

AGENDA NO: IV

MEETING DATE: 6/29/09

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – JUNE 22, 2009
CITY HALL CONFERENCE ROOM - 5:00 P.M.

Mayor Peters called the meeting to order at 5:00 p.m.

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember

STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney

CLOSED SESSION

MOTION: Mayor Peters moved the meeting be adjourned to Closed Session. The motion was seconded by Councilmember Grantham and unanimously carried. (5-0)

Mayor Peters read the Closed Session Statement.

CS-1 GOVERNMENT CODE SECTION 54957.6; CONFERENCE WITH LABOR NEGOTIATOR. Conference with the City's Designated Representative, for the purpose of reviewing the City's position regarding the terms and compensation paid to employees groups and giving instructions to the Designated Representative.

CS-2 GOVERNMENT CODE SECTION 54956.9(a); CONFERENCE WITH LEGAL COUNSEL REGARDING PENDING LITIGATION.

- Wallick v. City of Morro Bay

CS-3 GOVERNMENT CODE SECTION 54956.9(C); CONFERENCE WITH LEGAL COUNSEL DUE TO ANTICIPATED LITIGATION. Initiation of litigation exists based upon existing facts and the advice of legal counsel as to one (1) matter.

- Parties: City of Morro Bay and Y. Hayashi & Sons Farms
Issue: Determining whether to file litigation for nitrate contamination in groundwater.

CS-4 GOVERNMENT CODE SECTION 54956.8; REAL 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 (2) parcels.

- Property: Lease Site 82-85/ 725 Embarcadero/ Rose' Landing
Negotiating Parties: 725 Embarcadero LLC and City of Morro Bay
Negotiations: Lease Terms and Conditions.
- Property: Lease Site 71-72/699 Embarcadero/Marina Square.
Negotiating Parties: Morro Bay Marina and City of Morro Bay
Negotiations: Lease Terms and Conditions

The meeting adjourned to Closed Session at 5:00 p.m. and returned to regular session at 6:00 p.m.

MOTION: Councilmember Borchard moved the meeting be adjourned. The motion was seconded by Councilmember Grantham and unanimously carried. (5-0)

The meeting adjourned at 6:00 p.m.

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VETERANS MEMORIAL HALL - 6:00 P.M.

Mayor Peters called the meeting to order at 6:00 p.m.

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Bridgett Bauer	City Clerk
	Rick Algert	Harbor Director
	Bruce Ambo	Public Services Director
	John DeRohan	Police Chief
	Rob Livick	City Engineer
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Dylan Wade	Utilities/Capital Projects Manager
	Joe Woods	Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CLOSED SESSION REPORT - City Attorney Robert Schultz reported the City Council met in Closed Session, and no reportable action under the Brown Act was taken; Item CS-3 was continued to Closed Session on June 29, 2009, and the City Council may adjourn tonight's regular session to continue discussion on Item CS-1.

PUBLIC COMMENT

Keith Taylor gave an update on Phase II of the Fire Department project.

Hank Roth thanked those who made the Child Seat Safety Check a successful event.

Deb Jeffers announced the first Relay for Life would be held in Morro Bay on August 1st at Morro Bay High School.

Christie Hilliard stated the United Methodist Children's Center has a Preschool Program located at the Morro Elementary Building on Napa Avenue and an After School Care Program located at the church site on Hemlock Avenue.

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Susan Heinemann announced the Estero Bay Community Garden Organic Chicken Barbecue would be held on June 28th to benefit the United Methodist Children's Center.

Mary Golden requested Council's support in approving Item A-7 (Resolution No. 35-09 Supporting the "Save California's State Parks" Campaign). She also requested support for a \$15 surcharge to California State vehicle license fees in order to allow access to all State parks.

Hugh McAffrey expressed opposition to the proposed parking fee at Tidelands boat launch parking lot.

Bill Martony clarified some misstatements made in an article written in the *Bay News* regarding the settlement in the lawsuit *Martony v. City of Morro Bay*.

David Nelson suggested the City reactivate the New Futures Committee to consider large proposals, such as a Redevelopment Agency.

Mayor Peters closed the hearing for public comment.

