

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – AUGUST 22, 2017
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-1
MEETING DATE: October 10, 2017

PRESENT:	Jamie Irons	Mayor
	Robert Davis	Council Member
	John Headding	Council Member
	Matt Makowetski	Council Member
	Marlys McPherson	Council Member
STAFF:	Martin Lomeli	Interim City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Andrew Hamilton	Interim Finance Director
	Ikani Taumoepeau	Deputy City Manager
	Rob Livick	Public Works Director
	Scot Graham	Community Development Director
	Greg Allen	Police Chief
	Jody Cox	Police Commander
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:01 p.m., with all members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT – City Attorney Pannone reported that with regard to the Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCIL MEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PRESENTATIONS

- Chuck Davison, Visit SLO CAL, provided an overview of the FY 16/17 Annual Report <https://youtu.be/OqtrbNtpttA?t=6m55s>

PUBLIC COMMENT

<https://youtu.be/OqtrbNtpttA?t=24m22s>

Annie Clapp, owner of The Chablis, provided the business spot. The Chablis is celebrating their 10th year in business, offering private charters, Saturday champagne brunch cruises, and a Sunday chowder cruise.

Tom Rost, Morro Bay, suggested the City become a customer of Cayucos for waste water treatment and submitted a draft MOU reflecting that relationship for the record.

Kerrigan Mahan, Morro Bay, expressed concern about City expenditures, including City Attorney costs, and consultant fees for the OneWater study and Water Reclamation Facility.

John Siler, Morro Bay, stated he doesn't question the City's intentions but wants good results.

Tina Metzger, Morro Bay, spoke in opposition to the Righetti property as a potential site for the sewage treatment plant.

Caileigh Hostetter, a girl scout from San Luis Obispo, provided information regarding e-cigarettes and proposed they be reclassified as cigarettes.

Steve Stevens, Morro Bay, expressed concern about city attorney fees and suggested a public ombudsman is needed.

The public comment period was closed.

The Council responded to questions raised during the public comment period.

A. CONSENT AGENDA
<https://youtu.be/OqtrbNtpptA?t=42m25s>

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 AUGUST 8, 2017 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE AUGUST 9, 2017 SPECIAL CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 ADOPTION OF RESOLUTION NO. 46-17 APPROVING A FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) COOPERATIVE AGREEMENT; (PUBLIC WORKS)

RECOMMENDATION: Council review and approve Resolution No. 46-17, authorizing a Cooperative Agreement with the San Luis Obispo Council of Governments (SLOCOG), authorizing the Public Works Director/City Engineer to execute said Cooperative Agreement (following approval as to form by the City Attorney, and in substance as attached), and authorizing the Public Works Director/City Engineer to act on behalf of the City in regards to said Cooperative Agreement.

A-4 ADOPTION OF RESOLUTION NO. 47-17 APPROVING AMENDMENT NO. 1 TO THE NEW LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND BOATYARD LLC FOR LEASE SITE 89/89W, LOCATED AT 845 EMBARCADERO, AND COMMONLY KNOWN AS THE BOATYARD; (HARBOR)

RECOMMENDATION: Council adopt Resolution No. 47-17, approving Amendment No. 1 to the new Lease Agreement for Lease Site 89/89W, as proposed.

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

Mayor Irons pulled Item A-4.

MOTION: Council Member Heading moved the Council approve all except Item A-4 on the Consent Agenda. The motion was seconded by Council Member Davis and carried unanimously, 5-0.

A-4 ADOPTION OF RESOLUTION NO. 47-17 APPROVING AMENDMENT NO. 1 TO THE NEW LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND BOATYARD LLC FOR LEASE SITE 89/89W, LOCATED AT 845 EMBARCADERO, AND COMMONLY KNOWN AS THE BOATYARD; (HARBOR)
<https://youtu.be/OqtrbNtpptA?t=43m2s>

Mayor Irons requested discussion of the language in Section 3.01 of the Agreement under Permitted Uses, and asked the Council to consider striking "boatels in dock slips" from that section.

MOTION: Council Member McPherson moved the Council approve Item A-4, as amended, by removing "boatels in dock slips" from the document. The motion was seconded by Council Member Heading and carried unanimously, 5-0.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 ADOPTION OF RESOLUTION NO. 45-17 AMENDING THE COUNCIL POLICIES AND PROCEDURES TO ELIMINATE THE 7:00PM START TIME FOR PUBLIC HEARINGS, AND CONSIDERATION OF A COUNCIL SUBCOMMITTEE TO REVIEW THE COUNCIL POLICIES AND PROCEDURES AND ADVISORY BOARD BY-LAWS; (MAYOR/CITY CLERK)
<https://youtu.be/OqtrbNtpptA?t=45m14s>

City Clerk Swanson introduced the item and, along with Mayor Irons, 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 concurrence to create a subcommittee to review the policies in their entirety. Mayor Irons and Council Member McPherson volunteered to serve on that subcommittee. Mayor Irons provided copies of training materials from the City of Pismo Beach to consider as a starting point for policy review.

