



# CITY OF MORRO BAY HARBOR ADVISORY BOARD A G E N D A

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*The City of Morro Bay provides essential public services and infrastructure  
to maintain a safe, clean and healthy place for residents and visitors to live, work and play.*

**Meeting - Thursday, December 6, 2018  
Veteran's Memorial Building - 6:00 P.M.  
209 Surf Street, Morro Bay, CA**

Ron Reisner, Chair	Marine Oriented Business
Lynn Meissen, Vice Chair	Member at Large
Mark Blackford	Member at Large
Gene Doughty	South Bay/Los Osos
Cherise Hansson	Waterfront Leaseholders
Dana McClish	Recreational Boating
Jeremiah O'Brien	Morro Bay Commercial Fishermen's Organization
Peter Griffin	Alternate to Jeremiah O'Brien (MBCFO)
Owen Hackleman	Alternate to Jeremiah O'Brien (MBCFO)

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CHAIR, ADVISORY BOARD MEMBER & LIAISON ANNOUNCEMENTS & PRESENTATIONS

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Board on City business matters other than scheduled items may do so at this time. To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Board meetings are audio and video recorded and this information is voluntary and desired for the preparation of minutes.
- Comments are to be limited to three minutes.
- All remarks shall be addressed to the Board, as a whole, and not to any individual member thereof.
- The Board respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, Board member and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the Board to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Board meetings is welcome and your courtesy will be appreciated.

**In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Harbor Department's Office Assistant at (805) 772-6254. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.**

A. CONSENT CALENDAR

- A-1 Approval of Minutes from the Harbor Advisory Board meeting held on October 4, 2018.

B. REPORTS AND APPEARANCES

- B-1 Harbor Department Status Report  
**Staff Recommendation: Receive and file.**

C. BUSINESS ITEMS

- C-1 Update from the Marine Services Facility/Boatyard Ad-Hoc Committee on Committee's Recent Activities  
**Staff Recommendation: Receive and file.**
- C-2 Update from the Finance & Budget Ad-Hoc Committee on Committee's Recent Activities; and Continued Discussion of Possible Revenue Sources to Fund the Recently Established Harbor Accumulation Fund Reserve  
**Staff Recommendation: Receive and file ad-hoc committee report, and provide input for City Council consideration on ideas for possible revenue sources to help fund the Harbor Accumulation Fund Reserve.**
- C-3 Update from the Eelgrass Ad-Hoc Committee on Committee's Recent Activities  
**Staff Recommendation: Receive and file.**
- C-4 Cancellation of the January 2019 Harbor Advisory Board Meeting  
**Staff Recommendation: Cancel Meeting.**
- C-5 Harbor Advisory Board Goals, Objectives and Work Plan Planning for 2019  
**Staff Recommendation: Harbor Advisory Board review existing incomplete goal objective work plan items for recommendation on whether or not to carry them into the next goal-setting cycle, and including any input on those items to carry forward. In addition, staff recommend the HAB begin developing its new list of goal objective items to recommend for next year's goal-setting cycle.**

D. DECLARATION OF FUTURE AGENDA ITEMS

Pending items previously declared:

Goals and Objectives – Working Waterfront Designation  
Measure D

Explore Benefits of Becoming a Harbor or Port District

Wind Energy Generation off the Coast of Morro Bay

Creation of an Embarcadero Business District to Fund Harbor Infrastructure

Review of TBID Assessment funding

Identify/review responsible parties for cleanliness of water front ground lease sites, public restrooms, light posts, and concern for public safety

## E. ADJOURNMENT

This agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Morro Bay Harbor Department, 1275 Embarcadero, for any revisions or call the department at 772-6254 for further information.

Materials related to an item on this Agenda are available for public inspection during normal business hours at the Harbor Department and at Mill's/ASAP, 495 Morro Bay Boulevard, or online at [www.morrobayca.gov](http://www.morrobayca.gov). Materials related to an item on this Agenda submitted to the Board after publication of the Agenda packet are available for inspection at the Harbor Department during normal business hours or at the scheduled meeting.

