



CITY OF MORRO BAY CITY COUNCIL AMENDED AGENDA

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.

Regular Meeting - Tuesday, January 22, 2019 Veterans Memorial Hall - 6:00 P.M. 209 Surf St., Morro Bay, CA

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
RECOGNITION
CLOSED SESSION REPORT
MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS
PRESENTATIONS - None

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Council on City business matters not on the agenda may do so at this time. For those desiring to speak on items on the agenda, but unable to stay for the item, may also address the Council at this time.

Public comment is an opportunity for members of the public to provide input to the governing body. To increase the effectiveness of the Public Comment Period, the City respectfully requests the following guidelines and expectations be followed:

- Those desiring to speak are asked to complete a speaker slip, which are located at the entrance, and submit it to the City Clerk. However, speaker slips are not required to provide public comment.
- When recognized by the Mayor, please come forward to the podium to speak. Though not required, it is helpful if you state your name, city of residence and whether you represent a business or group. Unless otherwise established by the Mayor, comments are to be limited to three minutes.
- All remarks shall be addressed to Council, as a whole, and not to any individual member thereof.
- The Council respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission 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 City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council meetings is welcome and your courtesy will be appreciated.

A. CONSENT AGENDA

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion. The public will also be provided an opportunity to comment on consent agenda items.

A-1 APPROVAL OF MINUTES FOR THE DECEMBER 11, 2018 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE DECEMBER 11, 2018 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE JANUARY 7, 2019 CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 SECOND READING AND ADOPTION OF ORDINANCE NO. 619 RENAMING AND AMENDING CHAPTER 8.08 OF THE MORRO BAY MUNICIPAL CODE RELATING TO THE EMERGENCY SERVICES ORGANIZATION; (FIRE)

RECOMMENDATION: City Council waive reading of Ordinance No. 619 in its entirety and adopt Ordinance No. 619, "An Ordinance of the City Council of the City of Morro Bay, California, Renaming Chapter 8.08 of Title 8 of the Morro Bay Municipal Code as "Emergency Services Organization," and Amending Chapter 8.08, to Provide Consistency with a Revised City of Morro Bay Emergency Management Plan."

A-5 MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SAN LUIS OBISPO FOR SHARING POLICY BOARD, OPERATIONS BOARD, AND COMMUNITY ADVISORY COMMITTEE SEATS ON MONTEREY BAY COMMUNITY POWER; (CITY MANAGER)

RECOMMENDATION: Council:

- 1. Approve the draft Memorandum of Understanding (MOU) with the City of Morro Bay for sharing Policy Board, Operations Board, and Community Advisory Committee seats on Monterey Bay Community Power (Attachment A); and**
- 2. Authorize the City Manager to execute the MOU in a form subject to approval of the City Attorney's Office.**

A-6 ADOPTION OF RESOLUTION NO. 06-19 AUTHORIZING SUBMISSION OF RURAL TRANSIT FUND GRANT APPLICATIONS; (PUBLIC WORKS)

RECOMMENDATION: City Council adopt Resolution No. 06-19.

A-7 APPOINTMENT OF COUNCIL LIAISON ASSIGNMENTS AND COUNCIL SUB-COMMITTEES; (CITY CLERK)

RECOMMENDATION: Approve Council Liaison Assignments and Sub-Committees for calendar year 2019 as shown on the attached appointment list.

A-8 ADOPTION OF RESOLUTION NO. 07-19 REAFFIRMING THE CITY'S PLEDGE TO FOLLOW BEST PRACTICES OF CIVILITY AND CIVIL DISCOURSE AND REVIEW OF REVISED PUBLIC COMMENT GUIDELINES; (CITY CLERK)

RECOMMENDATION: Council adopt Resolution No. 07-19 concerning Civil Discourse Policy, review and approve the revised Public Comment Guidelines provided on the City Council agenda, and direct staff to both post the Civil Discourse policy at entrance to Council meetings, and post revised public comment guidelines online.

B. PUBLIC HEARINGS - None.

C. BUSINESS ITEMS

C-1 MONTHLY REVIEW OF THE STATUS OF AND ACTIONS REGARDING THE WATER RECLAMATION PROGRAM INCLUDING:

1. UPDATE ON THE WRF DESIGN/BUILD PROCESS,
2. ADOPTION OF RESOLUTION NO. 08-19 AUTHORIZING THE ANNEXATION AND SPHERE OF INFLUENCE CHANGE APPLICATION FOR THE SOUTH BAY BOULEVARD SITE,
3. DIRECTION REGARDING A CONSOLIDATED COASTAL DEVELOPMENT PERMIT, AND
4. UPDATE REGARDING THE CONVEYANCE FACILITIES PROJECT CONVEYANCE FACILITIES AND PROGRAM; (PUBLIC WORKS)

RECOMMENDATION: City Council take the following actions:

1. Receive the status report of the Water Reclamation Facility (WRF) Program;
2. Approve Resolution No. 08-19 authorizing staff to complete and submit an application to the Local Agency Formation Commission (LAFCO) for a sphere of influence designation for the approximately 400-acre Tri W, Inc., property near South Bay Boulevard and annexation of 27.6 acres of that property (Assessor's Parcel Number 073-101-017);
3. Provide direction regarding staff's pursuit of a consolidated Coastal Development permit from the California Coastal Commission (CCC) for all components of the WRF Program;
4. Receive the presentation on the status of the Conveyance Facilities Project; and
5. Provide any other direction as deemed appropriate by a majority of the Council.

C-2 ADOPTION OF RESOLUTION NO. 09-19 APPROVING THE CITY OF MORRO BAY'S LONG-TERM FINANCIAL PLANNING, STRUCTURALLY BALANCED BUDGET AND OPERATING BUDGET POLICIES; (FINANCE)

RECOMMENDATION: City Council adopt Resolution No. 09-19.

C-3 DISCUSS, AND CONSIDER CHANGING, CITY COUNCIL REGULAR MEETING START AND END TIME; CONSIDERATION OF RESOLUTION NO. 10-19 AMENDING THE CITY COUNCIL POLICIES & PROCEDURES TO CHANGE CITY COUNCIL REGULAR MEETING START AND END TIME; (ADMINISTRATION)

RECOMMENDATION: Discuss start and end time of regular City Council meetings and consider amending City Council Policies and Procedures Manual, Chapter One "Meeting Guidelines & Procedures," section 1.1.2.1 and 1.1.2.3, changing the City Council regular meetings start time from 6:00 p.m. to 5:30 p.m., and changing the regular City Council meeting span from 6:00 p.m. to 11:00 p.m., to new span of 5:30 p.m. to 10:30 p.m.

C-4 LETTER TO FEDERAL GOVERNMENT REPRESENTATIVES REQUESTING AN END TO THE FEDERAL GOVERNMENT PARTIAL SHUTDOWN; (CITY MANAGER)

RECOMMENDATION: City Council authorize the Mayor to send a letter to the White House and Morro Bay Congressional representatives on behalf of the City and community requesting that Congress and the White House restore funding as soon as possible to end the partial Federal Government shutdown.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Wednesday, February 13, 2019 at 6:00 p.m.** at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

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 CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 772-6205 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

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
	Joseph Pannone	City Attorney
	Dana Swanson	City Clerk/Human Resources Manager
	Jennifer Callaway	Finance Director
	Scot Graham	Community Development Director
	Jody Cox	Police Chief
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Irons called the meeting to order at 4:30 p.m. with all members present.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA

<https://youtu.be/A7YL0IFD-hl?t=19>

Mayor Irons opened public comment for items on the agenda. Seeing none, the public comment period was closed.

SPECIAL MEETING AGENDA ITEMS:

I. ADOPTION OF RESOLUTION NO. 97-18 APPROVING THE CITY OF MORRO BAY'S SHORT-TERM FISCAL EMERGENCY PLAN; (FINANCE)

<https://youtu.be/A7YL0IFD-hl?t=38>

Finance Director Callaway presented the report, noting the following proposed change to Mitigation Measures on page 13 of the agenda packet as well as other grammatical errors. Redline copies were provided to the Council and for public review.

- **Travel and Training Chill** – City Manager approval for all travel authorizations (at any level) ~~for training that involves training outside of the County~~. The City's goal is to limit travel related costs to achieve short-term savings.

MOTION: Council Member McPherson moved for adoption of Resolution No. 97-18, as amended, approving the City of Morro Bay's Short-Term Fiscal Emergency Plan. The motion was seconded by Council Member Headding and carried unanimously, 5-0.

II. ADOPTION OF RESOLUTION NO. 98-18 APPROVING A NEW MASTER LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND TLC FAMILY ENTERPRISES FOR LEASE SITE 87-88/87W-88W, LOCATED AT 833 EMBARCADERO; (HARBOR)

<https://youtu.be/A7YL0IFD-hl?t=857>

Harbor Director Endersby presented the report, outlining corrections provided to the Council and made available for public review, and responded to Council inquiries.

Mayor Irons opened public comment for the applicant to speak.

Cherise Hansson, TLC Family Enterprises, provided a project update. They are currently working with Cathy Novak and Coastal Commission staff to facilitate and application process, which they plan to submit next week.

The public comment period was closed.

Council members expressed preference for a shorter lease term (30 – 35 years), noting concerns about the City's ability to require future improvements. There was also discussion about the need to charge a valet fee, which they agreed does not need to be in the contract.

MOTION: Council Member Davis moved for adoption of Resolution No. 98-18 approving a new Master Lease Agreement for Lease Site 87-88/87W-88W, as proposed and amended by the document given to us by the Harbor Director this evening. The motion was seconded by Council Member Makowetski and carried unanimously, 5-0.

ADJOURN

The meeting adjourned at 5:45 p.m.

Recorded by:

Dana Swanson,
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – DECEMBER 11, 2018
VETERAN'S MEMORIAL HALL – 6:00 P.M.

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
	Joseph Pannone	City Attorney
	Dana Swanson	City Clerk
	Jennifer Callaway	Finance Director
	Rob Livick	Public Works Director
	Scot Graham	Community Development Director
	Jody Cox	Police Chief
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:02 p.m., with all members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT – No closed session meeting was held.

Mayor Irons sought Council consensus to have one Public Comment period at the beginning of the meeting for all items on the agenda.

MAYOR AND COUNCIL MEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/M-6VaU-UrMk?t=162>

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS - None

PRESENTATIONS – None

PUBLIC COMMENT

<https://youtu.be/M-6VaU-UrMk?t=304>

Dan Sedley, Morro Bay, expressed appreciation for the outgoing and newly elected City Council members and asked the Council to affirm its commitment to the Code of Civility.

John Weiss, Morro Bay, congratulated those newly elected and appreciated the Proposition 218 protests will be counted.

Bob Keller, Morro Bay, thanked the outgoing Mayor and Council Members for their service.

Rigmor, Morro Bay, expressed her appreciation for the outgoing Council and their accomplishments these past four years.

Christine Johnson, Morro Bay, shared her gratitude for all who ran for office and to the outgoing Council for their leadership and dedication.

The Public Comment period was closed.

A. CONSENT AGENDA
<https://youtu.be/M-6VaU-UrMk?t=1101>

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 OCTOBER 9, 2018 CITY COUNCIL SPECIAL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE OCTOBER 23, 2018 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE NOVEMBER 27, 2018 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 ADOPTION OF RESOLUTION NO. 99-18 DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION

RECOMMENDATION: Adopt Resolution No. 99-18.

Council Member McPherson commented Ordinance No. 615 provided as Exhibit B in Item A-4 was corrected to reflect July 1, 2018 is the correct application date.

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

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

C-1 COMMENTS BY CURRENT MAYOR AND COUNCILMEMBERS
<https://youtu.be/M-6VaU-UrMk?t=1176>

C-2 PRESENTATIONS TO COUNCILMEMBER MATT MAKOWETSKI, COUNCILMEMBER JOHN HEADING AND MAYOR JAMIE IRONS
<https://youtu.be/M-6VaU-UrMk?t=2921>

C-3 OATH OF OFFICE AND PRESENTATION OF CERTIFICATES OF ELECTION TO MAYOR JOHN HEADING, COUNCILMEMBER DAWN ADDIS AND COUNCILMEMBER JEFF HELLER
<https://youtu.be/M-6VaU-UrMk?t=3154>

- C-4 COMMENTS BY NEWLY ELECTED MAYOR AND COUNCILMEMBERS
<https://youtu.be/M-6VaU-UrMk?t=3331>
- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
None
- E. ADJOURNMENT
The meeting adjourned at 7:15 p.m.

Recorded by:

Dana Swanson
City Clerk

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MINUTES - MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
JANUARY 7, 2019 – 4:00 P.M.
CITY HALL CONFERENCE ROOM

AGENDA NO: A-3
MEETING DATE: January 22, 2019

PRESENT:	John Headding	Mayor
	Dawn Addis	Council Member
	Robert Davis	Council Member
	Jeff Heller	Council Member
	Marlys McPherson	Council Member
STAFF:	Scott Collins	City Manager
	Chris Neumeyer	City Attorney
	Joseph Pannone	Assistant City Attorney (<i>via teleconference</i>)
	Colin Tanner	Special Labor Counsel (<i>via teleconference</i>)
	Dana Swanson	City Clerk/Human Resources Manager
	Scot Graham	Community Development Director
	Rob Livick	Public Works Director

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 4:00 p.m. with all members present.

