CALL TO ORDER

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION MATTERS
Comments from the public will not receive Council action. Comments must deal with matters on the Closed Session agenda and will be limited to three minutes.

A. Conference with Real Property Negotiators (Government Code § 54956.8) 
(Continued from February 20, 2019 City Council Special Meeting.)
Property: Union Pacific Railroad, Walking Path from Del Monte Avenue to Sinex Avenue
City Negotiator: Ben Harvey and David C. Laredo
Under negotiation: *Price and terms of payment*

B. Liability Claims (Government Code § 54956.95)
Claimant: Jeff Haas
Workers Compensation Case No. SAC0000182229
Agency claimed against: City of Pacific Grove

C. Conference with Legal Counsel – Existing Litigation (Government Code § 54956.9)
Monterey County Superior Court Case No. 18CV001242

D. Conference with Legal Counsel – Existing Litigation (Government Code § 54956.9)
Monterey County Superior Court Case No. 18CV002411

ADJOURNMENT
NOTICE OF MEETING

CITY OF PACIFIC GROVE

CITY COUNCIL

REGULAR MEETING AGENDA

Wednesday, March 6, 2019, 6:00 P.M.
Council Chamber – City Hall – 300 Forest Avenue, Pacific Grove, CA

The Council will not begin consideration of any item on this agenda later than 10:00 p.m. unless such consideration is approved. Any items on this agenda not considered this evening will be continued to a future meeting.

Copies of the agenda packet are available for review at the Pacific Grove Library located at 550 Central Avenue; the main counter in City Hall at 300 Forest Avenue, Pacific Grove; and on the internet at www.cityofpacificgrove.org/agendas. The most effective method of communication with the City Council is by sending an email to citycouncil@cityofpacificgrove.org. In order to allow the City Council adequate time to review communication related to an agenda item, and in order to allow for the communication to be photocopied and placed within the Reading File, it is recommended that the communication be sent no later than 9:00 AM on the day prior to the City Council meeting.

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE: Councilmember Garfield

1. APPROVAL OF AGENDA

2. PRESENTATIONS
   A. Mayor’s Proclamation: American Red Cross Month

3. COUNCIL AND STAFF ANNOUNCEMENTS (City-Related Items Only)
   A. Report on Closed Session by City Attorney
   B. Other

4. GENERAL PUBLIC COMMENT
   General Public Comment must deal with matters subject to the jurisdiction of the City and the Council that are not on the Regular Agenda. This is the appropriate place to comment as to items on the Consent Agenda, only if you do not wish to have the item pulled for individual consideration by the Council. Comments from the public will be limited to three minutes and will not receive Council action. Comments regarding items on the Regular Agenda shall be heard prior to Council’s consideration of such items at the time such items are called. Whenever possible, written correspondence should be submitted to the Council in advance of the meeting, to provide adequate time for its consideration.

CONSENT AGENDA

The Consent Agenda deals with routine and non-controversial matters, and may include action on resolutions, ordinances, or other public hearings for which testimony is not anticipated. The vote on the Consent Agenda shall apply to each item that has not been removed. Any member of Council, staff, or the public may remove an item from the Consent Agenda for individual consideration. When items are pulled for discussion, they will be automatically placed at the end of their respective section within the Regular Agenda. One motion shall be made to adopt all non-removed items on the Consent Agenda.
5. APPROVAL OF CITY COUNCIL MEETING MINUTES  
   Items pulled from this section will be placed under 12. Unfinished and Ongoing Business  
A. Minutes of the February 20, 2019 City Council Special and Regular Meetings  
   Reference: Sandra Kandell, City Clerk  
   Recommended Action: Approve minutes.  
   CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

6. RESOLUTIONS  
   Items pulled from this section will be placed under 12. Unfinished and Ongoing Business or 13. New Business  
A. Delegation of Authority to Make Decisions on Applications for CalPERS Disability Retirement  
   Reference: Leticia Livian, Human Resources Manager  
   Recommended Action: Adopt a resolution to delegate Government Code authority to the City Manager to certify CalPERS determinations regarding local safety members’ eligibility for disability retirement.  
   CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines Section 15378

7. ORDINANCES  
   Items pulled from this section will be placed under 11. Public Hearings  
   None.

8. REPORTS – INFORMATION ONLY  
   Items pulled from this section will be placed under 12. Unfinished and Ongoing Business or 13. New Business  
A. Receive Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan  
   This item was continued from the February 20, 2019 City Council Regular Meeting.  
   Reference: Tori Hannah, Administrative Services Director  
   Recommended Action: Receive Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan or Other Post-Employment Benefits (OPEB).  
   CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

B. Status of the City’s Water Allocation from MPWMD and of the City’s Water Wait List  
   Reference: Anastazia Aziz, AICP, Community Development Department Director  
   Recommended Action: Receive a report on the status of the City’s water reserves as shown on the January 2019 Monterey Peninsula Water Management District (MPWMD) monthly allocation report.  
   CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

C. Periodic FORA Update  
   Reference: Cynthia Garfield, Council Member
Recommended Action: Receive the report.

**CEQA:** Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

D. Community Human Services Regular Meeting Minutes of January 17, 2019  PG 57
   Reference: Alan Cohen
   Recommended Action: Receive minutes.
   **CEQA:** Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

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9. **REPORTS – REQUIRING ACTION**
   Items pulled from this section will be placed under 12. Unfinished and Ongoing Business or 13. New Business
   None.

10. **MEETING MINUTES OF COMMISSIONS, BOARDS, AND COMMITTEES**
    Items pulled from this section will be placed under 13. New Business
    A. Architectural Review Board Meeting Minutes: January 8, 2019  PG 59
       **CEQA:** Does not constitute a “Project” as defined by CEQA Guidelines Section 15378
    B. Economic Development Commission Meeting Minutes: January 10, 2019  PG 63
       **CEQA:** Does not constitute a “Project” as defined by CEQA Guidelines Section 15378
    C. Museum Meeting Minutes: November 13, 2018  PG 65
       **CEQA:** Does not constitute a “Project” as defined by CEQA Guidelines Section 15378
    D. Planning Commission Meeting Minutes: January 17, 2019  PG 69
       **CEQA:** Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

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**REGULAR AGENDA**

11. **PUBLIC HEARINGS**
    For public hearings involving a quasi-judicial determination by the Council, the proponent of an item may be given 10 minutes to speak and others in support of the proponent’s position may be given three minutes each. A designated spokesperson for opposition to the item may be given 10 minutes to speak and all others in opposition may be given three minutes each. Very brief rebuttal and surrebuttal may be allowed in the sole discretion of the Council. In public hearings not involving a quasi-judicial determination by the Council, all persons may be given three minutes to speak on the matter. Public hearings on non-controversial matters or for which testimony is not anticipated may be placed on the Consent Agenda, but shall be removed if any person requests a staff presentation or wishes to be heard on the matter.
    A. Zoning Code Modifications Regarding Off Street Parking Requirements in Residential Districts  PG 73
       Reference: Mark Brodeur, Community and Economic Development Director
       Recommended Action: Introduce and hold first reading of an Ordinance to amend the Municipal Code to modify off street residential parking regulations, and direct publication of a summary of the ordinance as approved by the City Attorney.
       **CEQA:** Categorically Exempt (Class 5 – Minor Alterations in Land Use
12. UNFINISHED AND ONGOING BUSINESS
A. Draft Tactics for 2019-2020 City Council Goals  PG 79
   Reference: Ben Harvey, City Manager
   Recommended Action: Review proposed draft tactics for 2019-2020 City Council
   Goals, and direct the City Manager to return with final goal tactics for City Council
   ratification.
   CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section
   15378

B. Approving Resolution Revising Council Policy 000-5 and the Committee
   Handbook  PG 89
   Reference: Ben Harvey, City Manager and Heidi Quinn, Assistant City Attorney
   Recommended Action: Amend Council Policy 000-5 and adopt a revised Boards,
   Committees and Commissions Handbook and authorize staff, with Mayor
   concurrence, to make future non-substantive amendments.
   CEQA: Does not constitute a “Project” under California Environmental Quality
   Act (CEQA) Guidelines Section 15378

13. NEW BUSINESS
A. Library Poetry Program  PG 123
   Reference: Scott Bauer, Library Director
   Recommended Action: Approve the Library Poetry Program.
   CEQA: Does not constitute a “Project” under California Environmental
   Quality Act (CEQA) Guidelines Section 15378

B. Local Coastal Program City Council Subcommittee  PG 129
   Reference: Ben Harvey, City Manager
   Recommended Action: Designate the Mayor and the Mayor Pro Tem to serve on a
   Local Coastal Program City Council Subcommittee tasked with reviewing and
   advising on California Coastal Commission (CCC) suggested modifications to the
   City’s adopted Local Coastal Program in consultation with City staff, lead
   consultants McCabe & Company, and legal counsel.
   CEQA: Does not constitute a “Project” under the California Environmental
   Quality Act (CEQA) Guidelines Section 15378

14. FULL PRESENTATIONS
   None.

ADJOURNMENT

NOTICE OF ADA COMPLIANCE: Pursuant to Title II of the Americans with Disabilities Act (Codified At 42 United States
Code Section 12101 and 28 Code of Federal Regulations Part 35), and Section 504 of the Rehabilitation Act of 1973, the City of
Pacific Grove does not discriminate on the basis of race, color, religion, national origin, ancestry, sex, disability, age or sexual
orientation in the provision of any services, programs, or activities. The City of Pacific Grove does not discriminate against
persons with disabilities. City Hall is an accessible facility. A limited number of assisted listening devices will be available at
this meeting. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure
accessibility to this meeting or provide the requested agenda format.
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CALL TO ORDER
Mayor Peake called the meeting to order at 5:00 p.m. Present: Mayor Peake, Mayor Pro Tem Huitt, Councilmembers Amelio, Garfield, McAdams, Smith, and Tomlinson.

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION MATTERS
No public comment was received.

A. Conference with Real Property Negotiators (Government Code § 54956.8)  
Property: Municipal Parking Lot, Fountain Avenue and 15th Street  
City Negotiator: Ben Harvey and Mark Brodeur  
Under negotiation: Price and terms of payment

B. Conference with Real Property Negotiators (Government Code § 54956.8)  
Property: 542 Lighthouse Avenue  
City Negotiator: Ben Harvey and Scott Bauer  
Under negotiation: Price and terms of payment

C. Conference with Real Property Negotiators (Government Code § 54956.8)  
Property: Union Pacific Railroad, Walking Path from Del Monte Avenue to Sinex Avenue  
City Negotiator: Ben Harvey and David C. Laredo  
Under negotiation: Price and terms of payment
CALL TO ORDER
Mayor Peake called the meeting to order at 6:00 p.m. Present: Mayor Peake, Mayor Pro Tem Huitt, Councilmembers Amelio, Garfield, McAdams, Smith, and Tomlinson.

PLEDGE OF ALLEGIANCE
Councilmember Tomlinson led the pledge of allegiance.

1. APPROVAL OF AGENDA
City Manager requested Consent Agenda Item 8A be continued to the City Council’s meeting of March 6, 2019. Upon motion by Councilmember Smith and seconded by Councilmember Amelio, the City Council voted 7-0 to approve the agenda as amended.

2. PRESENTATIONS
   A. Service Awards: Roque Pinheiro
      Reference: Ben Harvey, City Manager

3. COUNCIL AND STAFF ANNOUNCEMENTS (City-Related Items Only)
   A. City Attorney Dave Laredo reported Council met with respect to the three noticed Conference with Real Property Negotiators (Government Code § 54956.8). As to A. Municipal Parking Lot, Fountain Avenue and 15th Street, and B. 542 Lighthouse Avenue, status reports were provided by real property negotiators, but no reportable action was taken. As to C. Union Pacific Railroad, Walking Path from Del Monte Avenue to Sinex Avenue, due to time constraints, this matter was continued to the City Council’s March 6, 2019 meeting.
   B. Council and staff made general announcements.

4. GENERAL PUBLIC COMMENT
   Public comment was received from Peter Mounteer.

CONSENT AGENDA
Action: During the Approval of the Agenda section, Consent Agenda Item No. 8A was continued to the City Council’s March 6, 2019 meeting.
Action: Upon motion of Councilmember Huitt and seconded by Councilmember Garfield, the Council voted 7-0 to approve the remainder of the Consent Agenda.
5. APPROVAL OF CITY COUNCIL MEETING MINUTES
   A. Minutes of the February 4, 2019 City Council Special Planning Session Meeting
      Action: Approved minutes.
      CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378
   B. Minutes of the February 6, 2019 City Council Special and Regular Meetings
      Action: Approved minutes.
      CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

6. RESOLUTIONS
   None.

7. ORDINANCES
   A. Second reading of an ordinance to amend the City Salary Classification Schedule
      Action: Held second reading and adopted Ordinance 19-003 to amend the salary classification schedule to establish salary ranges Community Development Director, Senior Program Manager, and Cashier.
      CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines Section 15378
   B. Second Reading of an Ordinance Amending the Fiscal Year 2018-19 Budget
      Action: Held second reading and adopted Ordinance 19-004 amending the Fiscal Year 2018-19 Budget.
      CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

8. REPORTS – INFORMATION ONLY
   A. Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan
      This matter was continued to the City Council’s March 6, 2019 meeting.
      Reference: Tori Hannah, Administrative Services Director
      Recommended Action: Receive Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan or Other Post-Employment Benefits (OPEB)
      CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines
   B. Recent Regional Meetings
      Action: Received report.
      CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

9. REPORTS – REQUIRING ACTION
   A. New Appointment to Economic Development Commission
      Action: Approved the appointment of Amber Russell Kerchner to the Economic Development Commission for a term ending January 31, 2021
10. MEETING MINUTES OF COMMISSIONS, BOARDS, AND COMMITTEES
   A. Golf Links Advisory Commission Meeting Minutes: October 17, 2018
      Action: Received minutes.
      CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378.

   B. Library Advisory Board Meeting Minutes: December 10, 2018
      Action: Received minutes.
      CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378.

   C. Traffic Safety Commission Meeting Minutes: November 13, 2018 and Amended Minutes of October 9, 2018
      Action: Received minutes.
      CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378.

REGULAR AGENDA

11. PUBLIC HEARINGS
   A. Appeal of the Zoning Administrator’s Denial of a Certificate of Compliance (File No. COC 18-0404) This matter was continued from the February 6, 2019 City Council Regular Meeting
      Councilmember Smith recused himself from this hearing due to a business relationship.
      Mayor Peake convened the hearing on appeal.

      City Attorney Laredo set forth process of the hearing.

      Agenda Report presented by staff Terri Schaeffer.

      Appellant Attorney Christine Kemp and Appellant Bill Bluhm were provided ten (10) minutes for presentation of their case with documents already submitted into evidence, Agenda Packet pages 156-225. Ms. Kemp presented further documents all of which were submitted into the record.

      Public comment was received from Joy Colangelo, Don Murphy, Steven Lilley, Brenda Boyle, and Antony Tersol.

      Appellant Attorney Christine Kemp provided five (5) minutes for rebuttal.

      Mayor Peake sought any ex parte communications, to which none were provided by Council.
Mayor Peake closed the hearing.

Council dialogue began.

Action: Upon motion by Councilmember Mayor Peake and seconded by Councilmember McAdams, the Council voted 5-1-1, Councilmember Amelio dissenting and Councilmember Smith abstaining, to take no action, causing the Zoning Administrator’s Decision to stand without change, and directed staff to place a future Agenda item before the City Council to discuss and act on potential legislative remedies, likely by City Ordinance, to modify existing Municipal Code provisions that regulate subdivisions, or such other legislative action as may be deemed appropriate.

CEQA: Appeal of an administrative act does not constitute a “Project” under CEQA pursuant to Section 15378(b)(5) of the CEQA Guidelines

12. UNFINISHED AND ONGOING BUSINESS
A. Stormwater Low Impact Development Projects This matter was continued from the February 6, 2019 City Council Regular Meeting
Public comment received from Lisa Ciani.

Action: Upon motion by Councilmember Amelio and seconded by Councilmember Smith, the Council voted 7-0 to authorize the City Manager to enter into an agreement with AES Landscaping Inc. for the installation of Stormwater Low Impact Development Projects for a cost not to exceed $101,739 plus a 10% contingency.

CEQA: The project is categorically exempt as defined under the California Environmental Quality Act (CEQA) under Class 1, Article 19, Section 15304(b), Minor Alterations to Land

B. City Council Goals
Public comment received from Lisa Ciani, Lynn Mason, Michelle Raine, Deborah Kenwood, and Joy Colangelo.

Action: Upon motion by Councilmember Smith and seconded by Councilmember Huitt, the Council voted 7-0 to ratify the proposed revised list of City Council Goals for 2019-2020, and the Values, Mission and Vision statements.

CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

13. NEW BUSINESS
A. Proposed Special Events Calendar for the Fiscal Year 2019 – 20
Public comment received from Lisa Ciani and Joy Colangelo.

Action: Upon motion by Councilmember Amelio and seconded by Councilmember McAdams, the Council voted 7-0 to approve recommended events
as City-Sponsored and waive City fees for their support and designate other events for full-cost recovery for the 2019/2020 Fiscal Year Special Events Programs Calendar.

*CEQA:* The Project qualifies for a Class 4 Exemption under California Environmental Quality Act (CEQA) - CEQA Article 19 – Section 15304 (Minor Alterations to Land)

B. City Council State and Federal Legislative Platform
No public comment was received.

Action: Upon motion by Councilmember Garfield and seconded by Councilmember Smith, the Council voted 7-0 to direct the Mayor to appoint two City Council members to serve on a subcommittee to assist the City Manager in drafting a proposed City State and Federal Legislative Platform that will be returned to City Council for review, discussion and approval. Empower the Mayor and subcommittee members, once the platform is approved, to address pending legislation on the City’s behalf, with amendment to remove City.

*CEQA:* Does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

14. FULL PRESENTATIONS
None.

**ADJOURNMENT**
Council adjourned the regular meeting at 9:16 p.m.

Respectfully Submitted,

Sandra Kandell
City Clerk

Approved by Mayor: __________________________ Date_________________

Attest by City Manager: ______________________ Date_________________
CITY OF PACIFIC GROVE  
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Leticia Livian, Human Resources Manager
MEETING DATE: March 6, 2019
SUBJECT: Delegation of Authority to Make Decisions on Applications for CalPERS Disability Retirement
CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines Section 15378

RECOMMENDATION
Adopt a resolution to delegate Government Code authority to the City Manager to certify CalPERS determinations regarding local safety members’ eligibility for disability retirement.

DISCUSSION
Under the City’s California Public Employees’ Retirement System (CalPERS) contract, CalPERS local safety members of the City may be eligible for a disability retirement if the employee is incapacitated physically or mentally from performing his or her usual job duties.

To qualify for a disability retirement, the employee must have at least five years of service credit, and be mentally or physically incapacitated from performing his or her usual job duties. There is no minimum age requirement for a disability retirement, and the injury or disease causing the incapacity does not need to be job-related. An application for a disability retirement may be made either by City or by the employee. For local safety members, following the filing of the application, CalPERS will request that the City determine whether or not the employee is incapacitated from performing his or her usual duties and certify its decision to CalPERS. The local safety member may appeal the City’s decision.

For an industrial disability retirement, there is no minimum service credit or age requirement. However, the disabling injury or illness must be job-related. Under the City’s CalPERS contract, only local safety members are eligible for an industrial disability retirement.

In all cases where a local safety member is applying for a disability or industrial disability retirement, the employee is required to submit all medical information provided by the employee, employer, and workers’ compensation carrier.

Staff is recommending, as authorized by Government Code Section 21173, under Government Code Sections 21152(C), 21156, and 21173 to delegate to the City Manager the authority to
make determinations regarding whether local safety members are eligible to retire for disability, and to make arrangements for any appeals related to eligibility for a disability retirement.

OPTIONS
1. Take no action.
2. Provide alternative direction to staff.

FISCAL IMPACT
There is no fiscal impact to adopting the resolution.

GOAL ALIGNMENT
N/A

ATTACHMENTS
1. Resolution

RESPECTFULLY SUBMITTED:  
Leticia Livian  
Human Resources Manager

REVISED BY:  
Ben Harvey  
City Manager
RESOLUTION NO. 19-xxx

DELEGATION OF AUTHORITY FOR DECISIONs ON APPLICATIONs FOR CALPERS DISABILITY RETIREMENT

FINDINGS

1. The City of Pacific Grove is a contracting agency of the California Public Employees’ Retirement System.

2. Public Employees’ Retirement Law requires a contracting agency determine whether an employee of such agency in employment classified as a local safety member is disabled for purposes of the Public Employees’ Retirement Law and if such disability is “industrial” within the meaning of that law.

3. The City Council of the City of Pacific Grove has determined it has the power and desires to delegate authority to the City Manager to make such determinations, as authorized by the Government Code.

4. The effect of this Resolution is for the City Council of the City of Pacific Grove to delegate authority to the City Manager in accord with Government Code section 21152(c) affecting disability retirement of all employees, and delegate authority to initiate requests for reinstatement of employees who are retired for disability.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE:

1. The Council determines that each Finding set forth above is true and correct, and by this reference incorporates those Findings as an integral part of this Resolution.

2. The City Council of the City of Pacific Grove does hereby delegate to the City Manager authority to act on applications on behalf of the City of Pacific Grove pursuant to Government Code section 21152(c) for disability retirement of all employees and to initiate requests for reinstatement of such employees who are retired for disability.

3. The City Council of the City of Pacific Grove does hereby delegate to the City Manager authority to make determinations of disability on behalf of the City of Pacific Grove under Government Code section 21156, determinations as to whether such disability is industrial and to certify those determinations together with any and all other information required by the California Public Employees’ Retirement System.
4. In the event any local safety member appeals the decision of the City Manager regarding his or her incapacitation from the performance of his or her duties pursuant to the Public Employees’ Retirement Law, the City Manager is authorized and empowered to make represent the City and arrange to have the appeal heard pursuant to the laws governing CalPERS retirement, including, but not limited to, entering into an agreement with the Officer of Administrative Hearings for the provision of a hearing before an administrative law judge.

5. This Resolution shall take immediate effect following its passage and adoption.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this _____ day of ______________, _______, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

_______________________________
BILL PEAKE, Mayor

ATTEST:

_______________________________
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_______________________________
DAVID C. LAREDO, City Attorney
TO: Honorable Mayor and Members of the City Council
FROM: Tori Hannah, Administrative Services Director
MEETING DATE: March 6, 2019
SUBJECT: Receive Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan
CEQA STATUS: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

RECOMMENDATION
Receive Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan or Other Post-Employment Benefits (OPEB).

