

M I N U T E S  
SPECIAL MEETING OF THE CITY COUNCIL  
CITY OF SAN LUIS OBISPO  
TUESDAY, DECEMBER 12, 2006 - 7:00 P.M.  
COUNCIL CHAMBER, 990 PALM STREET  
SAN LUIS OBISPO, CALIFORNIA

CALL TO ORDER: Mayor Romero called the meeting to order at 7:00 p.m.

ROLL CALL:

Council Members

Present: Council Members Paul Brown, Andrew Carter, and Allen Settle, Vice Mayor Christine Mulholland, and Mayor Dave Romero

City Staff:

Present: Ken Hampian, City Administrative Officer; Audrey Hooper, City Clerk; Shelly Stanwyck, Assistant City Administrative Officer; Bill Statler, Finance & Information Technology Director

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BUSINESS ITEMS

C1. COUNCIL LIAISON SUBCOMMITTEE ASSIGNMENTS 2007.

Council Member Settle stated that there is a need for increased rotation on the Planning Commission. He expressed concern regarding the lack of information related to the elimination of the Performing Arts Center Administrative and Program subcommittees.

Council Members Brown and Carter expressed their support of the appointment recommendations to the Planning Commission, but agreed there should be a rotation in the future.

ACTION: Moved by Brown/Carter to approve Council Liaison Subcommittee assignments for calendar year 2007 as listed in the attachment with the deletion of the Performing Arts Center Administrative and Program Subcommittees; motion carried 4:1 (Settle opposed).

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BUSINESS ITEMS

1. AUTHORIZATION TO EXERCISE THE AGREEMENT WITH ERCOLE AND NAOMIE BRUGHELLI FOR PURCHASE OF AN AGRICULTURAL CONSERVATION EASEMENT ON THE BRUGHELLI RANCH ON BUCKLEY ROAD.

ACAO Stanwyck introduced this item, following which Natural Resources Manager Havlik presented the staff report and responded to questions.

Public Comments

None were forthcoming.

---end of public comments---

**ACTION:** Moved by Mulholland/Settle to: 1) Authorize staff to exercise the option with Ercole and Naomie Brughelli to purchase an Agricultural Conservation Easement covering the 390 acre Brughelli Ranch on Buckley Road at a below-market price of \$750,000. 2. Authorize the remaining available balance in the City's open space protection fund (\$625,000) to apply toward purchase of the easement, with the balance (\$125,000) to come from community donations; motion carried 5:0.

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**BUDGET WORKSHOP**

CAO Hamplan introduced and provided an overview of the Workshop.

**BW1. GOAL-SETTING PROCESS FOR 2007-09**

Finance & Information Technology Director Statler discussed the purpose and components of the goal setting and budget process. He explained that this year's process incorporates two changes: 1) The process has been streamlined by discontinuing small break-out groups due to time constraints. 2) The process will focus on the use of Measure Y funds and community priorities that have emerged so far.

Don Maruska, Consultant, discussed the objectives, agenda, and format for the January 10<sup>th</sup> Community Forum. He reviewed suggested guidelines for Council Members during the goal-setting process. He also reviewed the agenda and format for the goal-setting workshop that will be held on January 27<sup>th</sup>.

Council Member Settle stressed that there must be a method to distinguish between ongoing goals and priorities, and their importance, from the new goals and priorities that will be forthcoming.

Following discussion, there was consensus that the process will incorporate information regarding ongoing goals in order to provide a context for each category of new candidate goals.

Council Member Carter explained why he felt the current voting methodology of using the priority scale could be unstable and fail to lead to a genuine consensus.

Discussion ensued regarding the use of the priority scale. Council Member Brown concurred with Council Member Carter's concerns; however, there was not consensus to change the voting methodology.

Finance & Information Technology Director Statler reviewed the objectives for the April 10<sup>th</sup> meeting.

**ACTION:** Moved by Mulholland/Settle to approve the goal-setting process for 2007-09; motion carried 4:1 (Carter opposed).

**BW2. FINANCIAL PLAN POLICIES AND ORGANIZATION.**

Finance & Information Technology Director Statler presented the staff report. He provided an overview of the Financial Plan policies and said that no changes are recommended at this time. He also discussed how the City's Financial Plan is organized.

Council Member Settle clarified for the record that while the State may not take away additional funds, neither will it be giving back funds it has already taken away.

**BW3. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR 2005-06.**

Finance & Information Technology Director Statler presented the staff report. He provided an overview of the Comprehensive Annual Financial Report and ending financial results for 2005-06.

Kathi Niffenegger, representing Glenn, Burdette, Phillips & Bryson (GBPB), discussed the audit process as well as the status of the audit. She and Finance & Information Technology Director Statler responded to questions raised by Council Member Settle.

Council Member Settle requested that the record reflect that the retiree health benefits will have a modest impact on the City because of the modest retirement health benefits the City offers.

Council recessed from 9:07 to 9:22 p.m.

**BW4. GENERAL FUND FIVE-YEAR FISCAL FORECAST: 2007-12.**

Finance & Information Technology Director Statler presented the staff report. He discussed the purpose of the forecast and how the budget gaps for the last three Financial Plans were closed. He reviewed the City's current fiscal condition and the forecast for 2007-12.

Council questions and discussion followed. Of particular concern was the need to provide funding for the neighborhood street paving program. Staff will present Council with options for proceeding with this program at a future budget meeting.

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There being no further business to come before the City Council, Mayor Romero adjourned the meeting at 10:55 p.m. to Tuesday, January 9, 2007, in the Council Chamber, 990 Palm Street, San Luis Obispo.

  
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Audrey Hooper  
City Clerk

APPROVED BY COUNCIL: 1/9/07

