

**MINUTES**  
**SPECIAL MEETING OF THE CITY COUNCIL**  
**CITY OF SAN LUIS OBISPO**  
**TUESDAY, APRIL 14, 2009**  
**990 PALM STREET**  
**SAN LUIS OBISPO, CALIFORNIA**

**5:00 P.M. – SPECIAL MEETING – COUNCIL CHAMBER**

**ROLL CALL:**

**Council Members**

**Present:** Council Members John Ashbaugh, Andrew Carter, Jan Howell Marx, and Mayor Dave Romero were present at Roll Call. Vice Mayor Allen K. Settle was seated immediately thereafter.

**City Staff**

**Present:** Ken Hampian, City Manager, Jonathan Lowell, City Attorney, Shelly Stanwyck, Assistant City Manager, and Audrey Hooper, City Clerk, were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

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**BUSINESS ITEMS**

City Manager Hampian discussed the schedule and process for tonight's meeting.

**1. OVERTIME PRACTICES.**

Human Resources Director Irons presented the agenda report, including supplemental overtime information provided to Council under separate cover (on file in the City Clerk's office). She and Finance & Information Technology Director Statler responded to questions.

At the request of Vice Mayor Settle for the record, Finance & Information Technology Directory Statler clarified that most benefits, such as retirement and health coverage, do not increase with overtime. He explained that it is for this reason that the cost of regular staffing and overtime are often about the same. He also indicated that, in some cases, such as in 2004 when the City implemented constant staffing in the Fire Department, it can be less costly to use overtime than regular staffing in meeting service delivery goals.

**Public Comments**

No comments were forthcoming.

---end of public comments---

**ACTION:** Moved by Marx/Ashbaugh to modify the City's Budget and Fiscal Policies to be included in the 2009-11 Financial Plan to clearly define the use and management of overtime costs throughout the organization; motion carried 5:0.

**2. ECONOMIC STIMULUS UPDATE.**

Assistant City Manager Stanwyck presented the agenda report. She, Finance & Information Technology Director Statler, Public Works Director Walter, and Natural Resources Manager Havlik responded to questions.

Public Comments

Andre Ourthiaque, San Luis Obispo, discussed his belief that all future applications for federal stimulus grant funds should also be approved by the City Council.

---end of public comments---

A brief discussion followed during which City Manager Hampian clarified the process that will be followed in submitting these grant applications and responded to questions.

**ACTION:** Moved by Marx/Settle to authorize staff to apply for American Recovery and Reinvestment Act grants and authorize the City Manager to execute any agreements related to such grants; motion carried 5:0.

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**ANNOUNCEMENT OF CLOSED SESSION TOPIC**

City Attorney Lowell announced the Closed Session topic indicated below that was heard at 6:00 p.m.

The meeting recessed at 5:50 p.m.

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**6:00 P.M. CLOSED SESSION – COUNCIL HEARING ROOM**

The Closed Session convened at 6:00 p.m. with all Council Members present.

**CONFERENCE WITH LABOR NEGOTIATOR**

Pursuant to Government Code § 54957.6

Agency Negotiator: Monica Irons

Employee Organizations: San Luis Obispo City Employees Association (SLOCEA)  
San Luis Obispo Police Officers Association (SLOPOA)  
San Luis Obispo Police Staff Officers Association (SLOPSOA)  
San Luis Obispo Fire Association (Fire)

San Luis Obispo Fire Battalion Chiefs Association  
Unrepresented Confidential Employees  
Unrepresented Management Employees

**PUBLIC COMMENT ON CLOSED SESSION ITEM**

Mayor Romero called for public comments. None were forthcoming and the meeting adjourned to the Closed Session.

**THE CLOSED SESSION ADJOURNED AT 6:50 P.M.**

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**7:00 P.M. SPECIAL MEETING – COUNCIL CHAMBER**

The meeting convened with all members present.

**CLOSED SESSION REPORT**

City Attorney Lowell reported that the Closed Session was held as indicated above. Council provided direction to its labor negotiator regarding labor negotiations with the specified organizations. There was no further reportable action at this time.

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**BUSINESS ITEMS**

**3. CITY COUNCIL GOAL WORK PROGRAMS FOR 2009-11.**

City Manager Hampian made some introductory remarks, following which Assistant City Manager Stanwyck presented the agenda report for each of the following goals. She and staff as indicated below responded to Council's questions throughout the presentations. Unless noted, no changes were made to the goals or the related work programs.

**Infrastructure Maintenance**

Public Works Director Walter, Recreation Supervisor Fitzgerald, City Engineer Lynch, and Finance & IT Director Statler responded to questions.

**Public Comments**

Steve Barasch, San Luis Obispo, suggested that it may be more cost effective for the City to hire contractors to perform certain street pavement work on easements over City property rather than having the street maintenance crew do the work.

---end of public comments---

Public Works Director Walter explained when it is more cost-effective to use City staff for street pavement work.

Council consensus was to accelerate the repainting of light poles in the downtown.

### **Traffic Congestion Relief**

Public Works Director Walter responded to questions.

### **Public Comments**

Adam Fukushima, SLO County Bicycle Coalition, spoke in support of the proposal for the Railroad Safety Trail.

