

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – FEBRUARY 24, 2015  
VETERAN’S MEMORIAL HALL – 6:00P.M.

PRESENT:	Jamie Irons	Mayor
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Matt Makowetski	Councilmember
	Noah Smukler	Councilmember
STAFF:	David Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Rob Livick	Public Works Director
	Eric Endersby	Harbor Director
	Joe Woods	Recreation Director
	Susan Slayton	Administrative Services Director
	Scot Graham	Community Development Manager

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:25pm

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

Mayor Irons asked to pull Item A-3 to present the Proclamation Declaring Tuesday, February 24, 2015 as “World Spay Day” to Robin Coleman of Woods Humane Society. Council concurred.

PUBLIC PRESENTATIONS

<http://youtu.be/ZIwtvR83qvw?t=11m46s>

- Update on the status of LEAP Program  
Don Maruska provided an update on the LEAP program, current efforts, action teams and current members. They are preparing for a March 24 presentation to Council for support. All plans are located on the City website at [www.morro-bay.ca.us/LEAP](http://www.morro-bay.ca.us/LEAP)

PUBLIC COMMENT

<http://youtu.be/ZIwtvR83qvw?t=17m46s>

Ali Gale of the Salt Air Studio provided the business spot. She opened her business in Marina Square Gallery on the Embarcadero about six months ago. Everything is handmade in the USA, some locally, using organic and recycled materials. One of her main products is Wool Dryer

Balls, a natural alternative to disposable dryer sheets and fabric softener. The Salt Air Studio is open daily from 11am to 6pm.

Jeff Eckles, Morro Bay resident, business owner and President of the Morro Bay Community Foundation announced the Annual Dixon Spaghetti Dinner will be held on Friday, March 20. The event helps raise funds to help children participate in a variety of programs available through the Morro Bay Recreation Department.

Abby Diodati, Morro Bay, spoke regarding Agenda Item D-3, representing the Bike Parade Committee sharing the committee is willing to offer its services to put on the bike parade during the 4<sup>th</sup> of July event this year.

Meg Crocket, President of Pacific Wildlife Care, thanked the City of Morro Bay and Morro Bay Tourism Bureau for \$1,000 donation and asked the Council and citizens to recognize they provide a critical service treating birds, land mammals and reptiles that are injured or orphaned. Pacific Wildlife is in need of volunteers, members and donors. The hotline number is 543-WILD.

Linna Thomas, Morro Bay business owner, expressed appreciation for Pacific Wildlife and the work they do. She also presented signed petitions opposing the parklet, noting the petition is regarding the parklet only and is not directed at any business.

Ray David, Morro Bay resident and realtor, spoke in opposition to the need for realtors to hold a business license, noting the realtors work for brokers under their business license and it should not be the agent's responsibility.

Ted Dumond spoke on behalf of KC Caldwell, Morro Bay, asking for clarification regarding business license requirements for local artists. She is a beginning artist who joined the Morro Bay Art Association recently to meet other artists and get their feedback. She asks for consideration of those who do not sell online or at Art in the Park.

William Austin, owner and broker for Pacific Beach Properties, spoke in opposition to the need for realtors to have a business license. He believes this is an unfair tax and asks why agents are charged more than employees.

Dianne Ravin, Morro Bay, spoke on behalf of Morro Bay Art Association and the requirement for each member to have a business license to show their work. She noted a previous ruling for a lower fee for those earning less than \$12,000, and suggested another tier for those with revenues less than \$1,200 be excluded from the tax schedule.

Park Merrill, Morro Bay resident and member of the Morro Bay Art Association, noted the Association award smart grants to high school art students, provides education opportunities for children, hosts an art show during the Morro Bay Bird Festival, partners with Morro Bay Historical Society, and Art in the Park, all with volunteer labor and one part-time employee. All Art in the Park participants must have business licenses.

Janice House, Morro Bay resident, spoke regarding Measure Q and questioned the potential bond measure to fund street repairs. She believes there are additional Measure Q funds to pay for street repairs and Council should not look to citizens to fund an additional revenue stream for streets. She also spoke regarding Citizens Finance Committee, asking what problem the Council is trying to solve.