MINUTES-MORRO BAY HARBOR ADVISORY BOARD  
MEETING – October 4, 2018  
VETERAN'S MEMORIAL HALL - 6:00 P.M.

AGENDA NO: A-1

MEETING DATE: December 6, 2018

PRESENT: Lynn Meissen HAB Vice-Chair  
Owen Hackleman HAB Member  
Dana McClish HAB Member  
Cherise Hansson HAB Member  
Mark Blackford HAB Member

STAFF: Eric Endersby Harbor Director  
Lori Stilts Harbor Business Coordinator

ABSENT: Ron Reisner HAB Chair  
Gene Doughty HAB Member

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:00 p.m., with a quorum present.

MOMENT OF SILENCE  
PLEDGE OF ALLEGIANCE

CHAIR AND ADVISORY BOARD MEMBER ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/kPdgWRVz9do?t=135>

Board Member McClish announced October as Maritime Heritage Month and reported the opening of the Morro Bay Maritime Museum was a success.

PUBLIC COMMENT

<https://youtu.be/kPdgWRVz9do?t=239>

The public comment period was opened and closed with no comments.

A. CONSENT AGENDA

None.

B. REPORTS AND APPEARANCES

B-1 HARBOR DEPARTMENT STATUS REPORT

<https://youtu.be/kPdgWRVz9do?t=266>

Harbor Director Endersby presented the staff report for item B-1 and responded to Board Member inquiries.

C. BUSINESS ITEMS

<https://youtu.be/kPdgWRVz9do?t=1633>

There was Board consensus to move C-4 to the beginning of Business Items.

C-4 PRESENTATION AND QUESTION-AND-ANSWER SESSION BY THE EXECUTIVE DIRECTOR OF THE CENTRAL COAST AQUARIUM ON THE STATUS OF THE CENTRAL COAST AQUARIUM'S MORRO BAY AQUARIUM PROPOSAL PROJECT

Christine Johnson, Executive Director of the Central Coast Aquarium introduced herself to the Board and provided background and a status update on the proposed Morro Bay Aquarium Project at lease site 69-70/69W-70W. Included in the update, Ms. Johnson provided a short video, and a handout, with the non-profits proposed timeline, exhibit concepts, and funding sources.

Ms. Johnson and Director Endersby responded to Board Member inquiries.

C-1 UPDATE FROM THE MARINE SERVICES FACILITY/BOATYARD AD-HOC COMMITTEE ON COMMITTEE'S RECENT ACTIVITIES

<https://youtu.be/kPdgWRVz9do?t=4666>

The public comment period was opened and closed with no comments.

Committee Chair McClish stated the Harbor Department is moving forward to develop the boat and trailer storage and taking names of potential renters on a wait list in their office.

Chair McClish stated, he and Committee Member Reisner met with Director Endersby on September 19, 2018 to review and give input on the draft Marine Services Facility/Boatyard Financial Feasibility RFP scheduled to be released soon.

C-2 UPDATE FROM THE FINANCE & BUDGET AD-HOC COMMITTEE ON COMMITTEE'S RECENT ACTIVITIES, AND CONSIDERATION AND INPUT ON PROPOSED HARBOR ACCUMULATION FUND RESERVE POLICY

<https://youtu.be/kPdgWRVz9do?t=4759>

Committee Member Blackburn spoke to a recent introductory finance meeting he had with Staff and stated the Ad-Hoc committee will be getting together next week to prepare a report for the November HAB meeting.

Director Endersby presented the staff report for C-2, requesting Members to give input on the draft Harbor Accumulation Fund Reserve Policy.

There was discussion by the Board and input gathered by Staff.

There was general Board consensus with the following:

- Create revenue first, cut services last as the primary budget balancing tool
- Develop a 3-5-year revenue-enhancement plan
- Ensure the percentage verse time ratio to achieve the minimum 15% is the correct one
- Possibly wait until the South T-Pier is paid off and those funds to pay the loan is available before starting a reserve balance

C-3 REPORT FROM THE EELGRASS AD-HOC COMMITTEE ON COMMITTEE'S RECOMMENDATION(S) REGARDING THE AUGUST 2018 MORRO BAY CONCEPTUAL EELGRASS PLAN BY ANCHOR QEA

<https://youtu.be/kPdgWRVz9do?t=6228>

Committee Chair Meissen stated the Ad-Hoc committee met and briefly recapped last month's eelgrass framework agenda item discussion, framework provided by Anchor QEA.

