

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JANUARY 24, 2017
VETERAN'S MEMORIAL HALL – 6:00 P.M.

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
	Jody Cox	Acting Police Chief
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:03 p.m., with all members present.

MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE

RECOGNITION - None
PRESENTATIONS – None

CLOSED SESSION REPORT – No reportable action.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC COMMENT
<https://youtu.be/ZDbGKc2bDFM?t=21m7s>

Paula Radke of Paula Radke Art Glass provided the business spot. She has 30 years' experience as an artist and teacher, and recently opened a small gallery at 1129 Market Street. She offers classes in jewelry and glass making and invites guest artists to teach there as well. Visit www.paularadke.com for more information.

Carole Truesdale, Morro Bay, spoke to Item C-3, urging the Council to analyze the effects of legalizing marijuana in Colorado and be prudent in decisions regarding Proposition 64.

David Nelson, Morro Bay, expressed concern about the status of the WRF project and encouraged the City to explore other technologies.

Rick Morse, Medmar Clinic located at 334 West Olive Avenue in Fresno, CA, spoke regarding medical marijuana collectives and provided the Council with copies of a proposed ordinance for review. He agreed with the previous speaker and does not support recreational marijuana use.

Jude Long, Morro Bay, announced the Morro Bay Friends of the Library Book Sale to be held Saturday, January 28th at 625 Harbor Street. Book Sales are also scheduled for May 20 and September 23, 2017.

The public comment period was closed.

- A. CONSENT AGENDA
<https://youtu.be/ZDbGKc2bDFM?t=38m18s>

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 JANUARY 10, 2017 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FROM THE JANUARY 10, 2017 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 APPROVAL OF MINUTES FROM THE JANUARY 11, 2017 SPECIAL CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-4 ADOPTION OF RESOLUTION NO. 03-17 AUTHORIZING SUBMISSION OF RURAL TRANSIT FUND GRANT APPLICATION AND EXECUTION OF RELATED DOCUMENTS UPON AWARD; (PUBLIC WORKS)

RECOMMENDATION: Council adopt Resolution No. 03-17 authorizing submission of Rural Transit Fund Grant Application and execution of related documents upon award.

- A-5 RECEIVE AND APPROVE THE ANNUAL CONTRACT AUTHORIZATION FOR PROGRAM MANAGEMENT SERVICES FOR THE WATER RECLAMATION FACILITY AS CONTEMPLATED BY THE AGREEMENT BETWEEN THE CITY AND MICHAEL K. NUNLEY & ASSOCIATES, INC.; (PUBLIC WORKS)

RECOMMENDATION: Council approve the annual contract authorization for Program Management Services for the Water Reclamation Facility (WRF).

- A-6 APPROVE THE PROPOSED PARTNERSHIP AGREEMENT WITH THE COMMUNITY FOUNDATION OF ESTERO BAY; (DEPUTY CITY MANAGER)

RECOMMENDATION: Council approve the partnership agreement with the Community Foundation of Estero Bay (CFEB).

The public comment period for the Consent Agenda was opened.

<https://youtu.be/ZDbGKc2bDFM?t=38m26s>

Hannah Held, member of the Community Foundation of Estero Bay, announced Foundation members are available to answer questions regarding Item A-6, if needed.

Ron Reisner, Morro Bay, spoke regarding Item A-5, expressing concern regarding the MKN contract amendment and urged the Council to employ all reasonable due diligence when negotiating and managing contracts.

The public comment period was closed.

Councilmember Headding pulled Item A-5. Councilmember Davis pulled Item A-6.

MOTION: Councilmember Makowetski moved the Council approve Items A-1 through A-4. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

A-5 RECEIVE AND APPROVE THE ANNUAL CONTRACT AUTHORIZATION FOR PROGRAM MANAGEMENT SERVICES FOR THE WATER RECLAMATION FACILITY AS CONTEMPLATED BY THE AGREEMENT BETWEEN THE CITY AND MICHAEL K. NUNLEY & ASSOCIATES, INC.; (PUBLIC WORKS)

<https://youtu.be/ZDbGKc2bDFM?t=42m49s>

Councilmember Headding stated his concerns regarding the level of detail provided for each task item, fees for maintaining the project management system, lack of performance metrics, insufficient detail provided on invoices, and whether there was adequate oversight for invoice approval. He suggested increased temporary staffing could take some of the mundane tasks out of the contract and save the City significant dollars. He requested quarterly contract reviews, with performance metrics. Councilmember McPherson felt the amendment did not clearly identify how much had been spent and what amount was being contemplated in the amendment.

Mr. Buckingham assured the Council the City has good oversight on every invoice billed to this contract, every invoice related to WRF, and contracts, in general. Invoices for the WRF project are reviewed by the Budget & Accounting Manager and Public Works Director. He suggested scheduling a Council work session to dig into the details. Staff confirmed bringing the contract amendment for approval at the next Council meeting should not result in any project delays, but that would depend on the number of changes that might be made.

