

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JANUARY 10, 2017
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-2

MEETING DATE: January 24, 2017

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|----------|--------------------|--------------------------------|
| PRESENT: | Jamie Irons | Mayor |
| | Robert Davis | Councilmember |
| | John Heading | Councilmember |
| | Matt Makowetski | Councilmember |
| | Marlys McPherson | Councilmember |
| STAFF: | Dave Buckingham | City Manager |
| | Joe Pannone | City Attorney |
| | Dana Swanson | City Clerk |
| | Ikani Taumoepeau | Deputy City Manager |
| | Craig Schmollinger | Finance Director |
| | Rob Livick | Public Works Director |
| | Scot Graham | Community Development Director |
| | Larry Todd | Interim Police Chief |
| | Jody Cox | Police Commander |
| | Steve Knuckles | Fire Chief |

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:02 p.m., with all members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

PRESENTATIONS – Bird Festival Proclamation

<https://youtu.be/KQuGxUeNUZw?t=2m>

The Council presented a Proclamation declaring January 2017 Bird Festival Month to Chris Cameron, Co-Chair of the Winter Bird Festival.

CLOSED SESSION REPORT – No Closed Session Meeting was held.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC COMMENT

<https://youtu.be/KQuGxUeNUZw?t=23m28s>

Erica Crawford, Morro Bay Chamber of Commerce, invited the community to attend the Chamber Installation Dinner to be held on Friday, January 20, at the Morro Bay Community Center.

Madeline Moore expressed concern about misinformation surrounding a New Year's Eve event, and other issues related to the operation of her lease site.

Bob Keller, Morro Bay, welcomed reelected Mayor Irons and newly elected Councilmembers McPherson and Davis, and looks forward to working together on important planning goals and the Water Reclamation Facility.

Dan Costley, Morro Bay resident and current President of Morro Bay Rotary Club, thanked the community, City Councilmembers, and City staff for their participation and support of this year's Lighted Boat Parade.

The public comment period was closed.

- A. CONSENT AGENDA
<https://youtu.be/KQuGxUeNUZw?t=34m3s>

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

- A-1 APPROVAL OF MINUTES FROM THE DECEMBER 12, 2016 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FROM THE DECEMBER 13, 2016 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 APPROVAL OF MINUTES FROM THE DECEMBER 13, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-4 APPOINTMENT OF MAYOR PRO TEMPORE AND APPOINTMENT OF REPRESENTATIVES ON DISCRETIONARY BOARDS, COUNCIL LIAISON ASSIGNMENTS AND COUNCIL SUB-COMMITTEES; (MAYOR)

RECOMMENDATION: Council affirm the appointment of Councilmember John Heading as Mayor Pro Tempore as well as the appointment of Representatives to serve on the various County or Regional Discretionary Boards, Council Liaison Assignments and Sub-Committees for calendar year 2017.

- A-5 AUTHORIZATION FOR ATTENDANCE AT THE CALIFORNIA MARINE AFFAIRS AND NAVIGATION CONFERENCE (C-MANC) ANNUAL WASHINGTON D.C., "WASHINGTON WEEK" MEETINGS; (HARBOR)

RECOMMENDATION: Council approve authorization for a three-person delegation (the Mayor, City Manager and Harbor Director) to attend the California Marine Affairs and Navigation Conference (C-MANC) 2017 "Washington Week" meetings in Washington, D.C.

- A-6 ADOPTION OF RESOLUTION NO. 01-17 AMENDING THE COUNCIL POLICIES AND PROCEDURES TO ALLOW FOR EXCEPTIONS TO THE AGE REQUIREMENT FOR ADVISORY BOARD MEMBERS, ADOPTION OF RESOLUTION NO. 02-17 AMENDING THE ADVISORY BOARD BY-LAWS REGARDING QUALIFICATION, AND AFFIRMATION OF APPOINTMENT TO THE RECREATION AND PARKS COMMISSION; (ADMINISTRATION)

RECOMMENDATION: Council adopt Resolution No. 01-17 amending the Council Policies and Procedures to allow for exceptions to the age requirement for Advisory Board Members; and, adopt Resolution No. 02-17 amending the Advisory Board By-Laws for the Recreation & Parks Commission regarding qualifications. With the adoption of those policy changes, the Council can affirm its December 13, 2016, appointment of Michelle Morosin, a Morro Bay High School student to the Recreation and Parks Commission.