Chair Meissen also stated the Morro Bay National Estuary Program (NEP) Directors did meet to discuss their involvement in the eelgrass draft plan. They do not want to be primarily responsible for mitigation action and monitoring but would participate as a research data and investigation source.

There was discussion and inquiries by the Board and Director Endersby.

**MOTION:** Board Member Meissen moved the Harbor Advisory Board recommend City Council support the efforts in pursuing and further developing and adapting this plan framework with the goal of establishing a City Eelgrass Management Policy and that this include directing the Harbor Department to take the next step of presenting the plan framework as written by Anchor QEA to the relevant Regulatory Agencies for their comment and input on further development. The Motion was seconded by Board Member Blackford and carried unanimously, 5-0.

D. DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/kPdgWRVz9do?t=7669>

There was consensus to add the following verbiage noted in red to an already declared future agenda item.

Pending items previously declared:

Goals and Objectives – Working Waterfront Designation

Measure D

Explore Benefits of becoming a Harbor or Port District

Wind Energy Generation off the Coast of Morro Bay

Creation of an Embarcadero Business District to Fund Harbor Infrastructure

Review of TBID Assessment Funding

Identify/review responsible parties for cleanliness of waterfront ground lease sites, public restrooms, light posts, **and concern to public safety**

E. ADJOURNMENT

<https://youtu.be/kPdgWRVz9do?t=8332>

This meeting was adjourned at 8:19 p.m. The next Regular Meeting will be held on Thursday, November 1, 2018 at 6:00 p.m. at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by,

Lori Stilts  
Harbor Business Coordinator



AGENDA NO: B-1

MEETING DATE: December 6, 2018

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** November 26, 2018

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Harbor Department Status Report

### RECOMMENDATION

Receive and file.

### DISCUSSION

#### **Recent Department Activity:**

Harbor Patrol statistics for the month of November 2018 were 6 emergency responses, 94 calls for service, 21 assists of other agencies, 17 enforcement contacts, and 7 weather warnings including 3 days Hazardous Bar Warnings to kick off the winter swells.

The month started out with the change in Daylight Savings Time, which makes a big impact on outdoor activities now in the dark. Boaters are encouraged to check their navigation lights and make sure even skiffs, SUPs and kayaks have an all-around white light when transiting in the harbor.

The Morro Bay Triathlon took place on November 4 with a great turnout. There were 552 ath

There was a WSA, Western Surfing Association, 2-day contest on November 11<sup>th</sup> and 12<sup>th</sup> at the Pit, just north of the Rock. This contest provides a pathway for young surfers to qualify for the USA Surf Team. Harbor Patrol set out course boundaries and provided Lifeguards for the event.

The Harbor Patrol and Coast Guard conducted multiple trainings this month for emergency patient transfers boat to boat and man overboard drills. K38 Rescue Watercraft Training also conducted 2 week long trainings that Harbor Patrol, Lifeguards and Fire personnel participated in.

Harbor Patrol responded to a serious medical aide for a table saw injury while working on a boat. A gentleman completely cut through the artery and nearly lost his forearm after he lost his balance and hit the circular blade. Another boater next to him quickly duct taped his arm to stop the bleeding and full recovery looks to be possible.

#### **Recent City Council Activity:**

At the regular November 13 City Council meeting, Council provided input and direction on the Harbor Department Lease Management Policy update timeline being proposed, as well as provide direction on usage of a facilitator or moderator to assist in managing the process.

At a special November 29 City Council meeting, Council approved the Community Benefit Agreement between the City of Morro Bay and Castle Wind, LLC and authorized rescinding the

Prepared By: EE

Dept Review: EE

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

current memorandum of cooperation between the City and Trident Winds, LLC. Execution of this agreement brought one-time payment of \$250,000 from Castle to the City.