DISCUSSION
This report includes information related to the Actuarial Valuation Report that was continued from the Council Meeting on February 6, 2019. A copy of the original staff report is included in Attachment 1, while a supplemental Executive Summary is included in Attachment 2. An additional brief overview relating to pre-funding options is also provided within this agenda report.

The City currently processes retire healthcare payments on a “pay-as-you-go” basis. In Fiscal Year 16/17, the City’s annual contribution for retiree healthcare was approximately $114,000. The table listed below identifies the additional contribution needed to fully fund the actuarially determined contribution (ADC) in the first reported year; alternative investment strategies, and the related impact on the unfunded or actuarially accrued liability (AAL). The ten-year average of additional annual contributions needed to achieve the projected AAL is estimated to be from $134,000 to $146,000. Details related to the optional pre-funding strategies can also be found on pages 19-20 of the report.

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<th>Strategy</th>
<th>Funding Level</th>
<th>Additional First Year Contribution</th>
<th>Actuarial Accrued Liability</th>
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<tr>
<td>Pay-As-You-Go: Discount Rate at 3.58%</td>
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<td>$3.8 million</td>
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<td>Investment Strategy 1: OPEB Trust at 6.75%</td>
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Due to the pending City Council Financial Planning Subcommittee meetings, as well as a potential Special Budget Study Session, this report is provided for informational purposes only. This topic will be considered in conjunction with the development of long-term fiscal strategies.

A representative from Bartle Associates, LLC will be present at the Council Meeting for any additional questions.
OPTIONS
1. Provide alternate direction

FISCAL IMPACT
There is no fiscal impact. The report is informational only, with the liability amount referenced in the City’s audited financial statements.

GOAL ALIGNMENT
N/A

ATTACHMENTS
2. City of Pacific Grove Retiree Healthcare Plan, Executive Summary

RESPECTFULLY SUBMITTED:  REVIEWED BY:

Tori Hannah  Ben Harvey
Administrative Services Director  City Manager
TO:                      Honorable Mayor and Members of the City Council  
FROM:                  Tori Hannah, Administrative Services Director  
MEETING DATE:        February 20, 2019  
SUBJECT:             Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan  
CEQA STATUS:        Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines  

RECOMMENDATION
Receive Actuarial Valuation Report Regarding the City of Pacific Grove Retiree Healthcare Plan or Other Post-Employment Benefits (OPEB)

DISCUSSION
The City of Pacific Grove offers a defined retiree health care benefit. The City contributes the minimum amount required for retiree health care under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act (PEMHCA). The monthly minimum for calendar years 2017 and 2018 were $128 and $133, respectively. For employees who retired prior to January 1, 2017, the City pays an annual medical supplement of $150 a month for the first five years of retirement, until age 65, or death, whichever comes sooner. At the time of the attached actuarial report, this benefit was discontinued for all employees who retired after January 1, 2017, with the exception of Police Officers. While Police Officers were eligible to receive a monthly supplement with 20 years of service, this benefit was removed in the new Police Officer Association Memorandum, which became effective in Fiscal Year 18/19.

The Governmental Accounting Standards Board (GASB) requires governmental entities to report a liability associated with retiree health care, or other post-employment benefits (OPEB). This information is obtained through an actuarial valuation report that is prepared for each governmental entity. In Fiscal Year 17/18, the City implemented a new accounting standard, GASB Statement 75 – Accounting and Financial Reporting for Post-Employment Benefits. As part of the implementation process, the City retained Bartle Associates, LLC to prepare an actuarial report. The resulting report concluded that the City’s Net OPEB Liability on June 30, 2018 was $3.8 million, based on the current method of making payments. The report also indicated that if the City chose to pay 100% of the Actuarial Determined Contribution, the liability would be reduced to $2.6 million at a 6.75% discount rate. A copy of the actuarial report is attached for reference. In addition, a representative from Bartle Associates, LLC will present information from the report at this Council Meeting.

OPTIONS
1. Provide alternate direction
FISCAL IMPACT
There is no fiscal impact. The report is informational only, with the liability amount referenced in the City’s audited financial statements.

GOAL ALIGNMENT
Fiscal Sustainability

ATTACHMENTS
1. City of Pacific Grove Retiree Healthcare Plan, Actuarial Valuation

RESPECTFULLY SUBMITTED:

_____________________________
Tori Hannah
Administrative Services Director

REVIEWED BY:

_____________________________
Ben Harvey
City Manager
CITY OF PACIFIC GROVE
RETIREE HEALTHCARE PLAN

June 30, 2017 Actuarial Valuation

Doug Pryor, Vice President
Katherine Moore, Associate Actuary
Tina Liu, Associate Actuary

Bartel Associates, LLC
February 11, 2019

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</tr>
<tr>
<td>Data Summary</td>
<td>5</td>
</tr>
<tr>
<td>Actuarial Assumption Highlights</td>
<td>7</td>
</tr>
<tr>
<td>Results</td>
<td>13</td>
</tr>
<tr>
<td>Actuarial Certification</td>
<td>29</td>
</tr>
<tr>
<td>Exhibits</td>
<td></td>
</tr>
<tr>
<td>Premiums</td>
<td>E – 1</td>
</tr>
<tr>
<td>Participant Statistics</td>
<td>E – 3</td>
</tr>
<tr>
<td>Actuarial Assumptions</td>
<td>E – 17</td>
</tr>
<tr>
<td>Actuarial Methods</td>
<td>E – 19</td>
</tr>
<tr>
<td>Definitions</td>
<td>E – 20</td>
</tr>
</tbody>
</table>
BENEFIT SUMMARY

Eligibility
- Retire directly from City under CalPERS (age 50\(^1\) & 5 years CalPERS service or disability)

Medical
- City pays PEMHCA minimum:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEMHCA minimum</td>
<td>$128.00</td>
<td>$133.00</td>
<td>$136.00</td>
</tr>
</tbody>
</table>

Medical Supplement
- For employees retired prior to January 1, 2017, City pays an additional $150 per month for the first five years after retirement, or until age 65 or date of death, whichever is sooner.
- Police officers require 20 years of City service to receive the 5-year benefit.
- Employees, except Police officers, retiring on and after January 1, 2017 are not eligible for the medical supplement benefit.

Surviving Spouse
- Retiree medical benefit continues to surviving spouse if retiree elects survivor annuity under CalPERS retirement plan

\(^1\) Age 52 for Miscellaneous PEPRA members

Other Benefits
- No dental, vision and life insurance benefits

Pay-As-You-Go Costs\(^2\) (CAFR)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>$114,120(^3)</td>
</tr>
<tr>
<td>2015/16</td>
<td>115,803</td>
</tr>
<tr>
<td>2014/15</td>
<td>101,997</td>
</tr>
<tr>
<td>2013/14</td>
<td>93,379</td>
</tr>
<tr>
<td>2012/13</td>
<td>98,143</td>
</tr>
<tr>
<td>2011/12</td>
<td>92,992</td>
</tr>
<tr>
<td>2010/11</td>
<td>85,151</td>
</tr>
<tr>
<td>2009/10</td>
<td>143,155</td>
</tr>
<tr>
<td>2008/09</td>
<td>107,221(^4)</td>
</tr>
</tbody>
</table>

\(^2\) Cash benefit payments only.
\(^3\) Provided by the City.
\(^4\) Includes adjustment for PEMCA payments of $73,111.
For PEMHCA, employer cost for allowing retirees to participate at active rates.

- **General trend:**

```
+---+---+---+---+---+---+---+---+
<table>
<thead>
<tr>
<th></th>
<th>25</th>
<th>30</th>
<th>35</th>
<th>40</th>
<th>45</th>
<th>50</th>
<th>55</th>
<th>60</th>
<th>64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blended Premium</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Cost by Age</td>
<td>400</td>
<td>420</td>
<td>460</td>
<td>500</td>
<td>550</td>
<td>600</td>
<td>640</td>
<td>700</td>
<td>800</td>
</tr>
</tbody>
</table>
```

- **Sample active age 40, retire age 60:**

```
<table>
<thead>
<tr>
<th>Premiums</th>
<th>PEMHCA</th>
<th>Cost of Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>$600 Active</td>
<td>$1,200</td>
<td>$500 Active</td>
</tr>
<tr>
<td>$600 Retiree</td>
<td></td>
<td>$700 Retiree</td>
</tr>
</tbody>
</table>
```

---

**GASBS 75 defers to actuarial standards of practice.**

Prior Actuarial Standards of Practice No. 6\(^5\) (ASOP 6) allowed community rated plans to value liability using premiums, resulting in no implied subsidy.

In May 2014, Actuarial Standards Board released revised ASOP 6:

- Requires implied subsidy valued for community rated plans such as PEMHCA.
- Timing: effective with all valuations on or after March 31, 2015

Valuations on and after June 30, 2015 include the PEMHCA implied subsidy.

---

\(^5\) Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Plan Costs or Contributions.
### DATA SUMMARY

#### Actives

<table>
<thead>
<tr>
<th>Previous Valuations</th>
<th>Bartel Associates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/09</td>
<td>7/1/12</td>
</tr>
<tr>
<td>Active Counts</td>
<td>75</td>
</tr>
<tr>
<td>Averages</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>n/a</td>
</tr>
<tr>
<td>City Service</td>
<td>n/a</td>
</tr>
<tr>
<td>CalPERS Service</td>
<td>n/a</td>
</tr>
<tr>
<td>Payroll</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Payroll (000’s)</td>
<td>n/a</td>
</tr>
</tbody>
</table>

#### Retirees

<table>
<thead>
<tr>
<th>Previous Valuations</th>
<th>Bartel Associates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/09</td>
<td>7/1/12</td>
</tr>
<tr>
<td>Retiree Counts</td>
<td>62</td>
</tr>
<tr>
<td>Averages</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>n/a</td>
</tr>
<tr>
<td>Service Ret. Age</td>
<td>n/a</td>
</tr>
<tr>
<td>Disability Ret. Age</td>
<td>n/a</td>
</tr>
</tbody>
</table>

---

6 Excludes waived participants.
### Actuarial Assumptions Highlights

<table>
<thead>
<tr>
<th>Assumption</th>
<th>July 1, 2015 Valuation</th>
<th>Bartel Associates June 30, 2017 Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation Date</td>
<td>• July 1, 2015&lt;br&gt;• 2015/16 &amp; 2016/17</td>
<td>• June 30, 2017&lt;br&gt;• 2017/18 &amp; 2018/19</td>
</tr>
<tr>
<td>Funding Policy</td>
<td>• Pay-as-you-go</td>
<td>• Same</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>• 4.00%</td>
<td>• 3.58% - Not pre-funding (Bond Buyer 20-Bond GO Index)&lt;br&gt;• 6.75% - Pre-funding sensitivity (CERBT Strategy 1)&lt;br&gt;• 6.25% - Pre-funding sensitivity (CERBT Strategy 2)</td>
</tr>
<tr>
<td>General Inflation</td>
<td>• n/a</td>
<td>• 2.75%</td>
</tr>
</tbody>
</table>
| Payroll Increase                        | • Aggregate Increases – 3.25%                                 | • Aggregate Increases – 3.00%
| **Mortality, Withdrawal, Disability**   | • CalPERS 1997 – 2011 Experience Study<br>• Mortality improvement projection Scale MP-2014<br>• No non-Safety disability retirements | • CalPERS 1997 – 2015 Experience Study<br>• Post-retirement mortality projected fully generational with Scale MP-17 |
### Healthcare Trend

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-Medicare</th>
<th>Medicare</th>
<th>Increase from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>8.00%</td>
<td>5.50%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>7.75%</td>
<td>5.25%</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>7.50%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>7.25%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>7.00%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>6.75%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>6.50%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>6.25%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>6.00%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td>5.75%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>5.50%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2026</td>
<td>5.25%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2027</td>
<td>5.00%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2028</td>
<td>5.00%</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>2029+</td>
<td>5.00%</td>
<td>5.00%</td>
<td></td>
</tr>
</tbody>
</table>

### Retirement

- **CalPERS 1997 – 2011 Experience Study**
  - **Miscellaneous**
    - Classic Members
      - Level: 2%@55
      - ERA: 62.8
    - PEPRA Members
      - Level: 2%@62
      - ERA: 63.5
  - **Safety**
    - Classic Members
      - Level: 3%@50
      - ERA: 54.6
    - PEPRA Members
      - Level: 2.7%@57
      - ERA: 56.2

---

February 11, 2019
### Actuarial Assumptions Highlights

<table>
<thead>
<tr>
<th>Assumption</th>
<th>July 1, 2015 Valuation</th>
<th>Bartel Associates</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Participation at Retirement</td>
<td>• Actives: 60%</td>
<td>• Same</td>
</tr>
<tr>
<td>• Retirees: current coverage election</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Marital Status at Retirement</td>
<td>• Actives:</td>
<td>• Actives:</td>
</tr>
<tr>
<td></td>
<td>➢ 60% assumed married</td>
<td>➢ 55% assumed married</td>
</tr>
<tr>
<td></td>
<td>➢ 100% of married elect to cover spouse</td>
<td>➢ 50% of married elect to cover spouse</td>
</tr>
<tr>
<td></td>
<td>• Retirees: current coverage election</td>
<td>• Retirees: current coverage election</td>
</tr>
<tr>
<td>• PEMHCA Minimum Increases</td>
<td>Year</td>
<td>Year</td>
</tr>
<tr>
<td></td>
<td>2015-2016 Actual Minimum</td>
<td>2017-2019 Actual Minimum</td>
</tr>
<tr>
<td></td>
<td>2017+ 4.00%</td>
<td>2020+ 4.25%</td>
</tr>
<tr>
<td>• Administrative Expenses</td>
<td>• None</td>
<td>• Included in ADC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 0.33% of estimated premium</td>
</tr>
<tr>
<td>• ACA Excise Tax</td>
<td>• n/a</td>
<td>• 2.00% load on cash liability</td>
</tr>
</tbody>
</table>

February 11, 2019
# Actuarial Obligations
(Amounts in 000’s)

<table>
<thead>
<tr>
<th></th>
<th>Previous Valuations</th>
<th>Bartel Associates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7/1/08</td>
<td>7/1/12</td>
</tr>
<tr>
<td><strong>Present Value of Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actives</td>
<td>n/a</td>
<td>$ 1,635</td>
</tr>
<tr>
<td>Retirees</td>
<td>n/a</td>
<td>1,722</td>
</tr>
<tr>
<td>Total</td>
<td>n/a</td>
<td>3,357</td>
</tr>
<tr>
<td><strong>Actuarial Accrued Liability</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actives</td>
<td>523</td>
<td>955</td>
</tr>
<tr>
<td>Retirees</td>
<td>2,230</td>
<td>1,722</td>
</tr>
<tr>
<td>Total</td>
<td>2,753</td>
<td>2,677</td>
</tr>
<tr>
<td><strong>Actuarial Value of Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Unfunded Liability</strong></td>
<td>2,753</td>
<td>2,677</td>
</tr>
<tr>
<td><strong>Service Cost</strong>^7</td>
<td>58</td>
<td>76</td>
</tr>
<tr>
<td><strong>Pay-Go Cost</strong></td>
<td>116</td>
<td>98</td>
</tr>
</tbody>
</table>

^7 Includes estimated expenses of $2,000 for 17/18.

---

# Historical Actuarial Accrued Liability
(Amounts in 000’s)

![Graph showing historical actuarial accrued liability](image)
### Annual Cost
(Amounts in 000’s)

<table>
<thead>
<tr>
<th></th>
<th>6/30/2015 Val</th>
<th>Bartel Associates 6/30/2017 Val</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015/16</td>
<td>2016/17</td>
</tr>
<tr>
<td>Annual Cost - $</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Cost</td>
<td>$189</td>
<td>$199</td>
</tr>
<tr>
<td>UAAL Amortization</td>
<td>249</td>
<td>269</td>
</tr>
<tr>
<td>Total</td>
<td>438</td>
<td>468</td>
</tr>
<tr>
<td>Projected Payroll</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Annual Cost - %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Cost</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>UAAL Amortization</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Total</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

---

*Includes estimated expenses of $2,000 for 2017/18 and 2018/19.*

---

### Annual Cost
(Amounts in 000’s)

![Graph showing annual cost from 2008/09 to 2018/19]

- **Normal Cost**: Yearly costs are depicted in different shades, indicating the annual variation.
- **Amortization**: The amortization is shown in a different color, highlighting the allocated funds over the years.
- **Annual Cost**: The total costs are represented in the chart, showing the combined effect of normal costs and amortization.

---

February 11, 2019
**Net OPEB Obligation (NOO)**
(Amounts in 000’s)

<table>
<thead>
<tr>
<th>CAFR 2016/17</th>
<th>NOO (Beginning of Year)</th>
<th>$871</th>
</tr>
</thead>
</table>

**Annual OPEB Cost**
- Annual Required Contribution: 468
- Interest on NOO: 35
- Adjustment for NOO: (44)
- Annual OPEB Cost: 459

**Contributions**
- Benefit Payments: 56
- Trust Pre-Funding: -
- Total Contribution: 56

<table>
<thead>
<tr>
<th>NOO (End of Year)</th>
<th>1,274</th>
</tr>
</thead>
</table>

---

**Actuarial Obligations**

**June 30, 2017**
(Amounts in 000’s)

<table>
<thead>
<tr>
<th>Discount Rate</th>
<th>3.58%</th>
<th>6.25%</th>
<th>6.75%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Present Value of Benefits</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actives</td>
<td>$3,094</td>
<td>$1,611</td>
<td>$1,448</td>
</tr>
<tr>
<td>Retirees</td>
<td>2,723</td>
<td>2,002</td>
<td>1,904</td>
</tr>
<tr>
<td>Total</td>
<td>5,817</td>
<td>3,613</td>
<td>3,352</td>
</tr>
</tbody>
</table>

| **Actuarial Accrued Liability** | | | |
| Actives       | 1,082  | 731    | 684    |
| Retirees      | 2,723  | 2,002  | 1,904  |
| Total         | 3,805  | 2,733  | 2,588  |

| **Actuarial Value of Assets** | | | |
| Actives       | -      | -      | -      |
| Retirees      | -      | -      | -      |
| Total         | 3,805  | 2,733  | 2,588  |

| **Unfunded Liability** | 3,805 | 2,733 | 2,588 |
### RESULTS

#### Pre-Funding Projection 6.75% (CERBT Strategy 1) - 100% ADC

(Amounts in 000’s)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cash Benefit Pmts</th>
<th>Implied Subsidy Benefit Pmts</th>
<th>Pre-Fund</th>
<th>Total Contrib</th>
<th>Payroll</th>
<th>Contr. % of Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$115</td>
<td>$59</td>
<td>$110</td>
<td>$284</td>
<td>$6,325</td>
<td>4.5%</td>
</tr>
<tr>
<td>2019</td>
<td>116</td>
<td>50</td>
<td>126</td>
<td>293</td>
<td>6,515</td>
<td>4.5%</td>
</tr>
<tr>
<td>2020</td>
<td>117</td>
<td>40</td>
<td>144</td>
<td>301</td>
<td>6,710</td>
<td>4.5%</td>
</tr>
<tr>
<td>2021</td>
<td>123</td>
<td>46</td>
<td>142</td>
<td>311</td>
<td>6,911</td>
<td>4.5%</td>
</tr>
<tr>
<td>2022</td>
<td>130</td>
<td>55</td>
<td>134</td>
<td>320</td>
<td>7,119</td>
<td>4.5%</td>
</tr>
<tr>
<td>2023</td>
<td>138</td>
<td>64</td>
<td>127</td>
<td>329</td>
<td>7,332</td>
<td>4.5%</td>
</tr>
<tr>
<td>2024</td>
<td>145</td>
<td>53</td>
<td>141</td>
<td>339</td>
<td>7,552</td>
<td>4.5%</td>
</tr>
<tr>
<td>2025</td>
<td>152</td>
<td>62</td>
<td>136</td>
<td>350</td>
<td>7,779</td>
<td>4.5%</td>
</tr>
<tr>
<td>2026</td>
<td>159</td>
<td>69</td>
<td>133</td>
<td>362</td>
<td>8,012</td>
<td>4.5%</td>
</tr>
<tr>
<td>2027</td>
<td>166</td>
<td>58</td>
<td>148</td>
<td>372</td>
<td>8,253</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

---

### RESULTS

#### Pre-Funding Projection 6.25% (CERBT Strategy 2) - 100% ADC

(Amounts in 000’s)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cash Benefit Pmts</th>
<th>Implied Subsidy Benefit Pmts</th>
<th>Pre-Fund</th>
<th>Total Contrib</th>
<th>Payroll</th>
<th>Contr. % of Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$115</td>
<td>$59</td>
<td>$121</td>
<td>$295</td>
<td>$6,325</td>
<td>4.7%</td>
</tr>
<tr>
<td>2019</td>
<td>116</td>
<td>50</td>
<td>137</td>
<td>304</td>
<td>6,515</td>
<td>4.7%</td>
</tr>
<tr>
<td>2020</td>
<td>117</td>
<td>40</td>
<td>156</td>
<td>313</td>
<td>6,710</td>
<td>4.7%</td>
</tr>
<tr>
<td>2021</td>
<td>123</td>
<td>46</td>
<td>153</td>
<td>322</td>
<td>6,911</td>
<td>4.7%</td>
</tr>
<tr>
<td>2022</td>
<td>130</td>
<td>55</td>
<td>146</td>
<td>332</td>
<td>7,119</td>
<td>4.7%</td>
</tr>
<tr>
<td>2023</td>
<td>138</td>
<td>64</td>
<td>139</td>
<td>341</td>
<td>7,332</td>
<td>4.7%</td>
</tr>
<tr>
<td>2024</td>
<td>145</td>
<td>53</td>
<td>154</td>
<td>352</td>
<td>7,552</td>
<td>4.7%</td>
</tr>
<tr>
<td>2025</td>
<td>152</td>
<td>62</td>
<td>149</td>
<td>363</td>
<td>7,779</td>
<td>4.7%</td>
</tr>
<tr>
<td>2026</td>
<td>159</td>
<td>69</td>
<td>146</td>
<td>375</td>
<td>8,012</td>
<td>4.7%</td>
</tr>
<tr>
<td>2027</td>
<td>166</td>
<td>58</td>
<td>162</td>
<td>386</td>
<td>8,253</td>
<td>4.7%</td>
</tr>
</tbody>
</table>
###RESULTS