SUMMARY OF CLOSED SESSION ITEMS – The Mayor read a summary of Closed Session items.

CLOSED SESSION PUBLIC COMMENT – Mayor Headding opened public comment for items on the agenda.

Jack Smith, Morro Bay Skateboard Museum, provided background information for the Museum, which opened six years ago and established non-profit status two years ago. They receive 40,000 – 50,000 visitors each year and do not charge an admission fee. They accept donations and generate some revenue from clothing sales.

Eric Terhorst, Morro Bay Skateboard Museum Docent, estimated 100,000 are planning trips to Morro Bay just to visit the Skateboard Museum.

The public comment period was closed. The City Council moved to Closed Session and heard the following items:

CS-1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Two Matters

CS-2 CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOVERNMENT CODE SECTION 54956.8

Property: 781 Market Avenue

Property Negotiators: Jack Smith, Skateboard Museum

Agency Negotiators: Scott Collins, City Manager; Scot Graham, Community Development Director and Chris Neumeyer, City Attorney

Under Negotiation: Price and Terms

RECONVENE IN OPEN SESSION – The City Council reconvened in Open Session. The Council did not take any reportable action pursuant to the Brown Act.

ADJOURNMENT - The meeting adjourned at 5:45 p.m.

Recorded by:

Dana Swanson
City Clerk

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Staff Report

TO: Honorable Mayor and City Council

DATE: January 15, 2019

FROM: Steven C. Knuckles, Fire Chief

SUBJECT: Second Reading and Adoption of Ordinance No. 619 Renaming and Amending Chapter 8.08 of the Morro Bay Municipal Code Relating to the Emergency Services Organization

RECOMMENDATION

Staff recommends the City Council waive reading of Ordinance No. 619 in its entirety and adopt Ordinance No. 619, "An Ordinance of the City Council of the City of Morro Bay, California, Renaming Chapter 8.08 of Title 8 of the Morro Bay Municipal Code as "Emergency Services Organization," and Amending Chapter 8.08, to Provide Consistency with a Revised City of Morro Bay Emergency Management Plan."

ALTERNATIVES

Do not adopt Ordinance No. 619 and/or provide direction to staff for possible revision.

FISCAL IMPACT

The adoption of the EMP will require the production of 26 copies to replace the City's current emergency plan known as the MERP. Fire personnel will complete the project with PG&E grant funds with no additional cost to the General Fund.

SUMMARY

The Fire Department is currently working on a plan that will provide essential training and continuing education to the City's employees regarding SEMS, NIMS, updating our training records, and conducting tabletop exercises which include activating the Emergency Operations Center for a simulated event. Activating the Emergency Operations Center for a simulated event will allow our staff the opportunity to practice their respective disciplines, identify our strengths, assist in modernizing the Emergency Operations Center, and prepare for an actual event.

Assessing our needs is a challenging process with advances in the information and technology field, government mandates, and the ever-present threat of significant events. However, through training, review of the Incident Command System and Emergency Operations Center activations, we will be better prepared for the actual events, natural or manmade.

ATTACHMENT

1. Ordinance No. 619

ORDINANCE NO. 619

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
RENAMING CHAPTER 8.08 OF TITLE 8 OF THE MORRO BAY MUNICIPAL CODE AS
“EMERGENCY SERVICES ORGANIZATION,” AND AMENDING CHAPTER 8.08, TO
PROVIDE CONSISTENCY WITH A REVISED CITY OF MORRO BAY EMERGENCY
MANAGEMENT PLAN**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the preservation of life and property is an inherent responsibility of local, state and federal governments; and

WHEREAS, no plan can prevent death and destruction, but good plans carried out by knowledgeable and well-trained personnel can and will minimize losses; and

WHEREAS, the City of Morro Bay previously adopted a Multi-Hazard Emergency Response Plan (MERP) to address and plan for emergencies; and

WHEREAS, the City wants to assure the MERP reflects the City’s use of the Federal National Incident Management System and State Standardized Emergency Management System as adopted by Resolution 31-06 on July 10, 2006; and

WHEREAS, the City desires to correct errors in the original plan and provide accurate updated data for compliance with state mandates, federal mandates, and San Luis Obispo County Emergency Management Plan to the City of Morro Bay Emergency Management Plan; and

WHEREAS, the City of Morro Bay adopted by resolution on January 8, 2019 an Emergency Management Plan (EMP) to replace the MERP, so as to ensure the most effective and economical allocation of resources for the maximum benefit and protection of the civilian population in time of emergency, and

WHEREAS, Part 1 of the Emergency Management Plan establishes the emergency organization, assigns tasks, specifies policies and general procedures, establishes emergency lines of Council member succession and provides for coordination for planning efforts of the various emergency staff and service elements, and

WHEREAS, the City of Morro Bay Emergency Management Plan establishes City policy and objectives for emergency management and response; and

WHEREAS, the City of Morro Bay by ordinance in 1980 (and as amended in 1987 and 1990) added Chapter 8.08 (“Civil Defense and Emergency Services”) to Title 8 (“Health and Safety”) of the Morro Bay Municipal Code; and

WHEREAS, the new EMP adopted by the City on January 8, 2019 requires substantive revisions to existing Chapter 8.08 (“Civil Defense and Emergency Services”) of the Morro Bay Municipal Code to provide for consistency and best practices, and as such the City Council desires to rename Chapter 8.08 as “Emergency Services Organization” and to amend that chapter;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. CHAPTER 8.08 (“CIVIL DEFENSE AND EMERGENCY SERVICES”) OF TITLE 8 (“HEALTH AND SAFETY”) OF THE MORRO BAY MUNICIPAL CODE IS HEREBY RENAMED “EMERGENCY SERVICES ORGANIZATION” AND AMENDED TO READ AS FOLLOWS (WITH NEW TEXT IN *BOLD ITALICS* AND DELETED TEXT IN ~~STRIKETHROUGH~~):

“Chapter 8.08 - EMERGENCY SERVICES ORGANIZATION

Sections:

8.08.010 - Purposes.

The declared purposes of this chapter are to provide for the preparation and carrying out of plans for the protection of persons and property within the city in the event of an emergency; the direction of the emergency organization; and the coordination of the emergency functions of this city with all other public agencies, corporations, organizations, and affected private persons.

8.08.020 - Emergency defined.

As used in this chapter, "emergency" means the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within the city caused by such conditions as accidents (transportation—industrial), civil disturbances, earthquakes, epidemics, fire, flood, nuclear incident, oil spill, pipeline incident, pollution (air—water), riot, storms, tsunami (tidal wave), and hazardous materials spill or other conditions, including conditions resulting from war or imminent threat of war *or terrorism*, which conditions are, or are likely to be, beyond the control of the services, personnel, equipment, and facilities of the city *requiring the combined forces of other political subdivisions to combat, or with respect to regulated energy utilities, a sudden and severe energy shortage which requires extraordinary measures beyond the authority vested in the California Public Utilities Commission.*

8.08.030 - Disaster council - Membership.

The *Morro Bay* disaster council is created and shall consist of the following:

- A. *The City Manager is the Director of Emergency Services, who is the chairperson;*
- B. *One member of the city council;*
- C. *The Deputy Director of Emergency Services, the Fire Chief, who will be the vice-chairperson;*
- D. *City Staff as provided for in the current emergency plan of the city adopted pursuant to the provisions of this chapter;*
- E. *Other representatives may include civic, business, labor, veteran, professional, or other organizations having an official emergency responsibility as may be appointed by the Director of Emergency Services with the advice and consent of the City Council.*

~~A. The city council, who shall determine emergency policy and declare a state of local emergency if deemed necessary;~~

~~B. The city administrator, who shall be the civil defense director and chairman of the disaster council;~~

~~C. The fire chief, who shall be the civil defense coordinator;~~

~~D. Such department heads as are provided for in a current emergency plan of this city, adopted pursuant to this chapter; and~~

~~E. Such representatives of civic, business, labor, veterans, professional or other organizations having an official emergency responsibility, as may be appointed by the civil defense director with the advice and consent of the city council.~~

8.08.040 - Disaster council - Powers and duties.

It shall be the duty of the *Morro Bay* disaster council and it is empowered to develop, and recommend the adoption by the city council of, emergency ~~and civil defense plans~~ and agreements and such ordinances and resolutions and rules and regulations as are necessary to implement such plans and agreements. The disaster council shall meet upon call of the *chairperson* ~~chairman~~ or, in his/her absence from the city or inability to call such a meeting, upon call of the acting *chairperson* ~~civil defense director~~.

8.08.050 - Director of Emergency Services, and Deputy Director of Emergency Services. ~~Civil defense director and civil defense coordinator~~—Offices created.

- A. *There is created the office of Director of Emergency Services* ~~civil defense director~~. *The City Manager* ~~city administrator~~ *shall be the Director of Emergency Services* ~~civil defense coordinator and director of emergency services~~.

- ~~B. There is created the office of Deputy Director of Emergency Services, who shall be the Fire Chief. There is created the office of civil defense coordinator. The fire chief shall be the civil defense coordinator and deputy director of emergency services.~~
- C. There is created the office of acting *Director of Emergency Services* ~~civil defense director~~, who shall be appointed by the *Director of Emergency Services* ~~civil defense director~~ to serve in his/her absence.

8.08.060 - Powers and duties of the *Director of Emergency Services* ~~civil defense director~~, and *Deputy Director of Emergency Service* ~~civil defense coordinator~~.

- A. Director. The director is empowered to:
1. Request the city council to proclaim the existence or threatened existence of a "local emergency" if the city council is in session, or to issue such proclamation if the city council is not in session. Whenever a local emergency is proclaimed by the director, the city council shall take action to ratify the proclamation within seven days thereafter or the proclamation shall have no further force or effect;
 2. Request the Governor to proclaim a "state of emergency" when, in the opinion of the director, the locally available resources are inadequate to cope with the emergency;
 3. Control and direct the effort of the emergency organization of the city for the accomplishment of the purposes of this chapter;
 4. Direct cooperation between the coordination of services and staff of the emergency organization of the city, and resolve questions of authority and responsibility that may arise between them;
 5. Represent the city in all dealings with public or private agencies on matters pertaining to emergencies as defined in this chapter;
 6. In the event of the proclamation of a "local emergency" as provided in this section, the proclamation of a "state of emergency" by the Governor or the Director of the State Office of Emergency Services, or the existence of a "state of war emergency," the director is empowered:
 - a. To make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency; provided, however, such rules and regulations must be confirmed at the earliest practicable time by the city council;
 - b. To obtain vital supplies, equipment, and such other properties found lacking and needed for the protection of life and property and to bind the city for the fair value thereof and, if required immediately, to commandeer the same for public use;
 - c. To require emergency services of any city officer or employee and, in the event of the proclamation of a "state of emergency" in the county in which the city is located or the existence of a "state of war emergency," to command the aid of as many citizens of this

community as he/she deems necessary in the execution of his/her duties, such persons shall be entitled to all privileges, benefits, and immunities as are provided by state law for registered disaster service workers;

- d. To requisition necessary personnel or material of any city department or agency;
- e. To execute all of his/her ordinary power as **City Manager** ~~city administrator~~, all of the special powers conferred upon him/her by this chapter or by resolution or emergency plan pursuant hereto adopted by the city council, and all powers conferred upon him/her by any statute, by any agreement approved by the city council, and by any other lawful authority; and
- f. ***In addition to the powers granted herein, the Director of Emergency Services shall have such powers incidental to the performance of duties as said director as shall be necessary to allow the director to carry out the emergency operations plan of the city.***

B. Order of Succession to Office. The **City Manager** ~~civil defense director~~ shall designate the order of succession to that office, to take effect in the event the director is unavailable to attend meetings and otherwise perform his/her duties during an emergency.

C. **Deputy Director of Emergency Services** ~~Civil Defense Coordinator~~. The **Deputy Director of Emergency Services** ~~civil defense coordinator~~ shall assist the **Director of Emergency Services** ~~civil defense director~~ in all respects, particularly in coordinating the activities of city staff members and volunteer members of the emergency organization. The **Deputy Director of Emergency Services** ~~civil defense coordinator~~ shall, under supervision of the **Director of Emergency Services** ~~civil defense director~~ and with the assistance of department heads, develop emergency plans and manage the emergency programs of the city, and shall have such other powers and duties as may be assigned by the **Director of Emergency Services** ~~civil defense director~~.

8.08.070 - Emergency organization.

All officers and employees of the city, ~~together with those volunteer forces enrolled to aid them during an emergency~~, and all groups, organizations, and persons who may by agreement or operation of law, including persons ***appealed to for*** ~~impressed into~~ service ***pursuant to*** ~~under~~ the provisions of Section 8.08.060, be charged with duties incident to the protection of life, ***environment*** and property in the city during such emergency, shall constitute the emergency organization of the city.

8.08.080 - Emergency plan.

The **Deputy Director of Emergency Services, at the direction of the Director of Emergency Services**, ~~disaster council~~ shall be responsible for the development ***and continual updating*** of the city of **Morro Bay** emergency ***operations*** plan. ~~The~~ ~~which~~ plan shall provide for the effective mobilization of all of the resources of the city, both public and private, to meet any condition constituting a local emergency, state of emergency, or state of war ***or terrorism*** emergency; and shall provide for the

organization, powers and duties, services, and staff of the emergency organization. Such plan shall take effect upon adoption by resolution of the City Council.