**Upcoming Events:**

- 11/30 – 12/15 Santa at the Chess Board/Embarcadero 6-8pm
- 12/7/18 Morro Bay Santa Crawl 5-9pm
- 12/8/18 Lighted Boat Parade 6pm
- 12/9/18 Real snow at Tidelands Park

**Status of Pending HAB Recommendations:**

	<b>HAB Recommendation</b>	<b>Date</b>	<b>Status</b>
1	Staff draft letter to Council encouraging the City to pursue negotiating with State Parks the City assume both marina and café concessions.	5/7/15	<p>Staff's last contact with Parks indicated no Parks interest in giving up the café concession. Since that time, all of Parks' key personnel on the SPM have either retired or positions turned over. Staff's current thinking is we're at a "start-over" point with Parks to begin talks anew, and are acting accordingly before taking anything back to the Council.</p> <p>11/1/17. Staff have reached out to Parks to renew discussions.</p> <p>12/20/17. Spoke with office of Director for State Parks; tentative meeting set for week of January 8-12.</p> <p>2/13/18 Spoke with office of Director of Concessions office left message with assistant for our concession specialist to set up conference call. No response. 2/22/18 Called again left message. 2/23/18 new Parks concession specialist contacted department.</p> <p>4/23/18 Harbor Director email sent to Parks.</p> <p>4/27/18 Contacted Parks staff, discussions underway.</p> <p>5/17/18 Harbor Director met with Dan Falat, District Superintendent, regarding reviving discussions, putting concessions out to bid and prospects for City taking over operation and management of the marina.</p> <p><b>No new updates.</b></p>
2	Staff provide Council with modified sections of MBMC 15.24 (harbor sanitation) and develop environmental BMP's.	7/22/15	<p>Staff have incorporated this BMP effort into the ongoing Rules &amp; Regs/MBMC updating project.</p> <p>11/1/17. Work ongoing; tentatively scheduled to come to HAB Feb or March 2018.</p> <p>1/18/18. Review at HAB 2/1/18 meeting item C7.</p> <p>4/27/18 Pending Council consideration.</p> <p><b>No new updates.</b></p>

3	City Council to approve issuance of the final draft Marine Services Facility/Boatyard Request for Qualifications document.	2/2/17	<p>2/14/17. Council approved the release of a Request for Qualifications (RFQ) document as-proposed. RFQ is out, and responses due July 14, 2017.</p> <p>7/27/17. No responses to RFQ.</p> <p>8/3/17. HAB meeting to consider next steps.</p> <p>11/3/17. Put together a RFP for a financial feasibility study to go to Council for approval.</p> <p>12/1/17. Draft proposal in process for HAB review 2/2018.</p> <p>12/18/17. Tentatively on Council agenda for 1/23/18 to lay out scope of work and get authorization for a financial feasibility study.</p> <p>1/18/18. Discussing at HAB meeting 2/1/18 during item C1.</p> <p>4/27/18 Working on draft RFP to go to Council.</p> <p>Tentatively on 6/26/18 City Council agenda for consideration of issuance.</p> <p>Tentatively on 8/28/18 City Council agenda for consideration of issuance.</p> <p>8/28/18 Council approved issuance of a financial feasibility RFP. RFP to be issues asap.</p> <p><b>Request for Proposals issued for financial feasibility study services for the proposed boatyard. RFP due February 1, 2019.</b></p>
4	City to use a consultant to update the cost allocation plan, if feasible, if not, then direct staff to do an internal check.	6/1/17	<p>Approved Council Goal Objective Work Plan Item – Internal “gut check” Goal 1(e).</p> <p>11/2/17. On HAB agenda for process consideration. Staff/Committee analysis review calendar 2017. To new Finance Director January 2018. Consideration of findings into development of FY 18/19 budget.</p> <p>1/18/18 Staff currently engaging in internal check. Staff met 3/2 with new Finance Director. Lighting issue “gut check” in Cost Allocation resolved in draft FY 18/19 budget.</p> <p>4/13/18 issued RFP for Comprehensive Fee Study &amp; Cost Allocation Plan – closes 5/11/18.</p> <p>Multiple proposals received; have gone through initial staff review and evaluation. Interviews of top candidates pending in first half of June.</p> <p>Tentatively on 8/14/18 City Council agenda to award contract for comprehensive fee study.</p> <p>8/14/18 Council authorized the City Manager to execute an agreement with Consultant to update the City’s user fees, cost allocation, and development impact fee study’s.</p> <p><b>Consultant currently working with staff on studies.</b></p>
5	City to share tax revenues that are collected in the Harbor fund (and not currently going to the Harbor Fund) and used for Harbor Capitol maintenance and improvements.	6/1/17	<p>Pending until a new Finance Director and City Manager are in place.</p> <p>10/30/17. Per the SLC it is normal for these taxes to go into the City’s General municipal funds.</p> <p>4/5/18 – Chair Reisner requesting City Manager to</p>