A. CONSENT CALENDAR

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 OF MAY 26, 2009, AND THE REGULAR CITY COUNCIL MEETING OF JUNE 8, 2009; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF RESOLUTION NO. 30-09 CONTINUING THE 2008/09 ANNUAL BUDGET; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 30-09.

A-3 RESOLUTION NO. 34-09 ADOPTING REVISIONS TO THE MASTER FEE SCHEDULE; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 34-09.

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A-4 AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSAL (RFP) FOR TRANSIENT OCCUPANCY TAX AUDIT SERVICES; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Authorize the issuance of an RFP for Transient Occupancy Tax audit services.

A-5 RESOLUTION NO. 33-09 AUTHORIZING SAN LUIS OBISPO COUNTY ASSESSOR TO ASSESS AMOUNTS DUE ON DELINQUENT SOLID WASTE COLLECTION ACCOUNTS AS TAX LIENS AGAINST THE PROPERTIES; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 33-09.

A-6 STATUS REPORT ON APPLICATIONS FOR ECONOMIC STIMULUS FUNDING; (ADMINISTRATION)

RECOMMENDATION: Receive report for information.

A-7 RESOLUTION NO. 35-09 SUPPORTING THE “SAVE CALIFORNIA’S STATE PARKS” CAMPAIGN; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 35-09.

A-8 RESOLUTION NO. 36-09 AUTHORIZING THE CITY ATTORNEY TO COOPERATE WITH THE LEAGUE OF CALIFORNIA CITIES, OTHER CITIES AND COUNTIES IN LITIGATION CHALLENGING THE CONSTITUTIONALITY OF ANY SEIZURE BY STATE GOVERNMENT OF THE CITY’S STREET MAINTENANCE FUNDS; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 36-09.

Councilmember Borchard pulled Item A-2 from the Consent Calendar, Mayor Peters pulled Item A-3, and Councilmember Winholtz pulled Items A-4 and A-7.

MOTION: Councilmember Winholtz moved the City Council approve Items A-1, A-5, A-6, and A-8 of the Consent Calendar. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

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A-2 APPROVAL OF RESOLUTION NO. 30-09 CONTINUING THE 2008/09
ANNUAL BUDGET; (ADMINISTRATIVE SERVICES)

MOTION: Councilmember Borchard moved the City Council adopt Resolution No. 30-09 continuing the 2008/09 annual budget, and direct staff to return with a resolution rescinding the previous resolution amending the salaries and benefits of the management employees. The motion was seconded by Councilmember Winholtz and carried with Mayor Peters voting no. (4-1)

A-3 RESOLUTION NO. 34-09 ADOPTING REVISIONS TO THE MASTER FEE
SCHEDULE; (ADMINISTRATIVE SERVICES)

The City Council discussed reducing the proposed parking fee at the Tidelands boat launch ramp.

Councilmember Grantham stated he was not in support of this concept; however, he would consider a yearly pass at a discount rate for frequent users of the boat launch ramp.

Councilmember Winholtz stated she agrees that \$10 to go out fishing all day is not unreasonable; and if they are going out several times per week, are they sports fishing or commercial fishing.

MOTION: Mayor Peters moved the City Council amend the Master Fee Schedule, Harbor Department - parking fee at Tidelands boat launch ramp to \$5.00 per day. The motion was seconded by Councilmember Smukler.

Councilmember Winholtz expressed opposition to the \$5.00 fee stating it would not be worth it, and noted this fee is to help supplement the City's Harbor division.

VOTE: The motion carried with Councilmember Grantham and Councilmember Winholtz voting no. (3-2)

MOTION: Councilmember Grantham moved the City Council amend the Master Fee Schedule, Recreation and Parks Department – Skate Park rental, increasing the rate for profit groups to \$150 for a 2 hour minimum. The motion was seconded by Councilmember Smukler and carried with Councilmember Winholtz voting no. (4-1)

MOTION: Mayor Peters moved the City Council adopt Resolution No. 34-09 approving the Master Fee Schedule as amended. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

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A-4 AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSAL (RFP) FOR
TRANSIENT OCCUPANCY TAX AUDIT SERVICES; (ADMINISTRATIVE
SERVICES)

Councilmember Winholtz stated she would like to amend the audit to start in 2005/06 for those businesses that have records.

