

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – MAY 22, 2018
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-3
MEETING DATE: June 12, 2018

PRESENT:	Jamie Irons	Mayor
	Robert Davis	Council Member
	John Headding	Council Member
	Matt Makowetski	Council Member
	Marlys McPherson	Council Member
STAFF:	Scott Collins	City Manager
	Chris Neumeyer	Assistant City Attorney
	Dana Swanson	City Clerk
	Jennifer Callaway	Finance Director
	Rob Livick	Public Works Director
	Scot Graham	Community Development Director
	Greg Allen	Police Chief
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director
	Cindy Jacinth	Senior Planner
	Damaris Hanson	Environmental Programs Manager
	Janeen Burlingame	Management Analyst

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

CLOSED SESSION REPORT – No Closed Session meeting was held.

MAYOR AND COUNCIL MEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/OcBKEBGnWpQ?t=2m25s>

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/OcBKEBGnWpQ?t=10m36s>

PRESENTATIONS - None

PUBLIC COMMENT

<https://youtu.be/OcBKEBGnWpQ?t=12m51s>

Judy Forester of 63 N' Sunny Catering provided the business spot. In 2016, she launched a boutique style catering company that provides a farm to table experience. Visit www.63nsunnycatering.com for more information.

Rigmor, Morro Bay, asked the Council to reconsider its decision and fund improvements for the Surf Street staircase.

Ken Green, Morro Bay, supported funding Surf Street stair improvements, offered praise for the Police Memorial Ceremony held last week, thanked staff for financial reports, and requested bids for the WRF project be made public.

Eric Foor, Morro Bay, outlined a 9-point plan that he suggested would be more cost effective than the proposed South Bay water reclamation facility.

Pam Ochs, Save Morro Bay, asked the City to release the WRF proposals and expressed concern about the affordability of the proposed project and process to date.

Aaron Ochs, Save Morro Bay, called on the City Council to have an independent auditor determine how the 2015 Proposition 218 funds have been spent.

Marla Jo Sadowski, Morro Bay, suggested agenda for the April 25th Special City Council meeting violated the Brown Act and asked the Council to pull Item A-2 from the Consent Agenda to discuss before approval.

Brad Snook, Chair of the San Luis Obispo County Chapter of the Sierra Club, submitted written comments on the draft EIR for the water reclamation facility project.

The Public Comment period was closed.

The Council and staff responded to issues raised during Public Comment.

A. CONSENT AGENDA
<https://youtu.be/OcBKEBGnWpQ?t=41m54s>

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 APRIL 24, 2018 CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE APRIL 25, 2018 CITY COUNCIL SPECIAL
MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE APRIL 30, 2018 CITY COUNCIL SPECIAL
CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE MAY 8 & 9, 2018 CITY COUNCIL SPECIAL
MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 ADOPT RESOLUTION NO. 29-18 AUTHORIZING SAN LUIS OBISPO COUNTY
ASSESSOR TO ASSESS AMOUNTS DUE ON DELINQUENT SOLID WASTE
COLLECTION ACCOUNTS AS TAX LIENS AGAINST THE PROPERTIES; (PUBLIC
WORKS)

RECOMMENDATION: City Council adopt Resolution No. 29-18.

A-6 AUTHORIZATION TO UTILIZE \$50,000 OF THE AFFORDABLE HOUSING IN-LIEU
FUNDS FOR THE SEQUOIA STREET APARTMENTS RENTAL HOUSING
DEVELOPMENT AT 365-389 SEQUOIA STREET AND RESTATEMENT OF EXISTING
CDBG AND IN-LIEU AWARDS; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: City Council adopt Resolution No. 32-18 authorizing a grant of \$50,000 of Affordable Housing In-Lieu Funds for the Sequoia Street Apartments rental housing development located at 365-389 Sequoia Street.

The public comment period for the Consent Agenda was opened.

Marla Jo Sadowski, Morro Bay, shared concerns regarding the April 25th meeting and requested Item A-2 be continued.

Betty Winholtz, Morro Bay, spoke to Item A-6 and asked the City Council to increase funding to \$75,000, as requested.

Darya Oreizi, People's Self-Help Housing, thanked the City for support of the Sequoia Street rehabilitation project. When asked, he stated they are happy with the funding amount recommended by staff.

The public comment period for the Consent Agenda was closed.

Council Member Headding pulled Item A-6.

MOTION: Council Member Davis moved the Council approve all items except for A-6 on the Consent Agenda. The motion was seconded by Council Member Makowetski and carried unanimously, 5-0.

A-6 AUTHORIZATION TO UTILIZE \$50,000 OF THE AFFORDABLE HOUSING IN-LIEU FUNDS FOR THE SEQUOIA STREET APARTMENTS RENTAL HOUSING DEVELOPMENT AT 365-389 SEQUOIA STREET AND RESTATEMENT OF EXISTING CDBG AND IN-LIEU AWARDS; (COMMUNITY DEVELOPMENT)
<https://youtu.be/OcBKEBGnWpQ?t=48m31s>

At Council's request, Senior Planner Jacinth explained that while the City received a large deposit to the in-lieu fund this year, staff does not anticipate receiving additional deposits this year or next, and available funds are needed to help pay for next year's Housing Element update. For those reasons, staff recommended awarding \$50,000, rather than the requested \$75,000. She also answered questions regarding terms of the funding agreement.