			provide a memorandum on this item. <b>No new updates.</b>
6	City Council to include proposed eelgrass language into General Plan/Local Coastal Plan updates, and to review the proposed outline for the eelgrass policy to decide if the elements are appropriate.	6/7/17	7/28/17. Consultant Anchor QEA is developing a proposal to review existing information and documentation, research typical projects that have eelgrass issues, interview NEP personnel, and meet with Eelgrass Ad-Hoc committee members to discuss Newport Beach management plan. 11/1/17. Staff engaged with Anchor on eelgrass proposal. 12/1/17. Update to HAB on 12/7/17 on revised consultant contract scope of work. 12/18/17. Draft eelgrass consultant agreement submitted to legal for review and approval. 1/18/18 executed contract with Anchor QEA. 4/27/18 Anchor QEA beginning project. 4/25/18 Eelgrass Ad-Hoc committee met with Anchor QEA reps in Morro Bay Draft Anchor QEA eelgrass mitigation report on HAB agenda for consideration 8/2/18. 8/18 final Morro Bay Conceptual Eelgrass Plan report issued by Anchor QEA for ad-hoc and HAB consideration. <b>Next step of hiring Anchor QEA to approach pertinent regulators with Morro Bay eelgrass mitigation plan concept pending Council consideration on January 8, 2019.</b>
7	Incorporate Working Waterfront land area and uses into General Plan/Local Coastal Plan updates.  In General Plan/Local Coastal Plan updates, consideration be given to a list of uses provided, and that the Measure D area and its uses be incorporated into Morro Bay's Working Waterfront.	6/1/17	Tentatively on the July 11, 2017 City Council agenda for consideration with Measure D recommendation above. 7/27/17. City Council on 7/11/17 authorized PC subcommittee to jointly work with HAB ad-hoc committee on Measure D ambiguities and Working Waterfront policy language for consideration of incorporation into GP/LCP update process. 9/1/17. First joint HAB/PC subcommittee meeting to consider Measure D and Working Waterfronts scheduled for September 8, 2017, at the Community Center Studio room from 3:00-5:00 pm. 9/8/17. First joint subcommittee meeting held. General discussion and public input. Second meeting TBD, likely late October or early November. 12/18/17. 1/11/18 PC/HAB joint meeting, recommendations made to GPAC. 4/27/18 Pending GPAC action. <b>No new updates.</b>
8	Paid parking be established on and around the Embarcadero, and recommended list of issues to be	7/6/17	7/18/17 letter from HAB Chairman provided to Planning Commission and copied to City Council, Public Works Advisory Board and Community

	addressed when considering establishment of same.	Development Director with HAB's recommendations. 10/9/17. Once CD Director gets additional input from PC, it will be brought to Council to obtain direction on parking initiatives. PC to the lead on policy development. 11/7/17. Discussed at the Planning Commission Meeting. 12/1/17. Per CD Director also discussed with PWAB and tentatively going to Council in Jan or Feb 2018 for direction. 12/19/17. Per CD Director PC and Council will be provided with HABs recommendations. 4/27/18. Pending consideration by PC and Council. <b>No new updates.</b>
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AGENDA NO: C-1

MEETING DATE: December 6, 2018

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** November 26, 2018

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Update from the Marine Services Facility/Boatyard Ad-Hoc Committee on Committee's Recent Activities

### **RECOMMENDATION**

Receive and file.

