

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – AUGUST 28, 2018
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-1
MEETING DATE: September 25, 2018

PRESENT:	Jamie Irons Robert Davis Matt Makowetski Marlys McPherson	Mayor Council Member Council Member Council Member
ABSENT:	John Headding	Council Member
STAFF:	Scott Collins Chris Neumeyer Dana Swanson Jennifer Callaway Rob Livick Scot Graham Steve Knuckles Eric Endersby	City Manager Assistant City Attorney City Clerk Finance Director Public Works Director Community Development Director Fire Chief Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:03 p.m., with all but Council Member Headding present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT – No Closed Session meeting was held.

MAYOR AND COUNCIL MEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/AvrUd3l6UAW?t=2s>

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/AvrUd3l6UAW?t=1m19s>

PRESENTATIONS

- OpenGov Presentation by Finance Director Callaway
<https://youtu.be/AvrUd3l6UAW?t=2m11s>

PUBLIC COMMENT

<https://youtu.be/AvrUd3l6UAW?t=17m1s>

Dr. Jill Stearns introduced herself as the new Superintendent and President of Cuesta College. Classes are in session with more than 1,000 Promise students from San Luis Obispo County high schools attending fee free for two years. She looks forward to partnering with the City of Morro Bay.

John Weiss, Morro Bay resident, small business owner and candidate for Mayor, spoke regarding the importance of an affordable water reclamation facility project.

Janice Wolff, Healthy Community Work Group, announced an upcoming event "Health and Housing: Building the Connection" to be held Thursday, October 4, from 1:00 – 6:00 p.m. at the San Luis Obispo Veterans Hall. Admission is free but those wishing to attend are encouraged to register in advance at www.healslo.com.

Mary “Ginny” Garelick, Morro Bay, expressed support for the WRF project at the South Bay site and provided comments to encourage those on the fence to join her in supporting the proposed project.

Dawn Addis, Morro Bay resident, member of the Citizens Finance Advisory Committee and candidate for City Council, expressed appreciation to staff and the Council for efforts to make OpenGov available to residents.

Aaron Ochs, Save Morro Bay, expressed support for the Historical Society’s efforts to raise money to move and preserve Dockside 3. He shared concerns regarding the Proposition 218 process and suggested noticing requirements weren’t met.

Larry Truesdale, Morro Bay, commented on the Proposition 218 process and suggested establishing an oversight committee to observe the protest counting process.

Glenn Silloway, President of the Historical Society of Morro Bay, announced the possibility of relocating and preserving the Thai Boat / Tognazzini’s 3 (formerly “Finicky Fish 2”) as a potential Visitor Center site on the Embarcadero. They are seeking City support for the project.

Joan Solu, Historical Society of Morro Bay Board Member, shared her excitement about the opportunity for its first preservation project and also working with community to create a historic preservation ordinance. Visit www.historicalmorrobay.org for more information.

Jeff Heller, Morro Bay resident and candidate for City Council, supported efforts to save Dockside 3 and suggested the money recommended for allocation to fund a Boatyard financial feasibility study (Item C-2) be used to support the project.

Steve Stevens, Morro Bay, spoke in support of saving Dockside 3 and looks forward to the Proposition 218 public hearing on September 11.

The following spoke to Items C-1 and C-2:

Pandora Nash-Karner, Los Osos, spoke in support of a future boat haul out facility.

Maryann Stansfield, Atascadero resident and member of the Morro Bay Yacht Club, spoke in support of Items C-1 and C-2.

David Hensinger, San Luis Obispo resident and Commodore of the Morro Bay Yacht Club, spoke on behalf of its members stating strong support for Items C-1 and C-2.

Dana McClish, Morro Bay resident, business owner, and member of the Morro Bay Yacht Club spoke in support of Items C-1 and C-2.

The Public Comment period was closed.

At Council’s request, staff responded to issues raised during Public Comment.

At Council Member Makowetski’s request, Dana McClish spoke on behalf of the Harbor Advisory Board, providing additional information regarding outreach efforts related to Items C-1 and C-2.

- A. CONSENT AGENDA
<https://youtu.be/AvrUd3l6UAW?t=1h4m24s>

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 JUNE 26, 2018 CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE JUNE 28, 2018, CITY COUNCIL SPECIAL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE JULY 10, 2018, CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE AUGUST 15, 2018, CITY COUNCIL SPECIAL
CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 APPROVAL OF TBID ADVISORY BOARD MEMBER'S REQUEST FOR AN EXCUSED
ABSENCE; (CITY CLERK)

RECOMMENDATION: City Council consider the request submitted by Tourism Business Improvement District (TBID) Advisory Board Member, Maggie Juren, to excuse her absence from the September 20, 2018 Regular TBID Advisory Board Meeting and allow her to continue serving through the scheduled term ending January 31, 2019.