MOTION: Councilmember Winholtz moved the City Council authorize staff to issue a Request for Proposal for transient occupancy tax audit services. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

MOTION: Councilmember Winholtz moved the City Council direct staff to begin a three-year cycle beginning in fiscal year 2009/10, and then every three years the audit is initiated. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

A-7 RESOLUTION NO. 35-09 SUPPORTING THE “SAVE CALIFORNIA’S
STATE PARKS” CAMPAIGN; (ADMINISTRATION)

Councilmember Winholtz reviewed suggested amendments to the resolution.

Mayor Peters expressed opposition to attaching a \$15 surcharge to vehicle license fees.

MOTION: Councilmember Winholtz moved the City Council adopt Resolution No. 35-09 supporting the “Save California’s State Parks” Campaign as amended. The motion was seconded by Councilmember Smukler and carried with Mayor Peters voting no. (4-1)

Mayor Peters called for a break at 7:04 p.m.; the meeting resumed at 7:14 p.m.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 RESOLUTION NO. 31-09 DIRECTING THE LEVY OF THE ANNUAL
ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods stated at the May 11, 2009 City Council meeting, the Council adopted Resolution No. 21-09 approving the Engineer’s Report describing the annual maintenance to be completed at the Cloisters Park and Open Space,

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and declaring the City's intent to levy an annual assessment to finance this maintenance. The County Assessor will collect the assessment, projected at \$1,241.20 per assessable lot in the Cloisters subdivision. By adopting Resolution No. 31-09, \$148,944 will be collected through an assessment of all parcel owners in the Cloisters subdivision for the maintenance of the Cloisters Park and Open Space. Mr. Woods recommended the City Council adopt Resolution No. 31-09 directing the levy of the annual assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District.

Mayor Peters opened the hearing for public comment.

David Nelson expressed support for the levy of the annual assessment to finance this maintenance stating a deal is a deal.

Mayor Peters closed the public comment hearing.

MOTION: Councilmember Grantham moved the City Council adopt Resolution No. 31-09 directing the levy of the annual assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

B-2 RESOLUTION NO. 32-09 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE NORTH POINT LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods stated at the May 11, 2009 City Council meeting, the Council adopted Resolution No. 22-09 approving the Engineer's Report describing the annual maintenance to be completed at the North Point Natural Area, and declaring the City's intent to levy an annual assessment to finance this maintenance. The County Assessor will collect the assessment, projected at \$564.50 per assessable lot in the North Point subdivision. By adopting Resolution No. 32-09, \$5,645 will be collected through an assessment of all parcel owners in the North Point subdivision for the maintenance of the North Point Natural Area. Mr. Woods recommended the City Council adopt Resolution No. 32-09 directing the levy of the annual assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District.

Mayor Peters opened the hearing for public comment; there were no comments, and Mayor Peters closed the public comment hearing.

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MOTION: Councilmember Grantham moved the City Council adopt Resolution No. 32-09 directing the levy of the annual assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

B-3 CONSIDERATION OF THE REDEVELOPMENT FEASIBILITY STUDY;
(PUBLIC SERVICES)

Public Services Director Bruce Ambo stated the City Council received the Redevelopment Feasibility Study prepared by Urban Futures, Inc. on June 17, 2009. The workshop was continued as a public hearing to receive public input, and recommended by staff that Council continue it to the July 13, 2009 City Council meeting for further consideration and input.

Mayor Peters opened the hearing for public comment.

David Nelson stated the power plant should be in the redevelopment scenario. He said he has concern with the cost and the timeframe on moving forward with this study.

Jack McCurdy stated the workshop was poorly noticed. He said the study has inadequate and faulty information on the power plant. Mr. McCurdy stated the citizens should analyze this feasibility study.

Bill Martony stated he met someone from WestPac who enlightened him on plans for the Dynegy lease site. He suggested the City invite this person to speak at a public meeting regarding the green energy proposals that WestPac is considering.

Mayor Peters closed the public comment hearing.

The City Council requested that the cost of the study and the start up fees are discussed at the next meeting.

MOTION: Councilmember Smukler moved the City Council continue the public hearing on the Redevelopment Feasibility Study to the July 13, 2009 City Council meeting. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

Mayor Peters called for a break at 8:12 p.m.; the meeting resumed at 8:18 p.m.