### **DISCUSSION**

The Marine Services Ad-Hoc Committee will be presenting an oral update on their activities, if any. This is a standing committee report agenda item.

Prepared By: EE

Dept Review: EE

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_



AGENDA NO: C-2

MEETING DATE: December 6, 2018

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** November 30, 2018

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Update from the Finance & Budget Ad-Hoc Committee on Committee's Recent Activities; and Continued Discussion of Possible Revenue Sources to Fund the Recently Established Harbor Accumulation Fund Reserve

### **RECOMMENDATION**

Receive and file ad-hoc committee report, and provide input for City Council consideration on ideas for possible revenue sources to help fund the Harbor Accumulation Fund Reserve.

### **BACKGROUND**

The Finance & Budget Ad-Hoc Committee will be presenting an oral update on their activities, if any. This is a standing committee report agenda item.

At the September 25, 2018 City Council meeting, the Council adopted a Harbor Accumulation Fund Reserve Policy (HAFRP), which established an initial goal minimum reserve level of 15% of ongoing annual expenditures, and a longer-term target of 25%. Based on the adopted Fiscal Year (FY) 2018/19 budget, the minimum reserve level (15% of on-going expenditures) would be approximately \$250,000 with a target reserve level of approximately \$417,000.

### **DISCUSSION & CONCLUSION**

The HAFRP contemplates a three-year plan to reach minimum funding levels. Currently Harbor Fund revenues are just meeting expenses, with some recent fiscal years having ended in the negative. As such, as currently structured with revenues and expenses the Harbor Fund will be unable to not only not meet its capital expenditure needs, but will be unable to build any significant reserve funding without significant changes to revenues and/or expenses.

This report item is intended as an input-taking session to consider potential measures to fund Harbor Accumulation Fund Reserve. Harbor Advisory Board input and recommendation on identified potential funding measures will be brought to the City Manager/Finance Director/City Council as appropriate for consideration and direction.

Prepared By: EE

Dept Review: EE

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_



AGENDA NO: C-3

MEETING DATE: December 6, 2018

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** November 26, 2018

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Update from the Eelgrass Ad-Hoc Committee on Committee's Recent Activities

### **RECOMMENDATION**

Receive and file.

### **DISCUSSION**

The Eelgrass Ad-Hoc Committee will be presenting an oral update on their recent activities, if any. This is a standing committee report agenda item.

Prepared By: EE

Dept Review: EE

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_



AGENDA NO: C-4

MEETING DATE: December 6, 2018

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** November 29, 2018

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Cancellation of the January 2019 Harbor Advisory Board Meeting

### **RECOMMENDATION**

Staff recommend cancelling the January 4, 2019 Harbor Advisory Board meeting.

### **BACKGROUND/DISCUSSION**

Due to the January Harbor Advisory Board meeting's proximity to the holidays, and the meeting being in the dead of winter, typically a quiet time of year, this meeting is historically canceled.

In addition, staff will likely bring an item to the February 2019 board meeting, when new and/or returning appointees are seated, to consider adoption of a HAB meeting schedule for the upcoming year.

Prepared By: EE

Dept Review: EE

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_



AGENDA NO: C-5

MEETING DATE: December 6, 2018

# Staff Report

**TO:** Harbor Advisory Board

**DATE:** November 30, 2018

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Harbor Advisory Board Goals, Objectives and Work Plan Planning for 2019

## **RECOMMENDATION**

Staff recommend the Harbor Advisory Board review existing incomplete goal objective work plan items for recommendation on whether or not to carry them into the next goal-setting cycle, and including any input on those items to carry forward. In addition, staff recommend the HAB begin developing its new list of goal objective items to recommend for next year's goal-setting cycle.