**Pre-Funding Projection 6.75% (CERBT Strategy 1) - 50% ADC**

(Amounts in 000’s)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cash Benefit Pmts</th>
<th>Implied Subsidy Benefit Pmts</th>
<th>Pre-Fund</th>
<th>Total Contrib</th>
<th>Payroll</th>
<th>Contr. % of Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$115</td>
<td>$59</td>
<td>$55</td>
<td>$229</td>
<td>$6,325</td>
<td>3.6%</td>
</tr>
<tr>
<td>2019</td>
<td>116</td>
<td>50</td>
<td>65</td>
<td>232</td>
<td>6,515</td>
<td>3.6%</td>
</tr>
<tr>
<td>2020</td>
<td>117</td>
<td>40</td>
<td>77</td>
<td>234</td>
<td>6,710</td>
<td>3.5%</td>
</tr>
<tr>
<td>2021</td>
<td>123</td>
<td>46</td>
<td>80</td>
<td>249</td>
<td>6,911</td>
<td>3.6%</td>
</tr>
<tr>
<td>2022</td>
<td>130</td>
<td>55</td>
<td>81</td>
<td>267</td>
<td>7,119</td>
<td>3.8%</td>
</tr>
<tr>
<td>2023</td>
<td>138</td>
<td>64</td>
<td>82</td>
<td>284</td>
<td>7,332</td>
<td>3.9%</td>
</tr>
<tr>
<td>2024</td>
<td>145</td>
<td>53</td>
<td>94</td>
<td>292</td>
<td>7,552</td>
<td>3.9%</td>
</tr>
<tr>
<td>2025</td>
<td>152</td>
<td>62</td>
<td>97</td>
<td>311</td>
<td>7,779</td>
<td>4.0%</td>
</tr>
<tr>
<td>2026</td>
<td>159</td>
<td>69</td>
<td>102</td>
<td>331</td>
<td>8,012</td>
<td>4.1%</td>
</tr>
<tr>
<td>2027</td>
<td>166</td>
<td>58</td>
<td>116</td>
<td>340</td>
<td>8,253</td>
<td>4.1%</td>
</tr>
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</table>

###RESULTS

**Pre-Funding Projection 6.25% (CERBT Strategy 2) - 50% ADC**

(Amounts in 000’s)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Cash Benefit Pmts</th>
<th>Implied Subsidy Benefit Pmts</th>
<th>Pre-Fund</th>
<th>Total Contrib</th>
<th>Payroll</th>
<th>Contr. % of Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$115</td>
<td>$59</td>
<td>$61</td>
<td>$235</td>
<td>$6,325</td>
<td>3.7%</td>
</tr>
<tr>
<td>2019</td>
<td>116</td>
<td>50</td>
<td>71</td>
<td>238</td>
<td>6,515</td>
<td>3.7%</td>
</tr>
<tr>
<td>2020</td>
<td>117</td>
<td>40</td>
<td>84</td>
<td>241</td>
<td>6,710</td>
<td>3.6%</td>
</tr>
<tr>
<td>2021</td>
<td>123</td>
<td>46</td>
<td>87</td>
<td>256</td>
<td>6,911</td>
<td>3.7%</td>
</tr>
<tr>
<td>2022</td>
<td>130</td>
<td>55</td>
<td>87</td>
<td>273</td>
<td>7,119</td>
<td>3.8%</td>
</tr>
<tr>
<td>2023</td>
<td>138</td>
<td>64</td>
<td>89</td>
<td>291</td>
<td>7,332</td>
<td>4.0%</td>
</tr>
<tr>
<td>2024</td>
<td>145</td>
<td>53</td>
<td>101</td>
<td>299</td>
<td>7,552</td>
<td>4.0%</td>
</tr>
<tr>
<td>2025</td>
<td>152</td>
<td>62</td>
<td>105</td>
<td>319</td>
<td>7,779</td>
<td>4.1%</td>
</tr>
<tr>
<td>2026</td>
<td>159</td>
<td>69</td>
<td>109</td>
<td>338</td>
<td>8,012</td>
<td>4.2%</td>
</tr>
<tr>
<td>2027</td>
<td>166</td>
<td>58</td>
<td>124</td>
<td>348</td>
<td>8,253</td>
<td>4.2%</td>
</tr>
</tbody>
</table>
# Actuarial Obligations

**June 30, 2017**

(Amounts in 000’s)

<table>
<thead>
<tr>
<th></th>
<th>Misc</th>
<th>Safety</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Present Value of Benefits</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Actives</td>
<td>$1,925</td>
<td>$1,169</td>
<td>$3,094</td>
</tr>
<tr>
<td>• Retirees</td>
<td>1,588</td>
<td>1,135</td>
<td>2,723</td>
</tr>
<tr>
<td>• Total</td>
<td>3,513</td>
<td>2,304</td>
<td>5,817</td>
</tr>
<tr>
<td><strong>Actuarial Accrued Liability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Actives</td>
<td>812</td>
<td>270</td>
<td>1,082</td>
</tr>
<tr>
<td>• Retirees</td>
<td>1,588</td>
<td>1,135</td>
<td>2,723</td>
</tr>
<tr>
<td>• Total</td>
<td>2,400</td>
<td>1,405</td>
<td>3,805</td>
</tr>
<tr>
<td><strong>Actuarial Value of Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Unfunded Liability</strong></td>
<td>2,400</td>
<td>1,405</td>
<td>3,805</td>
</tr>
<tr>
<td><strong>2017/18 Service Cost</strong></td>
<td>106</td>
<td>71</td>
<td>177</td>
</tr>
<tr>
<td><strong>2017/18 Pay-Go Cost</strong></td>
<td>118</td>
<td>56</td>
<td>174</td>
</tr>
</tbody>
</table>

*Includes estimated expenses of $2,000.*

---

# 2017/18 Annual Cost

(Amounts in 000’s)

<table>
<thead>
<tr>
<th></th>
<th>Misc</th>
<th>Safety</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Cost - $</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Service Cost¹⁰</td>
<td>$106</td>
<td>$71</td>
<td>$177</td>
</tr>
<tr>
<td>• UAAL Amortization</td>
<td>131</td>
<td>.77</td>
<td>208</td>
</tr>
<tr>
<td>• Total</td>
<td>237</td>
<td>148</td>
<td>385</td>
</tr>
<tr>
<td><strong>Projected Payroll</strong></td>
<td>4,119</td>
<td>2,206</td>
<td>6,325</td>
</tr>
<tr>
<td><strong>Annual Cost - %</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Service Cost</td>
<td>2.6%</td>
<td>3.2%</td>
<td>2.8%</td>
</tr>
<tr>
<td>• UAAL Amortization</td>
<td>3.2%</td>
<td>3.5%</td>
<td>3.3%</td>
</tr>
<tr>
<td>• Total</td>
<td>5.7%</td>
<td>6.7%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

¹⁰Includes estimated expenses of $2,000.
## RESULTS

### Actuarial Obligations
**June 30, 2017**
(Amounts in 000’s)

<table>
<thead>
<tr>
<th></th>
<th>Cash</th>
<th>Implied Subsidy</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Present Value of Benefits</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Actives</td>
<td>$2,160</td>
<td>$934</td>
<td>$3,094</td>
</tr>
<tr>
<td>• Retirees</td>
<td>2,362</td>
<td>361</td>
<td>2,723</td>
</tr>
<tr>
<td>• Total</td>
<td>4,522</td>
<td>1,295</td>
<td>5,817</td>
</tr>
<tr>
<td><strong>Actuarial Accrued Liability</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Actives</td>
<td>781</td>
<td>301</td>
<td>1,082</td>
</tr>
<tr>
<td>• Retirees</td>
<td>2,362</td>
<td>361</td>
<td>2,723</td>
</tr>
<tr>
<td>• Total</td>
<td>3,143</td>
<td>662</td>
<td>3,805</td>
</tr>
<tr>
<td><strong>Actuarial Value of Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Actives</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>• Retirees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>• Total</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Unfunded Liability</strong></td>
<td>3,143</td>
<td>662</td>
<td>3,805</td>
</tr>
<tr>
<td><strong>2017/18 Service Cost</strong></td>
<td>125</td>
<td>52</td>
<td>177</td>
</tr>
<tr>
<td><strong>2017/18 Pay-Go Cost</strong></td>
<td>115</td>
<td>59</td>
<td>174</td>
</tr>
</tbody>
</table>

---

### 2017/18 Annual Cost
(Amounts in 000’s)

<table>
<thead>
<tr>
<th></th>
<th>Cash</th>
<th>Implied Subsidy</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Cost - $</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Service Cost¹²</td>
<td>$125</td>
<td>$52</td>
<td>$177</td>
</tr>
<tr>
<td>• UAAL Amortization</td>
<td>172</td>
<td>36</td>
<td>208</td>
</tr>
<tr>
<td>• Total</td>
<td>297</td>
<td>88</td>
<td>385</td>
</tr>
<tr>
<td><strong>Projected Payroll</strong></td>
<td>6,325</td>
<td>6,325</td>
<td>6,325</td>
</tr>
<tr>
<td><strong>Annual Cost - %</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Service Cost</td>
<td>2.0%</td>
<td>0.9%</td>
<td>2.8%</td>
</tr>
<tr>
<td>• UAAL Amortization</td>
<td>2.7%</td>
<td>0.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td>• Total</td>
<td>4.7%</td>
<td>1.4%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

---

¹¹ Includes estimated expenses of $2,000.

---

¹² Includes estimated expenses of $2,000.
## Estimated 2017/18 Implied Subsidy Transfer Illustration
(Amounts in 000’s)

<table>
<thead>
<tr>
<th>Before</th>
<th>Actives</th>
<th>Retirees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Premiums</td>
<td>$ 563</td>
<td>$ 545</td>
<td>$ 1,108</td>
</tr>
<tr>
<td>Participant Contributions(^{13})</td>
<td>-</td>
<td>(430)</td>
<td>(430)</td>
</tr>
<tr>
<td>City Contributions</td>
<td>563</td>
<td>115</td>
<td>678</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>After</th>
<th>Actives</th>
<th>Retirees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Premiums</td>
<td>563</td>
<td>545</td>
<td>1,108</td>
</tr>
<tr>
<td>Participant Contributions</td>
<td>-</td>
<td>(430)</td>
<td>(430)</td>
</tr>
<tr>
<td>Implied Subsidy Transfer</td>
<td>(59)</td>
<td>59</td>
<td>____</td>
</tr>
<tr>
<td>City Contributions</td>
<td>504</td>
<td>174</td>
<td>678</td>
</tr>
</tbody>
</table>

\(^{13}\) For illustration, assumes City pays full active participant premiums.
This report presents the City of Pacific Grove Retiree Healthcare Plan ("Plan") June 30, 2017, actuarial valuation. The purpose of this valuation is to:

- Determine the June 30, 2017 benefit obligations,
- Determine the Plan’s June 30, 2017 funded status, and
- Provide analysis of optional pre-funding scenarios.

The information in this report may not be appropriate for other purposes. Information provided in this report may be useful to the City for the Plan’s financial management. Future valuations may differ significantly if the Plan’s experience differs from our assumptions or if there are changes in Plan design, actuarial methods or actuarial assumptions. The project scope did not include an analysis of this potential variation.

The valuation is based on Plan provisions and participant data provided by the City as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of my knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As a member of the American Academy of Actuaries meeting the Academy Qualification Standards, I certify the actuarial results and opinions herein.

Respectfully submitted,

[Signature]

Doug Pryor, ASA, EA, MAAA
Vice President
Bartel Associates, LLC
February 11, 2019
### 2017 PEMHCA Monthly Medical Premiums

**Other Northern California**

<table>
<thead>
<tr>
<th>Medical Plan</th>
<th>Non Medicare Eligible</th>
<th>Medicare Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>2-Party</td>
</tr>
<tr>
<td>Anthem HMO Select</td>
<td>$892.13</td>
<td>$1,784.26</td>
</tr>
<tr>
<td>Anthem HMO Traditional</td>
<td>$1,169.87</td>
<td>2,339.74</td>
</tr>
<tr>
<td>Blue Shield Access+</td>
<td>954.51</td>
<td>1,909.02</td>
</tr>
<tr>
<td>Kaiser</td>
<td>733.99</td>
<td>1,467.98</td>
</tr>
<tr>
<td>UnitedHealthcare</td>
<td>882.35</td>
<td>1,764.70</td>
</tr>
<tr>
<td>Anthem EPO Monterey</td>
<td>820.38</td>
<td>1,640.76</td>
</tr>
<tr>
<td>PERS Choice</td>
<td>820.38</td>
<td>1,640.76</td>
</tr>
<tr>
<td>PERS Select</td>
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<td>1,454.90</td>
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<tr>
<td>PERSCare</td>
<td>921.24</td>
<td>1,842.48</td>
</tr>
<tr>
<td>PORAC</td>
<td>699.00</td>
<td>1,467.00</td>
</tr>
</tbody>
</table>

### 2018 PEMHCA Monthly Medical Premiums

**Other Northern California**

<table>
<thead>
<tr>
<th>Medical Plan</th>
<th>Non Medicare Eligible</th>
<th>Medicare Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>2-Party</td>
</tr>
<tr>
<td>Anthem HMO Select</td>
<td>$910.90</td>
<td>$1,821.80</td>
</tr>
<tr>
<td>Anthem HMO Traditional</td>
<td>954.75</td>
<td>1,909.50</td>
</tr>
<tr>
<td>Blue Shield Access+</td>
<td>894.43</td>
<td>1,788.66</td>
</tr>
<tr>
<td>Kaiser</td>
<td>795.43</td>
<td>1,590.86</td>
</tr>
<tr>
<td>UnitedHealthcare</td>
<td>1,205.55</td>
<td>2,411.10</td>
</tr>
<tr>
<td>Western Health Advantage</td>
<td>744.79</td>
<td>1,489.58</td>
</tr>
<tr>
<td>Anthem EPO Monterey</td>
<td>$910.90</td>
<td>$1,821.80</td>
</tr>
<tr>
<td>PERS Choice</td>
<td>813.96</td>
<td>1,627.92</td>
</tr>
<tr>
<td>PERS Select</td>
<td>691.78</td>
<td>1,383.56</td>
</tr>
<tr>
<td>PERSCare</td>
<td>866.93</td>
<td>1,733.86</td>
</tr>
<tr>
<td>PORAC</td>
<td>734.00</td>
<td>1,540.00</td>
</tr>
</tbody>
</table>
### Medical Plan Participation
#### Non-Waived Participants

<table>
<thead>
<tr>
<th>Medical Plan</th>
<th>Actives</th>
<th>&lt; 65</th>
<th>&gt; 65</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser</td>
<td>3%</td>
<td>0%</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>UnitedHealthcare</td>
<td>0%</td>
<td>0%</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>Anthem EPO Monterey</td>
<td>15%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>PERS Choice</td>
<td>42%</td>
<td>58%</td>
<td>66%</td>
<td>63%</td>
</tr>
<tr>
<td>PERS Select</td>
<td>27%</td>
<td>26%</td>
<td>0%</td>
<td>8%</td>
</tr>
<tr>
<td>PERSCare</td>
<td>3%</td>
<td>0%</td>
<td>11%</td>
<td>8%</td>
</tr>
<tr>
<td>PORAC</td>
<td>10%</td>
<td>16%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Active Medical Coverage

<table>
<thead>
<tr>
<th>Medical Plan</th>
<th>Single</th>
<th>2-Party</th>
<th>Family</th>
<th>Waived</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Kaiser</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Anthem EPO Monterey</td>
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<td>1</td>
<td>1</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>PERS Choice</td>
<td>14</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>17</td>
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**Total**

- **6/30/15 Valuation**
- **6/30/17 Valuation**

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Legend:
- □ 6/30/15 Valuation
- ▪ 6/30/17 Valuation

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### Actives by Age and City Service

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#### Medical Claims Costs 2018

- Sample estimated monthly claims costs
- Other North California - Non-Medicare Eligible

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<td>1,102</td>
<td>898</td>
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<td>979</td>
<td>1,243</td>
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### ACTUARIAL METHODS

<table>
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<tr>
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<tr>
<td>Cost Method</td>
<td>• Entry Age Normal</td>
<td>• Same</td>
</tr>
<tr>
<td>Amortization</td>
<td>• Level percentage of payroll</td>
<td>• Same</td>
</tr>
<tr>
<td>Data</td>
<td>• Data provided as of 6/30/15</td>
<td>• Data provided as of 6/30/17</td>
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<tr>
<td>Amortization Period</td>
<td>• 6/30/15 unfunded liability amortized as a level percent of pay over closed (fixed) 23 years</td>
<td>• 6/30/17 unfunded liability amortized as a level percent of pay over closed (fixed) 20 years</td>
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### DEFINITIONS

<table>
<thead>
<tr>
<th>OPEB Actuarial Valuation</th>
<th>• Project future employer-provided benefit cash flows for current active employees and current retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Discount projected cash flow to valuation date using discount rate (assumed return on assets used to pay benefits) and other actuarial assumptions to determine present value of projected future benefits (PVB)</td>
</tr>
<tr>
<td></td>
<td>• Allocate PVB to past, current, and future periods using the actuarial cost method</td>
</tr>
<tr>
<td></td>
<td>• Actuarial cost method used for this valuation is the Entry Age Normal Cost method which determines Normal Cost as a level percentage of payroll (same method used by CalPERS)</td>
</tr>
<tr>
<td></td>
<td>• Normal Cost is amount allocated to current fiscal year</td>
</tr>
<tr>
<td></td>
<td>• Actuarial Accrued Liability (AAL) is amount allocated to prior service with employer</td>
</tr>
<tr>
<td></td>
<td>• Unfunded AAL (UAAL) is AAL less plan assets pre-funded in a segregated and restricted trust</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PayGo Cost</th>
<th>• Cash subsidy is employer pay-as-you-go benefit payments for retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Implied subsidy is difference between actual cost of retiree benefits and retiree premiums subsidized by active employee premiums</td>
</tr>
</tbody>
</table>
DEFINITIONS

Present Value of Benefits

Terminology Used in Report

- AAL - Actuarial Accrued Liability
- ADC - Actuarially Determined Contribution
- AOC - Annual OPEB Cost
- ARC - Annual Required Contribution
- AVA - Actuarial Value of Assets
- GASBS 45 - Governmental Accounting Standards Board Statement No. 45
- GASBS 75 - Governmental Accounting Standards Board Statement No. 75
- MVA - Market Value of Assets
- NC - Normal Cost
- NOO - Net OPEB Obligation
- OPEB - Other (than pensions) Post Employment Benefits
- PVB - Present Value of Projected Benefits
- UAAL - Unfunded Actuarial Accrued Liability
City of Pacific Grove Retiree Healthcare Plan
June 30, 2017 Actuarial Valuation
Executive Summary

Background
The City provides healthcare benefits through the CalPERS healthcare program (PEMHCA), providing a retiree contribution equal to the PEMHCA minimum amount (currently $136 per month) for employees who retire directly from the City under CalPERS. This lifetime benefit is paid by the City as long as the retiree is enrolled in a PEMHCA medical plan. Additionally, employees who retired before 2017 receive $150 per month for five years (but not past age 65).

This document summarizes results of the attached June 30, 2017 actuarial valuation of these benefits.

Basic Results
Key results of the valuation are as follows:
- As of the valuation date, there were 64 retirees receiving benefits and 78 regular employees. The City paid benefits for retirees totaled $114,000 in 2016/17.
- The City currently does not prefund the plan in an OPEB trust. Benefits paid to retirees are expected to increase from $166,000 in 2018/19 to $224,000 in 2026/27. These amounts (and the valuation) include the implied subsidy - the amount by which active employee premiums subsidize retiree healthcare costs. This subsidy occurs because active employees are, on the whole, younger than retirees with lower health care costs and because PEMHCA uses the same premium for both actives and retirees not eligible for Medicare.
- Since funds are not accumulated in a trust, a 3.58% discount rate was used in the valuation. The discount rate complies with the GASBS 75 accounting standard and is equal to the Bond Buyer 20-Bond Index on the June 30, 2017 actuarial valuation date. The Actuarial Accrued Liability (this represents the portion of the present value of benefits that participants have accrued through the valuation date) is $3,805,000 ($1,082,000 for actives and $2,723,000 for retirees).

Pre-Funding Scenarios
If the City pre-funds these benefits, the discount rate would be based on the long term expected return on trust assets. Liabilities and long term costs would be lower due to the additional investment income expected to be generated. The report provides pre-funding analyses with 2 trust options, the CERBT (CalPERS OPEB trust) investment Strategy 1 (6.75% discount rate) and investment Strategy 2 (6.25% discount rate). The discount rates are based on Bartel Associates’ capital market model (which, in part, includes averages of assumptions from 5 investment advisors). Each scenario below assumes the City contributes the full Actuarially Determined Contribution (ADC):
- CERBT Strategy 1 (6.75% Discount Rate)
  - The Actuarial Accrued Liability decreases from $3,805,000 at a 3.58% discount rate (no pre-funding) to $2,588,000 with a 6.75% discount rate.
  - 2017/18 trust contribution (ADC) of $284,000, increasing to $372,000 by 2026/27.
  - Since the City is currently paying the retiree benefit payments, the additional amount to pre-fund these benefits is the excess of these amounts over the benefit payments, resulting in an incremental cost to pre-fund of $110,000 for 2017/18 increasing to $148,000 in 2026/27.
- CERBT Strategy 2 (6.25% Discount Rate)
  - The Actuarial Accrued Liability decreases from $3,805,000 at a 3.58% discount rate (no pre-funding) to $2,733,000 with a 6.25% discount rate.
  - 2017/18 trust contribution (ADC) of $295,000, increasing to $386,000 by 2026/27.
  - The incremental cost to pre-fund is $121,000 for 2017/18 increasing to $162,000 in 2026/27.

If the City pays 50% of the full ADC, the Actuarial Accrued Liability (AAL) would fall somewhere between the no pre-funding and the pre-funding amounts. For example, under Strategy 1, one might estimate the AAL as approximately $3,200,000 (average of $3,805,000 and $2,588,000).
TO: Honorable Mayor and Members of the City Council
FROM: Anastazia Aziz, AICP, Community Development Department Director
MEETING DATE: March 6, 2019
SUBJECT: Status of the City’s Water Allocation from MPWMD and of the City’s Water Wait List
CEQA STATUS Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

RECOMMENDATION
Receive a report on the status of the City’s water reserves as shown on the January 2019 Monterey Peninsula Water Management District (MPWMD) monthly allocation report.