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C. UNFINISHED BUSINESS

D. NEW BUSINESS

D-1 DISCUSSION OF EXTENDING THE HIRING FREEZE TO ALL CITY POSITIONS AND AUTHORIZATION TO RECRUIT FOR A FIREFIGHTER AND A WATER SYSTEMS SUPERVISOR; (ADMINISTRATIVE SERVICES)

City Manager Andrea Lueker stated at the June 8, 2009 City Council meeting, staff was directed to amend the proposed budget resolution to include all positions in the City workforce in the hiring freeze. Since 2006/07, only General Fund positions, with the exception of safety, had been subject to the hiring freeze. Staff expressed concern with the inclusion of safety and the Enterprise Funds' personnel in the hiring freeze. Staff also requested authorization to begin the recruitment process for the Firefighter, which was included in the 2009/10 Measure Q budget discussions on May 6th and May 13th, and the Water Systems Supervisor, whose job description was approved at the June 8th meeting. Ms. Lueker recommended the City Council consider extending the hiring freeze and consider authorizing the commencement of the recruitment process for the Firefighter and Water Systems Supervisor positions.

Councilmember Borchard stated the Enterprise Fund employees should be considered in the hiring freeze the same as all employees during the current budgetary times.

Councilmember Smukler stated he supports going forward in the hiring of the Firefighter and Water Systems Supervisor; however, due to the economy, he would like to consider each vacant position including the Enterprise Fund positions as they become vacant.

Councilmember Grantham stated he supports the hiring freeze for all employee positions except public safety employees because the competition places the City at a disadvantage.

Councilmember Winholtz supports hiring the Firefighter but does not support hiring the Water Systems Supervisor. She said she agrees with the hiring freeze excluding those positions that Council has agreed to not include.

Mayor Peters stated she supports extending the hiring freeze excluding public safety. She said she would like to move forward with the recruitment process for the Firefighter and Water Systems Supervisor positions.

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MOTION: Mayor Peters moved the City Council extend the hiring freeze excluding public safety employees, which includes police officers, dispatchers, and firefighters. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

MOTION: Mayor Peters moved the City Council direct staff to recruit for the Water Systems Supervisor position. The motion was seconded by Councilmember Grantham and carried with Councilmember Winholtz voting no. (4-1)

MOTION: Mayor Peters moved the City Council direct staff to recruit for the Firefighter position to be paid with Measure Q funds. The motion was seconded by Councilmember Borchard.

Councilmember Grantham expressed opposition to this motion because it is a bad use of Measure Q funds, which is suppose to be used as needed and not meant for long-term use.

VOTE: The motion carried with Councilmember Grantham voting no. (4-1)

D-2 PARKING METERS IMPLEMENTATION; (PUBLIC SERVICES)

City Engineer Rob Livick stated on October 8, 2007, the City Council adopted Resolution No. 48-07 implementing the Parking Management Plan. The adopted study area boundary included the Embarcadero and downtown areas. The fiscal impact of installing, maintaining, collecting fees and enforcing parking meter zones is unknown at this time. Mr. Livick recommended the City Council review the information provided on parking meter implementation and direct staff accordingly.

MOTION: Mayor Peters moved the City Council approve placing a parking kiosk in the City parking lot on the Embarcadero and charge \$1 per hour. The motion was seconded by Councilmember Grantham and failed with Councilmember Borchard, Councilmember Smukler and Councilmember Winholtz voting no. (2-3)

No further action was taken on this item.

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E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Winholtz requested to agendize the following items:

- a) Discussion on Council Term Limits (Council concurred);
- b) Discussion on Placing the Primary Election Process on the Ballot (Council concurred);
- c) Review of the City's Noise Ordinance Enforcement (Councilmember Winholtz to investigate the City of San Luis Obispo's ordinance);
- d) Staff to prepare a memorandum on the action taken and the progress to date on the Coleman Park Concept Plan.

MOTION: Mayor Peters moved the City Council adjourn this meeting to the Closed Session agenda. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

ADJOURNMENT

The meeting adjourned at 8:57 p.m.

Recorded by:

Bridgett Bauer
City Clerk