Valerie Seymour, Morro bay hotelier on the waterfront, spoke regarding concerns with traffic patterns, particularly the Embarcadero and Beach Street intersection. She congratulates the City on the bridge project, but noted we need to deal with vehicle traffic as well.

David Nelson, Morro Bay, spoke regarding the type of technology planned for the Water Reclamation Facility, asking the Council to look in a new direction. He also noted the need for better signage leading tourists to Morro Bay, and a late report in the Tribune noting the power plant has been taken off the market.

The public comment period was closed.

A. CONSENT AGENDA

<http://youtu.be/ZIwtvR83qvw?t=1h5m10s>

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

A-1 APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING HELD ON FEBRUARY 10, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON FEBRUARY 10, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-3 APPROVAL OF THE PROCLAMATION DECLARING TUESDAY, FEBRUARY 24, 2015 AS “WORLD SPAY DAY”; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-4 ADOPTION OF 2015-16 CITY GOALS AND PROGRAM OBJECTIVES; (ADMINISTRATION)

**RECOMMENDATION: Adopt the 2015-16 City Goals and Program Objectives, as presented.**

A-5 APPROVAL OF THE PROCLAMATION CELEBRATING THE GRAND RE-OPENING OF THE MORRO BAY LIBRARY ON MARCH 1, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve and file.**

A-6 CONSIDERATION AND ADOPTION OF RESOLUTION NO. 09-15 UPDATING THE CITY'S CONFLICT OF INTEREST CODE; (ADMINISTRATION / CITY ATTORNEY)

**RECOMMENDATION: Adopt Resolution 09-15.**

MOTION: Councilmember Heading moved the Council approve the Consent Agenda items. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

B. PUBLIC HEARINGS - NONE

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES

C-1 STATUS UPDATE ON THE MORRO BAY POWER PLANT AND POTENTIAL DIRECTION; (ADMINISTRATION / PUBLIC WORKS)  
<http://youtu.be/ZIwtvR83qvw?t=1h5m56s>

City Manager Buckingham presented the staff report and responded to Council inquiries.

The public comment period for Item C-1 was opened.

David Nelson, Morro Bay, expressed concern regarding EPA investigation of 17 sites of concern for serious pollution and noted the deed restrictions will make it very difficult to sell the power plant property. He asks the City be proactive and work with EPA to get the property be cleaned of pollution.

Barbara Doerr, Morro Bay, stated the City is in control of the future use of the power plant property. Zoning is the City's strongest tool to shape redevelopment and protect the health and welfare of the residents. Don't wait until a future developer comes forward. Be proactive and do something now to rezone this and the WWTP property.

Bob Doerr, Morro Bay, asks the Council gather input and decide what the appropriate future uses for the power plant site should be. Citizens want to support economic development of the site and increase economic viability for the city as a whole. He also asks the City investigate the legality of PG&E's actions to limit future development by way of a deed restriction.

Eric Nelson, Los Osos resident and Pacific Wildlife Care board member shared that Pacific Wildlife is currently located on Dynegy property. Their lease expires 2021 and they want to work with City to solidify their future in Morro Bay. Morro Bay is an ideal location for caring for injured wildlife, and the city clearly recognizes the value of our wildlife.

The public comment period for Item C-1 was closed.

Council discussed continued City support of Pacific Wildlife, encouraging further APCD monitoring of potential site pollution, future development of this property, along with the WWTP and Lila Keiser property, and the need to be proactive, strategic and identify potential partners in the endeavor.

There was Council consensus to appoint a subcommittee consisting of Mayor Irons and Councilmember Headding to be the point persons in communications related to power plant property.

D. NEW BUSINESS

D-1 DISCUSSION ON USE OF DISTRICT TRANSACTION TAXES (MEASURE Q) TO PAY FOR UNFUNDED MANDATES; (ADMINISTRATIVE SERVICES)  
<http://youtu.be/ZIwtvR83qvw?t=2h28m14s>

Administrative Services Director Slayton presented the staff report and responded to Council inquiries.

The public comment period for Item D-1 was opened.

Homer Alexander, Morro Bay, disagrees with staff recommendation to pay for unfunded mandates regardless of their purpose. He worked on the ballot measure and is familiar with what the voters were told. The opposition said the money would end up in the general fund and he agrees this practice is an indirect way for staff to free up general fund monies for other purposes.