A-7 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE PROJECT NO. MB2016-MA01: HEATING VENTILATION AIR CONDITIONING (HVAC) UPGRADE; (PUBLIC WORKS)

RECOMMENDATION: Council authorize staff to file the Notice of Completion of the project MB2016-MA01: HVAC Upgrade.

A-8 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE PROJECT NO. MB2016-MA04: SOLAR PHOTOVOLTAIC INSTALLATION PROJECT; (PUBLIC WORKS)

RECOMMENDATION: Council authorize staff to file the Notice of Completion of the project MB2016-MA04: Solar Photovoltaic Installation.

A-9 PROCLAMATION DECLARING JANUARY 2017 AS MORRO BAY WINTER BIRD FESTIVAL MONTH; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

The public comment period for the Consent Agenda was opened; seeing none, the public comment period was closed.

Councilmember Makowetski pulled Items A-7 and A-8. Councilmember Davis pulled Item A-6.

MOTION: Councilmember Headding moved the Council approve Items A-1 through A-5 and A-9 on the Consent Agenda. The motion was seconded by Councilmember McPherson and carried unanimously, 5-0.

A-6 ADOPTION OF RESOLUTION NO. 01-17 AMENDING THE COUNCIL POLICIES AND PROCEDURES TO ALLOW FOR EXCEPTIONS TO THE AGE REQUIREMENT FOR ADVISORY BOARD MEMBERS, ADOPTION OF RESOLUTION NO. 02-17 AMENDING THE ADVISORY BOARD BY-LAWS REGARDING QUALIFICATION, AND AFFIRMATION OF APPOINTMENT TO THE RECREATION AND PARKS COMMISSION; (ADMINISTRATION)

<https://youtu.be/KQuGxUeNUZw?t=35m18s>

MOTION: Councilmember Davis supports this item and moved the Council direct staff to make the same amendment for other advisory bodies, allowing one member to be under the age of 18 and not necessarily a Morro Bay resident, to encourage high school student participation on all advisory boards. The motion was seconded by Councilmember Makowetski.

Councilmember Headding was in favor of having a high school student participate on the Recreation & Parks Commission, but generally concerned about having the requisite skills and competence needed for other advisory boards. Councilmember McPherson agreed and suggested further amendments be considered at such time a student expresses interest.

The motion failed 2-3 with Mayor Irons, Councilmember Headding and Councilmember McPherson voting no.

A-7 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE PROJECT NO. MB2016-MA01: HEATING VENTILATION AIR CONDITIONING (HVAC) UPGRADE; (PUBLIC WORKS)

A-8 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE PROJECT NO. MB2016-MA04: SOLAR PHOTOVOLTAIC INSTALLATION PROJECT; (PUBLIC WORKS)
<https://youtu.be/KQuGxUeNUZw?t=40m5s>

Councilmember Makowetski pulled Items A-7 and A-8 to highlight the energy savings projects recently completed on various City buildings. These projects were funded by a Department of Energy low interest loan to be paid back with energy savings.

MOTION: Councilmember McPherson moved the Council approve Items A-6, A-7 and A-8. The motion was seconded by Councilmember Makowetski and carried unanimously, 5-0.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 DISCUSSION OF SUPPLEMENTAL COMPENSATION INFORMATION TO GO ALONG WITH RESULTS FROM THE SALARY SURVEY CONDUCTED BY KOFF & ASSOCIATES, AND CONSIDERATION OF COMPENSATION POLICY EXAMPLES; (FINANCE)
<https://youtu.be/KQuGxUeNUZw?t=42m47s>

Finance Director Schmollinger presented the staff report and, along with City Manager Buckingham, responded to Council inquiries.

