

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – MAY 28, 2019
VETERAN'S MEMORIAL HALL – 5:30 P.M.

AGENDA NO: A-1
MEETING DATE: June 25, 2019

PRESENT:	John Headding Dawn Addis Robert Davis Jeff Heller Marlys McPherson	Mayor Council Member Council Member Council Member Council Member
STAFF:	Scott Collins Chris Neumeyer Dana Swanson Jennifer Callaway Rob Livick Scot Graham Steve Knuckles Jody Cox Eric Endersby Jennifer Little	City Manager City Attorney City Clerk Finance Director Public Works Director Community Development Director Fire Chief Police Chief Harbor Director Tourism Manager

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 5:32 p.m., with all members present.

MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
RECOGNITION – None

CLOSED SESSION REPORT – City Attorney Neumeyer stated no reportable action was taken by the City Council in accordance with the Brown Act.

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
<https://youtu.be/vIH4pVMTmiQ?t=81>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS - None

PRESENTATIONS

- Hourglass Project Presentation by President/CEO, Melissa James, and Vice President, Andrew Hackleman
<https://youtu.be/vIH4pVMTmiQ?t=495>
- Chamber of Commerce Quarterly Presentation by President/CEO, Erica Crawford
<https://youtu.be/vIH4pVMTmiQ?t=1458>

PUBLIC COMMENT

<https://youtu.be/vIH4pVMTmiQ?t=2123>

Shannon Casey, Rancho Olivos, provided the business spot. They began a farm business making artisan olive oils 8 years ago in the Santa Ynez Valley and recently opened a retail shop at 699 Embarcadero. Visit www.ranchoolivos.com for more information or call (818) 426-2512.

Linda Winters, Morro Bay, spoke regarding the importance of mobile home rent control ordinances to protect mobile home park living as an affordable housing alternative.

Chloe Hartsten, a Los Osos Middle School Student, shared information regarding the negative impacts of plastics on the planet.

Mimi Goldberg, Morro Bay, asked about the bocce ball courts and greenhouse located on Dunes Street.

Mayor Headding closed public comment.

The Council and staff responded to issues raised during public comment.

A. CONSENT AGENDA
<https://youtu.be/vIH4pVMTmiQ?t=2985>

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 APRIL 18, 2019, CITY COUNCIL SPECIAL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE MAY 7, 2019, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 ADOPTION OF RESOLUTION NO. 36-19 AUTHORIZING THE MAYOR TO EXECUTE DOCUMENTS NECESSARY FOR A NEW LOAN FOR THE LEASE AGREEMENT AT LEASE SITE 124-128/124W-128W AND 113W (ROBERT FOWLER/MORRO BAY LANDING, LOCATED AT 1213, 1215 AND 1217 EMBARCADERO), INCLUDING ACCEPTING A DEED OF TRUST AND MEMORANDUM OF LEASE RELATED THERETO FOR IMPROVEMENTS TO THE LEASED PROPERTY, AND APPROVAL OF AN EXTENSION TO THE LEASE-MANDATED DEADLINE FOR COMPLETION OF IMPROVEMENTS TO THE LEASED PROPERTY; (HARBOR)

RECOMMENDATION: City Council adopt Resolution No. 36-19 authorizing the Mayor to execute documents necessary for a new loan regarding the leasehold interest at Lease Site 124-128/124W-128W and 113W, for improvements to the leased property subject to approval of the City Attorney and Harbor Director. The Resolution also allows the recordation of a deed of trust and memorandum of lease related to the Loan, and approves an extension of the deadline for the lessee to complete the lease site redevelopment improvements as stipulated in the lease agreement.

A-4 REVIEW WATER RECLAMATION FACILITY (WRF) CAPITAL PROJECT MONTHLY UPDATE REPORT; (PUBLIC WORKS)

RECOMMENDATION: Council receive WRF Capital Project Monthly Update Report.

A-5 AUTHORIZATION FOR CITY OF MORRO BAY, AS LESSOR FOR MORRO DUNES TRAILER PARK AND CAMPGROUND, INC. LOCATED AT 1700 EMBARCADERO, TO CONSENT TO FINANCING FOR A NEW SOLAR CARPORT STRUCTURE AND AGREE TO THE TERMS OF A SEVERANCE AND CONSENT AGREEMENT SO AS TO

SECURE AS COLLATERAL FOR LENDER THE SOLAR CARPORT STRUCTURE;
(COMMUNITY DEVELOPMENT)

RECOMMENDATION: Council authorize City Manager to execute a Severance and Consent Agreement with Rabobank, N.A., Morro Dunes Trailer Park and Campground, Inc. and Cayucos Sanitary District through passage of Resolution No. 37-19.

A-6 ADOPTION OF RESOLUTION NO. 40-19 AUTHORIZING THE MAYOR TO EXECUTE DOCUMENTS NECESSARY FOR A NEW LOAN FOR THE MASTER LEASE AGREEMENT AT LEASE SITE 82-85/82W-85W (DOUG REDICAN/725 EMBARCADERO, LLC, LOCATED AT 725 EMBARCADERO AND OPERATING AS ROSE'S LANDING), INCLUDING ACCEPTING A DEED OF TRUST AND MEMORANDUM OF LEASE RELATED THERETO FOR IMPROVEMENTS TO THE LEASED PROPERTY; (HARBOR)

RECOMMENDATION: City Council adopt Resolution No. 40-19 authorizing the Mayor to execute documents necessary for a new loan (Loan) regarding the leasehold interest at Lease Site 82-85/82W-85W, for improvements to the leased property subject to approval of the City Attorney and Harbor Director. The Resolution also allows the recordation of a deed of trust and memorandum of lease related to the Loan.