DISCUSSION
Water Allocation Policy 600-4 and Pacific Grove Municipal Code (PGMC) Chapter 11.68 were recently updated and govern the City’s water allocation regulations and establishes three allocation categories based on use: Residential, Commercial, and Civic Needs/Council Goals. The City maintains a Water Wait List webpage with publicly available information including the wait list. The City Council last received a status report on the City’s potable water allocation on September 19, 2018.

Each month, the MPWMD releases a Monthly Allocation Report included in the MPWMD Regular meeting agenda packet. The most recent report available states Pacific Grove has a total of 0.155 acre-feet (AF) of water available for allocation.

Potable water remains extremely scarce in Pacific Grove and water demand exceeds the City’s current supply by approximately 21.3 acre feet. This represents an increase of about 0.7 AF in demand since the Council’s last status report which is accounted for by new residential requests. At this time a California Public Utility Commission (CPUC) moratorium may interfere with Cal-Am’s ability to set new water meters to serve projects that do not have access to a current, active Cal-Am water meter.

Residential Category
The numerous single-family residential projects on the Wait List request 2.8404 AF. Many projects have been on the Wait List since 2009 and range from new single-family dwellings on vacant lots which required approval of an Architectural Permit, to additional bathrooms which require no planning permits and are poised to apply for a building permit. No inclusionary housing units are currently wait-listed.

0.222 AF requested for 2 new mixed-use residential units located at 246 Forest Ave. was placed in the Residential category under Ordinance 11.68 Water Distribution Regulations. Section 11.68.010.c directs mixed use projects should access the residential category for residential water requirements.
According to Council action on October 3, 2018, the applicant for Water Wait List application #1, on February 25, 2009 requested 0.01 AF for an interior remodel, was contacted and informed that water was available. Due to passage of time, the owners’ plans changed and they no longer require additional water allocation. The applicant withdrew the application and it was removed from the Wait List.

**Commercial/Non-Residential Category**
A total of 0.031 AF remains in the City’s commercial/non-residential category that is available for distribution. As previously directed, water allocations in the Commercial category have been granted in accordance with the following priorities for distribution:

1. Motel projects within the R-3-M zone.
2. Projects within the Downtown Commercial area.
3. Projects that generate sales tax revenue.
4. Diversification of business activities/types.
5. Expansion of existing uses.
6. Correction of existing problems.

There are four applicants requesting a total of 18.5941 AF of commercial water for downtown uses which exceeds the total amount available in the Commercial Reserve. The bulk of the commercial water requests are primarily accounted for by two projects: 1) Hotel Durell requesting 10.8 AF located on the northern portion of the Holman Block (157 Grand Ave.), and; 2) 522 Lighthouse Ave requesting 6.75 AF. The two other commercial requests are for additional dining seats in existing restaurants.

**Civic Needs/Council Goals Category**
A total of 0.1240 acre-feet is available in the Civic Needs/Council Goals category. This category applies to governmental projects undertaken by the City or any other public agency that provides benefit to the community. This category shall also apply to the “affordable” portion of any project that includes an affordable housing component. A total of 0.0732 AF was previously allocated and is pending distribution for two City capital improvement projects:

1. New cemetery administration building requiring 0.0152 AF, and;
2. Restroom in the Monarch Sanctuary with a demand of 0.058 AF.

The information is summarized in the table below. For more detailed information, please see the attached Water Wait List.

<table>
<thead>
<tr>
<th>Potable Water Reserve Summary Table (All units in Acre Feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water Available</strong>*</td>
</tr>
<tr>
<td>-----------------------</td>
</tr>
<tr>
<td>0.0</td>
</tr>
<tr>
<td><strong>Pending Distribution</strong></td>
</tr>
<tr>
<td><strong>Wait Listed</strong>*</td>
</tr>
</tbody>
</table>

*Water Available - water available for potential projects.
**Pending Distribution – water allocated but has not yet been distributed by the Monterey Peninsula Water Management District.
***Wait Listed – amount of additional water requested by project applicants
OPTIONS
1. Take no action.
2. Redistribute water in different amounts to the Commercial, Residential Civic Needs/Council Goals Categories.

FISCAL IMPACT
Allocation of potable water to development projects may result in increased tax revenue for the City. Potential financial impacts include increased sales tax from commercial projects, increased sales taxes from commercial leases on City owned property and increased tourism due to improvements, and potential increased revenue from higher assessed values of residential projects.

CEQA
Receipt of the allocation report and allocation of available water is an administrative action and does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines Section 15378.b.5.

GOAL ALIGNMENT
N/A

ATTACHMENTS
2. Water Wait List

RESPECTFULLY SUBMITTED: REVIEWED BY:

Anastazia Aziz

Anastazia Aziz, ACIP Ben Harvey
Director City Manager
EXHIBIT 17-A
MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of January 2019

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Paralta Allocation*</th>
<th>Changes</th>
<th>Remaining</th>
<th>PRE-Paralta Credits</th>
<th>Changes</th>
<th>Remaining</th>
<th>Public Credits</th>
<th>Changes</th>
<th>Remaining</th>
<th>Total Available</th>
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<td>0.000</td>
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<td>0.000</td>
<td>0.000</td>
<td>5.197</td>
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<td>0.000</td>
<td>1.081</td>
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<td>Monterey</td>
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<td>Monterey County</td>
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<td>TOTALS</td>
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<td>90.142</td>
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<td>87.092</td>
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<tr>
<th>Allocation Holder</th>
<th>Water Available</th>
<th>Changes this Month</th>
<th>Total Demand from Water Permits Issued</th>
<th>Remaining Water Available</th>
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<tr>
<td>Quail Meadows</td>
<td>33.000</td>
<td>0.000</td>
<td>32.320</td>
<td>0.680</td>
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<td>Water West</td>
<td>12.760</td>
<td>0.000</td>
<td>9.375</td>
<td>3.385</td>
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* Does not include 15.280 Acre-Feet from the District Reserve prior to adoption of Ordinance No. 73.
<table>
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<tr>
<th>Permit</th>
<th>Date Listed</th>
<th>Applicant (Owner)</th>
<th>Address</th>
<th>Residential Water</th>
<th>Commercial Water</th>
<th>Civic Needs/Council Goals Water</th>
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<tbody>
<tr>
<td>2</td>
<td>03/10/09</td>
<td>Larson (Perkins)</td>
<td>1040 Benito (APN 007-592-046)</td>
<td>27.60 0.00 0.2760 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 18.5941 0.00 -18.563 AF Available</td>
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<tr>
<td>3</td>
<td>03/11/09</td>
<td>Wasley</td>
<td>427 Evergreen (APN 006-421-034)</td>
<td>2.00 0.00 0.0200 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>4</td>
<td>05/12/09</td>
<td>E. Miller</td>
<td>503 Chestnut (APN 006-446-013)</td>
<td>27.60 0.00 0.2760 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<td>5</td>
<td>05/26/09</td>
<td>Bailey</td>
<td>945 Cedar (APN 006-641-084)</td>
<td>27.15 0.00 0.2715 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>6</td>
<td>06/23/09</td>
<td>Higbie</td>
<td>874 Gibson (APN 006-562-010)</td>
<td>6.80 0.00 0.0680 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>7</td>
<td>09/04/09</td>
<td>O'Halloran</td>
<td>1125 Piedmont (APN 007-585-003)</td>
<td>2.00 0.00 0.0200 0.000 remodel</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<td>8</td>
<td>10/19/09</td>
<td>Watts</td>
<td>1007 Hillside (APN 007-592-025)</td>
<td>20.10 0.00 0.2010 0.000 remodel</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>9</td>
<td>03/05/10</td>
<td>Jovellana</td>
<td>373 Junipero Ave (APN 006-533-014)</td>
<td>5.30 0.00 0.0530 0.000 remodel</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>10</td>
<td>03/12/14</td>
<td>McCord (Posey Estate)</td>
<td>1255 Shell Ave. (APN 006-015-005)</td>
<td>7.40 0.00 0.0740 0.000 remodel</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>11</td>
<td>07/03/14</td>
<td>Tomlinson</td>
<td>404 Grove Ave (APN 006-421-026)</td>
<td>4.80 0.00 0.0480 0.000 additional bathroom</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>25</td>
<td>03/16/16</td>
<td>H. Bell</td>
<td>506 Walnut Ave (APN 006-446-014)</td>
<td>19.10 0.00 0.1910 0.000 remodel</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>27</td>
<td>12/20/16</td>
<td>Llantero</td>
<td>217 Grand Ave (APN 006-283-018)</td>
<td>5.67 0.00 0.0567 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>28</td>
<td>12/22/16</td>
<td>B. Bluhm</td>
<td>215 Grand Ave (APN 006-283-017)</td>
<td>4.10 0.00 0.0410 0.000 remodel</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>30</td>
<td>01/26/17</td>
<td>B. Bluhm</td>
<td>213 Granite (APN 006-314-016)</td>
<td>4.60 0.00 0.0460 0.000additional bathroom</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>31</td>
<td>03/17/17</td>
<td>Lazarre</td>
<td>1239 Ocean View Blvd (006-012-003)</td>
<td>0.30 0.00 0.0030 0.000</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>33</td>
<td>04/15/18</td>
<td>B. Bluhm</td>
<td>1355 Lighthouse Ave (007-031-017)</td>
<td>16.40 0.00 0.1640 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
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<tr>
<td>35</td>
<td>05/04/18</td>
<td>Panzer (Cieslak)</td>
<td>1635 Sunset Dr. (007-041-020)</td>
<td>24.50 0.00 0.2450 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>36</td>
<td>06/06/18</td>
<td>N. Enterline (same)</td>
<td>1305 Lincoln Ave.</td>
<td>2.30 0.00 0.0230 0.000 bathroom</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>37</td>
<td>05/04/18</td>
<td>Robinson</td>
<td>624 Forest Ave.</td>
<td>6.80 0.00 0.0680 0.000 Bathroom and laundry</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>42</td>
<td>08/28/18</td>
<td>N. Redman (same)</td>
<td>1317 Lawton Ave.</td>
<td>4.30 0.00 0.0430 0.000 Bathroom</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>43</td>
<td>09/11/18</td>
<td>B. Bluhm</td>
<td>420 Monterey Ave.</td>
<td>5.50 0.00 0.0550 0.000 Bathroom and laundry</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>44</td>
<td>10/18/18</td>
<td>M. Mierzorski</td>
<td>1129 Beacon Ave.</td>
<td>6.70 0.00 0.0670 0.000 Bathroom, laundry, utility sink</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>45</td>
<td>10/24/18</td>
<td>J. Shoemaker</td>
<td>1323 Funston</td>
<td>4.60 0.00 0.0460 0.000</td>
<td>Third bathroom</td>
<td>0.00</td>
</tr>
<tr>
<td>46</td>
<td>11/17/18</td>
<td>LeMaster/Wood</td>
<td>840 Balboa Ave.</td>
<td>25.20 0.00 0.2520 0.000 VACANT LOT</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
<tr>
<td>47</td>
<td>11/21/19</td>
<td>Tersakyan</td>
<td>246 Forest Ave.</td>
<td>22.20 0.00 0.2220 Two new mixed use residential units.</td>
<td>0.00</td>
<td>0.00 0.0732 0.000 0.0508 AF Available</td>
</tr>
</tbody>
</table>

**Subtotal:**

- Residential Water: $21,507.50
- Commercial Water: $0.00
- Civic Needs/Council Goals Water: $0.00

**Total Water:**

- Total Water Requested: $21,507.50
- Total Water Available for Allocation: $0.00
- Total Water Pending Distribution: $0.00

**Total Balance/Deficit:**

- Total Balance: $21,507.50
- Deficit: $0.00
TO: Honorable Mayor and Members of the City Council

FROM: Cynthia Garfield, Council Member

MEETING DATE: March 6, 2019

SUBJECT: Periodic FORA Update

CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

RECOMMENDATION
Receive the report.

DISCUSSION
FORA began 2019 with the election of new officers. They are as follows:
Chair Supervisor Jane Parker
Vice Chair Mayor Joe Gunter (Salinas)
Past Chair Councilmember Frank O’Connell (Marina)
At Large Mayor Ian Oglesby (Seaside)
At Large Councilmember Cynthia Garfield (Pacific Grove)
Ex Officio President Eduardo Ochoa (CSUMB)

I will additionally serve on the Finance Committee. My goal is to continue to assure full payment of all liabilities, particularly CalPERS by June 2020.

Economic Development and development continue to make progress. Drones, Automation, Robotics and Technology continue to be a cluster focus which will be complemented by CSUMB’s intent to create an Engineering College.

FORA submitted a complete Transition Plan to LAFCO at the end of 2018. That plan is currently under review, with the full expectation from LAFCO that this is a “living” document that will continue to develop. One way in which the plan will evolve will come from the work being done by the Land Use Jurisdictions’ City Managers to craft agreements meant to supplant the current agreements in place that will cease to be in effect June 30, 2020.

FORA Board authorized the hiring of a financial consulting group to evaluate the possibility of funding full blight removal through a bond that would be paid by future property taxes. So, rather than “pay as you go”, in which a city can collect fees when a development permit is issued and those fees can be put toward blight removal a bond would provide up-front funds to create a “blank slate” for future development and the taxes from that development would pay for the repayment of principal and interest over time.
The Board continues to bring forward issues that have not been fully addressed by the current version of the Transition Plan. One pressing one is a mechanism for satisfying post-sunset litigation expenses if those costs exceed the amount planned to be held in escrow. One suggestion is to encumber property taxes that are currently received by FORA to pay those extra expenses.

Preview: I have asked that staff bring forward a Housing Report that reviews the options for future affordable housing on the FORA lands (now belonging to the 5 land-holding entities), regional projects that would serve the entire Peninsula (perhaps including Pacific Grove – unknown at this point)

OPTIONS
Receive report

FISCAL IMPACT
None

GOAL ALIGNMENT
N/A

ATTACHMENTS
1. Resolution.

RESPECTFULLY SUBMITTED:

Cynthia Garfield

_____________________________
Cynthia Garfield
Councilmember
Agenda No. 8D

Board of Directors
Minutes of Regular Meeting
January 17, 2019

A. **CALL TO ORDER**

The meeting was called to order by Alan Cohen, Board Chair, at 11:07 a.m., at the City Hall in Sand City.

B. **BOARD ROLL CALL**

City of Carmel – Darlene Mosley
City of Del Rey Oaks – Pat Lintell
City of Marina – (absent)
City of Monterey – Alan Haffa
City of Pacific Grove – Alan Cohen
City of Salinas – (absent)
City of Sand City – Mary Ann Carbone
City of Seaside – (absent)
Carmel Unified School District – Annette Yee-Steck
Monterey County Office of Education – (absent)
Monterey Peninsula College – Loren Steck
Monterey Peninsula Unified School District – Alana Myles
North Monterey County Unified School District – (absent)
Pacific Grove Unified School District – Cristy Dawson (arrived at 11:15 a.m. after CONSENT ITEMS)
Salinas Union High School District – Anthony Rocha
Santa Rita Union School District – (vacant/absent)

C. **STAFF & GUEST INTRODUCTIONS**

Robin McCrae, Chief Executive Officer
Rosie Angulo, Administrative Services Manager
Sharon Lagana, Chief Financial Officer
Shawn Stone, Program Officer II
Kati Patton, Bookkeeper II
Destini Colvin, Office Manager
Rob Rapp, Development Director
Lenina Sanchez, Communication Coordinator
Lilah Handler, Program Officer II

D. **PUBLIC COMMENTS: None**
Motion: That the Board approve the Job Description and Salary as proposed, but adding Medi-Cal billing experience to the required job qualifications.

M/S/C A. Yee-Steck/C. Dawson 10/0/0

2. Maintenance Staff Job Description and Salary

Motion: That the Board approve the Job Description and Salary, as proposed.

M/S/C A. Haffa/A. Rocha 10/0/0

3. Annual Resolution Authorizing Agency Signers

Motion: That the Board approve the resolution to authorize the CEO, CFO and Board Chair to sign contracts, grants and financial agreements as proposed.

M/S/C L. Steck/A. Yee-Steck 10/0/0

4. Corporate Resolution to Borrow

Motion: That the Board approve the Corporate Resolution to Borrow as proposed.

M/S/C L. Steck/C. Dawson 10/0/0

5. Resolution Designating and Authorizing Signers and Officers for All Financial Institutions.

Motion: That the Board approve the Resolution Designating and Authorizing Signers and Officers for All Financial Institutions as proposed.

M/S/C L. Steck/M. Carbone 10/0/0

K. INFORMATION ITEMS

Information items do not require Board action. The following reports were included in the board packet for review:

1. Unit Narratives
2. CHS Acronym List
3. Financial Reports
4. Personnel Summary

L. JPA MEMBER REPORTS: Board member Anthony Rocha expressed his excitement on being the new representative for the Salinas Union High School District. Anthony served 3 years on the Monterey County Mental Health Commission board for 3 years prior to joining Community Human Services board of directors. He is currently employed at Peacock Acres, a non-profit foster care agency.
MINUTES
CITY OF PACIFIC GROVE
ARCHITECTURAL REVIEW BOARD
REGULAR MEETING MINUTES
Tuesday, January 8, 2019, 4:00 P.M.
Council Chambers – City Hall – 300 Forest Avenue, Pacific Grove, CA

1. Call to Order – 4:00 pm

2. Roll Call
Architectural Review Board Members Present: Sarah Boyle, Chair, Jeff Edmonds, Vice-Chair
Michael Gunby, Terrence Coen, Jen Veitengruber, one vacancy

Members Absent: Tom Lane, Secretary

3. Approval of Agenda

On a motion by Member Gunby, seconded by Vice-Chair Edmonds, the Board voted 5-0-1-0
(Member Lane absent) to approve the Agenda subject to continuance of Item 7b to the February
12th meeting.

Motion passed.

4. Approval of Minutes

a. November 27, 2018

On a motion by Member Gunby, seconded by Vice-Chair Edmonds, the Board voted 5-0-1-0
(Member Lane absent) to approve the minutes from the November 27th meeting.

Motion passed.

5. Public Comments

a. Written Communications
   None

b. Oral Communications
   None

6. Consent Agenda

   None.

7. Regular Agenda

a. Address: 1246 Del Monte Avenue, Pacific Grove, CA 93950 (APN 006-015-012)
   Application #: Architectural Permit (AP) / Admin. Use Permit (AUP) 18-0945
Description: The project consists of the interior and exterior remodel of an existing one-story ranch-style residence to add an approx. 433 sq. ft. second-story addition with an approx. 160 sq. ft. covered second-story deck on the north side. The project includes the conversion of an existing two-car garage to a one-car garage, the realignment of the driveway and an AUP to allow the chimney to exceed the 25’ maximum height limit.

Zone District/General Plan Designation: R-1-H / Res. Medium Density (up to 17.4 du/acre)
Coastal Zone: No  Archaeological Zone: Yes  Historic Resources Inventory: No
Area of Special Biological Significance: Yes
CEQA Status: Exempt per CEQA Guidelines Section 15301(e)(1), Minor Additions
Applicant/Owner: Homelife Design Studio, on behalf of Paul & Jennifer Silverglate, owner(s)

Staff Reference: Alyson Hunter, Associate Planner | ahunter@cityofpacificgrove.org

Alyson Hunter, Associate Planner, provided the Staff Report.

Joshua Stewman, the designer for the project, answered Board Member’s questions.

The Chair opened the floor to public comment.

The Chair closed the floor to public comment.

The Board discussed the project.

On a motion by Member Gunby, seconded by Member Coen, the Board voted 5-0-1-0 (Member Lane absent) to approve the project subject to the Conditions of Approval and CEQA exemption.

Motion passed.

b. Address: 905 Lighthouse Avenue, Pacific Grove, CA 93950 (APN 006-342-003)
Application #: Architectural Permit (AP) / Accessory Dwelling Unit (ADU) 18-0957
Description: The project consists of the demolition of an existing detached garage, the remodel of and 1,284 sf addition to an existing 1926 Craftsman style residence, and a new single-car detached garage with a 550 sf ADU above. The project complies with the development standards of the R-4 zoning district.

Zone District/General Plan Designation: R-4 / Residential High Density (up to 29 units per acre)
Coastal Zone: No  Archaeological Zone: No  Historic Resources Inventory: No
Area of Special Biological Significance: Yes
CEQA Status: Exempt per CEQA Guidelines Sections 15301(l) (Residential Demolition) and 15303(a) (New Construction)
Applicant/Owner: MBA Architects, on behalf of Richard Gallagher, owner

Staff Reference: Alyson Hunter, Associate Planner | ahunter@cityofpacificgrove.org

Item continued to the February 12th meeting.

8. Reports of ARB Members

Member Gunby provided an update on the Downtown Design Guidelines subcommittee.
9. Reports of Council Liaison

None.

10. Staff Updates

Mark Brodeur, Community & Economic Development Director, provided the Board Members with a Design Review packet from the American Planning Association.

11. Adjournment at 4:15pm.

APPROVED BY ARCHITECTURAL REVIEW BOARD

Michael Gunby, Secretary

Date
ECONOMIC DEVELOPMENT COMMISSION
Thursday, January 10, 2019 4:00 P.M.
City Manager’s Conference Room
300 Forest Avenue, Pacific Grove, CA

1) Call to Order / Roll Call: Meeting was called to order at 4pm by Chair Atchison:
   
   **Present:** Jacquie Atchison, Marietta Bain, Julie Davis, Moe Ammar, Willy Nelson, Richard Stillwell, Alan Cohen, Council Liaison Jenny McAdams, Staff Liaison Mark Brodeur
   
   **Absent:** Dianna Addeman, Phill Benson

2) Approval of Agenda: Motion to approve made by Davis, seconded by Stillwell, passed unanimously.

3) Presentation
   
   David Laredo, Pacific Grove City Attorney, presented an update on the local water project, including reviewing the city council policy governing water distribution, water use and water entitlements.

4) Commissioner and Council Liaison Announcements
   
   Commissioner Ammar thanked Chair Atchison on her service to the city with her six years on the Economic Development Commission. Chair Atchison thanked other members who have termed out or decided not to continue on the EDC: Alan Cohen, Phill Benson, Julie Davis and Richard Stillwell.

5) Public Comments - None

6) Approval of Minutes
   
   a) December 13, 2018 Motion made to approve by Ammar, seconded by Cohen, passed unanimously with Bain assenting.