MOTION: Mayor Irons moved the Council continue this item to schedule a Council work session to review information presented during this meeting then bring the item back at the next meeting or the following. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

A-6 APPROVE THE PROPOSED PARTNERSHIP AGREEMENT WITH THE COMMUNITY FOUNDATION OF ESTERO BAY; (DEPUTY CITY MANAGER)

<https://youtu.be/ZDbGKc2bDFM?t=1h8m51s>

Councilmember Davis shared his appreciation for the work the Community Foundation of Estero Bay ("Foundation") does to allow disadvantaged youth to participate in recreational activities, but was concerned the agreement does not provide adequate protection for the City because the Foundation prefers to not sign an indemnification clause nor provide general liability insurance.

He disclosed his ex parte email exchange with Mr. Reisner, President of the Foundation. Mr. Reisner stated the Foundation reduces risk to the greatest degree possible and general liability insurance is cost prohibitive. Mr. Davis preferred to continue agreement until such time the Foundation provides general liability insurance and signs an indemnification clause.

Councilmember McPherson also planned to pull this item to discuss the appropriateness of waiving certain fees and charging direct costs for other fees. Staff confirmed the agreement meets the requirements of the Partnership Policy adopted by the Council in 2016.

City Attorney Pannone explained this contract has two parts. One involves the Foundation assisting the City by selling trolley advertising; the other is facility use opportunities for fundraising events at a reduced rate. The Foundation must sign the Facility Use Agreement which includes an indemnification clause and requires them to have insurance. The City can obtain special event one-day insurance and the Foundation would pay for that.

MOTION: Councilmember Davis moved the Council continue Item A-5 until such time the Community Foundation of Estero Bay agrees to sign an indemnification clause and provides proof of general liability insurance. The motion was seconded by Mayor Irons for discussion.

Councilmember Heading thought the benefit to the community and disadvantaged kids was greater and given the facility use coverage was still required, the risk was minimal. Councilmembers McPherson and Makowetski agreed.

The motion failed 1-4 with Mayor Irons, Councilmember Heading, Councilmember Makowetski and Councilmember McPherson opposed.

MOTION: Councilmember Heading moved the Council approve Item A-6. The motion was seconded by Councilmember McPherson and carried 4-1 with Councilmember Davis opposed.

The Council took a short recess at 7:30 p.m. The meeting reconvened at 7:38 p.m.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 SUMMARY AND IMPACT OF VARIOUS RELEVANT NOVEMBER 2016 BALLOT MEASURES PASSED BY VOTERS AND COUNCIL DIRECTION FOR FURTHER ACTION; (CITY ATTORNEY)
<https://youtu.be/ZDbGKc2bDFM?t=1h30m26s>

City Attorney Pannone presented the staff report and responded to Council inquiries.

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

There was Council consensus to wait and monitor the impacts of Proposition 63.

No formal action was taken by the City Council

C-2 ADOPT THE CENTENNIAL PARKWAY CONCEPT PLAN AND PROVIDE DIRECTION REGARDING THE PREFERRED TRAFFIC PATTERN FOR THE EMBARCADERO SIDEWALK WIDENING DRAFT CONCEPT PLAN; (COMMUNITY DEVELOPMENT)
<https://youtu.be/ZDbGKc2bDFM?t=1h47m33s>

Community Development Director Graham presented the staff report and responded to Council inquiries.

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

Erica Crawford, Morro Bay Chamber of Commerce, shared the 2017 Chamber Board of Directors agreed this concept plan should move forward, but noted it would require more detail on parking. She also noted a trial concept for one-way traffic would raise the stress level for Embarcadero business owners.

Larry Truesdale, Morro Bay, expressed his support for the concept and appreciated the amount of community outreach. He favors one-way traffic and increasing trolley service to improve circulation from Embarcadero to downtown to parking.

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

Mayor Irons expressed support for the concept plan and favored one-way traffic with improved trolley service.

Councilmember McPherson was uncomfortable moving forward when there's no idea what it may cost. She supported widening sidewalk and suggested focusing on the future development of Market Plaza. She was not convinced an amphitheater would be successful in this location.

MOTION: Mayor Irons moved the Council adopt the Centennial Parkway Concept Plan to include staff report and attachments and comments from tonight's meeting to inform the concept. The motion was seconded by Councilmember Heading.

Councilmember Davis stated he would not want to commit public funds to build any part of this project. Councilmember Heading added there is a unique opportunity with three leasehold sites being redeveloped, providing a significant funding opportunity; the public piece usually involves concession of leasehold time.

The motion carried 4-1 with Councilmember McPherson opposed.