8.08.081 - Standardized Emergency Management System (SEMS) and National Incident Management System (NIMS).

The City shall use SEMS and NIMS for coordinating all local emergencies. The basic framework of SEMS/NIMS incorporates the use of the incident command system, multi-agency or interagency coordination, the State's master mutual aid agreement, the operational area concept, and the operational area satellite information system.

8.08.082 - City Council - Powers and duties.

The City Council is empowered by this chapter to:

- A. Proclaim the existence or threatened existence of a local emergency.*
- B. Ratify the existence of a local emergency within seven days of a declaration of local emergency made by the Director of Emergency Services while the city council was not in session.*
- C. Review the need for a continuing emergency declaration at regularly scheduled meetings at least every twenty-one (21) days until the emergency is terminated.*
- D. Issue a declaration terminating the local emergency once the situation resulting from the emergency conditions is within the control of the normal protective services, personnel, equipment, and facilities of the city.*

8.08.090 - Expenditures.

Any expenditures made in connection with emergency activities, including mutual aid activities, shall be deemed conclusively to be for the direct protection and benefit of the inhabitants and property of the city.

8.08.100 - Violation—Penalty.

It is a misdemeanor, punishable as set forth in Title 1 of this code, for any person, during an emergency to:

- A. Willfully obstruct, hinder, or delay any member of the emergency organization in the enforcement of any lawful rule or regulation issued pursuant to this chapter, or in the performance of any duty imposed upon him/her by virtue of this chapter;
- B. Do any act forbidden by any lawful rule or regulation pursuant to this chapter, if such act is of such a nature as to give, or be likely to give, assistance to the enemy or to imperil the lives or

property of inhabitants of the city, or to prevent, hinder, or delay the defense or protection thereof;

- C. Wear, carry, or display, without authority, any means of identification specified by the emergency agency of the state.”

SECTION 2. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

SECTION 3. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days after its passage.

SECTION 4. CERTIFICATION. The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

INTRODUCED at a regular meeting of the City Council held on the 8th day of January 2019, by motion of Council Member Davis and seconded by Council Member Addis.

PASSED AND ADOPTED on the ___ day of _____, 2019, by the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

APPROVED AS TO FORM:

CHRIS F. NEUMEYER, City Attorney

Staff Report

TO: Honorable Mayor and City Council

DATE: January 16, 2019

FROM: Scott Collins – City Manager

SUBJECT: Memorandum of Understanding with the City of San Luis Obispo for Sharing Policy Board, Operations Board, and Community Advisory Committee Seats on Monterey Bay Community Power

RECOMMENDATIONS

Council:

1. Approve the draft Memorandum of Understanding (MOU) with the City of Morro Bay for sharing Policy Board, Operations Board, and Community Advisory Committee seats on Monterey Bay Community Power (Attachment A); and
2. Authorize the City Manager to execute the MOU in a form subject to approval of the City Attorney's Office.

ALTERNATIVES

The City Council could request amendments to the MOU. Should Council request amendments, they would be provided to the City of San Luis Obispo for consideration and brought back to Council at a future date.

FISCAL IMPACT

Approval of this recommendation will not result in any fiscal impact to the City.

BACKGROUND/DISCUSSION

Community Choice Energy (CCE), authorized by Assembly Bill 117, is a state law that allows cities, counties, and other authorized entities to aggregate electricity demand within their jurisdictions to purchase and/or generate electricity supplies for residents and businesses within their jurisdiction while maintaining the existing electricity provider for physical transmission and distribution services. CCEs are typically created to provide a higher percentage of renewable energy electricity, such as wind and solar, at competitive and potentially cheaper rates than existing investor owned utilities, while giving consumers local choices and promoting the development of renewable power sources and local economic development. The City Council has been supportive of the research and development of a viable regional CCE program for the City of Morro Bay for the last several years.

In November of 2018, the City of Morro Bay and the City of San Luis Obispo adopted ordinances and resolutions committing both cities to join Monterey Bay Community Power (MBCP). On December 5, the MBCP Policy Board unanimously voted to approve the two cities' membership.

MBCP is governed by two Boards: 1) a Policy Board that meets quarterly and is comprised of

elected officials, and 2) an Operations Board that meets at least eight times per year and is comprised of City Managers and County Administrative Officers. MBCP also has a Community Advisory Council comprised of local residents and business owners.

In MBCP, counties and jurisdictions with 50,000 or more residents hold six permanent Board seats. An additional six Board seats are shared by multiple jurisdictions based on geography. As part of membership, the City of San Luis Obispo and the City of Morro Bay agreed to share a seat in each of the three bodies.

Upon approval of joining MBCP, the City of San Luis Obispo and the City of Morro Bay each agreed to negotiate a formal agreement for sharing the Policy Board, Operations Board, and Community Advisory Council seat. In December of 2018, staff from the two cities drafted and negotiated the draft MOU that is provided as Attachment A. The draft MOU outlines the following provisions:

1. Policy Board. The Policy Board representative shall serve for a term of two years and shall alternate between cities. The City of San Luis Obispo shall provide the initial representative and will serve from January 2019 to December 2020 and thereafter the Policy Board representative shall rotate every two years between the City of Morro Bay and San Luis Obispo.
 - a. The City with the currently serving Policy Board representative shall, after each Policy Board meeting, distribute via email to both City Councils and City Managers the meeting minutes and any additional narrative deemed necessary to stay informed of policy, business or other related matters.
 - b. The Policy Board Director alternative shall be identified by the city currently holding the seat.
2. Operations Board. The Operations Board representative shall serve for a term of two-years and may be one of two options:
 - a. The City Manager for the city of the Policy Board representative; or
 - b. director or deputy-director level staff member as determined by the City Manager of the Policy Board representative.
3. Community Advisory Council. There shall be one Community Advisory Council (CAC) member that shall serve a two-year term and shall be selected by the city with the current Policy Board Member and the Alternate. Although MBCP is not an advisory body, and although the potential pool of CAC applicants includes registered voters living in Morro Bay and San Luis Obispo, the selection of the CAC member will mirror established City advisory body protocol including staff requesting and reviewing applications. The process will conclude with the election of the CAC member by the current Policy Board Director and Alternate.

The MOU requires that in all cases, the elected officials, staff, or public representing the joint interests of the two cities shall consider the program purposes outlined in the Central Coast Community Energy Joint Exercise of Powers Agreement including reducing greenhouse gas emissions, providing electric power to customers at a competitive cost, carrying the programs to increase energy efficiency, stimulating and sustaining the local economy by developing local jobs in renewable energy and energy efficiency, and promoting long-term rate stability and energy security and reliability for residents through local control of electric generation resources.

The MOU also includes a provision that if a party fails to attend or otherwise comply with the Monterey Bay Community Power JPA and bylaws, and if the seat becomes vacated because of such conduct, the other party shall serve in that seat. Should the CAC member fail to regularly attend or otherwise comply with the JPA and bylaws, a new member will be selected through the established process.

Pursuant to the draft MOU, the City of SLO will serve as the Policy Board representative (and Operations Board and Community Advisor Council representative) for calendar year 2019 and 2020, rotating to the City of Morro Bay for calendar year 2021 and 2022.

ATTACHMENT

1. Draft MOU with City of SLO and City of Morro Bay

**MEMORANDUM OF UNDERSTANDING
BEETWEEN
CITY OF SAN LUIS OBISPO
AND
CITY OF MORRO BAY**

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby made and entered into by and between the City of San Luis Obispo, hereinafter referred to as SAN LUIS OBISPO, and the City of Morro Bay, hereinafter referred to as MORRO BAY.

A. INTRODUCTION

In November 2018, SAN LUIS OBISPO and MORRO BAY jointly pursued community choice energy program for the purpose of providing choice in the electricity market, reducing greenhouse gas emissions, proving potential rate savings, supporting energy efficiency, promoting regional collaboration, and contributing to economic development. The two cities pursued participating in a community choice energy program by joining Monterey Bay Community Power (MBCP). On December 5, 2018, SAN LUIS OBISPO and MORRO BAY became official members of MBCP

As outlined in the MBCP Joint Powers Agreement, the agency is governed by two decision making bodies and one advisory body:

- The **Policy Board** is comprised of elected officials and meets quarterly to decide high level policy decisions.
- The **Operations Board** is comprised of City Managers or their designees and meets approximately eight times per year to decide finer detailed operational decisions.
- The **Community Advisory Council** is comprised of community members and serves in an advisory role to the Policy Board and Operations Board.

MBCP is a large agency and to ensure manageable meetings, smaller jurisdictions share seats on the Policy Board and Operations Board. Jurisdictions with 50,000 or more residents have permanent seats, while smaller jurisdictions share seats based on geographic proximity. Since SAN LUIS OBISPO and MORRO BAY are smaller than 50,000 each, the two cities will share a Policy Board and Operations Board seat. Additionally, MBCP has communicated that the two cities may select one Community Advisory Council member.

On November 13, 2018, both City Councils voted unanimously to direct staff to negotiate a Memorandum of Understanding between SAN LUIS OBISPO and MORRO BAY to provide a collaborative and fair strategy for MBCP representation and to return to their respective Councils for final approval.

B. PURPOSE

The purpose of this Memorandum of Understanding is to identify a clear framework between SAN LUIS OBISPO and MORRO BAY to share governance seats on Monterey Bay Community Power's Policy Board, Operations Board, and Community Advisory Council.

It should also be noted that community collaboration and regionalism was a key value of the effort to create a local community choice energy program. This Memorandum of Understanding seeks to encourage further regional collaboration.

C. SHARED SEATS

1. Policy Board - The Policy Board representative shall serve for a term of two years and shall alternate between cities. SAN LUIS OBISPO shall provide the initial representative and will serve from December 2018 to December 2020 and thereafter shall rotate every two years between the City of Morro Bay and San Luis Obispo.
 - a. The City with the currently serving Policy Board representative shall distribute via email to both City Councils and City Managers the meeting minutes and any additional narrative deemed necessary after each Policy Board meeting to stay informed of policy, business or other related matters.
 - b. The Policy Board Director alternative shall be identified by the City currently holding the seat.

2. Operations Board - The Operations Board representative shall serve for a term of two-years and may be one of two options:
 - a. The City Manager for the City of the Policy Board representative; or
 - b. A director or deputy-director level staff member as determined by the City Manager of the Policy Board representative.

3. Community Advisory Council – There shall be one Community Advisory Council member that shall serve a two-year term and be selected by the current Policy Board Member and their alternative. The pool of Community Advisory Committee applicants shall include all registered voters residing in the cities of Morro Bay and San Luis Obispo. The City currently providing the Policy Board representative shall conduct the Community Advisory Council selection process.

4. In all cases, the elected officials, staff, or public representing the joint interests of SAN LUIS OBISPO and MORRO BAY shall consider the program purposes outlined in the Central Coast Community Energy Joint Exercise of Powers Agreement:
 - a. Reducing greenhouse gas emissions;
 - b. Providing electric power to customers at a competitive cost;
 - c. Carrying our programs to increase energy efficiency;
 - d. Stimulating and sustaining the local economy by developing local jobs in renewable energy and energy efficiency; and
 - e. Promoting long-term rate stability and energy security and reliability for residents through local control of electric generation resources.

5. If a party fails to attend or otherwise comply with the Monterey Bay Community Power JPA and bylaws, and if the seat becomes vacated because of such conduct, the other party shall serve in that seat.

D. PROCESS

SAN LUIS OBISPO City Council will appoint its respective Board Members for the two-year term by February 2019. Terms shall run for two-years starting in December and concluding in November of even-numbered years.

Future term appointees shall be made by alternating City Councils in November of the year that the term concludes (e.g., MORRO BAY in 2020, SAN LUIS OBISPO in 2022, MORRO BAY in 2024, etc.).

E. PRINCIPAL CONTACTS

The principal contacts for this MOU are:

SAN LUIS OBISPO:

Name

Derek Johnson,
Bob Hill,
Chris Read,

Role:

City Manager
City Lead
City Lead

MORRO BAY

Name

Scott Collins,

Role:

City Manager, City Lead

F. COST OBLIGATION

Each party to this Memorandum of Understanding shall be financially responsible for absorbing costs incurred for their own participation on the Policy Board, Operations Board, and Community Advisory Council.

G. COMMENCEMENT/EXPIRATION DATE

This Memorandum of Understanding is executed as of the date of last signature and is effective until an additional San Luis Obispo County jurisdiction joins MBCP, or SAN LUIS OBISPO or MORRO BAY withdraw from MBCP, at which time it will be renegotiated.

H. LIABILITIES

It is understood that neither party to this Memorandum of Understanding is the agent of the other and neither is liable for the wrongful acts, omissions or negligence of the other. Each party shall be responsible for its wrongful or negligent acts or omissions and those of its officials, officers, employees, and agents, howsoever caused, to the extent allowed by law, and shall be responsible for their own Commercial General Liability, Auto, Worker's Compensation and Errors and Omissions insurance and adherence to their respective City's policies. Each party to this Memorandum of Understanding agrees to indemnify, defend and hold the other, and their officials, officers, employees, and agents, against any liability, claim, personal injury, including death, or property damage caused by that party's negligence or willful misconduct in their performance under this Memorandum of Understanding.

I. NO ASSIGNMENT

The rights and obligations of the parties to this Memorandum of Understanding may not be assigned or delegated.

