

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
NOVEMBER 12, 2013
VETERAN’S MEMORIAL BUILDING – 4:00PM

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Anne Russell	Interim City Attorney
	Jamie Boucher	City Clerk

ESTABLISH QUORUM AND CALL TO ORDER

SUMMARY OF CLOSED SESSION ITEMS - The Mayor read a summary of the Closed Session items.

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for Public Comment.

Bridgett Kessler stated that during her 27 years with the City, she felt very fortunate to be part of the City team. Now she feels sadness and fear from City co-workers. It will be all of the citizens of the City who will be paying the extra money needed to fire the City Attorney and City Manager. She would rather see the money spent on infrastructure needs.

Garry Johnson asked what the overall plan was for the termination of Andrea Lueker and how is Council going to hire a replacement. He stated that he is against this termination feeling that the City Manager has done an excellent job of keeping the City above water in bad fiscal years. He also stated that this process has disrupted City employees and their families and is turning the City upside down.

Jeremiah O’Brien thanked Andrea for the incredible job she has done in all the years she’s been with Morro Bay. He can hardly envision Morro Bay without her; she are a breath of fresh air in City Hall and all appreciate the hard work she’s done. He stated that this is the first time in 34 years that he has been disgusted with the activities.

Bill Peirce stated that it was an honor to work for Andrea Lueker. In reference to the personnel issues before you today, “this is nuts”.

Keith Taylor stated that it isn’t too late to reconsider this idea. People who work with her respect her; she has helped service groups over the years; and she has volunteered for many community events. He wished Andrea good luck.

Stevie Anderson thanked Andrea Lueker for taking care of our City and told her she can hold her head high.

Kathy Welles stated that this new Council has been in place for 2 months and she has seen 2 things during that time: on small issues, you can’t make decisions; but, if there is a big decision, it is clear

that your mind was already made up before you took office. Those decisions will cost us hundreds of thousands if not millions of dollars. She doesn't feel we will be able to hire a City Manager or City Attorney with all the chaos going on. She has never seen the City so divided. She thanked Andrea Lueker and Rob Schultz for their fine service to the community.

Rick Grantham thanked and congratulated those who put on the Veteran's Day Celebration. He announced the Thanksgiving Day Dinner being held Thanksgiving Day from 1-3pm. He stated that hard work and doing the right thing used to be rewarded. He is sorry to see this; it's a sad state of affairs for us all.

Janice Peters really thought that when you had to hire 3 attorneys to effect Rob's termination, you would have handled Andrea's termination logically, by recruiting her replacement before she was let go to at least maintain continuity in City operations. If this is the last time that Andrea is going to be sitting in that seat, Ms. Peters wanted say that Andrea has been an excellent City Manager who led us through rough budget years and kept us cooperative and cohesive. It was a personal honor and pleasure to work with her and will miss her and so will our City.

Joan Solu stated the residents are fortunate to enjoy excellent City services. The City Manager and City Attorney are largely responsible for making those services happen on a day to day basis. Those of you making this decision to terminate the top 2 executives without cause seem to be doing so based on a personal agenda that the residents and community are unaware of. This process has been a lingering and lethargic. She feels firing these people for following the direction of the 3 previous City Councils is not a reason. She thanked Andrea for her grace and courage under the enormous amount of pressure that the majority of Council has placed her under.

Dan Costley stated that Andrea Lueker had the foresight at the time about the power plant, taking those funds that would be reduced and placing them in an emergency account. He just returned from Fullerton, he stated that they have been following this in Fullerton and they support what we are doing here.

Carla Wixom allowed Bridgett Kessling her 3 minutes. Bridgett Kessling wanted to thank Andrea Lueker for their time together. Andrea was the best City Manager that Bridgett had ever worked with. She wished Andrea good luck.

Lynda Merrill stated she believes in the Council and supports your decisions this afternoon. She wanted Council to know that she appreciates what they are about to do. She stated that a new and fresh look at our City is difficult for some to stomach but knows this will be a better place to live.

Julianna Epperly is from Los Osos. When she first moved here, Mr. Yates was Mayor and he was fabulous. She has had dealings with Andrea and she is wonderful. She welcomed the Morro Bay residents to "being Los Osos". She stated that if she were a resident of Morro Bay, she would sign the recall petition.

The public comment period was closed.

The City Council moved to Closed Session and heard the following items:

CS-1 GOVERNMENT CODE SECTION 54956.8 - PROPERTY TRANSACTIONS:
Instructing City's real property negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease of real property as to two parcels.

- **Property: Lease Site 53-56/53W-56W; Estero Landing, Inc. located at 501 Embarcadero**
Negotiating Parties: Ken Scott and City of Morro Bay
Negotiations: Lease Terms and Conditions
- **Property: 307 Morro Bay Blvd.**
Negotiating Parties: Ford-Durrer, dba Grandma's Frozen Yogurt & Waffle Shop
and City of Morro Bay
Negotiations: Lease Terms and Conditions

CS-2 GOVERNMENT CODE SECTION 54956.9(d)(2) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Exposure to litigation exists based upon existing facts and the legal advice of legal counsel as to two matters. Under Government Code Section 54956.9(g), the name of the possible litigation is withheld as disclosure of it would jeopardize the City's ability to conclude existing settlement negotiations to its advantage.

CS-3 GOVERNMENT CODE SECTION 54957(b) - PUBLIC EMPLOYEE DISCIPLINE/ DISMISSAL/RELEASE/TERMINATION OF CONTRACT:
Title: City Attorney and City Manager

CS-4 GOVERNMENT CODE SECTION 54957(b)(1) – PUBLIC EMPLOYMENT:
Title: City Attorney

CITY COUNCIL CONVENED TO OPEN SESSION – The City Council convened to open session; Interim City Attorney Anne Russell reported that Council had 2 reportable actions. The first was a vote to approve the separation agreement with Rob Schultz, 5-0. And the second was a decision on a 3-2 vote, to direct Mr. Simas to begin negotiations regarding the termination of the City Manager's employment and a separation agreement. With regards to Government Code Section 54956.8, Property Transactions instructing the City's real property negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease of real property as to two parcels: Lease Site 53-56/53W-56W; Estero Landing, Inc. located at 501 Embarcadero; and, 307 Morro Bay Blvd., no reportable action under the Brown Act was taken.

ADJOURNMENT

The meeting adjourned at 6:21pm.

Recorded by:

Jamie Boucher
City Clerk