

PRESENT:	Jamie Irons	Mayor
	Robert Davis	Council Member
	John Heading	Council Member
	Matt Makowetski	Council Member
	Marlys McPherson	Council Member
STAFF:	Scott Collins	City Manager
	Joseph Pannone	City Attorney
	Lori Kudzma	Deputy City Clerk
	Jennifer Callaway	Finance Director
	Rob Livick	Public Works Director
	Greg Allen	Police Chief
	Joe Mueller	Utility Division Manager
	Eric Casares	WRF Project Manager (Carollo Engineers)

ESTABLISH QUORUM AND CALL TO ORDER

<https://youtu.be/oK33H2pKIUI?t=39s>

Mayor Irons called the meeting to order at 5:04p.m. with all members present.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA

<https://youtu.be/oK33H2pKIUI?t=1m27s>

Mayor Irons opened public comment for Item I on the agenda; seeing none, public comment was closed.

SPECIAL MEETING AGENDA ITEMS:

I. ADVISORY BODY INTERVIEWS

a. Water Reclamation Facility Citizen Advisory Committee (WRFCAC)

- One (1) current vacancy – Single purpose committee with no set term

b. Tourism Business Improvement District (TBID) Advisory Board

- One (1) current vacancy for a term ending January 31, 2020 (preference given for hotelier with 22 rooms or less)

<https://youtu.be/oK33H2pKIUI?t=1m46s>

The Council interviewed Jesse Barron and Steve Carnes for the current vacancy on the Water Reclamation Facility Citizen Advisory Committee (WRFCAC).

Mayor Irons opened public comment:

Bill Aubrey spoke in support of Steve Carnes.

Mayor Irons closed public comment.

Council Member McPherson inquired as to whether the policies and procedures would allow the Council to appoint someone to multiple boards.

City Attorney Pannone confirmed the Council could choose to make an exception.

MOTION: Council Member Davis moved to nominate Mr. Jesse Barron. The motion was seconded by Council Member Makowetski, and carried 4-1, with Mayor Irons voting no.

Note: This item was readdressed at the end of the meeting.

<https://youtu.be/oK33H2pKIUI?t=20m21s>

The Council interviewed Chris Kostecka for the current vacancy on the Tourism Business Improvement District (TBID) Advisory Board.

MOTION: Council Member Headding moved to approve Mr. Kostecka for the TBID Board. The motion was seconded by Council Member McPherson, and carried 5-0.

The Council took a brief recess at 5:36 p.m. and reconvened at 5:39 p.m. with all members present.

II. WATER RECLAMATION FACILITY PROGRAM UPDATE, SELECTION OF A PREFERRED PROPOSER FOR WRF ONSITE IMPROVEMENTS AND DIRECTION REGARDING RELATED POLICIES

<https://youtu.be/oK33H2pKIUI?t=36m3s>

City Manager Collins introduced the item and then handed it over to Eric Casares, Carollo Engineers.

Mr. Casares gave a presentation and answered questions from the Council.

Mayor Irons asked City Attorney Pannone to respond to questions related to possible conflict of interest for Black & Veatch.

Mr. Pannone elaborated that because Black & Veatch provided a draft master facilities plan did not give them any inside information or give them an unfair advantage in being able to submit for the RFP. The reason being that all information they provided was provided to everyone else. In addition, when the RFP was issued for the facilities master plan project, there is a paragraph in that RFP that expresses the importance that someone chosen to provide the master facilities plan could be allowed to submit on the project itself so long as they did not also end up with a project manager type contract. Everyone responding to the RFP were provided the same information.

The Council took a brief recess at 7:12 p.m. and reconvened at 7:21 p.m. with all members present.

Mayor Irons opened public comment for Item II:

Glenn Silloway, Morro Bay, spoke in support of the Council.

Jan Goldman, resident, spoke in support of the Council and the way things were presented tonight.

Pat Cowgill, moved here from small town in Los Angeles, and stated she was impressed with the amount of information presented to the public. Ms. Cowgill expressed concern about the negativity coming from others in the community.

Barry Branin, summarized his June meeting with the Water Board and suggested speaking one-on-one with the Coastal Commission.

Jeff Heller, supports the goals of the community. Has problem with how the project has been managed. Mr. Heller stated concerns that no urgent underground projects listed in

2015 have been repaired. Mr. Heller expressed concern over moving the sewer three miles from existing location.

Bart Beckman, expressed his appreciation for the City Manager meeting with him and taking the time to answer most of his questions. Mr. Beckman went over remaining questions.

Dan Sedley, Morro Bay resident, asked questions regarding the need for a sewer plant and the costs associated compared to Cayucos.

Kerrigan Mahan, Morro Bay resident, spoke against the project and expressed concerns regarding costs.

David Nelson spoke against the cost of the project. Mr. Nelson asked for clarification regarding the \$3million spent.

Steve Stevens applauded the concept of civility and requested a table be provided at the next workshop.

Bob Keller spoke in support of the Council and expressed concerns about cost.

Gayla Newman stated her bill has doubled since she moved here in 2011. Ms. Newman stated she will be working to make sure the Prop 218 does not pass.

Betty Winholtz spoke regarding process and content of this item. Ms. Winholtz believes the public input has been ignored. Ms. Winholtz requested full disclosure regarding the injection wells. Ms. Winholtz believes it is too soon to begin negotiations, wait until the 218 process is completed.