J. AMENDMENT

This Memorandum of Understanding may not be amended or modified in any manner whatsoever except by written agreement between the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the last written date below.

FOR SAN LUIS OBISPO:

Date: _____
Derek Johnson, City Manger

FOR MORRO BAY

Date: _____
Scott Collins, City Manager

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AGENDA NO: A-6
MEETING DATE: January 22, 2019

Staff Report

TO: Honorable Mayor and City Council **DATE:** January 8, 2019
FROM: Janeen Burlingame, Management Analyst
SUBJECT: Adoption of Resolution No. 06-19 Authorizing Submission of Rural Transit Fund Grant Applications

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 06-19.

FISCAL IMPACT

There is no fiscal impact to the City’s general fund as the total estimated cost for the project is \$208,000 and would be paid for with Rural Transit Fund (“RTF”) grant and Transportation Development Act funds.

SUMMARY

On December 5, 2002 the San Luis Obispo Council of Governments (SLOCOG) adopted Resolution No. 02-16 to create a RTF program designed to streamline the lengthy federal process of applying for, receiving and using Federal Transportation Administration Section 5311 funds for rural transit agency projects by programming the region’s share of Section 5311 funds to the Regional Transit Authority (RTA) for operations and exchanging it with a like amount of State Transportation Development Act (TDA) funds, programmed through SLOCOG.

Program policies and procedures that would govern the RTF program were developed to preserve the intent of the Section 5311 program in terms of who and what projects would be eligible for funds. The SLOCOG Board adopted the policies and procedures in October 2003.

The City of Morro Bay is an eligible recipient to apply for these funds. Approximately \$474,305 is available for competitive distribution for the FY 2019/2020 cycle. Awarded projects can begin spending funds July 1, 2019.

DISCUSSION

The City intends to submit applications for the RTF FY 2019/2020 cycle for the purchase of a Trolley vehicle to replace an existing one that is beyond the Federal Transit Administration useful life criteria, new bus stop signs, and route information display cases. The estimated project cost is \$208,000, of which \$184,000 will be requested from the RTF FY 2019/2020 funding cycle and the remaining \$24,000 for the City’s local match to the vehicle grant will come from Transportation Development Act Local Transportation Funds received, but which have not been allocated to a specific capital project (identified as Unearned Revenue in the FY17/18 TDA Transit Enterprise Fund audit).

CONCLUSION:

Staff recommends the City Council adopt Resolution No. 06-19.

Prepared By: <u>J Burlingame</u>	Dept Review: _____
City Manager Review: <u>SC</u>	City Attorney Review: <u>CFN</u>

RESOLUTION NO. 06-19

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA AUTHORIZING SUBMISSION OF
APPLICATIONS TO THE RURAL TRANSIT FUND GRANT PROGRAM**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the San Luis Obispo Council of Governments (SLOCOG) annually adopts the Federal Transit Administration (FTA) Section 5311 formula funds Program of Projects (POP); and

WHEREAS, SLOCOG began the Rural Transit Fund (RTF) program with Resolution 02-16 on December 5, 2002 by programming FTA Section 5311 funds to the San Luis Obispo Regional Transit Authority (RTA); and

WHEREAS, RTA has agreed to use these Federal funds for operating support and SLOCOG has agreed to exchange a similar amount of Transportation Development Act (TDA) funds for use in the RTF program; and

WHEREAS, SLOCOG, RTA, and other rural transit operators worked together to develop a process to exchange FTA Section 5311 formula funds with TDA funds to create the RTF, including Policies and Procedures to govern the RTF program; and

WHEREAS, the Policies and Procedures developed ensure that all funds will be used solely for rural transit projects consistent with the original intent of the FTA Section 5311 program; and

WHEREAS, there is \$474,305 available for competitive distribution and awarded projects can begin spending funds July 1, 2019.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that the Public Works Director, or his duly appointed representative, is authorized to submit applications to the Rural Transit Fund for the purchase of a trolley vehicle, bus stop signs and route information display cases, and approve using up to \$24,000 in Unearned Revenue identified in the FY 17/18 Transportation Development Act Transit Enterprise Fund audit for the City's local match to the grant.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 22nd day of January 2019 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

John Headding, Mayor

ATTEST:

Dana Swanson, City Clerk



AGENDA NO: A-7
MEETING DATE: January 22, 2019

Staff Report

TO: Honorable Mayor & City Council **DATE:** January 15, 2019
FROM: Dana Swanson, City Clerk
SUBJECT: Appointment of Council Liaison Assignments and Council Sub-Committees

RECOMMENDATION

Approve Council Liaison Assignments and Sub-Committees for calendar year 2019 as shown on the attached appointment list.

DISCUSSION

At its January 8, 2019, Regular Meeting, the Council considered discretionary appointments, liaison and sub-committee assignments for 2019. Following discussion, the Council approved the appointments to Regional / County Boards, which are made at the Mayor's discretion, and voted 5-0 to allow the Mayor to meet with Council Member Heller to consider rearranging assignments so that he had a better opportunity to participate. Mayor Heading and Council Member Heller met on January 14th and the revised recommended assignments are attached for Council review and approval.

The relevant policy language is provided below for reference:

The City Council Policies and Procedures Section 6.2.1 states:

"The City Council shall assign a Council liaison to each of the following advisory bodies: Recreation & Parks Commission, Harbor Advisory Board, Public Works Advisory Board, the Citizens Finance Advisory Committee, the Planning Commission and Tourism Business Improvement District Advisory Board. Council liaisons will also be appointed to the special purpose advisory bodies.

The purpose of the liaison assignment is to facilitate communication between the City Council and the advisory body. The liaison also helps to increase the Council's familiarity with the membership, programs and issues of the advisory body. In fulfilling their liaison assignment, members should either attend advisory body meetings or watch the meeting broadcasts and maintain communication with the advisory body on a regular basis.

Council Members should be sensitive to the fact they are not participating members of the advisory body, but are there rather to create a linkage between the City Council and the advisory body. In interacting with advisory bodies, Council Members are to reflect the views of the Council as a body. Being an

Prepared By: DS Dept Review: _____
City Manager Review: SC City Attorney Review: CFN

advisory body liaison bestows no special right with respect to advisory body business.”

Pursuant to City Council Policies and Procedures Section 6.2.1, the City Council shall assign Council Liaisons to the Advisory Bodies, including the General Plan Advisory Committee and Water Reclamation Facility Citizens Advisory Committee. Attached for your review is a list of the proposed City Council Liaisons.

The City Council Policies and Procedures Section 3.13 states:

“From time to time it may be desirable for the City Council may vote to appoint a sub-committee of the whole to address a particular issue. That is especially the case if the issue requires additional work or research. Per the Brown Act, sub-committees must consist of less than a quorum of the body and serve for a limited purpose and time. Therefore, the City Council sub-committees may consist of two members. Sub-committees shall report back to the full Council for discussion before any formal action can be taken on the pertinent issue. Establishing a subcommittee requires the body to define the purpose, parameters, and duration of the sub-committee. The City Clerk will keep the list of sub-committees and defined description as a record with Council liaison assignments for review annually.”

ATTACHMENT

1. Revised Proposed City Council Liaison Assignments and Sub-Committees for 2019.

CITY COUNCIL LIAISON ASSIGNMENTS (2019)

PLANNING COMMISSION (meets 1st and 3rd Tuesday of every month; 6:00pm; Vets Hall)
John Headding Liaison

HARBOR ADVISORY BOARD (meets the 1st Thursday of every month; 6:00pm; Vets Hall)
Marlys McPherson Liaison

RECREATION AND PARKS COMMISSION (meets the 3rd Thursday of the month; 6:00pm; Vets Hall)
Dawn Addis Liaison

PUBLIC WORKS ADVISORY BOARD (meets the 3rd Wednesday of the month; 5:30pm; Vets Hall)
Jeff Heller Liaison

MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT BOARD (meets the 3rd Thursday of every month; 9:00am; Vets Hall) AND SAN LUIS OBISPO COUNTY TOURISM MARKETING DISTRICT ADVISORY COMMITTEE (meets semi-annually on the first Thursday of May and December at Embassy Suites, 333 Madonna Rd., SLO)
Red Davis Liaison

CITIZENS OVERSIGHT / FINANCE COMMITTEE (meets the 3rd Tuesday of every month; 3:30pm; Vets Hall)
Marlys McPherson Liaison

WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (meets the 1st Tuesday of every month, as needed, at 3pm; Vets Hall)
Jeff Heller Liaison

GENERAL PLAN ADVISORY BOARD COMMITTEE (meets the third Thursday of the month at 4pm; Vets Hall)
Jeff Heller Liaison

CITY COUNCIL SUB-COMMITTEES (2019)

COUNCIL SUBCOMMITTEE ON EMPLOYEE GRIEVANCES (meets as needed)
John Headding Member
Dawn Addis Member

WATER RECLAMATION FACILITY / JPA SUB-COMMITTEE
John Headding Member
Marlys McPherson Member

MORRO BAY POWER PLANT
Jeff Heller Member
John Headding Member

AQUARIUM

Dawn Addis	Member
John Headding	Member

CHEVRON PROPERTY

Red Davis	Member
John Headding	Member

U.S. COAST GUARD

Marlys McPherson	Member
Dawn Addis	Member

ESTERO BAY ALLIANCE OF CARE ("EBAC")

Marlys McPherson	Member
Red Davis	Member

CANNABIS REGULATIONS

Red Davis	Member
Marlys McPherson	Member

VACATION RENTAL POLICY COMMUNITY INPUT

Jeff Heller	Member
Marlys McPherson	Member

HARBOR LEASE POLICY REVIEW

Marlys McPherson	Member
Red Davis	Member

BOEM INTERAGENCY TASK FORCE MEMBER ON WIND ENERGY

John Headding	Member
Red Davis	Alternate

ECONOMIC DEVELOPMENT STRATEGIC PLAN IMPLEMENTATION

Red Davis	Member
Dawn Addis	Alternate



AGENDA NO: A-8
MEETING DATE: January 22, 2019

Staff Report

TO: Honorable Mayor and City Council DATE: January 15, 2019

FROM: Dana Swanson, City Clerk

SUBJECT: Adoption of Resolution No. 07-19 Reaffirming the City’s Pledge to Follow Best Practices of Civility and Civil Discourse and Review of Revised Public Comment Guidelines

RECOMMENDATION

Council adopt Resolution No. 07-19 concerning Civil Discourse Policy, review and approve the revised Public Comment Guidelines provided on the City Council agenda, and direct staff to both post the Civil Discourse policy at entrance to Council meetings, and post revised public comment guidelines online.

DISCUSSION

At the January 8, 2019 meeting, the Council reviewed Resolution No. 27-18, “Pledging to Follow Best Practices of Civility and Civil Discourse,” and public comment guidelines provided on the front page of the agenda. Following discussion, the Council directed staff to bring the following items back for approval at the January 22 meeting:

- Resolution reaffirming the City’s commitment to Civility and Civil Discourse, revised to include a statement discouraging the use of profanity, and directing annual review and adoption of the policy.
- Revised Public Comment guidelines clarifying the City requests, but does not require, members of the public to complete a speaker slip or state their name for the record.
- Following the approval of the above items, the Civil Discourse policy will be posted at the entrance and public comment guidelines will be published on the City Council page of the City website.

The following revisions to the front page of the agenda are recommended and have been incorporated in the January 22, 2019, City Council agenda.

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Council on City business matters not on the agenda may do so at this time. For those desiring to speak on items on the agenda, but unable to stay for the item, may also address the Council at this time.

Public comment is an opportunity for members of the public to provide input to the governing body. To increase the effectiveness of the Public Comment Period, the City respectfully requests the following guidelines and expectations rules shall be followed:

- Those desiring to speak are asked to complete a speaker slip, which are

Prepared By: <u>DS</u>	Dept Review: _____
City Manager Review: <u>SC</u>	City Attorney Review: <u>CFN</u>

located at the entrance, and submit it to the City Clerk. However, speaker slips are not required to provide public comment.

- When recognized by the Mayor, please come forward to the podium to speak. Though not required, it is helpful if you state your name, city of residence and whether you represent a business or group. Unless otherwise established by the Mayor, and state your name and city of residence for the record. Comments are to be limited to three minutes.
- All remarks shall be addressed to Council, as a whole, and not to any individual member thereof.
- The Council respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission 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 City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council meetings is welcome and your courtesy will be appreciated.

CONCLUSION

Staff requests the Council review and approve the proposed changes to the Public Comment section of the Agenda, adopt Resolution No. 07-19, concerning Civil Discourse Policy, direct staff to post the revised Public Comment section of the Agenda online, and direct staff to post the Civil Discourse Policy at the entrance to Council meetings.