## **BACKGROUND**

The City Council annually reviews and sets its goals and objectives for each year in the winter/spring, tied to the strategic planning and budgeting processes. Concurrently, advisory body goals and objectives to support the Council's goals and objectives will be discussed and set.

In preparation for next year's goal and objective-setting process, it behooves the Harbor Advisory Board (HAB) to review current goals and objectives for which of those would be recommended for carrying-over to the next year, and to begin identifying new goals and objectives for consideration in next year's goal-setting process.

## **DISCUSSION**

*Of the existing 2017/2018 Goals and Objectives, staff recommend the HAB consider carrying the following goals and objectives work plan elements (WPEs) into the next goal-setting process, and to include any new HAB input or direction:*

### **Goal 1 Achieve Economic and Fiscal Sustainability**

(b) Pursue opportunities and relationships that are likely to result in the revitalization and redevelopment of important properties including the Morro Bay Power Plant, the existing wastewater treatment plant site, Morro Bay Elementary School, and the Morro Bay Aquarium lease site.

- A. WPE1 – Aquarium. Harbor staff and HAB to provide input and guidance to the Central Coast Aquarium, Community Development, Planning Commission and City Council on aquarium's redevelopment proposal during proposal development and review for Concept approval.

*Status: the draft financial feasibility study commissioned by Central Coast Aquarium in support of their proposed \$20M USDA loan was released to key City staff for review and input to the report authors. It is due for release in the next ~month.*

Prepared By: EE

Dept Review: EE

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

- B. WPE3 – Morro Bay Power Plant. Harbor staff and HAB review and recommend to PC/Council on development proposals during review by PC/Council for Concept approval.

*Status: plant owner Dynegy was recently acquired by Vistra Energy, a Texas power company. No development/redevelopment proposals are currently being publicly considered or reviewed.*

- C. WPE4 – WWTP Site. Harbor staff and HAB review and recommendations to PC/Council on development proposals relative to land use during review by PC/Council for Concept approval.

*Status: no proposals or projects currently under consideration.*

- D. WPE5 Eelgrass. Continue eelgrass Ad-Hoc Committee work into research on eelgrass mitigation alternatives, potential State and Federal regulatory paths forward, including robust engagement with the MBNEP, and considering hiring a consultant to facilitate the process. And:

WPE6 – Eelgrass. Develop Morro Bay Eelgrass Mitigation Policy for State and Federal regulatory approval contingent upon outcome of WPE5.

*Status: next step to consider hiring Anchor QEA to approach regulatory agencies about proposed policy framework and preferred direction forward tentatively set to go to the City Council on January 8, 2019.*

(d) Evaluate opportunities for new or expanded revenue sources, including, but not limited to: paid parking, marijuana associated revenues, other tax measures, and a review of City fees.

- A. WPE1 – Participate in the research and bring to Council for consideration establishment of paid parking on and around the Embarcadero.

*Status: HAB reviewed and made recommendations to the PC/Council in a 7/18/17 letter regarding items and issues to be addressed when considering said paid parking. Pending PC/Council review.*

- B. WPE7 – Research and bring to Council for consideration establishment of a concert venue in the Triangle Lot.

*Status: not yet considered by the HAB.*

- C. WPE12 – Research, work with State Parks and bring to Council for consideration revising the State Park Marina Operating Agreement to allow the City to take over the direct operations of the marina to maximize revenue collection to put toward dredging and redevelopment.

*Status: discussions ongoing with State Parks. State Park executive staff turnover in recent years and Park prioritizing hampering efforts.*

### Goal 3 Improve Infrastructure and Public Spaces

(b) Bring to Council for information, consideration and possible implementation, a review of circulation and parking management plans and options in the downtown and waterfront districts.

- A. WPE1 – HAB review and provide input on proposed management plans and options as they relate to the waterfront.

*Status: pending said plans and options being brought for consideration by PC/Council for need of HAB input.*

(d) Complete the approved RFQ process for a marine services facility (boatyard) and bring to Council for information and consideration of next steps prior to any decision of feasibility study.

- A. WPE2 – Depending on RFP response, if nay, develop and recommend to Council for consideration of next steps, including, but not limited to, possible issuance of an RFP for boatyard development, or possible issuance of a RFP for financial feasibility services.