7) Unfinished/Ongoing
   
   a) Update on Banners. Chair Atchison reported that Public Works cannot install some of the 8’ banners on Hwy 68 as the poles are wood with electrical conduit on them, and brackets cannot be attached. Commission recommended that the Chair contact Public Works and request the remaining banners be installed in other areas entering Pacific Grove (Oceanview Blvd, 17 Mile Dr from Pebble Beach).
   
   b) Update on City logo/seal. City Council Liaison McAdams reported that there are currently at least four (4) logos being used in the city. She will bring this matter to the Council’s Goal Setting meeting in February. She recommends that research of all the uses and the costs of replacing if one logo/seal is required prior to approval.
8) New Business - None

9) Reports
   a) Economic Development Report. Staff Liaison Mark Brodeur reported that he is presenting the Planning Commission an ordinance update to define and limit antique stores in downtown; he is working with the HRC to define design requirements for new buildings and he will be reviewing the City of Carmel’s new ordinance on street vendors in order to draft an ordinance to limit and restrict street vendors in Pacific Grove.
   b) BID and Chamber Report,. Moe Ammar reported that the MIIS Branding Study will be presented at the Tourist Information Center on January 23, 2019 at 9am; the hanging flower pots purchased by the EDC have finally been placed and the Welcome Sign to PG for Oceanview Blvd is complete.

Meeting Adjourned at 5:12pm

Next meeting: February 14, 2019 4:00pm

Respectfully Submitted,

Jacquie Atchison, Chair
ACTION MINUTES
CITY OF PACIFIC GROVE
MUSEUM BOARD
REGULAR MEETING
Tuesday, November 13, 2018 at 5:00 p.m.
City Manager’s Conference Room—City Hall—300 Forest Avenue, Pacific Grove, CA

5:06 p.m.

CALL TO ORDER
Present: Chair John Pearse, Secretary Broeck Oder, Board Members Elayne Azevedo, Matthew Crawford, and David Law; City Council Liaison Robert Huitt; City Manager Ben Harvey; and Executive Director Jeanette Kihs. Also present: Director of Exhibits and Education Juan Govea.

1. APPROVAL OF AGENDA
Agenda approved by consensus after Item 5A corrected to read “Minutes,” rather than “Minuets.”

2. PUBLIC COMMENTS
None

3. APPROVAL OF MUSEUM BOARD MEETING MINUTES
The Minutes of the 14 August 2018 meeting were approved.

REGULAR AGENDA

4. ITEMS NOT REQUIRING ACTION
   A. Correspondence
      None

   B. City Council Liaison Comments
      Council Member Huitt indicated there was nothing to report at this time.

   C. Museum Director’s Monthly Reports for July, August, and September, 2018
      Director Kihs noted that July, 2018 had the highest attendance recording for July in several years. July also saw over 6,300 web views, with over 12,000 page views.

   D. City Manager’s Comments
      City Manager Harvey noted that the floor in the Museum needs work and suggested it
D. City Manager’s Comments (continued)
would be helpful if this work encompassed other needed work as well and was a shared project between the Museum and the City. The needs are as follows:

--Besides the flooring, the carpeting, including upstairs, needs replacement.
--Lighting in the Bird Gallery needs improvement. The audio-visual equipment is also unreliable and out of date.
--Painting is needed.
--The Interactive Bird Gallery needs improvement, and it would be better if the interactive aspect is mobile so as to be moved easily and safely when the room is needed as a lecture hall/auditorium.

City Manager Harvey indicated he is enthusiastic to advocate, with Councilmember Huitt, for the City taking a significant role in these improvements.

E. Board Chair’s Comments
Chair John Pearse expressed appreciation and gratitude for the City’s “weekly update” on affairs in the City, a sentiment seconded by Director Kihs. Chair Pearse suggested it would be a worthy addition if the Museum was again included with a bit of news,” and Director Kihs said that Museum personnel have been working on restoring this feature, as it lapsed due only to a personnel departure. All others present at this meeting expressed support for the resumed inclusion of Museum news in the City’s weekly update.

5. REVIEW OF ACTION ITEMS OF PREVIOUS MEETING
Chair Pearse indicated everything looked good from his perspective, and all present concurred with this assessment.

6. UNFINISHED BUSINESS
The two chief items in this category are the Museum Board procedures update and the agenda re-format. City Manager Harvey noted both are in progress.

7. NEW BUSINESS
A. Performance Metrics: Director Kihs noted that the 2018 statistics to date “compare favorably with 2017. 2018 will be the third year of “proper” attendance recording procedures. The previous counting system’s malfunction resulted in recording many more “visitors” than the actual number. Director Kihs also made reference to the figures showing that for the July 1, 2017 – June 30, 2018 period, 41% of Museum visitors were from outside Monterey County. Director Kihs additionally noted that the Monarch Sanctuary draws visitors even beyond actual “Monarch season.”

B. Planning Calendar for 2019: Chair Pearse drew attention to the “Board Planning Calendar for 2019.” Director Kihs noted the schedule for audited financial statements
looked good, but it was decided to move the exhibits plan to May, 2019. In response to miscellaneous questions, the following were noted. The very successful fund raising day brought in $27,000, and the just-begun “Monterey Gives” campaign has raised $12,000 to date. Director Kihs also noted that a healthy number of seasonal year-end parties are scheduled for the coming weeks.

ADJOURNMENT: 5:43 P.M.
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1. **Call to Order - 6:00 p.m.**

2. **Roll Call**
   Commissioners: Robin Aeschliman, Bill Bluhm (Vice-Chair), Jeanne Byrne, Mark Chakwin (Secretary), William Fredrickson (Chair), Steven Lilley, Donald Murphy.

3. **Approval of Agenda**
   
   **On a motion by Commissioner Chakwin, seconded by Commissioner Byrne, the Commission voted 7-0-0-0 to approve to agenda. Motion passed.**

4. **Approval of Minutes**
   a. **December 6, 2018 Regular Meeting**
      
      **Recommended Action:** Approve minutes as presented

      Commissioner Chakwin noted that there are changes needed for the December 6th minutes.

      **On a motion by Commissioner Chakwin, seconded by Commissioner Murphy, the Commission voted 6-0-1 (Commissioner Aeschliman abstaining) to continue the approval of the December 6th meeting to the next meeting. Motion passed.**

5. **Public Comments**
   a. **Written Communications**
      
      None.

   b. **Oral Communications**
      
      The Chair opened the floor to public comment

      {Please refer to the audio recording for details}

      - Claudia Sawyer inquired about the library remodel and who will be reviewing the plans.

      The Chair closed the floor to public comment

6. **Consent Agenda**
   a. **Address:** 935 Jewell Avenue, Pacific Grove, CA 93950 (APN 006-131-007)
      
      **Application #:** Use Permit (UP) 18-0989
      
      **Description:** The addition of bathroom plumbing to an existing 360 sq. ft. detached workshop and construction of a new detached 96 sq. ft. garden shed with electricity (no plumbing) on an approximately 13,516 sq. ft. parcel developed with a single-family residence and attached garage. All development standards of the R-1 zoning district will be met.
Zoning/General Plan Designation: Residential Single-Family (R-1) / Medium Density
Coastal Zone: No   Archaeological Sensitivity: Yes   Historic Resources Inventory: No
CEQA Status: Exempt per CEQA Guidelines, Sections 15303(e), New Construction (Accessory Structures)
Applicant/Owner: Roger Phillips & Sharon Pagni, owners
Staff Reference: Alyson Hunter, Associate Planner | ahunter@cityofpacificgrove.org

Chair Fredrickson pulled Item 6.a. from the Consent Agenda. It was moved to Item 7.a. under the Regular Agenda.

7. Regular Agenda
   a. Address: 935 Jewell Avenue, Pacific Grove, CA 93950 (APN 006-131-007)
      Application #: Use Permit (UP) 18-0989
      Description: The addition of bathroom plumbing to an existing 360 sq. ft. detached workshop and construction of a new detached 96 sq. ft. garden shed with electricity (no plumbing) on an approximately 13,516 sq. ft. parcel developed with a single-family residence and attached garage. All development standards of the R-1 zoning district will be met.
      Zoning/General Plan Designation: Residential Single-Family (R-1) / Medium Density
      Coastal Zone: No   Archaeological Sensitivity: Yes   Historic Resources Inventory: No
      CEQA Status: Exempt per CEQA Guidelines, Sections 15303(e), New Construction (Accessory Structures)
      Applicant/Owner: Roger Phillips & Sharon Pagni, owners
      Staff Reference: Alyson Hunter, Associate Planner | ahunter@cityofpacificgrove.org

      Alyson Hunter, Associate Planner, gave a presentation and answered Commissioners’ questions.
      {Please refer to the audio recording for details}

      The Chair opened the floor to public comment

      - The owner, Roger Phillips, spoke on behalf of the project.

      - Inge Lorentzen Däumer inquired about fees charged for the project.

      The Chair closed the floor to public comment

      The Commission discussed the project.

      On a motion by Commissioner Byrne, seconded by Commissioner Aeschliman, the Commission voted 7-0-0-0 to approve the project. Motion passed.

b. Discussion of Potential Changes to PC Meeting Time/Date
   Staff Reference: Terri Schaeffer, Program Manager
   CEQA Status: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

   Terri Shaeffer, Program Manager, gave a presentation and answered Commissioners’ questions.

   The Chair opened the floor to public comment.
   None
The Chair closed the floor to public comment.

{Please refer to the audio recording for details}

The Commission discussed the potential changes.

On a motion by Chair Fredrickson, with no second received, the Commission voted 5-2-0-0 to hold meetings twice a month. (Commissioners Murphy and Chakwin dissenting). Motion passed.

On a motion by Chair Fredrickson, with no second received, the Commission voted 6-1-0-0 to hold meetings on the 2nd and 4th Thursday of the month (Commissioner Murphy dissenting). Motion passed.

On a motion by Chair Fredrickson, with no second received, the Commission voted 7-0-0-0 to hold meetings at 6pm. Motion passed.

8. Presentations and Trainings
   
   Staff Reference: Terri Schaeffer, Program Manager
   
   CEQA Status: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

   Terri Shaeffer, Program Manager, gave a presentation.
   
   {Please refer to the audio recording for details}

   The Commissioners’ discussed the presentation.

9. Items to be Continued
   None.

10. Reports of Council Liaison
   - Mayor Pro Tempore Dr. Robert Huitt reported on the actions taken by the City Council during its two most recent meetings.
   
   {Please refer to the audio recording for details}

11. Reports of PC Subcommittees
   None.

12. Reports of PC Members
   Commissioner Murphy requested information on the library project.

   Commissioner Aeschliman asked about the status of the Downtown Commercial Guidelines.

   Commissioner Byrne asked for a future discussion on the procedures surrounding the water waitlist.

   Commissioner Chakwin offered an overview on action minutes and why they are used.

   Chair Fredrickson also asked for a future discussion on the water wait list.

   {Please refer to the audio recording for details}
13. Director’s Report

{Please refer to the audio recording for details}

Terri Schaeffer provided an update and answered Commission questions.


- Meeting adjourned at 7:22pm.
- Next Meeting: February 7, 2019

___________________________________   ______________________________
Mark Brice Chakwin, Secretary     Date
TO: Honorable Mayor and Members of the City Council
FROM: Mark Brodeur, Director, Community & Economic Development
MEETING DATE: February 20, 2019
SUBJECT: Zoning Code Modifications Regarding Off Street Parking Requirements in Residential Districts
CEQA: Categorically Exempt (Class 5 – Minor Alterations in Land Use Limitations)

RECOMMENDATION
Introduce and hold first reading of an Ordinance to amend the Municipal Code to modify off street residential parking regulations, and direct publication of a summary of the ordinance as approved by the City Attorney.

DISCUSSION
In recent months, a Planning Commission Subcommittee considered a possible Zoning Code amendment to modify current parking regulations in our lower density single/two family districts. Parking requirements for low density residential use appear in the Zoning Code under Chapters 23.16.070 and 23.20.080. Current parking requirements are not complicated and are currently based on the size of the lot.

The Planning Commission seeks to reduce the parking burden on smaller lots to accommodate greater habitable space. The Planning Commission also wants to allow homeowners to provide more than the required number of parking spaces required without the penalty of lost habitable space. The proposed ordinance would give homeowners the option to provide additional off-street parking spaces without regulatory consequence. The owner’s option to provide one additional covered parking space would not count against the maximum allowable Gross Floor Area. It would still count as lot coverage.

The Planning Commission reviewed the recommendations of its Subcommittee and concurred with the suggested modifications to Zoning Code requirements for residential off street parking. On May 3rd, 2018 the Planning Commission instructed City staff to return with the draft Zoning Code modifications. On September 14, the Planning Commission requested further staff modifications and more clarity. On October 4th, the Planning Commission made a few minor modifications and now recommends this draft for approval and enactment by the City Council.

The current and proposed residential parking requirements are set forth below for comparison.
CURRENT PARKING REGULATION

<table>
<thead>
<tr>
<th>SITE SIZE</th>
<th>OFF-STREET PARKING REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2,700 sq. ft.</td>
<td>None</td>
</tr>
<tr>
<td>2,700 to 4,000 sq. ft.</td>
<td>One covered space and one uncovered space</td>
</tr>
<tr>
<td>Larger than 4,000 sq. ft.</td>
<td>Two covered spaces</td>
</tr>
</tbody>
</table>

PROPOSED PARKING REGULATION

<table>
<thead>
<tr>
<th>SITE SIZE</th>
<th>OFF-STREET PARKING REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and including 2,700 sq. ft.</td>
<td>None</td>
</tr>
<tr>
<td>2,701 to 4,000 sq. ft.</td>
<td>One uncovered parking space</td>
</tr>
<tr>
<td>4,001 to 6,000 sq. ft.</td>
<td>One covered and one uncovered space</td>
</tr>
<tr>
<td>Larger than 6,000 sq. ft.</td>
<td>Two covered spaces</td>
</tr>
</tbody>
</table>

OPTIONS
1. Make non-substantive modifications to the proposed ordinance and direct the Second Reading to include them.
2. Send the matter back to the Planning Commission for further study with directional comments.
3. Take no action.

FISCAL IMPACT
None foreseen.

GOAL ALIGNMENT
N/A

ATTACHMENTS
1. Draft Ordinance

RESPECTFULLY SUBMITTED,
Mark Brodeur
Community Development Department

REVIEWED BY,
Ben Harvey
City Manager
ORDINANCE NO. 19 –

AN ORDINANCE OF THE CITY OF PACIFIC GROVE AMENDING PACIFIC GROVE MUNICIPAL CODE CHAPTER 23 - ZONING, INCLUDING CHAPTERS 23.16.070, 23.20.080 AND REPEALING CHAPTER 23.64.190(a) – “OFF-STREET PARKING, STORAGE“

FINDINGS

1. The City has regulated off-street parking in single family residential districts for over twenty years, having amended parking standards in 2000 and 2002.

2. The City understands providing off-street parking reduces the number of vehicles parked on public streets.

3. The Planning Commission formed a subcommittee that met several times to find an equitable modification to the parking requirements.

4. The Planning Commission considered modification of parking regulations at three separate meetings.

5. Current off-street parking regulations create a situation where off-street vehicular parking space area directly compete with habitable space that a residence can provide.

6. Current off-street regulations unduly penalize lots in the 2,700 to 4,000 square foot range by requiring covered parking space in lieu of more habitable space.

7. This ordinance reflects the need to provide more livable housing space within the City, and promotes the value of habitable space over the provision of “housing” for cars.

8. This Ordinance is Categorically Exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Sec. 15305 (Class 5-Minor Alterations in Land Use Limitations);

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE:

SECTION 1. The foregoing Facts are adopted as findings of the City Council as though set forth as an integral part of this Ordinance.

SECTION 2. Pacific Grove Municipal Code Chapters 23.16.070 and 23.20.080 – Parking Standards and Driveway Length” are repealed and reenacted to read as follows:

23.16.070 Parking standards and driveway length.

a) The number and type of off-street parking shall be as follows:
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<th>LOT SIZE</th>
<th>OFF-STREET PARKING REQUIRED</th>
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<tr>
<td>2,700 sq.ft., or less</td>
<td>None</td>
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<tr>
<td>2,701 to 4,000 sq.ft.</td>
<td>One uncovered parking space</td>
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<td>4,001 to 6,000 sq.ft.</td>
<td>One covered and one uncovered space</td>
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<tr>
<td>6,001 sq.ft., or more</td>
<td>Two covered spaces</td>
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(b) Driveway Space. A driveway at least 20 feet in length may serve as a required uncovered space.

(c) Tandem. Tandem parking is permitted for any driveway or covered parking spaces.

(d) Additional Space. One additional covered parking space, beyond the minimum required, may be allowed on any lot without increasing the allowable gross floor area.

(e) Driveway Length. The distance from a property line to a garage or carport opening facing a street shall be a minimum of 20 feet. The garage or carport setback on any public way which is less than 16 feet in width shall be 10 feet. A shorter driveway may be approved through the use permit process; provided, that any driveway less than 17 feet in length shall be no more than five feet in length.

**23.16.080 Parking standards and driveway length.**

a) The number and sort of off-street parking shall be as follows for single-family dwellings:

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(b) The number and sort of off-street parking shall be as follows for duplexes.

One and one-half space per unit having less than two bedrooms; two spaces for all other units. One space per unit must be in a garage of carport.
(c) Tandem. Tandem parking is permitted for any driveway or covered parking spaces.

(d) Additional Space. One additional covered parking space, beyond the minimum required, may be allowed on any lot without increasing the allowable gross floor area.

(e) Driveway Length. The distance from a property line to a garage or carport opening facing a street shall be a minimum of 20 feet. The garage or carport setback on any public way which is less than 16 feet in width shall be 10 feet. A shorter driveway may be approved through the use permit process; provided, that any driveway less than 17 feet in length shall be no more than five feet in length.

SECTION 3. **Chapter 23.64.190(a) of the** Pacific Grove Municipal Code is hereby repealed and the remainder of the Chapter to be re-lettered accordingly.

SECTION 4. If any provision, section, paragraph, sentence, clause, or phrase of this ordinance, or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses, or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

SECTION 5. In accord with Article 15 of the City Charter, this ordinance shall take effect thirty days following adoption.

SECTION 6. Section 2 of this ordinance shall cause republication of Chapter(s) 23.16.070 and 23.20.080 of the Pacific Grove Municipal Code. Chapter 23.64.190(a) shall be deleted, and the remainder of the Chapter shall be -lettered.

SECTION 7. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement effect this Ordinance.

**PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE**
this ___ day of __________________ 2019, by the following vote:

AYES

NOES:

ABSENT:
APPROVED:

BILL PEAKE, Mayor

ATTEST:

_________________________
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_________________________
DAVID C. LAREDO, City Attorney
TO: Honorable Mayor and Members of City Council

FROM: Ben Harvey, City Manager

MEETING DATE: March 6, 2019

SUBJECT: Draft Tactics for 2019-2020 City Council Goals

CEQA: Does not constitute a “Project” as defined by CEQA Guidelines Section 15378

RECOMMENDATION
Review proposed draft tactics for 2019-2020 City Council Goals, and direct the City Manager to return with final goal tactics for City Council ratification.

DISCUSSION
The City Council ratified its goals for 2019-2020 at its February 20, 2019 meeting, and directed staff to return with corresponding proposed goal tactics. According, a list of the goals with corresponding draft tactics is attached for review and consideration. While goal tactics were primarily drafted by staff, Council Members also submitted contributions (identified on the attachment).

Next Steps
Assuming City Council approval of draft goal tactics, staff will then conduct a comprehensive review of all draft goal tactics to determine feasibility. A final list of goal tactics will then be brought back before the City Council for final review and anticipated ratification.

OPTIONS
1. Take no action
2. Ratify attached list of draft goal tactics
3. Propose additional draft goal tactics
4. Remove specified draft goal tactic(s)
5. Provide alternate direction

FISCAL IMPACT
There is no fiscal impact in the review of draft goal tactics.

GOAL ALIGNMENT
N/A
ATTACHMENT

1. City Council 2019-2020 Goals with Draft Tactics

RESPECTFULLY SUBMITTED,

__________________________
Ben Harvey
City Manager
CITY COUNCIL GOALS
DRAFT TACTICS

1. **Complete Streets**
   
   *Description: Plan, design and implement streets, sidewalks and transportation networks that better allow access for all types of users.*
   
   - Continue Sidewalk Development Policy implementation
   - Implement the Pavement Management Program
   - Partner with PGUSD on at least 1 CIP that jointly addresses agency needs related to streets/transportation
   - Advance discussions to review feasibility of potentially acquiring Highway 68 (BP)
   - Charge Traffic & Safety Commission to update focus to include encouraging walking and biking (CG)
   - Revisit regulations, designations and offerings of Recreation Trail such that it is a shared route (CG)

2. **Environmental Stewardship:**
   
   *Description: Adopt and develop policies and ordinances that preserve and protect the environment*
   
   - Update of food ware/to go and single use plastics materials ordinance
   - Continue implementation of the Urban Greening Plan
   - Continue implementation of protection measures to prevent pollutants from entering the ASBS
   - Move to electronic and paperless systems in administrative processes
   - Work with MST to increase bus headway
   - Reduce parking requirements for developments proximate to transit stops
   - Document the amount of solar energy generated Citywide
   - Study feasibility of moving City facilities to 100% renewable energy
   - Obtain coastal wildlife protection ad hoc committee recommendations (BP)
   - Update George Washington Park plan (BP)
   - Reduce or consider eliminating use of pesticides and herbicides on public property (BP)

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CITY COUNCIL GOALS
DRAFT TACTICS

➢ Consider implementation of California Green Building Standards Code, i.e. CALGreen (BP)
➢ Evaluate additional EV infrastructure measures (BP)
➢ Promote reduction and recycle of organic waste (BP)
➢ Set and following reliable, proven standards (as in Integrated Pest Management Plan) for best practices in maintaining open areas (CG)
➢ Target sustainable tourism (CG)

3. City Asset Stewardship
Description: Repair, maintain and improve City assets, including streets, sidewalks, sewer systems, buildings, parks and trails to better serve the community, anticipate future needs and prevent further degradation.