Following discussion, the Council agreed eliminating the 7:00 p.m. start time for public hearing items would improve the flow of the meeting and eliminate the need to rearrange agenda items.

MOTION: Council Member Heading moved the Council adopt Resolution No. 45-17 amending Section 1.2.7 of the Council Policies & Procedures to eliminate the 7:00 p.m. start time requirement for public hearings and establish a subcommittee consisting of Mayor Irons and Council Member McPherson to work with staff to review the Council Policies & Procedures and Advisory Board Bylaws in their entirety, consider the possible revisions discussed in the staff report, and any others deemed necessary, then return to Council with proposed revisions for consideration and adoption. The motion was seconded by Council Member McPherson and carried unanimously, 5-0.

C-2 CONSIDERATION OF APPROVAL OF CONDITIONAL CONSENT OF LANDOWNER PERTAINING TO REQUEST FOR PROPOSALS AWARD ON LEASE SITE 87-88/87-88W LOCATED AT 833 EMBARCADERO (OFF THE HOOK) TO TLC FAMILY ENTERPRISES; (HARBOR)

<https://youtu.be/OqtrbNtpptA?t=1h6m22s>

Harbor Director Endersby presented the staff report and responded to Council inquiries.

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

Cherise Hansson, TLC Family, discussed their long-term interest in developing 833 Embarcadero and provided the Council with an overview of the current proposal and their financial plan. They intend to build, operate and maintain the site for the life of the lease.

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

Ms. Hansson and Travis Leage responded to questions from the Council.

The Council expressed concern about the financial viability of the project, insufficient business and marketing plans, and lack of hotel management experience. Mayor Irons and Council Member Heading suggested the project go back out for Request for Proposals (RFP). The rest of Council shared those concerns, but supported moving forward with a revised Consent of Landowner ("COL"). Those revisions include a professionally prepared marketing plan, professionally prepared business plan, and a firm commitment of funding toward Centennial Parkway improvements. The Council also discussed shortening the timeline on Condition #1 to 60 days.

MOTION: Council Member Makowetski moved the Council approve the COL with conditions stated for a professionally prepared business and marketing plan and concrete commitment to centennial parkway with these commitments, along with the financial conditions listed in Condition #1, met by November 1. The motion was seconded by Council Member McPherson.

The Council discussed expectations for Centennial Parkway improvements would include meeting with neighboring leaseholders (Redican and Caldwell) to discuss what they are willing to contribute toward the Centennial Parkway concept plan.

The motion carried 3-2 with Mayor Irons and Council Member Heading opposed.

MOTION: Mayor Irons moved the Council rescind the condition on the previous motion on Centennial Parkway and have the applicant have a condition they are committed to some sort of fee or mechanism to support Centennial Parkway as deemed by staff. The motion was seconded by Council Member Heading and carried unanimously, 5-0.

The Council took a brief recess at 9:21 p.m. The meeting reconvened at 9:28 p.m. with all members present.

The Council continued its discussion of Item C-2 regarding operation of the lease site after the current lease expires in March 2018. If TLC Enterprises is able to meet the Consent of Landowner parameters and the project moves forward, staff recommended the City enter into a temporary lease for operation of the lease site with TLC Enterprises. That temporary lease agreement would be brought to Council for approval.

MOTION: Council Member Headding moved the Council have staff commence the process of obtaining a temporary lease effective April 1, 2018, with the applicants and bring it back for closed session discussion. The motion was seconded by Council Member Makowetski and carried unanimously, 5-0.

Mayor Irons clarified the conditions of that temporary lease would be discussed as an allowable closed session item.

C-3 REVIEW OF RESOLUTIONS TO BE CONSIDERED AT THE ANNUAL LEAGUE OF CALIFORNIA CITIES CONFERENCE; (ADMINISTRATION)
<https://youtu.be/OqtrbNtpptA?t=3h27m6s>

Ms. Swanson provided a brief report and Chief Allen responded to Council inquiries.

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

MOTION: Council Member Headding moved for approval of the proposed resolutions. The motion was seconded by Council Member Davis and carried unanimously, 5-0.

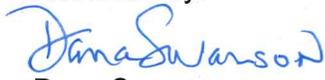
D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/OqtrbNtpptA?t=3h29m36s>

Council Member McPherson requested an update on the broker for Market Plaza. Mr. Graham explained, while working on contract terms with California Brokers, they determined they didn't have capacity to take on this project. He is vetting other brokers and will bring the item back to Council.

E. ADJOURNMENT

The meeting adjourned at 9:38 p.m. The next Regular Meeting will be held on Tuesday, September 12, 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