The public comment period for Item C-1 was opened; seeing none, the public comment period was closed.

The Council expressed concern about developing a policy based on insufficient data and, in the absence of a significant problem regarding turnover or recruitment, there was consensus to not develop a compensation policy at this time. Any future policy would require further external study that includes more cities of similar size and similar ability to pay. There was a desire to have competitive and fair compensation to facilitate recruitment and retention and to consider a philosophical statement on how to compensate, treat and respect City employees.

MOTION: Councilmember Headding moved the Council receive and file this report for information, direct staff to provide Council with an annual report on turnover rate both organizationally and by department, inform Council of difficult recruitment issues, and bring to Council a potential philosophical statement as an example of something that could be adopted that is not prescriptive. The motion was seconded by Councilmember McPherson and carried unanimously, 5-0.

MOTION: Councilmember Headding moved the Council direct staff to bring back discussion of the compensation philosophy in 90 days. The motion was seconded by Councilmember McPherson for discussion.

Staff recommended the Council not discuss compensation philosophy during employee negotiations.

Councilmember Headding withdrew his motion. Councilmember McPherson withdrew the second.

MOTION: Councilmember Headding moved the Council direct staff to bring discussion of a compensation philosophy to Council in no less than 180 days. The motion was seconded by Councilmember McPherson and carried unanimously, 5-0.

The Council took a short recess at 8:20 p.m. The meeting reconvened at 8:27 p.m.

C-2 STREETS FUNDING DISCUSSION; (CITY MANAGER)
<https://youtu.be/KQuGxUeNUZw?t=2h19m17s>

Mr. Buckingham presented the staff report and responded to Council inquiries.

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

Bob Keller, Morro Bay, recommended the City focus on the Water Reclamation Facility project as the top priority and not consider a special election at this time. He urged the Council to consider other alternatives to raise money for streets.

Larry Truesdale, Morro Bay, wants to see streets improved and suggested we not wait for the County to take action.

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

Following discussion, there was Council consensus to not pursue a street funding measure in 2017, but to focus efforts on the Prop 218 process related to the Water Reclamation Facility. Discussion of a sales tax measure with a sunset provision may be considered for the 2018 general election. Mayor Irons suggested mirroring the SLOCOG approach to ensure a detailed spending plan is in place that can be clearly communicated to the public.

Councilmember McPherson noted the Public Works Advisory Board recently voted 6-0 to recommend the Council consider as part of its FY 17/18 goals, a cost/benefit analysis of various ways to set money aside for streets, including establishing parking fees in the downtown area, neighborhood street improvement funds, allocating a portion of transient occupancy taxes to a dedicated street improvement fund, or allocating any excess General Fund Emergency Reserve to streets.

MOTION: Councilmember Headding moved the Council remain focused on fixing streets and direct staff to pursue financing alternatives no earlier than November 2018. The motion was seconded by Mayor Irons and carried unanimously, 5-0.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/KQuGxUeNUZw?t=3h42m36s>

Mayor Irons requested a consent item that would provide an update and review of ballot initiatives passed in 2016. There was full support for this item.

Councilmember Makowetski requested discussion of public outreach effort ("Trolley Town Hall") where one or two Councilmembers would visit different parts of the city in weeks between Council meetings to conduct small neighborhood meetings. Discussion to include Councilmember

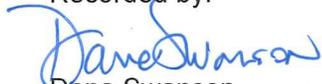
participation, appropriate levels of staff and logistical support, use of City facilities and timing. There was full support for this item.

Mayor Irons requested review and further discussion of the City's Strategic Planning Framework. Councilmembers McPherson, Makowetski and Davis supported the item.

E. ADJOURNMENT

The meeting adjourned at 10:01 p.m. The next Regular Meeting will be held on Tuesday, January 24, 2017 at 6:00 p.m. at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by:


Dana Swanson
City Clerk