➢ Improve database management practices
➢ Continued evaluation and implementation of Recreation Assessment Findings
➢ Work to implement items identified in the City's Risk Assessment, as it relates to asset improvements
➢ Assist in ensuring stewardship of assets by enhancing the City's capital asset policy and conducting a physical inventory of assets
➢ Implement Pine Avenue safety improvements (BP)
➢ Complete a certified Local Coastal Program (BP)
➢ Complete Shoreline Management Plan (BP)
➢ Obtain funding and build Point Pinos Coastal Trail (BP)
➢ Extend sidewalks into Del Monte Park residential neighborhood (BP)
➢ Complete YY sewer collection system capital projects (BP)
➢ Replace at least one broken streetlight per block in Candy Cane, Hillcrest, and Sunset neighborhoods (BP)
➢ Perform XX miles of street rehabilitation (BP)
➢ Create long-term plan to address road deficits with funds earmarked over time (CG)
➢ Schedule sidewalk repairs from established sidewalk inventory (CG)

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CITY COUNCIL GOALS
DRAFT TACTICS

➢ Schedule a review of street lights and determine PG&E and City repairs or additions to foster a safe, walkable city (CG)
➢ Build a centralized IT network system to provide access to network health and security; and related policies
➢ Consolidate security camera and access control system
➢ Conduct a cyber-security audit to assess the City’s exposure to cyber risks
➢ Replace aging phone system, which has some components that are no longer supported, with a system that is compatible across departments
➢ Evaluate centralized data storage systems to serve as the foundation for secure management of city records and potential access.
➢ Conduct playground safety assessment

4. Community Responsiveness
Description: Develop and implement systems, interfaces and infrastructure to better communicate with the public.

➢ Develop public facing work order submission systems
➢ Consider development of a Shoreline app
➢ Public facing Building permit information
➢ Create online planning, building, tree permit, and recreation services applications
➢ Implement agenda management and PRR software for optimum public information
➢ Implement online Geographic Information System (GIS) for property information
➢ Develop and offer 10-week Youth Academy by Summer 2020
➢ Enhance social media strategies and training to increase community engagement
➢ Create a Faith-Based Council to collaborate with community faith leaders on public safety & quality of life issues
➢ Enhance the existing financial transparency website with friendlier user interface
➢ Implement public facing cemetery database to view plot locations and genealogy records, as well as improve internal efficiencies
➢ Deploy community engagement software
➢ Evaluate or refresh the City’s website

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CITY COUNCIL GOALS
DRAFT TACTICS

- Receive the GFOA Budget Award to acknowledge that the City's budget is an easy to understand and transparent format
- Update the Television Broadcast Room to improve the quality and reliability of broadcasted public meetings
- Improve integration of digital offerings with Library's online catalog system
- Improve boards, committees and commissions effectiveness through a revised handbook (BP)
- Improve policy/regulations regarding use of story poles (BP)
- Revise or remove PGMC 23.72.020 which bypasses the Architectural Review Board (BP)
- Conduct a forest fire hazard study (BP)
- Prepare emergency evacuation plans for forest fire and tsunami (BP)
- Conduct community outreach on residential wildlife hazards (BP)
- Coordinate GIS activities to provide the public with intuitive, spatial data
- Provide improved access to wedding information and promotional material on City wedding locations and reception facilities
- Use technology to reach out to already-formed groups on key city issues (CG)
- Create a broad approach to providing bite-sized opportunities for input (CG)

5. Financial Stability
   Description: Develop a strategic plan to better address current and future City expenditure and revenue needs while continuing to provide high quality municipal service.
   - Present alternatives and prepare the five-year strategy to assist with fiscal stability (CG)
   - Assist with the financial analysis associated with the sale of water entitlements and use of the proceeds
   - Maintain fee levels at cost recovery
   - In partnership with the California Coastal Commission, explore viability of paid parking at Lover's Point

Parenthesized Items Submitted by:

|   | 
|---|---|
| BP | Mayor Peake |
| CG | Councilmember Garfield |
CITY COUNCIL GOALS
DRAFT TACTICS

- Research vehicle lease vs. purchase of specialized unmarked police vehicles for cost savings
- Explore financing options for replacement of fire engine
- Review building permit fee structure to possibly incorporate Fire Prevention plan review fee
- Evaluate and update reserve levels for other funds (General Fund recently updated)
- Update the travel, purchasing, and credit card policies to establish stronger internal controls and assist with ensuring the best value for the City
- Assist the Financial Sustainability Subcommittee and City Council in evaluating any alternate revenue strategies
- Evaluate and centralize contracts that support multiple departments to assist in achieving the best value for the City
- Develop a 5-year strategic plan (BP, CG)
- Replace antiquated financial software that may no longer be supported with a more modern, efficient software. This can be used to support strategy development
- Review and update budget amendment policy to facilitate stronger budgetary control of capital projects
- Establish standard contract for entities using the corporation yard to assist with financial risk management
- Continue to conduct safety training, implementation of an incentive program, and safety meetings to develop a culture of safety and reduce workers compensation claims
- Prepare and implement an asbestos and lead management plan to assist with risk management (not sure if applicable, could reduce potential claims)
- Adjust the revenue chart of accounts to better track fee-based functions and identify cost recovery opportunities
- Enforce and verify sources of revenue such as business licenses, TOT (CG)

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CITY COUNCIL GOALS
DRAFT TACTICS

➢ Benchmark the City's investment portfolio to demonstrate prudent, yet effective investment returns
➢ Freeze number of full-time positions, with criteria developed for exceptions (CG)

6. Increase Affordable Housing

*Description: Determine policies, projects and programs that will advance the effort to create new affordable housing in the City*

➢ Participate at the regional and county level on boards and working groups on housing and homelessness issues
➢ Pursue available funding for planning and Housing Element revisions.
➢ Develop Rental Housing Guidelines which recommends rental increases and relocation services; consider rent control guidelines.
➢ Consider Inclusionary Housing Ordinance or updates to existing Density Bonus to include policies and guidelines for incentives such as exemptions from development standards for affordable housing development. (relaxed parking, increased height limits, fee waivers)
➢ Develop a Housing Production Plan so that once water is available the City can partner with non-profits and/or affordable housing developers to develop under-utilized parcels and City owned properties for development
➢ Eliminate Use Permit requirement for development of eight or more affordable units.
➢ Launch a ballot measure to obtain voter approval to modify zoning restrictions in O and U districts to allow for affordable housing development;
➢ Become a member of Monterey Bay Economic Partnership (BP)
➢ Explore potential annexation of the Mission Linen Supply property for proposed residential development (BP)
➢ Explore residential development at Lighthouse Cinema parking lot (BP)
➢ Create an inclusionary housing ordinance (BP)
➢ Revise the subdivision ordinance (BP)
➢ Obtain water entitlements for housing (BP)
➢ Encourage mixed use development in commercial zones (BP)

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CITY COUNCIL GOALS
DRAFT TACTICS

- Understand and communicate state mandates and pending legislation related to affordable housing (CG)
- Planning Commission should create a plan for changing/adding/removing zoning and ordinances that hinder the development of a more affordable housing profile: both adding documented “affordable” housing and adding to the housing stock of smaller houses for sale at market rates (smaller lots) (CG)
- Identify opportunities to provide /encourage improved affordability for Pacific Grove residents, not for the region at large (CG)
- Understand the implications of available grants and funding sources for the taxpayers of Pacific Grove (CG)

7. Help Local Businesses Thrive

Description: Review, and revise existing policies and programs, and develop a strategic plan to better serve existing businesses while attracting new commerce to better stimulate the economy and revitalize commercial corridors, especially the downtown.

- Revise PGMC to address Sidewalk vending and food truck regulations.
- Develop recreation program provider contracts
- Continued expedition of planning permits
- Develop process to expedite building permits
- Remove planning permit requirements for small scale facade changes for non-historic commercial buildings
- Launch Facade Improvement Program City-wide
- Liaise with City planning to provide CPTED (Crime Prevention through Environmental Design) input during permitting process
- Continue to work with businesses on creative ways for them to maintain compliance with Fire Code
- Increase resources and programs at Library for starting businesses (partner with Chamber, SBA, SCORE, Rotary, etc.)
- Complete commercial design guidelines (BP)
- Revise existing policies and programs to better serve existing businesses (BP)
- Promote downtown evening activities through music and lighting (BP)

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CITY COUNCIL GOALS
DRAFT TACTICS

- Obtain water entitlements for businesses (BP)
- Assess implementation of best LEAP strategies (BP)
- Make downtown more attractive by adding/replacing trees (BP, CG)
- Review and reconsider Design Standards for signage, renovation, building (CG)
- Work with EDC and BID to identify needed changes that are currently hindering current and prospective businesses; set plan to address (CG)
- Support evening entertainment (noise ordinances, sidewalk uses, support non-profit or business groups that provide citizens and visitors with entertainment that is low-impact, recurring) (CG)
- Code enforcement to keep older buildings attractive for businesses (CG)
- Parking signage so visitors can find parking to be a less stressful exercise – so they will come back (CG)
- Downtown maps with EVERY business on them – city could use BID funds (CG)
- Consider proposed formation of property based improvement district for the downtown
- Hire commercial broker to assist with retail placement within the downtown

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TO: Honorable Mayor and Members of the City Council
FROM: Ben Harvey, City Manager and Heidi Quinn, Assistant City Attorney
MEETING DATE: March 6, 2019
SUBJECT: Approving Resolution Revising Council Policy 000-5 and the Committee Handbook
CEQA STATUS: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines Section 15378

RECOMMENDATION
Amend Council Policy 000-5 and adopt a revised Boards, Committees and Commissions Handbook and authorize staff, with Mayor concurrence, to make future non-substantive amendments.

DISCUSSION
The City Attorney’s office and City staff have been working in conjunction with the Mayor to review and revise the current board, commission, and committee (Committee) procedures, which are set forth in three separate attachments to Council Policy 000-5, “Committee Classification; Board, Commission, and Committee Appointments and Procedures”:

- City of Pacific Grove Boards and Commissions Standard Protocols
- City of Pacific Grove Boards and Commissions Meeting Guidelines and Procedures
- City of Pacific Grove Boards and Commissions Motions

The purpose of the review is to streamline the information available to Committees to make it more accessible. Also, Committees have been operating under a set of rules and policies that differ from those that apply to City Council. Amending the Policy and adopting the new Boards, Committees and Commissions Handbook (Handbook) will apply a uniform set of rules to City Council and subsidiary bodies. Providing authority for staff, with Mayor concurrence, to make minor, nonsubstantive changes to the Handbook will provide the ability to correct errors or omissions.

The draft Handbook was circulated for review and comment to key City staff as well as the Chairs of the various subsidiary bodies.

OPTIONS
1. Provide alternate direction

FISCAL IMPACT
None.
ATTACHMENTS
1. Resolution
2. Council Policy 000-5
3. Draft Boards, Committees and Commissions Handbook

RESPECTFULLY SUBMITTED:

_____________________________
Ben Harvey Heidi Quinn
City Manager Assistant City Attorney
RESOLUTION NO. 19-xxx
AMENDING COUNCIL POLICY 000-5 REGARDING BOARDS, COMMISSIONS, AND COMMITTEE PROCEDURES

FINDINGS

1. The current Council policy governing the Committee Classification; Board, Commission, and Committee Appointments and Procedures incorporates procedures for boards, commissions and committees.

2. The City Council would like to streamline the information available to City boards, commission and committees (Committees) to make it more accessible and to ensure a uniform set of rules to City Council and all subsidiary bodies.

3. This action does not constitute a “Project” as that term is defined under the California Environmental Quality Act (CEQA) Guideline Section 15378, as it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE:

1. The Council determines that each of the Findings set forth above is true and correct, and by this reference incorporates those Findings as an integral part of this Resolution.

2. The Council authorizes amendment of Policy No. 000-5 as indicated in the draft policy attached hereto.

3. This Resolution shall become effective immediately following passage and adoption thereof.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 6th day of March, 2019, by the following vote:

AYES:

NOES:

ABSENT:
APPROVED:

__________________________________________
BILL PEAKE, Mayor

ATTEST:

_______________________________
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_______________________________
DAVID C. LAREDO, City Attorney
1. **Purpose.** This policy establishes standards for: 1) the classification of Council committees; 2) the appointment of board, commission, and committee members; and 3) board, commission, and committee procedures.

2. **Classification.** The following classification shall be in place to handle the committee and other referral needs of the Council not otherwise subject to the jurisdiction of charter or municipal code boards and commissions:

   a. **Ad hoc committees.** This class of committee shall consist either of citizens only or a mixed group of Council members and citizens. Such committees shall have limited assignments related to temporal issues and shall be expected to complete the assignments within a relatively short time. The Council shall provide a written statement of mission to an ad hoc committee, shall ask that the work of the committee be completed by a certain date, shall advise as to record keeping and form of recommendation and shall provide guidance on legal and practical aspects of proceeding with committee work, including suggested formats for agenda and minutes. Ad hoc committees shall be required to submit summary progress reports to the Council on a regular basis, or at least semi-annually. Unless otherwise directed by the Council, ad hoc committees shall designate their chair and vice chair. Ad hoc committees shall be free to request that the Council expand committee missions, i.e. scope of work, but shall make no such changes without specific approval of the Council.

   b. **Standing committees.** This class of committee shall consist either of citizens only or a mixed group of Council members and citizens. Assignment(s) shall not necessarily be permanent, but a standing committee may exist to address issues arising more or less continually in an area of interest to the Council. With the exception of the time specific items, the provisions set out in the ad hoc committee section, above, shall apply as well to standing committees.

   c. **Council subcommittees.** This class treats the situation where one, two, or three Council members are given direction to perform work/research and to return to the Council with some pre-assigned product.

NOTE: Staff shall not be named as committee members. Staff’s role is advisory and supportive; naming staff as committee members confuses staff’s relationship and responsibility to assigned committees.

3. **Appointment of Board, Commission, and Committee Members.**

   a. Members of charter and municipal code boards and commissions are selected by the Mayor, subject to approval by the Council. Selection shall occur annually at the second regular meeting in January and on an as-needed basis thereafter. The appointment process includes a minimum two-week notification period, including posting, posting on the City’s web site, and media notices specifying the board(s) or commission(s) having a vacancy, the number of vacancies on each, the
term of service, the application process, and the application closing date. The City Clerk shall make
available a folder containing all applications for Council examination, and the Mayor’s selections for
Council approval will be placed on the next available regular meeting agenda following the closing
date. If a vacancy arises during a term, and there are one or more active applications for that board or
commission on file, appointment can be made from those applications, without re-noticing. This can
help avoid a significant disruption in the operations of the board or commission due to extended
vacancy. In any event, applications are valid for a maximum of only 12 months.

b. When considering appointments to a City Boards or Commissions, Pacific Grove residency and
voter registration shall be required.

1. Residency in Pacific Grove is established when all of the following conditions are met: the
applicant is registered to vote; the address listed on the applicant’s drivers license; the address
where the applicant receives his or her mail; and where the applicant physically resides,
combined with the intent to remain there.

2. Should a Pacific Grove resident serving on a City Board or Commission no longer qualify as a
Pacific Grove resident under paragraph (b) 1, above, that office shall be vacated.

3. As an exception to the residency requirement set by this paragraph (b), a non-resident may be
appointed to the Economic Development Commission and the Golf Links Advisory
Commission.

c. With respect to appointment of citizen members of ad hoc committees and standing committees,
appointment opportunities shall be announced at a Council meeting and in the media, as appropriate,
with a stated closing date that is a least one week before the meeting at which the appointments will
be made. If there are not sufficient or appropriate applications, the time limit may be extended and
announcements may be repeated. Recommendations shall be invited from everyone with interest or
expertise, i.e., Council, staff, board/commission/committee members, and citizens. Recommendations
shall be made to the Mayor or the City Clerk. Any interested Council members may review the
applications in the Clerk’s file. The Mayor shall submit final selections for Council approval on the
next available regular meeting agenda following the closing date.

d. Membership of boards, commissions, and committees shall not be changed without Council
approval.

e. In making appointments to the many bodies referenced in this policy, the Council shall
endeavor to distribute the appointments as broadly as possible throughout the city population. Unless
a special talent or expertise otherwise dictates, the Council shall not favor appointment of more than
one member of a household to a single body. Further, in considering appointments, the Council shall
be attentive to the City’s status as an Equal Employment Opportunity (EEO) organization.

f. (1) With the exception of charter boards and commissions (which service limitations are set out
in the city charter) a citizen member of a body covered by this policy shall not be reappointed to a new
term if such reappointment would result in continuous service on the body for more than eight
consecutive years. Service for less than a full term shall not be counted in applying the eight-year
limit.

(2) Lengths of terms, commencement, and expiration dates of said terms for members of
boards, commissions, and committees established by the Municipal Code shall be as provided by the Municipal Code. Expiration dates are staggered, so as to provide continuity.

(3) Lengths of terms of standing committee members shall be as provided at the time the Council establishes a standing committee. Said terms shall in any event be set to expire on January 31 of the appropriate year.

(4) Ad hoc committee member terms shall be for the time required for the work of the committee to be completed, as specified by the Council.

g. Appointments to outside agencies shall be made by the Mayor subject to approval by the Council.

h. All members shall serve at the pleasure of the Council. The Council, by an affirmative vote of four of its members, may remove any committee member at any time during the member’s term of office (Charter Article 26). Possible grounds for removal are: excessive absences, verbally or physically abusive behavior, and violations of ethics or conflicts of interest.

4. Board, Commission, and Committee Procedures. Charter, municipal code, ad hoc, and standing boards, commissions, and committees shall adhere to standard procedures for notice, conduct of meetings, reporting to the Council, and other matters, as provided in three documents—Boards and Commissions Standard Protocols, Meeting Guidelines and Procedures, and Motions—the Boards, Committees and Commissions Handbook, which attached to and made a part of this policy.

5. Council Review of Board Actions. The City Council shall not “approve” the minutes of any board, commission, or committee; rather the minutes shall be “received.” If there is an item in the minutes that requires actions of the Council, it shall be separately and specifically listed on the Council agenda for action (see Standard Protocols, page 5). As set forth in the municipal code (PGMC §23.73.080) the Council, acting its next regular meeting following a final decision of any board or commission, may “call up” an item acted upon by that board or commission. The vote of three members of the Council shall be required to call an item for review. The action so called shall be reviewed by the Council, de novo, within thirty days of the decision to compel review. Notice of the review shall be provided in the same manner as required for the initial action. The review, by majority vote, may affirm or modify the original decision.

Attachments:
- Boards, Committees and Commissions Handbook
- City of Pacific Grove Boards and Commissions Standard Protocols
- City of Pacific Grove Boards and Commissions Meeting Guidelines and Procedures
- City of Pacific Grove Boards and Commissions Motions

Adopted: June 17, 1992 Resolution No. 6280
Amended: September 1, 1993 Resolution No. 6361
Amended: March 29, 1996 Resolution No. 6-017
Amended: May 15, 1996 Resolution No. 6-026
Amended: January 8, 1997 Resolution No. 7-001
Amended: February 19, 1997 Resolution No. 7-006
Amended: September 1, 2010 Resolution No. 10-069
Amended: December 1, 2010 Resolution No. 10-103
Amended: February 2, 2011 Resolution No. 11-007
BOARDS, COMMITTEES AND COMMISSIONS
HANDBOOK

CITY OF PACIFIC GROVE

FEBRUARY 1, 2019
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1. Introduction

The City of Pacific Grove’s (City) boards, committees and commissions (Committees) serve vital roles to support a well-functioning local government. The better committees function, the better local government can serve the needs of its residents. It is towards this end that this handbook has been prepared.

The scope of Committee responsibilities, procedures, and applicable laws is wide. It would be impractical to include all relevant material in one document. Therefore, this document is intended to provide: (1) a brief overview of key subject areas and (2) reference more in-depth materials on specific subjects.

General communication and interpersonal skills promoting good civil discourse and decision-making are, of course, extremely helpful for any well-functioning committee. However, broad subjects such as these are beyond the scope of this handbook.

This handbook is intended to help Committee members better understand their roles and responsibilities, governing regulations, and meeting protocol for effective decision-making.

Current and past committee members have given generously of their time and talents for the benefit of all residents. Their contributions to Pacific Grove are gratefully acknowledged.

Bill Peake, Mayor
Heidi A. Quinn, Assistant City Attorney
2. Committees

Committees formed through the City’s Charter are:

- Planning Commission
- Library Board
- Museum Board
- Recreation Board

These are referred to as Charter Committees. A vote of the people is required to change the City Charter.

Committees established by the Pacific Grove Municipal Code (PGMC) are:

- Architectural Review Board
- Beautification and Natural Resources Commission
- Economic Development Commission
- Golf Links Advisory Commission
- Historic Resources Committee
- Traffic Safety Commission

A City Council ordinance is required to change the PGMC.

Many other City Committees exist but are not listed above. While basic Committee responsibilities and regulations apply, their nature differs in one or more significant ways. To simplify the handbook, rules and processes specific to those Committees are not set forth, including:

- Ad hoc, standing, City Council and City Manager subcommittees. An example is the Site Review Committee. See the PGMC and City Council Policy 000-5 governing such Committees.

- The Administrative Enforcement Hearing Officer Panel established by PGMC Chapter 3.30. Its procedures are further described in PGMC Chapter 1.19, Municipal Code and Ordinance Enforcement.

- The Downtown Pacific Grove Business Improvement District (BID) Advisory Board established by City Council Resolution 07-042, September 19, 2007 (See link to this resolution on the BID webpage). Rules governing this advisory board can also be found in PGMC Chapter 6.50.

- The Pacific Grove Hospitality Improvement District (HID) Advisory Board established by City Council Resolution 07-044, November 7, 2007 (See link to this resolution on the HID webpage). The HID is described in PGMC Chapter 6.54. Additional HID documentation can be obtained on the City’s website. (See City Council resolutions 18-015 and 18-047.)

- Although referenced in PGMC Chapter 3.28, the Cultural Arts Commission does not currently exist.
3. Committee Membership

Committee Member Selection Process
Committee members are appointed by the Mayor in January of each year, subject to confirmation by City Council at a public meeting (Charter Article 26; Policy 000-5). Vacancies created mid-term are filled in the same manner.

Committee Member Qualifications
Residency requirements for appointed committee members are described in Charter Article 26 and Council Policy 000-5. However, residency exceptions may be made for the Economic Development Commission and the Golf Links Advisory Commission.

Members shall not hold any paid office or employment in the City government or be a member of any other Charter Committee (Charter Article 26).

Additional member qualifications are set forth in the PGMC, including:
- Architectural Review Board - PGMC § 23.70
- Beautification and Natural Resources Commission - PGMC § 3.24
- Economic Development Commission - PGMC § 3.40
- Golf Links Advisory Commission - PGMC § 3.42
- Historic Resources Committee - PGMC § 23.76
- Traffic Safety Commission - PGMC § 16.08

How to Apply
Application forms for Committee appointments are available from the City Clerk and can be obtained from the City website. Applicant contact information is not made public, but qualifications are.