The public comment period for Item D-1 was closed.

Council expressed appreciation for the work the Citizens Oversight Committee has done. Council agrees with the language in Resolution No. 46-12 and supports use of Measure Q funds for any item that falls into one of the four Measure Q approved categories. Council agrees it is helpful for staff to identify any unfunded mandate recommended be paid for with Measure Q funds during the budget process for further discussion.

MOTION: Councilmember Smukler moves Council affirm and stand by Resolution No. 46-12 and requests future Measure Q budget requests to pay for unfunded mandates be noted in the budget item. The motion was seconded by Councilmember Makowetski and carried unanimously, 5-0.

D-2 UPDATE AND REVIEW OF A MEMORANDUM OF UNDERSTANDING (MOU) WITH CAYUCOS SANITARY DISTRICT FOR THE PRELIMINARY WORK NEEDED FOR THE DESIGN & CONSTRUCTION OF THE NEW WATER RECLAMATION FACILITY (WRF); (PUBLIC WORKS)  
<http://youtu.be/ZIwtvR83qvw?t=3h16m31s>

Public Works Director Livick presented the staff report, along with the draft MOU provided by the Cayucos Sanitary District (CSD) to City staff on February 23 and forwarded to the City Council on February 24 [click to view: <http://ca-morrobay.civicplus.com/DocumentCenter/View/7968>], and responded to Council inquiries.

The public comment period for Item D-2 was opened.

Barry Branin, Morro Bay, states the MOU the City has developed clearly identifies the lead partner, the customer and the plan. He encourages Council to continue doing what they're doing.

The public comment period for Item D-2 was closed.

Council reviewed the draft MOU prepared by the CSD and compared that document to the City's draft MOU.

City Attorney Pannone noted that, aside from one paragraph he planned to review further, there is nothing in the MOU the CSD has provided that hurts the City, because it allows you to move forward, work on RFP as agreed, then if nothing moves forward bring that for discussion.

Councilmember Smukler expressed concern the CSD MOU does not speak to responsibility for the tasks and expressed frustration they take credit for work so far in site selection. He is further concerned that the costs and amount of effort the City is putting forward, compared to Cayucos, is not equitable. The City desires an equitable relationship and a good value. He feels this is captured in the City MOU.

Councilmember Headding noted the importance of stating which items are non-negotiable and what are the desired outcomes.

Mayor Irons asked the CSD Draft MOU be included in the Meeting Minutes

D-3 DISCUSSION AND APPROVAL OF CITY SUPPORT FOR DAYTIME EVENTS ON JULY 4, 2015; (ADMINISTRATION)  
<http://youtu.be/ZIwtvR83qvw?t=4h38s>

City Manager Buckingham presented the staff report and responded to Council inquiries.

The public comment period for Item D-3 was opened; seeing none, the public comment period was closed.

Councilmember Johnson noted there is \$9,000 left unspent in general fund monies given to Tourism Bureau for 2014/15 events, and encourages staff to follow up with Mr. Haugen.

City Manager Buckingham will reach out to MB 4<sup>th</sup> Committee to encourage them to maintain 501(c)(3) status in hopes this will be a one-year commitment and folks will step up to lead the charge next year.

MOTION: Councilmember Johnson moves the Council direct staff to partner with other persons and organizations for the purpose of conducting a 4<sup>th</sup> of July community celebration where the City will act as lead partner for the event, with other groups assisting; the celebration will be a day-time only event, focused on Morro Bay residents/families; the City will not charge for City-provided equipment and services such as police, fire, park fees, etc.; and City provided financial support for essential equipment and services the City cannot provide will be determined during the fiscal year 2015/2016 budget process. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS  
<http://youtu.be/ZIwtvR83qvw?t=4h15m39s>

Councilmember Headding requested review of policy regarding process for appointing an advisory board member who does not attend interviews. Mayor Irons noted review of the Advisory Board Handbook is on the agenda planning guide for Council review and update.

ADJOURNMENT

The meeting adjourned at 10:48 p.m.

Recorded by:

Dana Swanson  
City Clerk