ATTACHMENT

1. Resolution No. 07-19

RESOLUTION NO. 07-19

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
PLEDGING TO FOLLOW BEST PRACTICES OF CIVILITY AND CIVIL DISCOURSE
IN ALL OF ITS MEETINGS**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, on November 10, 2015, the City Council adopted Resolution No. 70-15 pledging to follow best practices of civility and civil discourse in all of its meetings, principals developed by the League of Women Voters; and

WHEREAS, on May 8, 2018, the City Council adopted Resolution No. 27-18 restating its commitment to the principles of civility and civil discourse in conducting business with appointed and elected officials, staff and citizens; and

WHEREAS, a healthy democracy respects the people's right to debate issues with passion; and not only tolerates disagreement but welcomes it; and

WHEREAS, honest debate helps refine ideas and create policies that benefit the greater good; and

WHEREAS, we, the Mayor, City Council Members, Commissioners, Appointees, and Staff of the City of Morro Bay, in order to ensure **civility** and **civil discourse** in all of our meetings, reaffirm and pledge our commitment to the following **best practices of civility** and **civil discourse**; and

WHEREAS, we pledge our commitment to **listen first**, making an honest effort to understand views and reasoning of others by listening to understand, not listening to find fault, allowing thoughtful discussion to lead to the best possible outcomes; and

WHEREAS, we pledge our commitment to **respect different opinions**, by inviting and considering different perspectives, allowing space for ideas to be expressed, opposed and clarified in a constructive manner; and

WHEREAS, we pledge our commitment to **show courtesy**, by treating all colleagues, staff and members of the public in a professional and courteous manner whether in person, online, or in written communication, especially when we disagree; and

WHEREAS, we pledge our commitment to **avoid rhetoric and refrain from making slanderous, profane or personal remarks intended to humiliate, malign, or question the motivation** of those whose opinions are different from ours in all our meetings; and

WHEREAS, we pledge our commitment to **speak truthfully** without accusation, and avoid distortion in all our meetings; and

WHEREAS, we pledge our commitment to **debate the policy not the person**, focusing on the issue, and not personalizing the debate or using other tactics that divert attention from the issue; and

WHEREAS, we pledge our commitment **against violence** and **incivility** in all their forms whenever and wherever they occur in all our meetings; and

WHEREAS, we commit ourselves to build a civil political community in which each person is respected and spirited public and political debate is aimed at the betterment of the City of Morro Bay and its people and not the disparagement of those with whom we disagree.

NOW, THEREFORE, BE IT RESOLVED, by the City Council, City of Morro Bay, California, that the Mayor, City Council Members, Commissioners, Appointees, and Staff of the City of Morro Bay shall promote the use of and adherence to the principles of **civility** and **civil discourse** in conducting business with appointed and elected

officials, staff, and citizens.

BE IT FURTHER RESOLVED, the City Council directs this resolution pledging best practices of civility and civil discourse be brought forward in January of each year for re-affirmation by the City Council.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 22nd day of January 2019 on the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

Staff Report

TO: Honorable Mayor and City Council **DATE:** January 15, 2019

FROM: Rob Livick, PE/PLS – Public Works Director/City Engineer
Eric Casares, PE – Water Reclamation Facility (WRF) Program Manager

SUBJECT: Monthly Review of the Status of and Actions Regarding the Water Reclamation Program including:

1. Update on the WRF Design/Build Process;
2. Adoption of Resolution No. 08-19 Authorizing the Annexation and Sphere of Influence Change Application for the South Bay Boulevard Site;
3. Direction regarding a Consolidated Coastal Development Permit; and
4. Update regarding the Conveyance Facilities Project Conveyance Facilities and Program

RECOMMENDATION

Staff recommends the City Council take the following actions:

1. Receive the status report of the Water Reclamation Facility (WRF) Program;
2. Approve Resolution No. 08-19 authorizing staff to complete and submit an application to the Local Agency Formation Commission (LAFCO) for a sphere of influence designation for the approximately 400-acre Tri W, Inc., property near South Bay Boulevard and annexation of 27.6 acres of that property (Assessor's Parcel Number 073-101-017);
3. Provide direction regarding staff's pursuit of a consolidated Coastal Development permit from the California Coastal Commission (CCC) for all components of the WRF Program;
4. Receive the presentation on the status of the Conveyance Facilities Project; and
5. Provide any other direction as deemed appropriate by a majority of the Council.

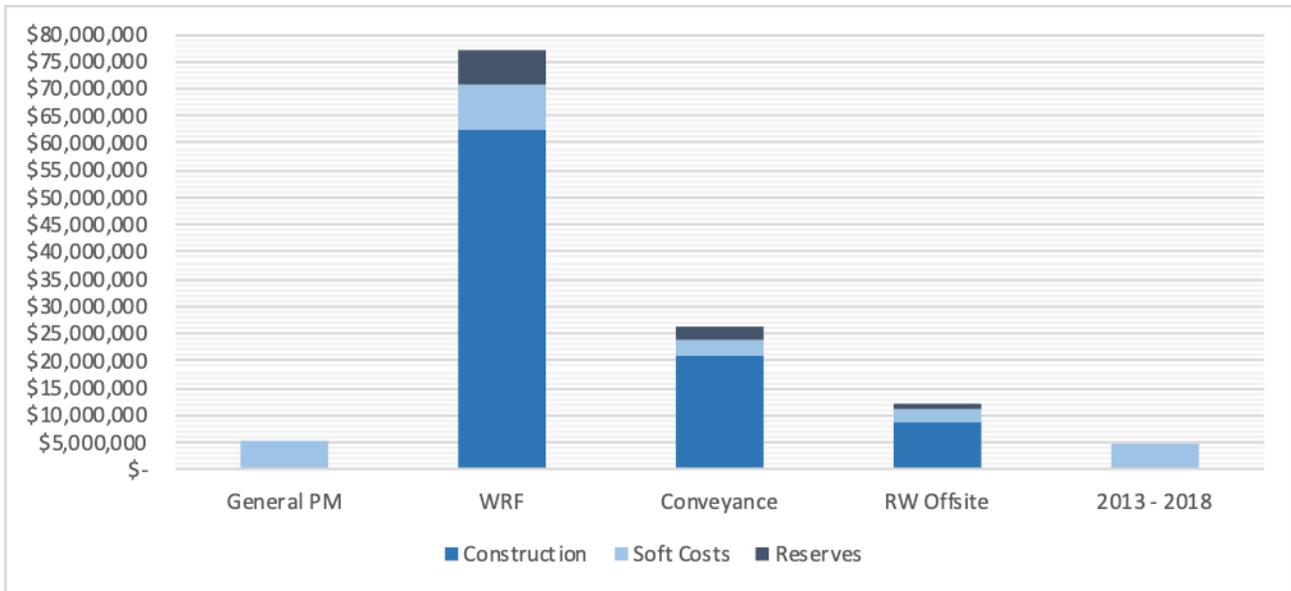
ALTERNATIVES

No alternatives are recommended.

FISCAL IMPACT

No additional fiscal impact is proposed within this update. All work is proceeding within the City's fiscal year budget for the WRF.

In June 2018, City staff, the Program Manager and the Blue Ribbon Commission developed a revised WRF Program budget of \$126 Million. That budget was used to complete the rate study by Bartle Wells, which led the Proposition 218 process and the adoption of the new average \$41-per month surcharge to fund the WRF Program. A breakdown of the \$126 Million budget is included below:



It should be noted soft costs include engineering design, construction management, Program Management, hydrogeological studies, etc. It should also be noted the budget includes a total of \$9.5 Million in reserves, of which \$6.2 Million has been reserved for design and construction of the WRF, in addition to the current guaranteed maximum price (GMP) of \$67.2 Million pursuant to the approved Design-Build Agreement.

Budget Summary

Description	FY 12/13 - FY 17/18 Amount Expended	FY 18/19 Amount Expended	FY 18/19 Amount Budget	FY 18/19 Amount Remaining	Program Total
City Staff	\$388,799	\$67,004	\$75,000	\$7,996	\$455,803
Legal	\$2,583	\$27,848	\$25,000	(\$2,848)	\$30,431
Program Management	\$914,639	\$28,906	\$500,000	\$471,094	\$943,545
Other Contracts	\$3,754,408	\$106,289	\$872,776	\$766,487	\$3,860,697
Miscellaneous	\$193,914	\$27,230	\$367,000	\$339,770	\$221,144
Conveyance Facilities Project (Design)	\$275,162	\$14,433	\$839,000	\$824,567	\$289,595
Conveyance Facilities Project (Construction)	\$0	\$0	\$0	\$0	\$0
WRF Design/Build (Design)	\$0	\$0	\$6,075,000	\$6,075,000	\$0
WRF Design/Build (Construction)	\$0	\$0	\$0	\$0	\$0
Offsite RW Facilities (Design)	\$0	\$0	\$625,000	\$625,000	\$0
Offsite RW Facilities (Construction)	\$0	\$0	\$0	\$0	\$0
Total	\$5,529,503	\$271,712	\$9,378,776	\$9,107,064	\$5,801,215

BACKGROUND

South Bay Boulevard Property Acquisition

In 2016, the City negotiated a memorandum of understanding (MOU) with Tri W Enterprises, Inc. (Tri W), the owners of the future site of the WRF (i.e., South Bay Boulevard site), that outlines the conditions for purchase of the necessary property. Tri W owns Assessor's Parcel Number 073-101-

107, and the South Bay Boulevard site occupies 27.6 acres of that approximately 400-acre parent parcel. Pursuant to the MOU, the City is currently working with the firm Schenberger, Taylor, McCormick, and Jecker (STMJ) appraisers to determine the value for the property and hence the purchase price. The City anticipates it will have the results of the appraisal by mid-February 2019.

Coastal Permitting

The City has been working with County of San Luis Obispo planning staff since 2016 regarding a Coastal Development Permit (CDP) for the WRF located at the South Bay Boulevard site. The WRF site, which will be located on 27.6 acres of an approximately 400-acre parcel owned by Tri W, is located outside the City's corporate boundaries within the area regulated by the County.

While the City intends to annex the WRF site into the City limits before the WRF Program is completed, the annexation will not be completed prior the land use permit process or the anticipated start of construction for the WRF. The City anticipated acquiring a coastal development permit through the County. After the City's most recent discussions with County CCC staff regarding permit timing and the potential delays due to appeals, City staff is now planning to pursue a consolidated permit through the CCC.

WRF Design-Build Process

On June 13, 2018, the City Council selected a joint venture of Filanc and Black & Veatch (FBV) as the preferred design/build proposer for the WRF. Following that selection, City staff and the Program Manager negotiated the Design-Build Agreement with FBV to identify a project that meets the City's goals with a GMP of \$67,234,512. On October 23, 2018, the City Council awarded a contract to FBV in that amount.

WRF Conveyance Facilities

The WRF Program includes the construction of a new treatment facility with advanced treatment at the South Bay Boulevard site. Those conveyance facilities consist of a lift station(s) and pipelines to connect the new treatment facility to portions of the infrastructure servicing the existing wastewater treatment plant (WWTP), and offsite recycled water facilities necessary to inject purified water into the Lower Morro Groundwater Basin (*i.e.*, indirect potable reuse [IPR]).

On November 06, 2017, the City selected Water Works Engineers (WWE) to provide Engineering Design Services for the new WRF Lift Station and Offsite Pipelines Project (*i.e.*, Conveyance Facilities Project). The major design tasks for the Conveyance Facilities Project include:

- Coordination with City for selection of lift station location
- Hydraulic analysis
- Pump selection
- Wet well design
- Odor control design
- Design of backup power supply
- Pipeline alignment verification
- Force main pipeline design
- Brine discharge pipeline design

WWE's engineering design services for the Conveyance Facilities Project include:

- Review and verification of the preliminary design criteria presented in the Draft WRF Master Plan
- Development of a Site Alternatives Study to finalize selection of the lift station site(s)
- Preparation of a Concept Design Report
- Preparation of draft construction documents, including plans, specifications and cost opinions at the 60 percent, 90 percent, and 100 percent completion milestones
- Preparation of final construction documents, including plans, specifications and cost opinions

WWE has been working with City staff and the WRF Program Manager over the last several months and is nearly complete with the Draft Concept Design Report. To date, WWE has completed the analyses for the preliminary design and is working to finalize the draft report. Tonight's presentation by WWE summarizes the findings from the preliminary design analyses that will form the basis of the Draft Concept Design Report. City staff will be bringing the Draft Concept Design Report to WRFCAC and the City Council at a later date.

DISCUSSION

South Bay Boulevard Site Acquisition

As a condition of the MOU, the City has agreed to process an annexation proposal for the WRF facility parcel as well as to submit an application to modify its sphere of influent to include the remaining approximately 373 acres of Assessor's Parcel Number 073-101-107. In order to make application to LAFCO for annexation and sphere modification the City Council is required to adopt Resolution No. 08-19 authorizing the preparation and submission of an application to LAFCO for annexation of the 27.6-acre South Bay site and inclusion of the entire remainder Tri W parcel into the City's sphere of influence.

Coastal Development Permit

At the last meeting with the County on December 04, 2018, City staff, the Program Manager, and CCC staff discussed the anticipated timeline for permitting through the County. Based on those discussions and given the likelihood of appeals to the County Board of Supervisors then the CCC, the City would not likely receive a CDP from the CCC until October 2019.

Another option for land use permitting for the WRF Program is obtaining a consolidated permit through the CCC. In order for the CCC to consider a consolidated permit, a project must include components within the CCC's original jurisdiction. For the WRF Program, ongoing maintenance to the City's outfall, jointly-owned with the Cayucos Sanitary District, constitutes the nexus needed for the CCC to consider a consolidated permit. Based on discussions with CCC staff, the likely timeline for obtaining a CCC include:

- Complete application material to CCC staff (end of February 2019)
- CCC staff report circulated (middle/late March 2019)
- CCC meeting for hearing the permit application (April 10 - 12, 2019)

In order to keep project costs as low and possible (*i.e., Time Value of Money*), it is in the City's best interest to obtain the CDP as soon as possible since beginning construction of the WRF is dependent on receiving the CDP and any other necessary permits. Delays in acquiring a CDP and subsequently delaying the start of construction will reduce the potential for cost savings realized from early completion of the project. In addition, FBV is only contractually required to hold the GMP for twelve months after

the award of this Design/Build Agreement (*i.e.*, October 23, 2018). If construction is not started until after October 2019, then the City and FBV will need to negotiate a mutually fair and reasonable adjustment to the cost plus with guaranteed not to exceed amount consistent with the agreement.