Upon Joining the Committee
New Committee members, before assuming their responsibilities, must take an oath of office as described in the California State Constitution Article XX, Sec. 3. (See also Govt. Code § 1360; Charter Article 3). Oaths are administered by the City Clerk.

Select Committee members, designated in the City’s Conflict of Interest Code, are required to submit a Statement of Economic Interests (FPPC Form 700) to the City Clerk within 30 days after assuming office. (See PGMC § 2.40)

New Committee members must participate in Government Code § 53235 (AB 1234) ethics training, within 12 months of appointment. This training is available from many sources, and compliance sessions are also provided by the Office of the City Attorney.

Terms of Office
Committee terms begin February 1st except when filling a seat vacated mid-term. Terms end January 31 of the designated year.

Charter Committee appointments are four-year terms, unless earlier removal is warranted or there is a mid-term vacancy. A limit of three consecutive full terms shall apply (Charter Article 26). Member terms are staggered (PGMC § 3.02.050).
For all other Committees, terms are limited to two years, with staggered terms. Committee members may not be reappointed to a new term if reappointment would result in continuous service for more than eight consecutive years (Council Policy 000-5).

**Removal from Office**
Unexcused absences from consecutive regular meetings provides grounds for removal from office. See the PGMC for further details.

Further, all Committee members serve at the pleasure of the Council. The Council, by an affirmative vote of four of its members, may remove any Committee member at any time during the member’s term of office (Charter Article 26). Possible reasons for removal include but are not limited to: excessive absences, verbally or physically abusive behavior, violations of ethics, violations of Council policies, conflicts of interest, among other causes.

**Leaving Office**
Committee members may resign at any time. Sixty (60) days’ notice is suggested to enable a replacement to be identified and appointed without causing a gap in Committee membership. Each Committee member must file an FPPC Form 700 Leaving Office Statement within 30 days of leaving office.
4. Role of Committees

All Committees have an advisory role to City Council and the City Manager. This advisory role is constrained to the Committee’s area of responsibility, as set forth in the PGMC.

A few Committees have areas in which they hold delegated decision-making responsibility by the Municipal Code or by Council. Thus, the Planning Commission grants use permits and variances; similarly, a member of the Administrative Hearing Panel hears appeals of certain code enforcement actions.

The primary function of City Committees, however, is to advise. Both informal and formal means of communication may be used, as appropriate, to fulfill this advisory role. Committee recommendations related to City actions may be presented at City Council meetings as individual agenda items (Council Policies 000-5 & 000-6). While advice may not always be taken, Committees have the legal responsibility to advise on policies or issues as the law directs.

Committee responsibilities are more specifically set forth in the Charter and the PGMC:

- Planning Commission - Charter Article 26.a. & PGMC § 23.70.080
- Library Board - Charter Article 26.b. & City Council minute action August 17, 2011 (See link to minute action on Library Board webpage)
- Museum Board - Charter Article 26.c. & Resolution 11-072 September 7, 2011 (See link to resolution on Museum Board webpage)
- Recreation Board - Charter Article 26.d.
- Architectural Review Board - PGMC § 23.70.060
- Beautification and Natural Resources Commission - PGMC Chapter 3.24
- Economic Development Commission - PGMC Chapter 3.40
- Golf Links Advisory Commission - PGMC Chapter 3.42
- Historic Resources Committee - PGMC § 23.70.070
- Traffic Safety Commission – PGMC § 16.08.040
- Administrative Hearing Panel – PGMC § 3.30

Most Committees function in policy mode, which is a quasi-legislative responsibility. This includes, for example, recommending changes to the PGMC if within the Committee’s jurisdiction.

Committees may also function in a hearing mode, from time to time, which is a quasi-judicial responsibility. This includes, for example, where a decision modifies vested property rights, or when a matter is raised by appeal pursuant to the PGMC. The latter responsibility requires decisions supported by evidence presented at the hearing, which has been entered into the formal record. Those Committees are:

- Planning Commission
- Architectural Review Board
- Historical Resources Committee
- Beautification and Natural Resources Commission
- Traffic Safety Commission
- Administrative Hearing Panel
Committees may also perform additional duties as assigned by Council. Most Committees are distinct and without significant overlap. As a result, a single issue or opportunity is not likely to be addressed by more than one body. The responsibilities of some Committees intersect. In such cases, it benefits the Committees to understand the Charter and philosophy of the others to best serve the public on issues of mutual concern.
5. Role of Committee Members

Members
The primary role of all Committee members is to attend meetings and be prepared to discuss and vote on agenda items. If unable to attend a Committee meeting, a member should notify the Committee Chair as soon as practical.

Officer Elections
Charter committees must elect a Chairperson, or Chair, to serve a one-year term at the first meeting in February (PGMC § 3.02.050). This is also the practice of other Committees.

The Committee Chair or, if there is no Chair, the person who called the meeting to order, will ask for nominations for the office of Chair. Any member of the Committee may nominate himself/herself or any other member of the Committee; no second is required. Once nominations are complete, the Chair will close nominations, announce the slate of nominees, and ask for a vote on the nominees in the order of nomination.

Each voting member of the Committee shall have one vote. The nominee receiving votes from a majority of the members in attendance shall be declared the winner. If no member receives a majority, the process shall be repeated, except in the event of a tie between the top two vote-getters, in which case a run-off shall be held. The winner shall assume the office of Chair immediately.

Using the same procedure, the new Chair shall secure the election of a Vice Chair. The Committee may also appoint a Secretary.

Chairperson
The Chair is responsible to preside at meetings, establish the agenda with input from Council, staff and other Committee members, call special meetings, sign Committee documents and report to City Council as needed.

The Chair is responsible for the timely filing of minutes with the City Clerk. Staff may assist in this responsibility upon request of the Chair.

Vice-Chairperson
The Vice-Chair assumes the Chair’s duties in their absence. The Vice-Chair shall succeed the Chair if they vacate office before the term is completed and shall serve the unexpired term. A new Vice-Chair shall be elected at the next regular meeting.

Secretary
If a Secretary is appointed by the Committee, the Secretary is responsible for meeting minutes, which are forwarded to the City Clerk upon Committee approval. However, without a Secretary, preparation of minutes may be fulfilled by staff liaison at the request of the Chair.

Subcommittees
Subcommittees may be appointed by the Committee to accomplish a specific goal within a given timeframe. Subcommittee membership must be less than a quorum. Staff are not members of subcommittees.
**Staff Liaison**

Staff is assigned to Committees by the Department Head or City Manager to assist the Committee in accomplishing its objectives. (Such support does not always translate into attendance at the meetings; written reports or interaction with the Chair prior to the meeting may suffice.)

Staff is responsible for meeting noticing. Staff assists the Chair with meeting protocol and agenda packet preparation. If requested by the Chair, staff may prepare committee minutes. Staff is responsible for maintaining the Committee’s webpage and ensuring it is up-to-date. Staff may edit the webpage as directed by the Chair, with City management concurrence.

Staff may inform the Committee of City activities, identify issues within the Committee’s purview, provide advice and assist in communications with the Department Head, City Manager, or City Council.

Staff may also accept work assignments from the Committee given City management or Department Head concurrence.

The City Attorney’s office is available to provide legal counsel to Committees and when present at Committee meetings can assist with protocol.

**Council Liaison**

Each Committee has a Council liaison appointed by the Mayor subject to confirmation by City Council.

The Council liaison may provide an informational report, answer brief questions, and provide background information regarding Council actions or intent. The liaison may assist the Chair with process or protocol and how to best communicate committee actions to City Manager and City Council.

The Council liaison is not a Committee member and must not participate in Committee discussions of agenda topics nor influence Committee decisions since they may later be required to review and act on Committee decisions or recommendations.
6. Committee Meetings

Meeting Types
All Committee meetings are governed by the Ralph M. Brown Act (Brown Act), California Government Code §54950 et seq.

Regular Meetings
Regular meetings shall be held at a regular date, time and place, which may be specified in the PGMC. Regular meetings may be rescheduled with posting of a cancellation notice and notification of a Special Meeting. Meetings may be cancelled due to a lack of business or if a quorum cannot be obtained.

Special Meetings
Special meetings are those meetings held outside the regular meeting date and time. Special meetings may be held at any time upon the call of the Chair, a majority of Committee members, or City Council, followed by noticing as required by law. Special meetings may be called to meet deadlines, conduct study sessions or workshops, or when quorum was not met for a regular meeting.

Serial Meetings - Prohibited
Serial meetings occur when Committee members meet or discuss matters sequentially in pairs or small groups. The combined effect of sequential, or serial, meetings may inappropriately be a meeting of a quorum of Committee members. For example, if a member of a 7-member Committee speaks to more than two other members, it may constitute a serial meeting. Inadvertent use of email, careless use of the “reply all” function, indiscriminate forwarding of messages, forwarding messages without deleting early text histories, or continuing discussion from a prior meeting via email are all poor practices that can result in serial meetings. Serial meetings are a violation of the Brown Act. Further, Committee members are subject to FPPC investigation in the event complaints are filed.

One-On-One Meetings; Ex Parte Communications
Committee members may meet with constituents individually, in small groups or other informal settings. When the Committee acts on an issue in a quasi-judicial capacity, the member shall report on any such ex parte communications at the beginning of deliberations related to the subject of the decision. Information learned in these separate meetings must be divulged into the hearing record or must be excluded from the basis for considering any quasi-judicial decision.

Noticing and Venue

Noticing
All Committee meetings shall comply with the Brown Act; Committees shall also follow the noticing protocol set for the City Council in PGMC Chapter 2.04 and Policy 000-9.

Agenda packets for regular and special meetings shall be provided:
• at the Library;
• the outdoor display cabinet at City Hall on Laurel Avenue (agenda only);
• on the City’s website calendar; and
• on the Committee webpage.
In addition, if the meeting is held somewhere other than at City Hall, the agenda shall be posted at that facility, in a location accessible by the public.

If a Committee member cannot attend the meeting but wishes to participate via phone from a public location, the member may do so. However, the location must be stated on the agenda, and noticing regulations apply to the additional location. Members may not call in from anywhere other than a fixed location, as published on the agenda. Whenever phone participation is allowed, all voting must be by roll call.

The agenda packet shall be posted a minimum of 72 hours prior to regularly scheduled meetings. It shall include the agenda and agenda items, or reports, in terms adequate to advise the public of the business to be considered. Agenda reports generally include:

- Subject – Description of action;
- Report presenter;
- CEQA analysis;
- Recommended action; and
- Discussion of the topic including background information, justification of the recommended action and financial impact.

Agenda report examples may be found in City Council Meeting agenda packets.

Unspecified topics such as “miscellaneous” or “new business” are not permissible. New topics raised during public comment, or by any Committee member announcement shall not be discussed at that meeting but may be placed on a future agenda.

Special meeting agendas shall be posted a minimum of 24 hours prior to the meeting.

Meeting cancellations or meeting continuances shall be posted.

Agenda materials shall be available to the public in attendance at meetings.

**Venue**
Whenever possible, Committees shall meet in Council Chambers. Any meeting venue must be open to the public and must meet Americans with Disabilities Act standards.

**Quorum**
There is no meeting of the Committee unless a quorum of the Committee is present. If less than a quorum attends, any discussion by that group is characterized as “A Committee of the Whole”, but no record is made of this occurrence, and no decisions can be made.

A quorum consists of a majority of the Committee’s members. For example, on a 6 or 7-member Committee, the quorum is 4. A vacancy reduces the number of voting member positions (See PGMC §§ 3.02.070, 3.04.080). For example, if a 7-member Committee has 2 vacancies, it has 5 voting member positions and the quorum is 3. However, absence, conflict of interest and disqualification do not impact the number of voting member positions. If 2 members of a 7-member Committee are disqualified, the number of voting members remains 7, and quorum is 4.
**Agenda**

Establishing the agenda is the Chair’s responsibility with input from staff and other Committee members. Any item within the Committee’s purview may be placed on a future agenda when requested by a Committee member through the Chair. The member shall be responsible for preparing the agenda report or may obtain permission from the City Manager or Department Head to direct staff to prepare the report. Additionally, the City Council may place an item on a Committee’s agenda.

The recommended order of agenda is set forth in Council Policy 000-17 Order of Agenda for Council Meetings, making exceptions where appropriate for Committees.

**Parliamentary Rules**

Committees shall be guided by Robert’s Rules of Order.

- **Getting the floor.** Every member desiring to speak shall address the Chair and, only upon recognition by the Chair, confine contributions to the matter at hand, avoiding all indecorous language and personal attacks.

In general, a member may not interrupt the speaker except for the following reasons:

- **Privilege.** The proper interruption would be: “Point of privilege.” The Chair would then ask the interrupter to, “State your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort or amplification of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

- **Order.** The proper interruption would be: “Point of order.” Again, the Chair would ask the interrupter to, “State your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting; for example, if the Chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

- **Appeal.** If the Chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the Chair, “I appeal the ruling of the Chair.” If the motion is seconded and, after debate, if it passes by a simple majority vote, then the ruling of the Chair is deemed reversed.

- **Withdraw a motion.** During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn; and any other member may make the motion, once recognized.

**Rules of Testimony**

No person or member shall address the Committee without permission of the Chair. (See Council Policy 000-9.) All comments shall be addressed to the Committee as a whole and shall not be addressed to members of the public or staff. All questions shall be placed through the Chair.

It is helpful (though not required) for speakers to state their name in order that the secretary may identify them in the minutes of the meeting. If numerous members of the public wish to speak, and it is known that all represent the same opinion, a spokesperson should be encouraged to speak for the entire group. The Chair may elect to provide the spokesperson ten minutes, if it appears time will allow.
The Chair may limit public speakers to three minutes (or less if many speakers are present).

In quasi-judicial hearings, an applicant and designated opponent are generally allowed a total of ten minutes and may reserve an opportunity to use some of that time to rebut at the end of public comment.

Consideration and Action on an Agenda Item
The agenda constitutes the Committee’s road map for the meeting. Most agenda items can be handled with the following 4-step process.

1. **Presenting Item**
   a. **Opening Item** - The Chair should announce the agenda item number and subject. The Chair should then announce any special procedures to be followed (e.g., if the item is a quasi-public hearing). This is also when members would announce their conflict of interest, if any exists, recuse themselves, and leave the room.
   b. **Hearing the Report** - The Chair should invite the appropriate people to report on the item. Verbal presentations should be short, so as to not repeat basic information included in the agenda packet. The Chair may provide an opportunity for members to ask any clarifying questions of the person providing the report. This is not preferred as questioning tends to segue into position statements before public input is taken, which is inconsistent with open meeting principles.

2. **Asking for Public Input** - The Chair opens the meeting to public input. The Chair may limit speakers time, as described above.

3. **Considering the Item** — The Chair requests Committee deliberation. Member deliberation would include: questions of the person(s) making the report or others with relevant knowledge, alternatives to the recommendation, additional considerations not previously stated, additional relevant facts and opinions. Time committed to deliberation should be adequate to allow the sense of the Committee to emerge.

4. **Deciding** – The Committee decides by a motion and voting. (See Appendix E Motions and Appendix F Voting.)

For all action items, the Chair should invite a motion from the members. When a motion is made, the Chair should ask for a second. Once a motion is made and seconded, the Chair should allow any additional desired discussion. Questions for clarification of the motion should be heard at this time.

The Chair shall ask for the vote and publicly report any action taken and the vote or abstention on that action of each member present e.g., the motion passes 4 – 2 - 1, with Committee members A and B dissenting, and C abstaining.

Meetings versus Hearings
A public meeting is generally defined as a meeting in which business is conducted by a public body. This may or may not include participation by the public. A public hearing is a special type of public meeting for the purpose of the governing body accepting public comment and testimony on local legislation or a quasi-judicial matter.
For public hearings, there are a few additional guidelines. (See Council Policy 000-9) After receiving the staff report, the Chair opens the public hearing and accepts testimony in the following order:

1. The applicant or proponent shall be allocated a maximum of 10 minutes to speak.
2. Opponent shall be allocated a maximum of 10 minutes to respond.
3. Very brief rebuttal and surrebuttal may be allowed, at the sole discretion of the Committee.
4. Public input on the matter, and depending on time available and number of speakers, limited to three minutes each or less

The Chair shall then close the public hearing.

The public input portion of the public hearing may be reopened before voting on the item if a new issue is raised. It is not necessary to re-open a public hearing to ask questions of the project applicant. If the public hearing is reopened, all interested parties may be heard, but the Chair can limit the input to the new issues and can further limit the time per comment.

**Courtesy and Decorum**
Speakers should first be recognized by the Chair. This ensures that only one person speaks at a time.

Meetings should take place in an environment where members and the public can freely express their views. The Chair should ensure that discussion focus on the item in question, not on personalities of members or the public. The Chair must protect the record, protect privacy rights for all participants, and is responsible for maintaining a harassment-free environment.

The Chair has the right to cut off discussion that is personal or too emotional. The Chair may request a break in such instance.

**Discipline**
The Committee Chair should enforce Committee rules.

If any person, including Committee members, staff or members of the public violate rules of process or decorum, any member may raise a “Point of order.” After the member describes the concern, the Chair shall either agree and make the appropriate adjustment or shall put the question to the group.

There may be times, however, when even the most experienced and effective Chair cannot prevent the meeting from getting out of hand, due to the actions of one or more individuals. In such situations, the following steps should be followed:

First Occurrence - Chair: States required standard of decorum, asks offending person(s) to adhere to the standard at all times, and ensures a positive response. If the person(s) do not respond positively, states that this is the standard required of all persons present; this is not optional standard.

Second Occurrence (or continuation) - Chair: Reminds offending person(s) that they have been: 1) informed of the required decorum; and 2) asked to adhere. Warns person(s) that, if such behavior continues, the Chair will request the Council Liaison/Staff/Vice-Chair to take all appropriate actions, including calling the Police (9-1-1).
Third Occurrence (or continuation):

A. If presence of individual(s) alone is not disruptive. Council Liaison/Staff/Vice-Chair:
   Informs offending person(s) that they may remain in the chambers only if they do not speak or
   otherwise act. Any overt conduct will result in their removal by Police. The individual must
   acknowledge and agree to this requirement. If there is no agreement, proceed to B, below.

B. If continued presence of individual(s) is disruptive. Council Liaison/Staff/Vice-Chair
   addresses individual: Sir/Madam - You have a right to express your beliefs, but your actions and
   conduct are substantially and unlawfully interfering with this public meeting. You have been
   warned [two] times by this Chair. You have been asked to stop. You are warned that the Police
   will be contacted if you continue your actions.

   I must inform you that willful disturbance of this meeting is a basis for criminal prosecution
   under Penal Code § 403. I must further inform you that threats or intimidation that willfully
   hinders this assembly is a basis for criminal prosecution under Elections Code § 18340.

Option A (allowed to stay). Your continued presence in this chamber will be disruptive if you
make sounds or demonstrate other behavior. Do you agree to cease and desist making any and
all disruptive sounds or behaviors during this meeting?

   Yes or No? [Please state your name for the record.]

   Any conduct or action by you other than observing these proceedings shall result in your
   removal.

Option B (immediate expulsion). Your continued presence in this chamber is disruptive and you
must leave immediately. If you do not leave, this meeting will be temporarily disrupted and
adjourned. Your presence constitutes a continuing threat. Your decision to remain in this
chamber is an act of intimidation. It will hinder this assembly.

   For these reasons, I am now required to request law enforcement intervention.

   Chair: Calls 10-minute recess

Note: if, at any point in this process, any Committee member (or staff or Council liaison) is concerned
about personal safety of himself or any other member, they should state a prearranged key word or
phrase, all members should immediately arise and leave the room, and someone should call 9-1-1.

Public Records

Materials provided to Committee members at a public meeting must be made available for inspection
and copying by the public. Exemptions from disclosure apply, but are narrowly applied (attorney/client,
drafts, pending litigation, personnel files).

Members should avoid the use of personal devices during meetings as such communications may be
subject to the Public Records Act.
Committee meetings shall be recorded. Current practice is to record via audio media, however, video recordings may also be taken. Recordings shall be kept by staff or designee. The recording and minutes are retained in accord with the City Records Retention Schedule, Council Policy 000-19.

Minutes are ordinarily limited to a report of actions taken at the meeting. For example, such “action minutes” typically include findings or a reference to the findings for quasi-judicial actions, and any appropriate attachments, and shall note either unanimity or a record of the vote for all actions. The draft minutes of all meetings shall be included in the next agenda packet for acceptance by the Committee. Authorized minutes are signed by the Chair and shall be filed with the City Clerk for inclusion in the packet of the next City Council meeting.

**Adjournment**

In the event the Committee wishes to adjourn its meeting to a certain hour on another day, a specific date, time and place shall be set by the Committee, as part of the motion to adjourn.
7. Actions taken by Committees

Committees may perform an action in different ways. Most commonly, formal action is taken by establishing a quorum, consideration of a motion and voting. Most actions require a vote by a majority of the body.

**Informal actions**

Informal actions (i.e. no vote required) generally take the form of the Chair giving direction after input from other Committee members. Informal actions would include suggesting to or requesting information from staff. Another example is suggesting that a Committee member report on a future agenda topic.

**Motions**

Motions are the vehicles for decision making. As indicated above, a motion should be introduced on a matter after general information is shared and options have been identified, but before members share their opinions and seek to persuade. The Chair shall ensure that all motions are clearly stated and commonly understood before allowing deliberations to begin.

See Appendix A - Motions.

**Voting**

See Appendix B - Voting.

**Deciding to Move on**

Items may be continued by a Committee to a continuation (or subsequent) meeting for the following types of reasons:

- The Committee requires additional information during the meeting.
- New information or issues come to light during the meeting that need further study.
- Other reasons deemed appropriate and substantial by the Committee.

In addition, a Committee that has been delegated authority to act on submitted applications (e.g., ARB, HRC, NRC, TSC, and Planning Commission) may continue an item when:

- The applicant cannot appear at the meeting and has requested that the item be continued.
- The application is revised by the applicant during the meeting.
- The Committee requests that the application be revised.