There was further discussion of traffic flow preferences. Councilmembers Makowetski, Davis and Heading expressed support for a 2-way traffic plan at this time.

MOTION: Mayor Irons moved to adopt 2-way traffic plan at this time. The motion was seconded by Councilmember Davis and carried 4-1 with Mayor Irons opposed.

Mr. Buckingham asked for clarification on whether 2-way traffic is temporary or permanent. Mayor Irons pointed out there's information in the document that supports both 1-way or 2-way traffic flow. He believes the process will work out as time moves forward. Councilmember Davis recognized at some point in the future it may change to 1-way.

The Council took a brief recess at 9:05 p.m. The meeting reconvened at 9:11 p.m.

C-3 SUMMARY OF PROPOSITION 64 AND DIRECTION FROM COUNCIL FOR FURTHER ACTION; (CITY ATTORNEY/DEPUTY CITY MANAGER)
<https://youtu.be/ZDbGKc2bDFM?t=2h56m13s>

Deputy City Manager Taumoepeau presented the staff report and, along with Mr. Pannone, responded to Council inquiries.

The public comment period for Item C-3 was opened.

Adam Pinterits, Director of Government and Community Relations at Ethnobotanica, appreciated the Council has begun the pursuit of robust discussion on how to implement marijuana regulations and urged the Council to consider the needs of patients first and clarify medical marijuana regulations before taking on recreational regulations.

The public comment period for Item C-3 was closed.

Following discussion, the Council agreed a study session was needed to gain a better solid understanding. The study session should be led by an expert attorney and include review of other ordinances, input available from the League of California Cities, and experiential data from cities in Colorado or Washington. After that educational process, community outreach can take place.

MOTION: Councilmember Heading moved the Council establish an educational session with the Assistant City Attorney, to include Items 1 – 6 and any other additional items he deems appropriate for purposes of developing appropriate ordinances for dealing with medicinal and recreational use of marijuana, as quickly as possible. The motion was seconded by Councilmember Makowetski and carried unanimously, 5-0.

C-4 COUNCIL MEMBER OUTREACH AND STAFF SUPPORT DISCUSSION AND DIRECTION; (CITY MANAGER/CITY ATTORNEY)
<https://youtu.be/ZDbGKc2bDFM?t=3h52m7s>

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

The public comment period for Item C-4 was opened; seeing none, the public comment period was closed.

Councilmember Davis requested discussion of a Council retreat for teambuilding purposes.

There was Council support for coordinated and targeted community outreach to bring topics to neighborhoods for improved one-on-one interaction. It was pointed out that any comments made in that venue are made on behalf of the individual Councilmember, not the Council as a whole. The Council agreed all Members should receive similar levels of staff support and resources. Further discussion of how to implement Council outreach could be discussed at the Council retreat.

Mr. Pannone clarified a Council retreat would be a noticed Brown Act meeting but may be held at another site. The public may choose to attend and listen.

MOTION: Councilmember Heading moved, that in order to make it easier for constituents to talk directly to their Councilmembers about matters of public interest, and improve Council / City Manager / staff teamwork, to direct staff to add language to

the Council Policies and Procedures that will, from time to time and except during the six months prior to a municipal election: 1) allow individual Councilmembers and advisory board members, within the confines of the Brown Act, to participate in community outreach events that utilize minimal City staff or resources, outside of duly noticed meetings, and 2) provide staff latitude to, from time to time as staff determines is appropriate, invite one or two Councilmembers to attend / participate in certain staff organized meetings and activities, and 3) arrange for Council retreat off site at a cost not to exceed \$1,000 as soon as possible. The motion was seconded by Councilmember McPherson.

Mayor Irons was concerned the proposed \$1,000 would be too limiting and suggested \$3,000 - \$4,000 is a more reasonable amount. Regarding the second part of the motion, he wanted to ensure equal information is provided to all Councilmembers and clarify these types of organized meetings are not working meetings and are not creating subcommittees.

Councilmember Heading amended the motion to include the Mayor's comments clarifying the types of organized meetings, as stated, and increase allowance for a retreat not to exceed \$3,500. Councilmember McPherson seconded the amendment and the motion carried unanimously, 5-0.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/ZDbGKc2bDFM?t=4h31m6s>

Mayor Irons requested consideration of options for a State and Federal lobbyist for the Water Reclamation Facility. There was unanimous support for this item.

Councilmember Davis requested bringing the Employee Compensation Study back for further discussion. He was concerned the previous discussion did not appropriately serve employee concerns and with further discussion it may be possible to craft a motion that further defines the commitment to taxpayers and employees. The Council discussed previous direction to bring Compensation Philosophy back following completion of 2017/18 MOU negotiations. There was no support for this item.

E. ADJOURNMENT

The meeting adjourned at 10:58 p.m. The next Regular Meeting will be held on Tuesday, February 14, 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