For the reasons noted above, City staff plans to pursue a consolidated permit for the WRF Program through the CCC. Based on the approach discussed with CCC staff, the City could acquire a CDP for the entire WRF Program by April 2019. Early receipt of the CDP permit will help reduce the overall impacts of the WRF Program on the City's ratepayers and avoid the risk of increases to the GMP in accordance with the Design/Build Agreement. In order to facilitate the permitting process, City staff is currently drafting a joint letter with the County, to the CCC requesting a consolidated permit. Staff is also working with the Program Manager, FBV, and WWE to develop the CDP application.

WRF Design Build Process

Since award of the Design/Build Agreement to FBV on October 23, 2018, City staff and the Program Manager have engaged in a number of meetings and workshops with the goal of progressing the design of the WRF and developing a facility that best meets the City's long-term goals. Those meetings and workshops include:

- Design/Build Workshop No. 1 (November 28, 2018)
- Design/Build Electrical and instrumentation Workshop (November 29, 2018)
- Design/Build Partnering Meeting (December 19, 2018)
- Design/Build Workshop No. 2 (December 19, 2018)
- Design/Build Workshop No. 3 (December 20, 2018)
- Design/Build Workshop No. 4 (January 10, 2019)

The Design/Build Agreement includes three separate design deliverables for the project, at 30 percent (Schematic Design), 60 percent (Design Development), and 100 percent (Construction Documents). The first major deliverable for FBV will be submission of the Conceptual Design Report, which will document the components of the final WRF Project and outline any changes between that project and the project outlined in Exhibit B (Scope of Work) of the Design/Build Agreement. Following delivery of the Conceptual Design Report, FBV will finalize the cost impacts of any changes identified in the Conceptual Design Report in the form of Potential Change Orders (PCOs). The Conceptual Design Report and PCOs will be presented to City Council for considerations for a change in the GMP, if needed.

In accordance with the recent changes to the responsibilities of citizen advisory committees enacted by City Council on January 08, 2018, City staff and the Program Manager have developed the following schedule for progression through the Schematic Design Phase of the WRF Project:

Activity	Meeting	Date
Deliver the Draft Conceptual Engineering Report to City staff and the Program Manager for review and comment	NA	February 15, 2019
Present the findings of the Draft Conceptual Engineering to WRFAC	WRFAC (Regularly Scheduled)	March 06, 2019
Negotiate the final PCOs, if needed, with City staff and the Program Manager	NA	March 15, 2019

Activity	Meeting	Date
Present the final PCOs, if needed, to CFAC	CFAC (Regularly Scheduled)	March 19, 2019
Present the Draft Conceptual Engineering Report and final PCOs, if needed, to City Council	City Council (Regularly Scheduled)	March 26, 2019

The goal of the activities and meetings described above is to have a final WRF Project and associated GMP so the FBV team can proceed with the Design Development Phase and procurement of major processes and pieces of equipment.

Conveyance Facilities Project

The overall objectives of the Concept Design Report include identifying, developing, assessing, and recommending the following:

- Siting, design criteria, and project constraints for the WRF lift station(s)
- Alignment, design criteria, and project constraints for the offsite pipelines (sewer forcemains, brine/effluent line, and communication conduit), as well as the IPR line

Alignment Alternatives Development

For the first step in the assessment of pipeline alignments, WWE identified five (5) working alignments including:

- West Alignment
- East Alignment
- Embarcadero Alignment
- Hills Alignment (Little Morro Creek)
- Hills Alignment (Radcliff St)

A figure showing the alignment alternatives is included in Attachment A.

WWE began the preliminary assessment by identifying fatal flaws from the pipeline design criteria and constraints for several working alignments. The following alignments were carried forward into the next phase of analysis, as not fatally flawed:

- West Alignment
- Embarcadero Alignment

Those final two alignment alternatives that were not fatally flawed were then assessed based on total project costs and non-cost project impacts. The results of the analysis are presented below:

Final Alternative Alignments Total Construction Costs Summary

Alignment	Raw Wastewater and Brine Forcemains (million)	West IPR (million)	East IPR (million)	Communication Conduit (million)
West	\$13.5	\$2.3	\$3.3	\$0.41
Embarcadero	\$15.1	\$3.0	\$4.1	\$0.49

From the analysis conducted, the Embarcadero alignment generally has fewer constraints than the West Alignment, but is approximately \$2.5 Million more expensive due to pipeline related costs.

Pump Station Alternatives Assessment

WWE conducted a pump station alternatives assessment based on the final alignment alternatives developed as part of the offsite pipelines assessment. With the intent of developing a pumping solution that meets the challenges of operating conditions, is cost-effective, and supports successful long-term operations and maintenance, both single- and dual-pump station configurations were evaluated. Initially, three options were considered, but Scenario 2, which included a second pump station that would only be used during wet weather events, was found to be fatally flawed due to the operational complexity created for that collection system. The two scenarios evaluated in detail included:

- Scenario 1: Single Pump Station (PS)
- Scenario 3: Full-Time PS-B

The anticipated costs for each scenario are summarized below.

Pump Station Total Construction Costs Summary

Scenario	1	3
Estimated Construction Cost (million)	\$11.0	\$8.4
Estimated O&M Cost	\$59,000	\$83,000
Estimated Replacement Costs	\$230,000	\$157,000

Scenario 3 was the preferable alternative as the benefits and costs savings associated with a multi-station setup outweighed that of a single-station. Since the City would not have to procure additional property, PS Site 2 – South of Atascadero is preferable for PS-A, and West Site 2 – Main Street at Highway 1 is preferable for PS-B. Despite having to maintain two stations, the full-time PS-B booster pump station option:

- Eliminates the complexity of pumping operations and valving associated with only using PS-B during wet weather
- Has fewer pumps to maintain than a single station
- Has the least amount of idle/unused infrastructure
- Reduces complexity of sewer forcemain maintenance

Recommended Project/Next Steps

Working with the Blue Ribbon Commission to develop the most cost-effective project for the City in June 2018, City staff and the Program Manager selected the West Alignment and the two pump stations alternative (Scenario 3) as the basis of the current \$126 Million budget for the WRF Program. At the time, staff and the Program Manager utilized the best available information from WWE in order to make that determination. The findings of the Draft Concept Design Report confirm that pipeline alignment and pump station configuration are the preferred alternatives, based on a number of economic and non-economic criteria. Staff recommends moving forward with the final design of the Conveyance Facilities Project based on those alternatives.

Impacts to the City's Certified Final Environmental Impact Report

Several changes have been made to the Conveyance Facilities Project since City Council's certification of the Final Environmental Impact Report (FEIR) including:

- Re-route of the pipeline alignment around Lila Keiser Park;
- Addition of a second pump station near the corner of Main Street and Highway 1;
- Modification of the pipeline near South Bay Boulevard (avoidance of a trenchless crossing of Highway 1); and
- Re-route of the potable reuse pipeline in Atascadero Road to accommodate the east

injection location.

Changes to a project of this nature are not uncommon, and are usually encountered on a project of the size and complexity of the WRF Program.

City staff and the Program Manager have been working with the environmental consultant who prepared the FEIR (ESA) to develop a scope that covers the above-described changes to the WRF Program. The changes will be captured in an addendum to the FEIR (Addendum). ESA will begin that work shortly, but does not anticipate the proposed modifications to the project description will result in any new impacts or require additional mitigations. If that stays true, then no public review of and comment period for the Addendum would be required, since the Addendum would determine there would be no new environmental impacts that could result from the two lift stations and no new environmental analysis or mitigation measures would be required. In addition, no impacts will be caused to the WRF Program budget or schedule.

Project Milestone Schedule

Milestone	Date
Deliver Draft Conceptual Design Report to WRFCAC	January 2019
Deliver Draft Conceptual Design Report to City Council	February 2019
Deliver 60 Percent Design Submittal to City staff	April 2019
Deliver 90 Percent Design Submittal to City staff	July 2019
Deliver 100 Percent Design Submittal to City staff	September 2019
Finalize Bidding Documents	October 2019
Bid Advertisement	November 2019
Project Award by City Council	January 2020
Issue Construction Notice to Proceed	February 2020

CONCLUSION

Staff recommends the City Council review and provide comments on the presentation regarding the topics above during the meeting and adopt Resolution No. 08-19.

ATTACHMENT

Resolution No. 08-19: Sphere of Influence/Annexation Resolution

RESOLUTION NO. 08-19

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
REQUESTING THE LOCAL AGENCY FORMATION COMMISSION
TO INITIATE PROCEEDINGS FOR SPHERE OF INFLUENCE DESIGNATION
AND ANNEXATION OF TERRITORY**

**THE CITY COUNCIL
City of Morro Bay, California**

WHERE AS, the City of Morro Bay, California desires to initiate proceeding pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code (Act), for annexation of territory to the City of Morro Bay, California;

WHEREAS, at least 21 days before the adoption of this Resolution, the City Council of the City of Morro Bay (City) gave mailed notice of its intention to adopt a resolution of application to the Local Agency Formation Commission of San Luis Obispo County (LAFCO) and to each interested agency and each subject agency, as described in Section 56654 of the Act.;

WHEREAS, the principal reasons for the proposed sphere of influence designation and annexation is as follows:

- a. Tri W Enterprise, Inc. is the owner of that certain 400-acre property within San Luis Obispo County and outside of the City of Morro Bay boundary lines (Property),
- b. the City of Morro Bay (City) has entered into a Memorandum of Understanding (MOU) with the Tri W Enterprise, Inc. for the acquisition of a 27.6-acre portion of the Property for the construction and operation of the City's new Water Reclamation Facility,
- c. the City intends to use the Subdivision Map Act Exemption identified in Section 66428(a)(2) to create the 27.6-acre parcel to be annexed into the City's boundaries, and
- d. pursuant to the MOU, the City is processing a proposal for the remainder of the Property to be included in the City's Sphere of Influence;

WHEREAS, the following agency or agencies would be affected by the proposed jurisdictional changes:

<u>Agency</u>	<u>Nature of Change</u>
County of San Luis Obispo	Annexation/Sphere of Influence;

WHEREAS, the Property proposed to be included in the City's designated Sphere of Influence and the portion of the Property to be annexed are uninhabited, and a map and description of the boundaries of the Property are attached hereto as described on Exhibit A and shown on Exhibit B and by this reference incorporated herein;

WHEREAS, the proposed annexation is not subject to any terms and conditions;

WHEREAS, the City Council of the City desires the Local Agency Formation Commission of San Luis Obispo County (LAFCO) to assume Lead Agency status responsible for compliance with the California Environmental Quality Act (CEQA) regarding the subject annexation and sphere of influence

application, with the understanding, on August 14, 2018, the City Council of the City certified the Final Environmental Impact Report for the Morro Bay Water Reclamation Facility (SCH# 2016081027) (FEIR), for which notices of preparation and availability were provided to LAFCO and LAFCO provided written comments to the FEIR on May 1, 2018, to which the City responded, as required by CEQA;

WHEREAS, pursuant to Subdivisions 56653 (a) and (b) of the Act, attached, as Exhibit C, is a plan for providing services within the portion of the Property to be annexed; and,

WHEREAS, the City has determined this proposal meets the criteria for waiver of protest proceedings as set forth in Section 56663 of the Act,

THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, as follows:

Section 1. The City Council of the City hereby adopts and approves this Resolution of Application, and hereby requests LAFCO to take proceedings for the sphere of influence designation and annexation of territory as authorized and in the manner provided by the Act.

Section 2. This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 22nd day of January 2019 on the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT "A"

Legal Description WRF Property Parcel

Being a portion of Parcel 2 of Parcel Map No. CO MB 89-363 in the City of Morro Bay as shown on map recorded in Book 48, at Page 13 of Parcel Maps in the Office of the San Luis Obispo County Recorder, in the State of California, described as follows:

Beginning at a point on the south line of said Parcel 2, distant thereon N 56°43'00" W, 93.00 feet from the southeast corner of said Parcel;

- 1) thence, leaving said south line, N 21°25'57" E, 405.00 feet to the beginning of a tangent curve, concave westerly, having a radius of 55.00 feet;
 - 2) thence northerly, along said curve, through a central angle of 6°15'00", 6.00 feet;
 - 3) thence N 15°10'57" E, 263.00 feet, to the beginning of a tangent curve, concave easterly, having a radius of 145.00 feet;
 - 4) thence northerly, along said curve, through a central angle of 19°45'00", 49.98 feet;
 - 5) thence N 34°55'57" E, 152.50 feet to the beginning of a tangent curve, concave westerly, having a radius of 55.00 feet;
 - 6) thence northerly, along said curve, through a central angle of 34°55'00", 33.52 feet;
 - 7) thence N 0°00'57" E, 230.00 feet to the beginning of a tangent curve, concave southwesterly, having a radius of 55.00 feet;
 - 8) thence northwesterly, along said curve, through a central angle of 19°35'00", 18.80 feet;
 - 9) thence N 19°34'03" W, 502.75 feet;
 - 10) thence N 71°15'46" E, 191.00 feet;
- thence N 22°32'32" W, 15.00 feet;
- thence N 12°25'03" W, 30.00 feet;
- thence N 19°29'39" W, 40.00 feet;
- thence N 50°56'25" W, 13.00 feet;
- thence N 64°47'41" W, 54.00 feet;
- thence N 50°09'25" W, 65.00 feet;
- thence N 59°15'13" W, 20.00 feet;
- thence S 66°13'53" W, 220.00 feet;
- thence S 47°27'38" W, 540.00 feet;

thence S 33°36'30" W, 891.37 feet to the south line of said Parcel 2;

thence, along said south line, S 56°43'00" E, 1073.93 feet to the Point of Beginning.