Eric Veium, San Luis Obispo, spoke in support of infrastructure for bicycles and buses.

---end of public comments---

Council consensus was to add language to this goal to reconsider the cost/benefit of the planned median in the Mid Higuera Area Plan which covers improvements on Higuera Street between Marsh and High Streets.

### **Economic Development**

### **Public Comments**

The following people asked Council to allocate resources in support of economic development.

Clint Pearce, San Luis Obispo

Erik Justesen, RRM Design Group and Chamber member

Ron Yukelson, resident and Chamber Board member

Bob Stets, Chamber Board member

Eric Veium, San Luis Obispo

Kathi Main, business owner and Chamber member

Steve Barasch, San Luis Obispo

Carl Dudley, resident

Ken Smokoska, Work Force Education Training for a Green Economy, encouraged staff to support green technology programs for students as well as new jobs in the field of green technology.

Leslie Halls, San Luis Obispo, made several revenue enhancing suggestions, including offering an incentive such as the City paying automobile registration for cars purchased in the City, giving out \$30 gift certificates to shoppers who have

spent a designated amount during a one-day shopping spree, or paying an additional percentage to real estate brokers who sell vacant properties.

---end of public comments---

Council asked staff to identify the potential for added staff resources to support this goal. They also suggested that references to AB 811 (regarding climate protection) should be included along with clearer descriptions of the environmental community's involvement in accomplishing this goal.

### **Preservation of Critical Services & Fiscal Health**

#### **Public Comments**

No comments were forthcoming.

---end of public comments---

Council concurred that, with the exception of item 14e ("Human Resource Programs and Practices), most of task 14 ("Resume Formal Organizational Reviews on an Ongoing Basis") will be removed from the action plan for this goal and the funding allocation of \$37,500 will be redirected toward supporting the economic development goal.

The following "Other Important Objectives" were continued to the meeting of April 21 at 3:00 p.m.:

#### **Land Use and Circulation Revisions**

#### **Open Space Preservation**

#### **Green House Gas Reduction & Energy Conservation**

#### **Downtown Maintenance and Beautification**

#### **Historic Preservation**

Council recessed at 9:16 p.m. and the meeting reconvened at 9:25 p.m. with all members present.

### **4. STRATEGIC BUDGET DIRECTION.**

Finance and Information Technology Director Statler presented the agenda report. He and Fire Chief Callahan responded to questions.

#### **Public Comments**

Doug Dowden, SLOCEA President, offered to answer questions on behalf of SLOCEA and noted SLOCEA's support as Council seeks solutions to the budget challenges.

Marta Peluso, resident and Executive Director of Arts Obispo, spoke in support of retaining the Promotional Coordinating Committee (PCC) grants-in-aid budget.

Upon learning that this matter will not be considered until June 4, other speakers supporting PCC grants-in-aid agreed to defer comments until that meeting.

Carol Florence, San Luis Obispo resident and business owner, spoke in opposition to the proposed increase in development fees. She suggested, instead, that Council should explore a decrease in those fees for a specified period of time as other cities are doing. She agreed with earlier comments in support of economic development. In response to Council Member Ashbaugh, she clarified that she does not object to a pre-application process.

---end of public comments---

The following is a summary of the strategies that were discussed, including Council consensus and direction:

### **Reducing Reserves.**

Council agreed to a limited use of the reserve (i.e., \$300,000 annually) while still maintaining a 20% reserve level.

### **General Fund Capital Improvement Plan (CIP)**

Council supported reducing the CIP from the 2007-09 levels by \$4.8 million.

### **Revenue Enhancements**

There was overall support by the Council to approve, in concept, the recommended revenue enhancements as part of the budget balancing strategy. However, Council provided additional direction on the following four items:

1. Child Care Fees. Staff will return with rate structure options for lower overall cost recovery than initially proposed (i.e., along the lines of 10% versus 20%).
2. Engineering Permits: Roll-Off fees. Staff will return with an additional analysis and options for this fee.
3. Open Container Violations. Staff will return with additional analysis and options that consider the seriousness of open container violations compared with other offenses.
4. Encroachment Permits. Staff will return with additional analysis and options for lower fees for small-scale curb/gutter/sidewalk and trenching encroachment permits (such as residential sewer laterals).

Council Member Marx reminded Council of its procedures to require a vote to continue a meeting past 11:00 p.m. and moved to continue this meeting no later than midnight. Motion failed due to lack of a second.

A brief discussion ensued during which Council indicated its desire to discuss the Cost of Services Study at another meeting. During the discussion, City Manager Hampian also clarified that the operating budget reduction options provided to Council were for information purposes only. No further discussion or action was requested from Council on these options at this time for reasons specified in the agenda report.

Council concurred to continue implementation of the Cost of Services Study to 3:00 p.m. on April 21. Council agreed to continue consideration of the Council Work Programs that were not considered at this meeting at that time.

Council Member Marx expressed concern with several of the initial proposed budget reduction options and remarked on new ideas which she would support when this matter comes back to Council.

**ACTION:** Council consensus and direction were noted above. No further action was required.

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There being no further business to come before the City Council, Mayor Romero adjourned the meeting at 11:30 p.m.

  
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Audrey Hooper  
City Clerk

APPROVED BY COUNCIL: 06/02/09

