. 17.

CITY MANAGER - None

CORRESPONDENCE - None

ADVISORY BODY COMMUNICATION – None

AD HOC COMMITTEE COMMUNICATION - None

COUNCIL COMMENTS (Including oral reports on conferences attended) –

Councilmembers Strong, Nemeth and Hamon reported on recent League of California Cities' meetings in Sacramento.

ADJOURNMENT:

- to THE ADJOURNED REGULAR MEETING FOR ADVISORY BODY INTERVIEWS & APPOINTMENTS AT 6:30 PM, THURSDAY, JANUARY 25, 2007 AT THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET
- to THE PASO ROBLES CHAMBER OF COMMERCE ANNUAL DINNER, AT 6:00 PM, SATURDAY, JANUARY 27, 2007, AT THE PASO ROBLES EVENTS CENTER
- to THE ADJOURNED REGULAR MEETING AND PUBLIC WORKSHOP ON 2007 GOAL SETTING AT 9:00 AM ON SATURDAY, FEBRUARY 3, 2007, AT THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET
- to THE REGULAR MEETING AT 7:30 PM ON TUESDAY, FEBRUARY 6, 2007, AT THE LIBRARY/CITY HALL CONFERENCE CENTER, 1000 SPRING STREET

Submitted:

Deborah D. Robinson, Deputy City Clerk
Approved: February 6, 2007