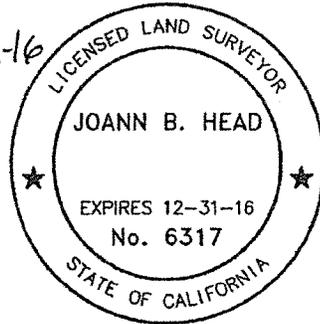
Legal Description Access and Utility Easement

A 60.00 foot wide strip across above described Parcel 2, lying contiguous with, and easterly of, courses one through 9 of herein above described WRF Property Parcel.

The east line of said 60.00 foot wide strip is to terminate southerly at the south line of said Parcel 2, and to terminate northwesterly at herein above described course ten.

End of Descriptions.

JoAnn B. Head 10-12-16
JoAnn B. Head



W

EXHIBIT "B"

APN 073-101-017

PARCEL 2
CO MB 89-363
(48/PM/13)

APN
073-121-022

S 47°27'38" W 540.00'

S 33°36'30" W 891.57'

60.00' WIDE ACCESS
AND UTILITY EASEMENT

WRF PROPERTY
PARCEL

LINE TABLE

L1	N 22°32'32" W	15.00'
L2	N 12°25'03" W	30.00'
L3	N 19°29'39" W	40.00'
L4	N 50°56'25" W	13.00'
L5	N 64°47'41" W	54.00'
L6	N 50°09'25" W	65.00'
L7	N 59°15'13" W	20.00'

S 56°43'00" E 1073.93'

N 56°43'00" W 93.00'

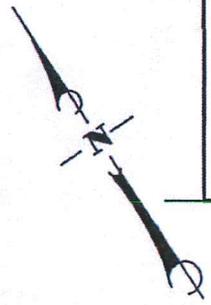
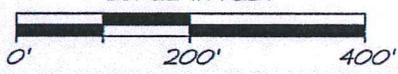
JOANN HEAD LAND SURVEYING

Post Office Box 887
Santa Margarita, CA 93453
(805) 674-1530

October, 2016

020-05 ex01.dwg

SCALE IN FEET



POINT OF
BEGINNING

S 56°43'00" E 1073.93'

N 56°43'00" W 93.00'

JOANN HEAD LAND SURVEYING

Post Office Box 887
Santa Margarita, CA 93453
(805) 674-1530

October, 2016

020-05 ex01.dwg

W

EXHIBIT "C"

Pursuant to Subdivisions 56653 (a) and (b) of the California Government Code, the plan for providing services within the portion of the Property to be annexed is as follows:

1. The property is an undeveloped parcel in the Unincorporated area of San Luis Obispo County and adjacent to the City of Morro Bay's Corporate Boundary. As such there are no utilities serving the site provided by the County. The County does provide Police and Fire protection to this property. Once developed as the City's new Water Reclamation Facility and annexed into the City's Corporate Boundary, the City of Morro Bay will provide Water and Sewer service to the site along with police and fire protection. Other utilities (i.e. natural gas, electricity, telephone, telephone) will be provided by the appropriate regulated public utility.
2. The level of service provided will be equal to any other developed parcel within the City of Morro Bay.
3. Utility service will be provided upon completion of the of the facility in late 2021. Police and Fire protection can begin once the City takes ownership of the property.
4. The construction of the Utilities serving the property will be a part of the project and include two raw wastewater force mains, a ocean discharge pipeline, a reclaimed water pipeline, conduit for fiber optic cables, extension of gas line, electrical service and potable water service.
5. The infrastructure required to serve the project and property will be financed through the City's Water and Wastewater Enterprise funds. The City Council adopted water and sewer rates are sufficient provide the required service.

Staff Report

TO: Honorable Mayor and City Council **DATE:** January 16, 2019

FROM: Jennifer Callaway, Finance Director

SUBJECT: Adoption of Resolution No. 09-19 approving the City of Morro Bay's Long-Term Financial Planning, Structurally Balanced Budget and Operating Budget policies

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 09-19, approving the City of Morro Bay's Long-Term Financial Planning, Structurally Balanced Budget and Operating Budget Policies.

BACKGROUND

The Morro Bay City Council has requested that financial policies be added to a future Council agenda for review and discussion. On August 28, 2018 staff brought forward an action plan outlining the process to complete both a fiscal resiliency plan and formation of Accounting Policies and Procedures. Council approved staff's recommended plan and as such Council has since adopted a Fiscal Emergency Plan and the following policies:

- General Fund Emergency Reserve
- Internal Service Fund Reserve,
- Harbor Accumulation Fund Reserve
- Morro Bay Tourism Business Improvement District Accumulation Fund Reserve
- Financial Management Policy
- Unclaimed Property Policy
- Fraud, Waste and Abuse Policy
- Disposal of Surplus Equipment and Property Policy
- Purchase Order Policy
- WRF Surcharge Adjustment Policy
- Proration for Utility Bills and Notification to Customers Policy
- Utilities Penalty Fee Waiver Policy

DISCUSSION

In 2014/15 the City contracted with Management Partners to complete an organizational assessment and create a long-term financial forecast model. The model was updated and expanded in 2016 by management partners and again updated by staff in 2017/18. The financial forecast model includes expenditure and revenue projections for ten years and encompasses the City's General Fund, Internal Service Funds and Enterprise Funds.

Annually, staff updates the long-term financial plan, forecasting operating expenditures and revenues for the next ten-years, including capital expenditures and non-current liabilities. As

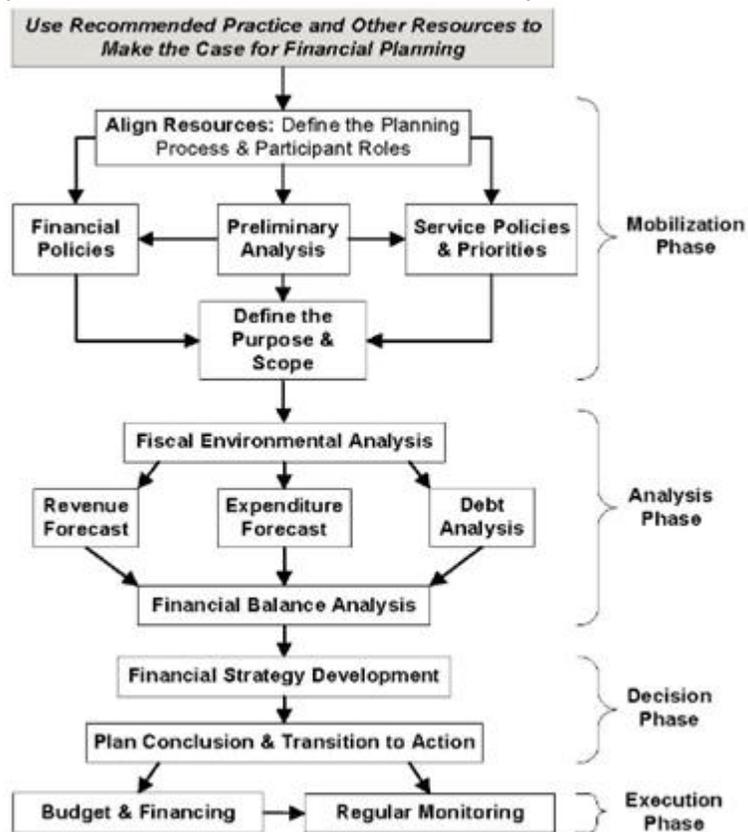
defined by the Government Finance Officers Association (GFOA), long-term financial planning combines financial forecasting with strategizing. Long-Term Financial Planning (LTFP) is a highly collaborative process that considers future scenarios and helps navigate challenges. LTFP aligns financial capacity with long-term service objectives by using forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges. GFOA recommends that all governments regularly engage in long-term financial planning that encompasses the following elements and essential steps:

1. Time Horizon – a plan should look at least five to ten years into the future.
2. Scope – a plan should consider all appropriate funds, but especially those funds that are used to account for the issues of top concern to elected officials and the community.
3. Frequency – governments should update long-term planning activities as needed in order to provide direction to the budget process.
4. Content – a plan should include analysis of the financial environment, revenue and expenditure forecasts, debt position, and affordability analysis, strategies for achieving and maintaining financial balance, and plan monitoring mechanisms, such as scorecard of key indicators of financial health.
5. Visibility – the public and elected officials should be able to easily learn about the long-term financial prospects of the government and strategies for financial balance.

GFOA further defines the following various steps and phases to a financial plan – many of which the City by practice is already adhering to.

1. Mobilization Phase. The mobilization phase prepares the organization for long-term planning by creating consensus on what the purpose and results of the planning process should be. The mobilization phase includes the following items:
 - Alignment of Resources. This step includes determining the composition of the project team, identifying the project sponsor, and formulating a strategy for involving other important stakeholders. This step also involves the creation of a high-level project plan to serve as a roadmap for the process.
 - Preliminary Analysis. This step helps raise awareness of special issues among planning participants, such as the board or non-financial executive staff. A scan of the financial environment is common at this point.
 - Identification of Service Policies and Priorities. Service policies and priorities have important implications on how resources will be spent and how revenues will be raised. A strategic plan or a priority setting session with elected officials could be useful in identifying service policies and priorities.
 - Validation and Promulgation of Financial Policies. Financial policies set baseline standards for financial stewardship and perpetuate structural balance, so a planning process must corroborate policies in place (as well as the organization's compliance with those policies) and also identify new policies that may be needed.
 - Definition of Purpose and Scope of Planning. The purpose and scope of the planning effort will become clear as a result of the foregoing activities, but the process should include a forum for developing and recognizing their explicit purpose and scope.
- Analysis Phase. The analysis phase is designed to produce information that supports planning and strategizing. The analysis phase includes the projections and financial analysis commonly associated with long-term financial planning. The analysis phase involves information gathering, trend projection, and analysis as follows:
 - Information Gathering. This is where the government analyzes the environment in order to gain a better understanding of the forces that affect financial stability. Improved understanding of environmental factors should lead to better forecasting and strategizing.

- Trend Projection. After the environment has been analyzed, the planners can project various elements of long-term revenue, expenditure, and debt trends.
- Analysis. The forecasts can then be used to identify potential challenges to fiscal stability (e.g., imbalances). These could be fiscal deficits (e.g., expenditures outpacing revenues), environmental challenges (e.g., unfavorable trends in the environment), or policy weaknesses (e.g., weaknesses in the financial policy structure). Scenario analysis can be used to present both optimistic, base, and pessimistic cases.
- Decision Phase. After the analysis phase is completed, the government must decide how to use the information provided. Key to the decision phase is a highly participative process that involves elected officials, staff, and the public. The decision phase also includes a culminating event where the stakeholders can assess the planning process to evaluate whether the purposes for the plan described in the mobilization phase were fulfilled and where a sense of closure and accomplishment can be generated. Finally, the decision phase should address the processes for executing the plan to ensure tangible results are realized.
- Execution Phase. After the plan is officially adopted, strategies must be put into action (e.g. funding required in achieving goals). The execution phase is where the strategies become operational through the budget, financial performance measures, and action plans. Regular monitoring should be part of this phase. The following diagram highlights the various long-term financial planning phases discussed in this recommended practice.



Included as Exhibit A to Attachment 1 is a proposed draft long-term financial planning policy which memorializes the City’s commitment to long-term financial planning that was initiated in 2014/15. The policy provides a description of purpose, scope and frequency and reporting and oversight, all intending to comply with GFOA’s recommendations as outlined above. Staff recommends that the

City Council adopt Resolution No. 09-19 approving the City's Long-Term Financial Planning Policy.

CONCLUSION

Having a clearly defined financial policies that reflects the City of Morro Bay's values will serve as the foundation for decision-making in tough fiscal times and will aid in preserving the City's long-term fiscal health and vitality. Staff recommends that Council review the proposed policy and adopt Resolution No. 09-19.

ATTACHMENT

1 – Resolution No. 09-19

Exhibit A – Long-Term Financial Planning Policy

RESOLUTION NO. 09-19

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
ESTABLISHING A LONG-TERM FINANCIAL PLANNING POLICY**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the City of Morro Bay wishes to establish Accounting and Financial Reporting policies to direct staff and provide transparency to the Council and Community; and

WHEREAS, those Accounting and Financial policies include a policy regarding Long-Term Financial Planning; and

WHEREAS, the Government Finance Officers Association (GFOA) provides guidance and recommendations regarding the importance of long-term financial planning; and

WHEREAS, the City committed to long-term financial planning in 2014/15 with the development of a financial forecast model; and

WHEREAS, staff recommends the City Council adopt the proposed Long-Term Financial Planning Policy, which demonstrates the City's commitment to fiscal responsibility and prudent management and is consistent with Government Accounting Standards.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, the "Long-Term Financial Planning Policy," as set forth in Exhibit A, attached hereto and incorporated herein, is hereby approved.