Nancy Bast believes Black & Veatch cannot be awarded the bid as they have an advantage. Ms. Bast would like the plant to remain where it is or move it next door.

Mayor Irons closed public comment.

<https://youtu.be/oK33H2pKIUI?t=2h51m17s>

Staff responded to public comment.

MOTION: Council Member Headding moved to select Filanc/Black & Veatch as the preferred proposer for the WRF onsite improvements and provide this direction: to begin negotiations by this action. The motion was seconded by Council Member Davis, and carried 5-0.

There was discussion regarding the location of the operations center, including consensus to look at considering modular buildings to reduce costs.

MOTION: Mayor Irons moved to direct staff to locate the operations center as Option 1 as presented (at the South Bay Blvd site). The motion was seconded by Council Member Davis, and carried 5-0.

There was discussion about getting the word out to the public about the Utility Discount Program.

MOTION: Council Member Makowetski moved to adopt and approve Resolution No. 42-18. The motion was seconded by Council Member Headding, and carried 5-0.

MOTION: Council Member Headding moved approval of staff bringing back a policy for annual rate review policy. The motion was seconded by Council Member Davis, and carried 5-0.

MOTION: Council Member Makowetski moved to adopt Resolution No. 43-18. The motion was seconded by Council Member Davis, and carried 5-0.

MOTION: Council Member McPherson moved adoption of Resolution No. 46-18. The motion was seconded by Council Member Headding, and carried 5-0.

III. DISCUSSION AND ADOPTION OF RESOLUTION NO. 44-18 APPROVING GUIDELINES FOR THE SUBMISSION AND TABULATION OF PROTESTS IN CONNECTION WITH THE PROP 218 RATE HEARING
<https://youtu.be/oK33H2pKIUI?t=3h29m7s>

City Attorney Pannone gave the report and answered questions from the Council. There was discussion regarding the proposed process.

City Attorney Pannone suggested an edit to page 49 of the agenda packet Section 7B to read as follows: ... "by state law, and *all protests* will be maintained..."

There was Council consensus to reduce number of boxes on the sample protest ballot.

Mayor Irons opened public comment:

Nancy Bast believes the protest ballot process is an attempt to intimidate the public from exercising their right to protest increases.

Betty Winholtz questioned why another 218 within 5 years of the last increase. Ms. Winholtz listed questions regarding the process for protesting, including the requirement for individual envelopes. Ms. Winholtz would like to know the number of parcels owned by government agencies.

Gayla Newman believes if people already have enough information to know they want to protest they should be allowed to protest now.

Bart Beckman spoke against the draft protest ballot as presented.

Kathy Quigley made suggestions for changes to the draft ballot, specifically, reducing number of boxes and removing the declaration and penalty of perjury statements. Ms. Quigley also made comments about civility.

Linda Donnelly spoke regarding the letter received from the Howard Jarvis Tax Association. Ms. Donnelly pointed out that protestors are not required to be registered voters. Ms. Donnelly asked the policy be amended to be less restrictive.

Steve Stevens agreed with previous speaker and requested a table at the next workshop. Mr. Stevens also asked about the fact sheet from 2015.

Kerrigan Mahan spoke against the draft protest ballot, as presented.

The public comment period was closed.

There was Council consensus to remove 2 of the boxes on the draft ballot.

There was Council consensus to allow more than one protest ballot per envelope, as long as the envelope is mailed or delivered by one of the people that signed.

There was Council consensus to remove the penalty of perjury statement from the draft ballot and modify the certification statement to read as "I have personal knowledge of all the foregoing and it is true and correct."

MOTION: Council Member Headding moved to adopt policy with amended changes. The motion was seconded by Council Member McPherson, and carried unanimously 5-0.

IV. ANNUAL WATER REPORT FY 2017-18 AND ADOPTION OF RESOLUTION NO. 45-18 ALLOCATING WATER EQUIVALENCY UNITS (WEU) FOR FY 2018-19
<https://youtu.be/oK33H2pKIUI?t=4h17m18s>

Public Works Director Livick presented the report.

The Mayor opened public comment, seeing none, the public comment period was closed.

MOTION: Council Member McPherson moved adoption of Resolution No. 45-18, allocating 50 Water Equivalency Units for residential development and 65 for commercial development for a total of 115 WEUs for fiscal year 18/19. The motion was seconded by Council Member Headding, and carried 5-0.

<https://youtu.be/oK33H2pKIUI?t=4h33m3s>

Mayor Irons announced it was brought to his attention that the Council needed to revisit the WRFAC appointment from earlier in the meeting.

City Attorney Pannone shared that according to the handbook, to appoint someone to two commissions or boards requires the Council vote to be unanimous.

Mayor Irons re-opened Item I on the agenda.

MOTION: Mayor Irons made a motion to rescind the motion for WRFAC nomination for Jesse Barron. The motion was seconded by Council Member Makowetski, and carried 5-0.

MOTION: Mayor Irons moved to appoint Jesse Barron to WRFAC Board. The motion was seconded by Council Member Davis, and carried 5-0.

ADJOURN

The meeting adjourned at 9:46 p.m.

Recorded by:

Lori M. Kudzma
Deputy City Clerk