A-6 ADOPTION OF RESOLUTION NO. 67-18 APPROVING FISCAL YEAR 2018/19
COMBINED SALARY SCHEDULE; (FINANCE)

RECOMMENDATION: Council adopt Resolution No. 67-18.

A-7 ADOPTION OF RESOLUTION NO. 65-18 AUTHORIZATION FOR THE CITY OF MORRO
BAY'S PROJECT LIST FOR FY 18/19 FOR THE CALIFORNIA STATE OF GOOD REPAIR
PROGRAM; (PUBLIC WORKS)

RECOMMENDATION: City Council adopt Resolution No. 65-18.

A-8 APPROVAL OF RESOLUTION NO. 66-18 AUTHORIZING THE CITY OF MORRO BAY TO
ENTER INTO A \$25,584 2018/2019 BOATING SAFETY AND ENFORCEMENT GRANT
CONTRACT WITH THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND
RECREATION, DIVISION OF BOATING AND WATERWAYS FOR PURCHASE OF TWO
RESCUE WATERCRAFT, RESCUE SLED AND TRAILER; (HARBOR)

RECOMMENDATION: City Council adopt Resolution No. 66-18.

A-9 APPROVAL OF AMENDMENT NO. 1 TO CITY'S CONTRACT WITH SWCA
ENVIRONMENTAL CONSULTANTS FOR CEQA RELATED CONSULTING SERVICES
FOR THE 3300 PANORAMA DRIVE PROJECT; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Authorize the City Manager to execute Amendment No. 1 to the agreement with SWCA Environmental Consultants, increasing the contract amount by an additional \$4,260.00 for a total contract not to exceed amount of \$11,094.00, for CEQA related services for the 3300 Panorama tank demolition project. This contract is reimbursable by the applicant in full.

A-10 ADOPTION OF RESOLUTION NO. 68-18 APPROVING AMENDMENT #3 TO THE NEW MASTER LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND BOATYARD LLC FOR LEASE SITE 89/89W, LOCATED AT 845 EMBARCADERO, AND COMMONLY KNOWN AS "THE BOATYARD," AND AMENDMENT #1 TO THE NEW MASTER LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND BOATYARD LLC AND FAIR SKY PROPERTIES FOR LEASE SITE 90/90W, LOCATED AT 885 EMBARCADERO, AND COMMONLY KNOWN AS "OTTER ROCK CAFÉ"; (HARBOR)

RECOMMENDATION: City Council adopt Resolution No. 68-18.

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

Council Member McPherson commented on Item A-7, noting the inconsistencies in the staff report and that the correct fiscal impact should be \$478, not \$540.

Mayor Irons pulled Items A-5 and A-9.

MOTION: Council Member McPherson moved the Council approve all items on the Consent Agenda with the exception of Items A-5 and A-9, with the correction as stated on Item A-7. The motion was seconded by Council Member Makowetski and carried 4-0-1 with Council Member Heading absent.

A-5 APPROVAL OF TBID ADVISORY BOARD MEMBER'S REQUEST FOR AN EXCUSED ABSENCE; (CITY CLERK)
<https://youtu.be/AvrUd3l6UAW?t=1h6m42s>

Mayor Irons pulled the item to state his support for Ms. Juren and recognize this is a new procedure that allows the Council to formally approve this type of request as a Consent item.

MOTION: Mayor Irons moved for approval of Item A-5. The motion was seconded by Council Member McPherson and carried 4-0-1 with Council Member Heading absent.

A-9 APPROVAL OF AMENDMENT NO. 1 TO CITY'S CONTRACT WITH SWCA ENVIRONMENTAL CONSULTANTS FOR CEQA RELATED CONSULTING SERVICES FOR THE 3300 PANORAMA DRIVE PROJECT; (COMMUNITY DEVELOPMENT)
<https://youtu.be/AvrUd3l6UAW?t=1h7m41s>

Mayor Irons sought clarification on City policy that required this item be brought to Council for approval. Community Development Director Graham explained current City policy allows the City Manager to approve contract amendments up to 25% of the original contract amount. This amendment exceeds 25% of the existing contract and therefore requires Council approval. He also commented the contract is entirely reimbursable, including administrative costs.

