

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – MARCH 14, 2017  
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-3

MEETING DATE: March 28, 2017

PRESENT:

Jamie Irons  
Robert Davis  
John Heading  
Matt Makowetski  
Marlys McPherson

Mayor  
Council Member  
Council Member  
Council Member  
Council Member

STAFF:

Dave Buckingham  
Joe Pannone  
Dana Swanson  
Ikani Taumoepeau  
Craig Schmollinger  
Rob Livick  
Scot Graham  
Jody Cox  
Steve Knuckles  
Eric Endersby

City Manager  
City Attorney  
City Clerk  
Deputy City Manager  
Finance Director  
Public Works Director  
Community Development Director  
Acting Police Chief  
Fire Chief  
Harbor Director

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

<https://youtu.be/rlnRVyuS578?t=1m49s>

The City Council, City Manager and Harbor Director recognized Becka Kelly, Jeremiah Jacobs, Marcos Green and Michael Talmadge, who were recently recognized by the Wake of Fame for excellence in personal watercraft rescue.

CLOSED SESSION REPORT – No Closed Session Meeting was held.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS  
CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PRESENTATIONS – None

PUBLIC COMMENT

<https://youtu.be/rlnRVyuS578?t=31m36s>

Paul and Kelly Boisclair, Morro Bay residents and owner of The Siren, provided the business spot. They purchased and renovated the property at Harbor and Main Streets (formerly Happy Jacks), and have been well received since opening. They expressed appreciation for the City's support and responsiveness.

Norma Wightman, Morro Bay, asked that as the City seeks to increase revenue, to keep in mind the importance of protecting City's natural environment as a unique attraction for visitors.

Jeff Heller, Morro Bay resident and member of the General Plan Advisory Committee, expressed concern about the potential cost of the water reclamation facility and suggested the City put the project on hold, create an executive committee to inspect the documents in place, and go back to Coastal Commission to see if it's possible to leave the plant at or near the existing plant.

The public comment period was closed.

A. CONSENT AGENDA

<https://youtu.be/rlnRVyuS578?t=41m44s>

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 FEBRUARY 14, 2017 CITY COUNCIL MEETING;  
(ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 APPROVAL OF MINUTES FROM THE FEBRUARY 21, 2017 SPECIAL CITY COUNCIL MEETING – WORK SESSION; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-3 APPROVAL OF MINUTES FROM THE FEBRUARY 28, 2017 CITY COUNCIL SPECIAL MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-4 APPROVAL OF MINUTES FROM THE FEBRUARY 28, 2017 CITY COUNCIL MEETING;  
(ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

MOTION: Council Member Davis moved the Council approve Items on the Consent Agenda. The motion was seconded by Council Member McPherson and carried unanimously, 5-0.

By City Policy, Public hearing items cannot begin until 7:00. There was Council consensus to hear Item C-1 next.

C. BUSINESS ITEMS

C-1 ADOPTION OF PERSONNEL RULES & REGULATIONS; EMPLOYER-EMPLOYEE RELATIONS POLICY; POLICY PROHIBITING HARASSMENT, DISCRIMINATION AND RETALIATION; AND DRUG-FREE WORKPLACE POLICY; (ADMINISTRATION)

<https://youtu.be/rlnRVyuS578?t=42m57s>

City Clerk Swanson 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.

MOTION: Council Member Headding moved the Council approve the Personnel Rules & Regulations and other related policies by adopting the following: Resolution No. 07-17 rescinding Resolutions No. 46-74, 34-83, 127-89, 46-95, 90-98, 21-04, 58-

04 and 26-05 and establishing Personnel Rules & Regulations for full-time City Employees; Resolution No. 08-17 rescinding Resolution No. 74-69 and establishing Employer-Employee Relations; Resolution No. 09-17 adopting a Policy Prohibiting Harassment, Discrimination, and Retaliation, and Resolution No. 10-17 adopting a Drug-Free Workplace Policy. The motion was seconded by Council Member McPherson and carried unanimously, 5-0.

The Council took a short recess at 6:55 p.m. The meeting reconvened at 7:04 p.m.

**B. PUBLIC HEARINGS**

- B-1 ADOPTION OF URGENCY ORDINANCE NO. 610 AND INTRODUCTION OF ORDINANCE NO. 611, REAUTHORIZING THE PUBLIC, EDUCATIONAL AND GOVERNMENTAL (PEG) ACCESS CHANNEL FEE; (CITY ATTORNEY)  
<https://youtu.be/rlnRVyuS578?t=55m35s>

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

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

**MOTION:** Council Member Makowetski moved the Council adopt, after reading by title only and with further reading waived, Urgency Ordinance No. 610: An Uncodified Urgency Ordinance of the City of Morro Bay, California, Reauthorizing the Public, Educational and Governmental (PEG) Access Channel Fee; and introduce, for first reading by title only and with further reading waived, Ordinance No. 611: An Uncodified Ordinance of the City of Morro Bay, California, Reauthorizing the Public, Educational and Governmental (PEG) Access Channel Fee to be amended to correct references to Charter, not AT&T. The motion was seconded by Council Member Heading and carried unanimously, 5-0.

**C. BUSINESS ITEMS**

- C-2 COUNCIL GUIDANCE FOR FISCAL YEAR 2017-18 BUDGET COMPILATION; (FINANCE)  
<https://youtu.be/rlnRVyuS578?t=1h2m48s>

Finance Director Schmollinger presented the staff report and responded to Council inquiries.

The public comment period for Item C-2 was opened; seeing none, the public comment period was closed.

The Council discussed the staff recommendation to cut \$650,000 from the budget over the next three years, with \$250,000 in FY 17/18 from the Project Accumulation and Capital Improvement Funds. Council Member Heading recommended a more aggressive cost reduction plan to produce a minimum of \$650,000 per year without touching the accumulation funds.

There was support for the 3-year timeline targeting \$650,000 in cuts, with year one potentially from the Project Accumulation and Capital Improvement Plan. Staff will bring a list of budget options with prioritized list of cuts that may be considered during the upcoming budget meetings for this and future years.

**MOTION:** Council Member McPherson moved the Council direct staff to address financial concerns identified in the 10-year budget forecast by finding \$650,000 in cuts over

the next three years, with \$250,000 in FY 17/18 to include \$150,000 from Project Accumulation and \$100,000 from Capital Replacement, with the stipulation the City quickly address years 2 and 3 budget cuts of \$400,000 with options presented to Council. The motion was seconded by Council Member Davis.

Council Member Heading opposed the motion as it was insufficient to address the \$4 million budget gap for streets, facilities, personnel costs and CalPERS issues in the future.

The motion carried 4-1 with Council Member Heading voting no.

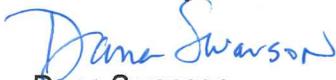
D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS  
<https://youtu.be/rlnRVyuS578?t=3h8m5s>

Council Member Heading requested an update on the City's Tourism Division and the SLO County Tourism Marketing District. There was full Council support for this item.

E. ADJOURNMENT

The meeting adjourned at 9:17 p.m. The next Regular Meeting will be held on Tuesday, March 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