MOTION: Council Member Headding moved staff recommendation to authorize \$50,000 of Affordable Housing In-Lieu Funds for the Sequoia Street Apartment Rental Housing Development at 365-389 Sequoia Street and restatement of existing CDBG and In-Lieu funds. The motion was seconded by Council Member McPherson and carried unanimously, 5-0.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 REVIEW AND PROVIDE COMMENT ON THE ONEWATER PLAN UPDATE AND PROVIDE DIRECTION AS DEEMED APPROPRIATE; (PUBLIC WORKS)
<https://youtu.be/OcBKEBGnWpQ?t=53m17s>

Eric Casares of Carollo Engineering presented the report and, along with Mr. Livick and Damaris Hanson, Environmental Programs Manager, responded to Council inquiries.

The public comment period for Item C-1 was opened.

Betty Winholtz, Morro Bay, asked questions regarding the proposed improvement projects.

Jeff Heller, Morro Bay, requested a full accounting of projects identified in the 2015 water/sewer rate increase.

The public comment period for Item C-1 was closed.

Staff responded to questions raised during public comment.

The Council did not take any formal action on this item.

The Council took a brief recess at 8:28 p.m. The meeting reconvened at 8:37 p.m. with all members present.

C-2 CONSIDERATION AND APPROVAL OF ISSUANCE OF REQUEST FOR PROPOSALS ON LEASE SITE 62/62W (KAYAK HORIZONS) LOCATED AT 551 EMBARCADERO; (HARBOR)
<https://youtu.be/OcBKEBGnWpQ?t=2h26m18s>

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

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

Gene Doughty asked for clarification on the number of parking spaces assigned to this location, and suggested the docks and revetment are in need of repair. He suggested any project would likely be a tear down and new construction.

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

Following discussion, the Council supported a holdover agreement with the existing tenant upon expiration of the current lease. Recommended changes to the RFP included adding the following statement to the end of the third bullet point under Section IV. A., "and maintain the ongoing operation successfully." Additionally, Section IV. C., Selection Methodology was modified as follows: Item 4 was reduced to 20 points, item 6 increased to 15 points, and item 7 was increased to 15 points.

MOTION: Council Member Heading moved for approval of the RFP for Lease Site 62/62W and authorize advertising the approved RFP, as amended this evening, including recommendation to go into a month-to-month holdover agreement with the existing tenant as outlined in Conclusion Section B of the staff report. The motion was seconded by Council Member McPherson and carried unanimously, 5-0.

C-3 ADOPTION OF RESOLUTION NO. 30-18 AND RESOLUTION NO. 31-18 APPROVING THE ADOPT MORRO BAY AND MEMORIAL PROGRAMS AND DIRECTION REGARDING A MASTER PLAN FOR STREET FURNITURE; (PUBLIC WORKS)
<https://youtu.be/OcBKEBGnWpQ?t=3h13m4s>

Management Analyst Burlingame presented the staff report and responded to Council inquiries.

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

Following discussion, there was Council concurrence to approve the policies with the following changes:

- Correct typographical errors on the Memorial Application forms.
- Modify Item #3 on Resolution No. 31-18 Attachment 1 (page 72 of the agenda packet) to be less prescriptive and refer to the Master Plan for Street Furniture.
- Bike Rack Program to be less prescriptive, providing an acceptable alternative to Peak Racks, and refer to the Master Plan for Street Furniture.
- Modify Adopt Morro Bay Policy to specify two calls for projects, rather than one.
- Remove the word “concrete” in the 7th Whereas statement of Resolution No. 31-18.
- In addition to safety, maintenance and durability, standards for benches to include “reasonable comfort.”
- Street Furniture Master Plan to provide minimum requirements and consistency in the furniture, specify construction materials, appropriate colors and provide examples, all consistent with the Downtown Waterfront Strategic Plan. The proposed plan would be brought to PWAB and Council for approval.

MOTION: Council Member McPherson moved for adoption of Resolution No. 30-18 establishing an Adopt Morro Bay program; and adopt Resolution No. 31-18 rescinding Resolution Nos. 40-90 and 04-00 and establishing a Memorial Tree, Bench, and Bike Rack program in parks and public rights-of-way, as amended; and direct staff to prepare a street furniture master plan to designate location, density, type, and number of benches, bike racks and other memorial objects to be placed in City parks, rights-of-way and other public places and return within six months to Council for approval. The motion was seconded by Council Member Headding.

Ms. Burlingame clarified a six-month time frame would be to take to the advisory boards for initial review with Council review to follow.

AMENDED MOTION: Council Member McPherson amended the motion to strike “within six months.” The amended motion was seconded by Council Member Headding and carried unanimously, 5-0.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/OcBKEBGnWpQ?t=3h46m32s>

None

E. ADJOURNMENT

The meeting adjourned at 9:58 p.m. The next Regular Meeting will be held on Tuesday, June 12, 2018, 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