MOTION: Council Member Davis moved for approval of Item A-9. The motion was seconded by Council Member McPherson and carried 4-0-1 with Council Member Heading absent.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 CITY COUNCIL RECONSIDERATION OF HARBOR ADVISORY BOARD COUNCIL GOAL OBJECTIVE WORK PLAN ELEMENT FOR GOAL 1, OBJECTIVE (D), WORK PROGRAM ELEMENT 6 REGARDING FEE-BASED BOAT/RV STORAGE IN THE "TRIANGLE" PARKING LOT; (HARBOR)
<https://youtu.be/AvrUd3l6UAW?t=1h12m20s>

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

The public comment period for Item C-1 was opened; seeing none, the public comment period was closed.

There was Council consensus to relocate trash enclosures in the paved parking lot to the triangle lot, with those improvements paid for by the businesses that use them. Additionally, Council Member Davis wished to stop pursuing the proposed movement of Harbor Festival storage, a previously requested future agenda item.

Following discussion, it was agreed all revenues would be kept in a separate non-restricted fund. Related expenditures would be charged directly to this fund to the extent possible, and any other incurred costs not charged directly to the fund would be reimbursed to the Harbor Department. Excess revenues will be made available for Harbor or General Fund needs, as determined by the Council during the budget process.

MOTION: Council Member McPherson moved the Council approve staff recommendation for the triangle parking lot, with the expenditure of \$15,000, designating an accumulation fund that will be managed through the budget process, also agreed to move trash enclosures and for those to be paid for by the user. The motion was seconded by Council Member Davis and carried 4-0-1 with Council Member Heading absent.

MOTION: Mayor Irons moved the Council approve proposed draft policies provided as Attachments 1 – 3, subject to approval as to form by the City Attorney in consultation with the Harbor Director and consistent with Council direction. The motion was seconded by Council Member Makowetski and carried 4-0-1 with Council Member Heading absent.

MOTION: Council Member Davis moved to approve a new master fee schedule item of \$100/month for dry boat storage in the triangle parking lot and report back in a calendar year. The motion was seconded by Council Member McPherson and carried 4-0-1 with Council Member Heading absent.

The Council took a brief recess at 8:20 p.m. The meeting reconvened at 8:27 p.m. with all but Council Member Heading present.

C-2 APPROVAL OF ISSUANCE OF A REQUEST FOR PROPOSALS FOR MORRO BAY MARINE SERVICES FACILITY AND BOATYARD FINANCIAL FEASIBILITY STUDY, AND REAFFIRMATION OF FINANCIAL COMMITMENT TO COMPLETE IT; (HARBOR)
<https://youtu.be/AvrUd3l6UAW?t=2h19m29s>

Mr. Endersby presented the staff report and responded to Council inquiries. Based on questions received prior to the meeting, Mr. Endersby recommended the RFP project scope be revised to reflect a "phased" approach, where the first phase or phases consider the greatest financial or other impediments most likely to render a boatyard in the triangle lot infeasible, such as permitting and environmental compliance, before moving on to the next phase or phases.

The public comment period for Item C-2 was opened; seeing none, the public comment period was closed.

The Council appreciated the suggested phased approach and supported staff recommendation.

MOTION: Council Member Makowetski moved the Council approve issuance of a request for proposals for preparation of the Morro Bay Marine Services Facility and Boatyard Financial Feasibility Study, using a phased approach to identify fatal flaws. The motion was seconded by Council Member McPherson and carried 4-0-1 with Council Member Heading absent.

Mr. Endersby confirmed if proposals come back higher than what is currently budgeted, staff will return to Council for further direction or authorization during award of contract.

C-3 DISCUSSION AND DIRECTION ON PROCESS FOR DEVELOPING FISCAL EMERGENCY/SUSTAINABILITY PLAN AND FINANCIAL POLICIES; (FINANCE)
<https://youtu.be/AvrUd3l6UAW?t=3h40s>

Mr. Collins and Ms. Callaway presented the staff report and responded to Council inquiries.

The Council discussed the proposed timeline and importance of community input. It was suggested and agreed the Long-Term Financial Planning Policy be reviewed by the new Council in January, rather than November, and that the Risk Management Reserve Policy be moved to November.

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

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

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/AvrUd3l6UAW?t=3h35m58s>

Mayor Irons requested discussion of amending the City Council meeting calendar to allow for a second regular meeting in November, if needed. There was full support for this item.

E. ADJOURNMENT

The meeting adjourned at 9:46 p.m. The next Regular Meeting will be held on Tuesday, September 11, 2018, at 6:00 p.m. at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by:

Dana Swanson
City Clerk