*Status: RFP for financial feasibility study out to bid. Due February 1, 2019.*

#### Goal 4 Review and Update Significant Land Use Plans

(a) Complete the GP/LCP rewrite no later than August, 2018.

- A. WPE1 – HAB Working Waterfront Ad-Hoc committee to develop a “Working Waterfront” mission statement or policy for incorporation into the GP/LCP. And:

WPE2 – HAB Working Waterfront Ad-Hoc committee to work with staff, consultants and GPAC to provide input and review relative to clarification to Measure D and incorporation of clarifications into the GP/LCP.

*Status: ad-hoc committee work done jointly with PC ad-hoc committee, and collective input provided to the GPAC. Pending completion of GP/LCP process.*

(d) Bring to Council for consideration the results of Code Enforcement outreach on existing codes related to fences and hedges, and boat, RV and trailer parking/storage on City streets and neighborhoods to determine whether to keep, or modify, related existing ordinances.

- A. WPE1 – Provide venue to take public input and make HAB recommendations for Council consideration regarding boat and boat/trailer parking and storage.

*Status: not yet taken up by the Council.*

#### Other Items

1. Review on an annual basis in segments, all waterfront lease sites for conformity to contractual agreements for building use, maintenance, signage, access, safety, with 100% of all lease sites to be reviewed by a 3-year period.

*Status: lease site financial audits and maintenance inspection portions of this item brought to the HAB on 11/1/18 for consideration and input. Other items pending.*

2. Review and submit to Council, capital improvement projects for FY 2018/19 budget study session.

*Status: ongoing.*

Staff further recommend the HAB discuss and develop its initial draft list of 2018/2019 goal objective work plan items the HAB may wish to pursue for Council consideration in the upcoming Council goal-setting process. The upcoming goal and budget-setting process will follow last year's outline in general, shown below:

### **2018 Goals and Objectives Calendar**

- Jan 9 Strategic Planning Overview to Council
- Feb 2 Goals Retreat
- Feb 27 Goals Discussion and Approval at Council Meeting

### **2018 Budget Calendar**

- Jan 9 FY 2017-18 1<sup>st</sup> Quarter Budget Report
- Feb 20 Mid-Year Budget Presentation to CFAC
- Feb 27 10-Year Forecast Study Session to Council
- Feb 27 Mid-year Budget Presentation to Council
- Feb 28 Finance provides labor numbers / outline to Departments
- Mar 1-23 Departments develop internal budgets
- Mar 20 CFAC Budget Update
- Mar 26 Department budgets due to Finance
- April 2-Apr 6 Budget Team Meetings
- Apr 9-13 City Manager / Executive Team Budget Meetings
- Apr 16-20 City Manager / Finance finalize draft budget letter
- Apr 25 Draft Proposed Budget Presentation to CFAC
- Apr 27 City Manager delivers draft proposed budget to Council
- May 8 FY 2017-18 3<sup>rd</sup> Quarter Report (if needed)
- May 8 Budget Study Session #1
- May 9 Budget Study Session #2
- May 22 Budget Study Session #3 (if required)
- Jun 12 Budget Approved at Council Meeting
- Jun 26 Backup date for Budget Approval

#### **Legend**

- Council Meetings
- Council Study Sessions
- Joint or Advisory Board Meetings
- Internal Staff Actions

In addition, the Advisory Board Work Plan Calendar will likely be as-follows:

**Advisory Board Work Plan Calendar**

- December      Boards recommend items for upcoming cycle
- Jan / Feb      Boards begin to prepare work plan items
- March          Boards finalize recommended draft work plans
- April           Joint Council/Board meetings to discuss work plans
- Early May      Council discusses Board work plans
- Late May       Council approves Board work plans

The above Advisory Board calendar is currently under development.

**CONCLUSION**

Staff is seeking HAB input on which current goal objective work plan items to carry into the next goal-setting cycle, as well as any new items or issues for consideration as new work plan items. HAB input and direction will be carried into goal-setting process as outlined above.