PASSED AND ADOPTED, by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 22nd day of January 2019, by the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk



COUNCIL POLICY

LONG TERM FINANCIAL PLANNING POLICY

Policy Statement

The City of Morro Bay (City) is a full-service City, providing essential services to over 10,000 residents related to public safety, planning, building, public works and recreation. In addition, the City has a vibrant tourism industry, attracting thousands of visitors annually, all of whom utilize city services in some fashion. As such, it is prudent for the City to establish sound financial management policies that conform with generally accepted accounting principles and state regulations.

Purpose

The purpose of this policy is to ensure the City's on-going financial sustainability beyond a single fiscal year budget cycle in light of the City's long-term service commitments, objectives and vision. Financial sustainability is defined by the City's long-term financial performance and positioning where long-term service and infrastructure levels and standards are met. This policy is intended to describe particular elements or aspects of such long-term planning programs within the City and to memorialize their practice into a formal policy.

Policy

A commitment to long-term financial planning – the long-term financial planning (LTFP) process evaluates known internal and external issues impacting the City's financial condition. Such issues are identified, presented and mitigated when and where possible. The process begins by identifying critical areas which have, or are expected to have, an impact on the financial condition of the City over the next ten years. Once the issues are identifying, specific goals and objectives are developed for each. The LTFP is constantly changing and moving document which will be routinely updated and presented on an ongoing rolling basis. The LTFP will be incorporated into the City's business planning process and presented to the City Council, at a minimum, on an annual basis, during the budget development process. The LTFP is intended to help the City achieve the following:

1. Ensure the City can attain and maintain financial sustainability;
2. Ensure that the City has sufficient long-term information to guide financial decisions;
3. Ensure that the City has sufficient resources to provide programs and services to residents;
4. Ensure that potential risks to on-going operations are identified in the LTFP process and communicated on a regular basis;
5. Establish mechanics to identify early warning indicators;
6. Identify changes in expenditures or revenue structures needed to deliver services or to meet the goals adopted by the City Council.

Scope

The LTFP will forecast revenues, expenditures and financial position ten years into the future. The LTFP will provide meaningful analysis of key trends and conditions, including but not limited to:

1. Analysis of affordability of current services, projects and obligations:
 - a. An analysis of the City's environment in order to anticipate changes that could impact the City's service and/or financial objectives.
 - b. Revenue and expenditure projections, including the financial sustainability of current service levels over a multi-year period.
 - c. The affordability of maintaining and replacing the City's current capital assets.
 - d. The ability to maintain reserves within the target ranges prescribed by the City's reserve policies.
 - e. The impact of non-current liabilities on the City's financial position.
2. Analysis of affordability of anticipated service expansions or investments in new assets:
 - a. The operating cost of new initiatives, projects or expansion of services where funding has been identified through alternative source (CIP, grants, debt issuance, etc.) or adopted by the City Council.
 - b. The affordability of master plans that call for significant financial investment by the City.
3. Synthesis of the above to present the City's financial position:
 - a. A clear presentation of the resources needed to accomplish the capital improvements identified by the City Council and staff and to maintain the existing capital assets.
 - b. A clear presentation of the resources needed to maintain existing services at their present level in addition to the expansion of services as may have been identified through the analysis described above.
 - c. Identification of imbalances between the City's current direction and the conditions needed for continued financial health.

The LTFP will identify issues that may challenge the continued financial health of the City, and the plan will identify possible solutions to those challenges. Planning decisions will be made primarily from a long-term perspective and structural balance is the goal of the planning process. For these purposes, structural balance means the ending fund balance (or working capital in enterprise funds) must meet the minimum levels prescribed by the City Council's reserve policies.

Continuous Improvement

City staff will regularly look for and implement opportunities to improve the quality of the forecasting, analysis, and strategy development that is part of the planning process. These improvements will primarily be identified through the comparison of projected performance with actual results.

Structural Balance

Long-term structural balance is the goal of long-term financial planning at the City. Should the long-term forecasting and analysis show that the City is not structurally balanced over the ten-year projection period, staff would then make recommendations, for City Council consideration, on how the plan can be brought into balance within three years.

Non-Current Liabilities

The LTFP will address strategies for ensuring that the City's long-term liabilities remain affordable. The City Council supports efforts to ensure that critical long-term liabilities like debt service, asset maintenance, pensions and other post-employment benefits remain affordable.

Reporting and Oversight

It is the responsibility of the Director of Finance to ensure the presence of procedures that provide sufficient guidance to affected City personnel to fulfill the intent of this policy. This policy will be reviewed at least annually and updated on an as-needed basis.

Staff Report

TO: Honorable Mayor and City Council

DATE: January 15, 2019

FROM: Scott Collins, City Manager

SUBJECT: Discuss, and Consider Changing, City Council Regular Meeting Start and End Time; Consideration of Resolution No. 10-19 Amending the City Council Policies & Procedures to Change City Council Regular Meeting Start and End Time

RECOMMENDATION

Discuss start and end time of regular City Council meetings and consider amending City Council Policies and Procedures Manual, Chapter One "Meeting Guidelines & Procedures," section 1.1.2.1 and 1.1.2.3, changing the City Council regular meetings start time from 6:00 p.m. to 5:30 p.m., and changing the regular City Council meeting span from 6:00 p.m. to 11:00 p.m., to new span of 5:30 p.m. to 10:30 p.m.

ALTERNATIVES

- 1) Council may choose to start their regular meetings earlier/later than 5:30 p.m. and end earlier/later than 10:30 p.m.
- 2) Council may choose to maintain the current policy of starting regular Council meetings at 6:00 p.m. and ending them at 11:00 p.m.

FISCAL IMPACT

Approval of this recommendation will not result in any fiscal impact to the City.

BACKGROUND/DISCUSSION

At its January 8, 2019, regular meeting, City Council directed staff to bring back an item for Council consideration on changing the start and end time for regular Council meetings.

According to Chapter one of the Council Policies and Procedures Manual, current policy (section 1.1.2.1) states that regular City Council meetings shall be held the second and fourth Tuesday of each month beginning at 6:00 p.m. Section 1.1.2.3 states that meetings shall be between the hours of 6:00 p.m. to 11:00 p.m. A majority of Council must vote affirmatively to continue a regular Council meeting beyond 11:00 p.m.

Regular City Council meetings tend to have greater public attendance between start time of 6:00 p.m. through 8:30/9:00 p.m. Attendance typically diminishes between the hours of 9:00/9:30 p.m. to 11:00 p.m. While this does not always hold true, and attendance in part is determined to a certain extent by the order of agenda and interest levels in the agenda items, it has been the typical experience for most meetings, that run into the 10:00 to 11:00 p.m. time, to have very few

community members in the audience. In order to encourage higher levels of participation as well as overall productivity, as concentration may decline in the later hours of the evening, it may make sense to begin regular Council meetings around 5:00 p.m. or 5:30 p.m. The main draw back for starting earlier is the potential for community members to have to rush to the meeting from their place of work or business and/or miss an opportunity to eat beforehand.

In preparing this item, City staff reviewed other cities in California. Based upon a recent survey of California cities, staff learned most California cities start their regular City Council meetings between 6:00 p.m. and 7:00 p.m. There are several cities that start earlier, some at 4:00 p.m., with others at 5:00 p.m. or 5:30 p.m. Locally, the City of Pismo Beach starts its regular meetings at 5:30 p.m., while most others begin regular meetings at 6:00 p.m.

An earlier regular City Council meeting start time of 5:00 p.m. or 5:30 p.m., and meeting end time of 10:00 p.m. or 10:30 p.m. would allow for good participation from the public, as has been experienced with our current start time. And that early start time may help avoid ending Council meetings later than 10:00 p.m. when public participation is minimal.

Attached is a resolution to change the regular Council meeting start time from 6:00 p.m. to 5:30 p.m., and to further change the current regular time span for regular Council meetings from 6:00 p.m. to 11:00 p.m., to new regular time span from 5:30 p.m. to 10:30 p.m. This resolution may be amended by Council for different times.

ATTACHMENTS

1. Draft Resolution No. 10-19 Amending Section 1.1.2 of the City Council Policies and Procedures Manual

RESOLUTION NO. 10-19

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AMENDING THE CITY COUNCIL
POLICIES AND PROCEDURES MANUAL
SO AS TO MODIFY REGULAR COUNCIL MEETING TIMES**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the Council Policies and Procedures Manual for the City of Morro Bay (the "Manual") is a combination of City Council actions, policies, references, and information regarding the City Council; and

WHEREAS, to ensure all Councilmembers are familiar with and understand the City of Morro Bay's philosophies and policies regarding serving on the City Council, on July 23, 2001, the City Council adopted Resolution 47-01 approving an early version of the Manual; and

WHEREAS, the Manual has been amended several times throughout the years; and

WHEREAS, on May 8, 2018, following the completion of a complete review of policy language, the City Council readopted the Manual in its entirety; and

WHEREAS, at its January 22, 2019 meeting the Council considered changes to Section 1.1.2 regarding the start and end time of Regular Meetings.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay does hereby amend the following sections of the City Council Policies and Procedures Manual to read as follows:

1.1.2 REGULAR MEETINGS

- 1.1.2.1 Regular meetings shall be held the second and fourth Tuesday of each month beginning at ~~6:00~~5:30 p.m. In the event that a regular meeting of the Council shall fall on a legal holiday, that regular meeting shall be held at the same place and time on the next succeeding working day. A regular meeting can only be cancelled after polling the majority of the Council in favor of the cancellation.
- 1.1.2.2 Regular meetings shall be held in the Veterans Memorial Building, 209 Surf Street, in the City of Morro Bay.
- 1.1.2.3 Regular meetings shall be between the hours of ~~6:00~~5:30 p.m. - ~~11:00~~10:30 p.m. It shall be the policy of the City Council to complete meetings by ~~11:00~~10:30 p.m., unless a majority of the Council elects to continue past the adjournment hour. If at the hour of ~~11:00~~10:30 p.m. the City Council has not extended the time to adjourn the meeting or concluded its business, then the Council will review the balance of the agenda and determine whether to extend the meeting beyond the hour of ~~11:00~~10:30 p.m., continue any remaining items, or adjourn the meeting to another date and time.

PASSED AND ADOPTED by the City Council, City of Morro Bay at a regular meeting thereof held on the 22nd day of January 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk



AGENDA NO: C-4

MEETING DATE: January 22, 2019

Staff Report

TO: Honorable Mayor and City Council

DATE: January 18, 2019

FROM: Scott Collins – City Manager

SUBJECT: Letter to Federal Government Representatives Requesting an End to the Federal Government Partial Shutdown

RECOMMENDATION

City Council authorize the Mayor to send a letter to the White House and Morro Bay Congressional representatives on behalf of the City and community requesting that Congress and the White House restore funding as soon as possible to end the partial Federal Government shutdown.

FISCAL IMPACT

Approval of this recommendation will not result in any fiscal impact to the City. However, the Federal Government shutdown is negatively impacting local community members, particularly U.S. Coast Guard personnel who live and work in Morro Bay, and by extension, local businesses and sales tax collections.

BACKGROUND

The United States Federal Government has been on a partial shutdown since December 22, 2018. Nearing four weeks in duration, this is the longest shutdown in the nation's history, impacting nearly 1,000,000 federal workers, and numerous federal agencies. Basic government functions, like maintaining national parks or inspecting the national food supply for disease, have halted or dramatically reduced. Employees impacted by the shutdown are going without pay or assistance of any kind, with many required to work without pay, as their duties are essential. The shutdown is impacting our national and local economy, and with no apparent end in sight, has sent the stock market on a roller coaster ride of volatility.

U.S. Coast Guard personnel are working without pay across the country as a result of the shutdown. The U.S. Coast Guard station in Morro Bay, which employs over 20 young men, remains open to help keep our local waters safe for boaters. These local Coasties remain dedicated to their mission, despite receiving no pay nor food and housing assistance, and are truly an inspiration to our community. Basic life needs, for themselves and their families, are being deprived by the shutdown, like all other impacted federal employees, and a swift solution is necessary.

DISCUSSION

The Morro Bay community has stepped in to help assist our local Coast Guard personnel and their families. Donations of all kinds are pouring in from individuals, non-profits and government agencies. This generosity will help address many of their basic needs in the short-term, but their mortgage and rent payments may not be met, because they are not receiving their government

Prepared By: _____

City Manager Review: SC

City Attorney Review: _____

housing allowances. In addition, many businesses that provide services to the Federal government are losing critical revenue during the shutdown.

As such, it is critical that the White House and two branches of Congress formulate a compromise to restore funding and reopen all impacted federal agencies and restore pay for the employees. That way, these employees, particularly, our local Coasties, can have peace of mind while they work to keep us safe.

Therefore, it is recommended that City Council authorize the Mayor to send letters to the White House and Morro Bay's Congressional representatives imploring that the various sides put aside their differences and come together in a spirit of cooperation and compromise to end the nation's longest Federal Government shutdown.

ATTACHMENTS

None.