**When Action Is Necessary**

In certain circumstances—a permit application, for example— the lack of any action is not acceptable (e.g., an application must ultimately be approved or denied) due to deadlines imposed by the Permit Streamlining Act and the Federal Communications Commission. There are three primary options here:

1. *Continuing the item.* This is often undertaken if one or more members of the body are absent or if new information can be developed. Continuance can also provide the applicant time to consider his/her options, develop a project more likely to receive approval, etc. Continuance ordinarily is undertaken with concurrence of the applicant, but concurrence is not required.
2. **Technically denying the application.** This option is based on the philosophy that, for a project that has been proposed, approval requires a majority of members to vote in favor. Anything less than the required majority is thus considered a denial. One option under “technical denial” is to allow any applicant or other party to appeal the matter (assuming an appeal would otherwise have been available) on the grounds that the matter was “deemed denied.” This option avoids the need for the body to take further action (e.g., if the body is unable to achieve a majority vote to forward the matter to the next higher body).

3. **Denying the application without prejudice.** This option may, in some situations, require at least one member of the body to switch his or her vote, in order to vote to deny for procedural reasons only. Such reasons should be stated in the motion, so the record is clear. It allows the applicant to either: 1) appeal to the next higher body; or 2) resubmit the same project or a modified project reflecting Committee or City input, without paying fees, waiting a minimum number of months, etc. (such a delay could be for any number of possible reasons, including awaiting turnover on the Committee). This option is in addition to the provisions exclusively for the Planning Commission detailed in PGMC Section 23.70.080.

**Appeals and Call-Ups**

The decisions of certain Committees may be appealed or called up as set forth in PGMC Chapter 23.74 and Table 23.70.012-1. For example, decisions of the Site Plan Review Committee and the Architectural Review Board may be appealed to the Planning Commission. Decisions of the Architectural Review Board and the Planning Commission may be appealed to Council. Similarly, the Council may call up for review any decision of the Planning Commission or any other review authority and make its own decision on the action or matter. The Architectural Review Board and Planning Commission also have the authority to call up certain actions of review bodies over which they have appeal authority. Call-ups require a vote or three members of the body. See Table 23.70.012-1 for more details as to the review authorities.
8. Compliance with Federal, State and Municipal Laws

Committee members are representatives of the City and have a duty to represent the City to the best of their ability, and to take those actions that the member believes are for the benefit of the City as a whole.

Members are expected to comply with all applicable federal, state and municipal laws as applied to their Committee responsibilities.

Committee members have the following ethical duties

- **Duty of Loyalty:**
  Committee members have an absolute obligation to put the public’s interest before their own direct or indirect personal interests. Members breach this obligation when they benefit at the public expense. Prohibited benefits can be financial (such as participating in decisions that favorably impact a member’s business, property, or investments), career-related (such as using public office and/or public resources to obtain future employment or political position), or personal such as benefits to family members or close associates.

- **Duty of Due Diligence**
  The duty of care requires that the Committee member competently and faithfully execute the duties of the office. Examples of breach of this duty include failure to attend meetings, failure to investigate, failure to engage in the deliberative process, and failure to vote.

- **Duty to Avoid Bias**
  Committee members have a duty to represent all of their constituents fairly. This means that they must overcome any inherent bias that they possess.

Each member shall complete the required AB 1234 ethics training and sexual harassment prevention training at least biannually and notify the City Clerk upon completion.

Each member shall file with the City Clerk on a timely basis all appropriate Fair Political Practices Commission (FPPC) reports. The City’s Conflict of Interest Code can be found at PGMC Chapter 2.40.

Committee members are also expected to participate in additional trainings offered by the City in the Brown Act, Parliamentary Procedure, Ethics Laws, CEQA, and the Public Records Act. The City Attorney and/or City Clerk can provide additional information on these topics.
9. Reference Materials

Committees perform best when Committee members are knowledgeable in their area of responsibility. Thus, members are encouraged to become familiar with pertinent materials, which may be found on the Committees’ webpage and departmental webpages.

Specific examples are listed below.

- Planning Commission – General Plan, PGMC, Local Coastal Plan, Housing Element
- Library Board - City Council Policy 200-6 ‘Library Policies’
- Museum Board – Pacific Grove Museum of Natural History Operating and Lease Agreement
- Recreation Board – City Council Policy 900-1 ‘Special Events’, City Council Policy 200-3 ‘Municipal Tennis Program’, City Council Policy 100-8 ‘Municipal Softball Park Rules, Regulations & Improvements’
- Golf Links Advisory Commission – Pacific Grove Golf Links Lease
- Historic Resources Committee – General Plan, PGMC Chapters 23.70.070 and 23.76, City of Pacific Grove Historic Context Statement, The Secretary of the Interior’s Standards for the Treatment of Historic Properties, Historic Resources Inventory.
Appendix A – Motions

The Chair usually initiates a motion by:

1. Inviting a member to make a motion: “A motion at this time would be in order;”
2. Suggesting a motion: “A motion would be in order that we approve and forward to the Council the annual report, as drafted;” or
3. Making the motion.

Once recognized, a member makes a motion by preceding the member’s desired approach with the words: “I move ...”. A typical motion might be: “I move that we accept the staff recommendation that...”

Often, a member will prefer a variant of the motion on the floor. They can ask the maker and seconder if they are willing to reword their motion. If they agree, the motion is so amended.

If one or both is not amenable to the suggested rewording, a member may propose an amendment or wait until after the vote on the original motion and propose a different motion. Up to three principle motions—the basic motion and two amendments—may be considered at one time:

1. **The basic motion.** The basic motion proposes a decision for consideration. A basic motion might be: “I move that we create a two-member Committee to study this matter in depth.”
2. **The motion to amend.** A motion to amend proposes to change the basic motion under discussion. A motion to amend might be: “I move that the Committee focus on just two primary options.”
3. **The motion to amend an amendment.** A motion to amend an amendment proposes a further change to the motions under discussion. A motion to amend the amendment might be: “I move that one of the options for the Committee to analyze be to prohibit murals on wood-sided buildings.”

No further motion to address the substance of the matter is in order. (Incidental or privileges motions, which deal with procedural issues, may still be raised.) Each motion is subject to deliberation. A motion to amend or to amend an amendment is at times labeled a “substitute motion.” Whether considered as an amendment or a substitute, such motions are handled the same.

**When Multiple Motions Are before the Committee**
When two or three substantive motions are on the floor (with each having been seconded) at the same time, the first vote resolves the last motion made. If the amendments deal with alternative approaches to the same question, and a majority votes to approve the third motion, the remaining motions are then moot, and action on the agenda item would be complete. If the third motion fails, the Chair then proceeds to consider the second motion.

If an amendment deals with a different aspect of the same matter, then the motions would be considered in turn, in reverse order (second amendment, first amendment, and original motion).

In action minutes, only the final motion or action is recorded.
Limits to Deliberation

While the basic rule of motions is that they are subject to discussion and debate, some exceptions limit debate on a motion. Examples of motions that are not debatable include:

- **A motion to adjourn.** This motion, if passed by simple majority, requires the body to immediately adjourn to its next regularly scheduled meeting.
- **A motion to recess.** This motion, if passed by simple majority, requires the body to immediately take a recess for the time set by the Chair.
- **A motion to fix the time to adjourn.** This motion, if passed by simple majority, requires the body to adjourn the meeting at the specific time set in the motion.
- **A motion to table.** This motion, if passed by simple majority, places the matter on “hold” and ends discussion of the item. The motion may state a specific time when the item shall return on the agenda, but it need not.

When these, or other incidental or privileged motions are made and seconded, the Chair must immediately call for a vote of the body without debate on the motion.

Most motions require a simple majority; but a few exceptions apply when the body limits a minority from acting on or discussing an item. These motions require a two thirds majority to pass:

- **End debate.** Members can end debate by “moving the previous question.”
- **Motion to close nominations.** A motion to close nominations limits the right of a minority to nominate officers.
- **Motion to suspend rules.** This motion is debatable but requires a two-thirds vote to pass.

Division of a Motion

If a motion contains two or more divisible propositions, each of which is capable of standing as a complete proposition, the Chair may, and upon request of a member shall, divide the same. The Chair’s determination shall be appealable by any member. For example, a motion to approve a project and waive applicant fees is divisible into two separate motions.

Withdrawal of a Motion

A motion may be withdrawn by the maker at any time prior to the vote, without the consent of the member seconding it. Any other member may choose to make the same motion.

Motion to Continue

The Committee may vote to continue items to a subsequent meeting for the following reasons:

- The Committee requires additional information during the meeting;
- New information or issues come to light during the meeting that need further study; or
- Other reasons the Committee deems “appropriate and substantial.”

A motion to continue requires a majority vote for approval. This is also known as a motion to postpone and is amendable.

The Committee may continue a submitted application when:

- The applicant cannot appear at the meeting and has requested that the item be continued;
- The application is revised by the applicant during the meeting; or
- The Commission requests that the application be revised.

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Continuances ordinarily are undertaken with concurrence of the applicant, but concurrence is not required.

Motion to Reconsider
A motion to reconsider a vote is a motion limited in both the time it can be made and the person who can make it. A motion to reconsider an action taken by the Committee may be made on the same day as the meeting in which the motion to be reconsidered was decided, or the next business day if the session is more than one day. The motion must be made by a member who voted on the prevailing side but may be seconded by any member. For example, a person voting in the majority of a 4-3 vote for a motion to approve or deny an item (prevailing side) may make a motion to reconsider. If there is tie vote (3-3 and 1 absence), or if the motion fails (3 in favor, 2 against, 2 absent), then a motion to reconsider is not available as it only applies to actions taken by the Committee.

A motion to reconsider requires a second, is debatable, and is not amendable. If the motion to reconsider fails, it may not itself be reconsidered. Reconsideration may not be moved more than once on the same motion. If the motion to reconsider passes, the original matter is back before the Committee. The matter may be discussed, debated, and amended as if it were on the floor for the first time.

No member is prevented from making a motion to rescind such action at a subsequent meeting of the Committee, provided the agenda for that meeting includes the proposed action to rescind. More often than not such motions are used to make policy changes. The motion must be seconded, is debatable, and requires a majority vote.
Appendix B—Voting

Majority Voting Requirement
The Code requires the affirmative vote of a majority of the total members of the Committee (excluding any non-voting members), on any item, for any action by the Committee, unless otherwise provided.\(^1\) (See PGMC §§ 3.02.070 and 3.04.080). For example, the majority of a fully-constituted Committee is 4. In a 7-member body, a vote of 4-3 passes the motion. If there are 2 vacancies, and the total members are 5, then a majority is 3 members. Therefore, unless a super-majority is required, a simple majority vote determines whether each motion passes or is defeated. Silence constitutes an affirmative vote. Proxy votes for absent members are not allowed.

Tie Votes
A tie vote means the motion fails. If one member is absent and the vote is 3-3, the motion fails. Tie votes may be reconsidered on motion by any member of the Committee voting aye or nay during the original vote. Before a motion is made on the next item on the agenda, any member of the Committee may make a motion to continue the matter to another date. Any continuance for this purpose suspends the running of any time in which action of the Committee is required by law.

Disqualification from Voting; Recusal
Commission members shall disqualify themselves from deliberation and voting on any matter before the Commission, prior to the Commission’s consideration of the matter, when there is a conflict of interest. A member may also choose not to participate due to personal bias or the appearance of impropriety. Upon the Chair’s announcement of an item, members must state that they are disqualifying themselves due to a conflict of interest, state the nature of the conflict (e.g., financial), and leave the room until the completion of that item.

If the number of members recusing themselves due to a conflict of interest disrupts the quorum, the “rule of necessity” allows the random selection of the fewest number of conflicted members to vote as is needed to enable a quorum to participate and reach a decision. For example, if 4 out of 7 Committee members are conflicted, the Committee may select one of the conflicted members to vote so as to have a quorum.

Abstentions
Abstentions are discouraged. Members should abstain from voting only due to lack of participation in an evidentiary proceeding before the Committee and their inability to review the record. In that instance, members will be recorded as absent for that item.

A member present for consideration of a motion who opposes the motion must vote against it. In the event of an abstention the abstainer in effect “consents” that a majority of the quorum of the members present may act for them. Thus, a member who abstains (for any reason other than lack of opportunity to review the record) is deemed to acquiesce in the action taken by the majority of members who voted. For example, on a 7-member Committee, if the vote is 3 in favor, 2 against, with 1 absence and 1 abstention, the motion is approved, since a quorum was present, and a majority of the total

\(^1\) In certain circumstances, supermajority votes (majority + 1) are required: certain actions of Council, e.g., an urgency ordinance; zoning amendments by the Planning Commission.
membership is judged to have voted in favor. A 3-3 vote with one abstention means the motion fails as there is no majority.

Members who are silent during a voice vote shall have their vote recorded as an affirmative vote, except when individual members have stated in advance that they will not be voting.

**Voting Methods.** When a motion is not likely to be opposed, the Chair says, “If there is no objection, ...”. The members show their agreement, called “general consent,” by their silence. If a member says, “I object,” the item is put to a vote. Most votes shall be by voice vote. The Chair asks those in favor to say, “Aye,” and those opposed to say “No.” If the outcome is unclear by voice, a hand vote may be taken. Any member may move for an exact count. In some cases, a roll call vote is required, with each member answering “yes” or “no” as his or her name is called. The order of voting for roll call votes shall be random.

**Recording of Votes.** The results of the vote shall be announced immediately following the action as shown in the following example: “The motion passed 5-2, Brown and Smith voting no.” The minutes of the Committee’s proceedings shall show the vote of each member, including whether they were absent or failed to vote on a matter considered. For example,

- **Ayes:**
- **Noes:**
- **Absent:**
- **Abstain:**

Members may change their votes up to the time the vote is finally announced. After that, members may only change with permission of the Committee, which may be given by general consent; that is, by no member’s objecting when the Chair inquires if any one objects. If an objection is made, a motion may be made to grant the permission, which is debatable.
CITY OF PACIFIC GROVE  
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Scott Bauer, Library Director
MEETING DATE: March 6, 2019
SUBJECT: Library Poetry Program
CEQA: Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines Section 15378

RECOMMENDATION
Approve the Library Poetry Program.

DISCUSSION
“Poetry is a window on the world, our pathway to the color and the sound and the emotion, the sorrow and the joy, the pain and the exaltation of our existence. Poetry is a unique probe and mirror of humanity—encompassing the humorous and the serious, the ideal and the real, the feeling and the meaning and the understanding of life.” – Herbert Ravetch, The Meaning of Life Through Poetry.

Background:
When Whitney Latham Lechich left her house at 140 18th Street to the City she stated she wanted her home to be used for “for poetry readings, maintenance of a poetry library, for the study of poetry, or for other poetic purposes.” Initially, the City leased the Property to a “Poet-In-Residence.”, but that proved problematic due to the small size of the residence, its location in a residential neighborhood, lack of Americans with Disabilities Act compliance, and limited parking. The property has been unoccupied since at the end of 2014, when the last Poet-In-Residence, Dr. Barbara Mossberg, departed.

Poetry Program Purpose
The Library’s Poetry Program encourages appreciation of poetry throughout the City of Pacific Grove, honoring Ms. Whitney Latham Lechich’s wishes but also extending them beyond her home and the Library. The Library Poetry Program addresses poetic purposes through several components:

- Poetry readings: Poetry is increasing in popularity and success of the Friends of the Library’s Author Nights suggests a series of readings, by local and national/ international poets, could succeed as well.
Poetry contests: Poetry contests for various grades of students have a long tradition in many communities; by partnering with local schools it may be possible to have a community-wide poetry contest. And why stop at schools? A contest open to anyone in PG could encourage the poetic impulse in adults as well.

Pacific Grove Poet Laureate: This would connect back to the Poet-In-Residence idea in that – sans the residence requirement. A local poet would be honored with a term as Pacific Grove’s Poet Laureate. As an example of what this might look like, in Marin County a Poet Laureate is named for a 2-year term. Poets submit samples of their poetry when applying for the post, with their applications also including an outline of how they will involve the greater community in the appreciation of poetry through programs and events. In Marin the poet laureate programs included workshops in schools, readings in the Community, a “Poet’s Tree” at the County Fair (where people were encouraged to write a brief poem on a leaf-shaped piece of paper to be attached to a large metal “tree”), and an anti-bullying campaign. A small stipend accompanied the award to help pay for the Poet Laureate’s expenses to produce programs during their term.

Poems to start City Council Meetings (assuming that the Mayor and Council are amenable, of course) and major City events. In Marin the new Poet Laureate read a poem during National Poetry month; other poets in the community would also read a poem at the start of Board of Supervisor’s meetings from time-to-time.

Publishing: Publishing a small chap book or periodical, perhaps of the poetry contest winners or of local poets. One item in particular comes to mind – there was an intent to publish some of the poems that Barbara Mossberg wrote about Pacific Grove while she was Poet-In-Resident. Publishing this book as part of the Poetry Program would be a great link in the continuity from the Poet’s Perch to the Library Poetry Program.

Enhancing the Library’s collection of poetry books and periodicals.

An example of a calendar of Poetry Program Events developed by Senior Librarian Rachel Gaither is attached.

Over time, the mix of programs and events may change as the Poetry Program becomes established, and it becomes more clear as to which elements work best, and which do not.

OPTIONS

“Two roads diverged in a wood, and I—
I took the one less traveled by,
And that has made all the difference.”
- Robert Frost, The Road Not Taken

Council may choose to not approve the Library Poetry Program.

Council may choose to omit or expand elements of the Library Poetry Program.
FISCAL IMPACT
Full implementation of the Library Poetry Program is contingent on identifying funding sources. One possible source could be from proceeds related to leasing City-owned property at 140 18th Street, Pacific Grove, CA.

GOAL ALIGNMENT
N/A

ATTACHMENTS
1. Example calendar for Library Poetry Program related events.

RESPECTFULLY SUBMITTED:  REVIEWED BY:

Scott Bauer  Ben Harvey
Library Director  City Manager
# Examples of Potential Library Poetry Program Events

## Itinerary

<table>
<thead>
<tr>
<th>Month</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>September</td>
<td>Poetry Crawl – Local venues</td>
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<tr>
<td></td>
<td>WikiHow Class: How to Write Poetry for Beginners <a href="https://www.wikihow.com/Write-Poetry-for-Beginners">https://www.wikihow.com/Write-Poetry-for-Beginners</a></td>
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<td></td>
<td>Shel Silverstein (September 25) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<td>T.S. Eliot Birthday (September 26) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>October</td>
<td>Community Open Mic – Partner with Java-n-Juice?</td>
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<td>Poetry Walk – &quot; Miracles&quot; by Walt Whitman</td>
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<td></td>
<td>Poetry in the Grove – Jewell Park (Collaborate with PG Poetry Collective)</td>
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<td>Oscar Wilde Birthday (October 16) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<td>Sylvia Plath Birthday (October 27) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>November</td>
<td>Literacy Fun Day to celebrate the beginning of National Family Literacy Month. 10:30 a.m. to 2:30 p.m. Open to all families with children in pre-K through grade 3. The event includes children’s activities, free books, TBD performer, (sing-a-longs, face painting, and more!</td>
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<td>Mark Twain Birthday (November 30) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>December</td>
<td>Emily Dickinson Birthday (December 10) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<td>Rudyard Kipling Birthday (December 30) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>Month</td>
<td>Event</td>
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<tr>
<td></td>
<td>Poetry Book Club: Thousands – Lightsey Darst</td>
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<tr>
<td>February 1</td>
<td>Langston Hughes Birthday – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>March</td>
<td>Poetry Walk – “Dear March – come on in” by Emily Dickinson</td>
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<tr>
<td>April</td>
<td>National Poetry Month: Interactive Displays –</td>
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<tr>
<td></td>
<td>- Book spine poetry</td>
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<td>- Meme pushpin poetry</td>
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<td>- Poe-tree</td>
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<td>- DIY Magnetic Poetry Kits</td>
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<td>- Silhouette Poetry</td>
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<td>- Blackout Poetry</td>
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<tr>
<td>April 4</td>
<td>Maya Angelou Birthday – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>04/13/2019</td>
<td>Poem in your Pocket Day</td>
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<td>Art as Poetry Gallery exhibition – May – Aug?</td>
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<td>Month</td>
<td>Event</td>
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<tr>
<td>June</td>
<td>Host a reading and/or discussion with a local poet – Ed Jarvis, Robert Nielsen, Elliot Ruchowitz-Roberts etc.</td>
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<td>Thomas Hardy Birthday (June 2) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<td>Gwendolyn Brooks Birthday (June 7) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<td>Poetry Writing Workshop: Facilitator TBA</td>
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<td></td>
<td>Poetry Book Club: The Rain in Portugal – Billy Collins</td>
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<tr>
<td>July</td>
<td>Margaret Walker Birthday (July 7) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<td>Pablo Neruda Birthday (July 12) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td>August</td>
<td>Alfred, Lord Tennyson Birthday (August 6) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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<tr>
<td></td>
<td>Dorothy Parker Birthday (August 22) – Book Display. Poems – Staff Favorites. Poem in your pocket based on picks.</td>
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</tbody>
</table>
TO: Honorable Mayor and Members of the City Council
FROM: Ben Harvey, City Manager
MEETING DATE: March 6, 2019
SUBJECT: Local Coastal Program City Council Subcommittee
CEQA STATUS Does not constitute a “Project” under the California Environmental Quality Act (CEQA) Guidelines Section 15378

RECOMMENDATION
Designate the Mayor and the Mayor Pro Tem to serve on a Local Coastal Program City Council Subcommittee tasked with reviewing and advising on California Coastal Commission (CCC) suggested modifications to the City’s adopted Local Coastal Program in consultation with City staff, lead consultants McCabe & Company, and legal counsel.

BACKGROUND
At the November 28, 2018 City Council meeting, Council adopted the City’s updated Local Coastal Program (LCP), consisting of the Land Use Plan (LUP) and Implementation Plan (IP), and the documents were submitted to the California Coastal Commission the following month.

DISCUSSION
The City’s adopted LCP documents are currently under review at the CCC and the City anticipates receiving draft suggested modifications for both the LUP and the IP shortly. Serving as the City’s advocate, the Subcommittee would work with City staff, consultant staff and legal counsel on behalf of the City to review and analyze the CCC staff’s suggested modifications and to devise an overall strategy for successfully advancing the City’s LCP to the CCC for anticipated approval.

The CCC hearing is anticipated to be held in the Spring/Summer of this year. Once the hearing is held, the LCP will return to City Council for the City’s consideration of suggested modifications made by the CCC. After the City’s final hearing and adoption of the suggested modifications, the LCP returns once more to the CCC for a final certification hearing.

OPTIONS
1. Take no action
2. Provide alternate direction

FISCAL IMPACT
There is no fiscal impact. There should be sufficient funds in the Fiscal Year 2017-2018 budget.

GOAL ALIGNMENT
N/A
RESPECTFULLY SUBMITTED:

________________________
Ben Harvey,
City Manager