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

Council Members Heller and McPherson pulled Item A-4.

MOTION: Council Member Davis moved for approval of all items on Consent except Item A-4. The motion was seconded by Council Member McPherson and carried 5-0 by roll call vote.

A-4 REVIEW WATER RECLAMATION FACILITY (WRF) CAPITAL PROJECT MONTHLY UPDATE REPORT; (PUBLIC WORKS)
<https://youtu.be/vIH4pVMTmiQ?t=3051>

Council Member Heller found the report unacceptable and was concerned some members of the Citizens Finance Advisory Committee were not satisfied with the report.

Council Member McPherson stated while one member was unhappy, the others were not. She appreciated the Committee's recommendation to add two additional tables, which would not be an undue burden on staff, or to truncate the two charts to show the timeline from the beginning of this current project in September 2017 when the project site, recycling component and advanced treatment were approved by the Council.

MOTION: Council Member McPherson moved the Council receive the report as is. The motion was seconded by Council Member Addis.

Council Member Davis asked what the purpose of CFAC's review of the document is intended to accomplish. He agreed there were some questions but that the report format had been approved by the Council.

The motion carried 4-1 with Council Member Heller opposed.

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

With the concurrence of Council, Item C-2 was placed ahead of Item C-1.

- C-2 ONE-YEAR PARTNERSHIP AGREEMENT WITH PROJECT SURF CAMP; (CITY MANAGER)
<https://youtu.be/vIH4pVMTmiQ?t=3566>

Mr. Collins presented the staff report and invited John Taylor to share information about the program.

MOTION: Council Member Addis moved the Council authorize the City Manager to execute a one-year Partnership Agreement with Project Surf Camp (PSC), in a form approved by the City Attorney. The motion was seconded by Council Member Davis.

Mayor Heading opened public comment for Item C-2.

Bob Keller, Morro Bay, shared Project Surf Camp is one of his favorite volunteer opportunities.

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

The motion carried 5-0 by roll call vote.

- C-1 CONSIDERATION OF THE MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ANNUAL REPORT AND CONTINUATION OF THE TBID ASSESSMENT FOR FISCAL YEAR (FY) 2019/20; AND ADOPTION OF RESOLUTION NO. 41-19 DECLARING THE INTENT TO CONTINUE THE PROGRAM AND LEVY ASSESSMENTS FOR THE FISCAL YEAR 2019/20 AND SCHEDULING A PUBLIC HEARING TO LEVY THE ASSESSMENTS; (CITY MANAGER/TOURISM)
<https://youtu.be/vIH4pVMTmiQ?t=4309>

City Manager Collins and Tourism Manager Little presented the staff report and responded to Council questions.

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

MOTION: Council Member Davis moved the Council approve the Fiscal Year 2019/20 Annual Report for expenditure of funds to be derived from the annual assessment and adopt Resolution No. 41-19 declaring the intent to continue the program and levy assessments for the Fiscal Year 2019/20. The motion was seconded by Council Member McPherson and carried 5-0 by roll call vote.

- C-3 OPTIONS TO ENHANCE COMMUNICATION AND ENGAGEMENT WITH THE COMMUNITY; (CITY MANAGER)
<https://youtu.be/vIH4pVMTmiQ?t=5550>

As the Council Member who requested the agenda item, Mr. Heller provided opening comments. Mr. Collins presented the staff report and responded to Council questions.

The public comment period for Item C-3 was opened.

Bob Keller, Morro Bay, stated communication and engagement with current staff has been outstanding.

The public comment period for Item C-3 was closed.

The Council expressed appreciation for staff's commitment to providing both formal and informal opportunities to receive public input and for its open door policy. They encouraged an expanded use of Polco and more outreach to community organizations and service groups. It was suggested information from the City Manager Update regarding accomplishments or upcoming events be shared during announcements.

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

The Council took a brief recess at 7:36 p.m. The meeting reconvened at 7:44 p.m. with all members present.

C-4 DISCUSS, AND CONSIDER CHANGING, CITY COUNCIL REGULAR MEETING END TIME; CONSIDERATION OF RESOLUTION NO. 39-19 AMENDING THE CITY COUNCIL POLICIES & PROCEDURES TO CHANGE CITY COUNCIL REGULAR MEETING END TIME; (CITY MANAGER)
<https://youtu.be/vIH4pVMTmiQ?t=7567>

Mr. Collins presented the report and responded to Council questions.

The public comment period for Item C-4 was opened.

Bob Keller, Morro Bay, spoke in support of the staff recommendation.

The public comment period for Item C-4 was closed.

There was Council consensus setting an earlier adjournment time encourages public participation and more efficient meetings. It was noted the Council would still have the option to extend the meeting beyond 9:30, when needed, to complete important items.

Council Member McPherson respectfully disagreed and was concerned an arbitrary end time would limit discussion or result in items being pushed to future meetings.

MOTION: Council Member Davis moved the Council adopt Resolution No. 39-19, amending City Council Policies and Procedures Manual, Chapter One "Meeting Guidelines & Procedures," section 1.1.2., to change the regular City Council meeting span from 5:30 p.m. to 10:30 p.m., to new span of 5:30 p.m. to 9:30 p.m. The motion was seconded by Council Member Addis.

AMENDED MOTION: Council Member Davis amended the motion to make the effective date the first meeting in July. Council Member Addis seconded the amended motion. The motion carried 4-1 by roll call vote with Council Member McPherson opposed.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/vIH4pVMTmiQ?t=8845>

Council Member Addis requested consideration of a socially conscious investment policy that would allow the City to prioritize investments in companies that are taking action to combat climate change, so long as it would not negatively impact the rate of return. Mayor Headding suggested a broader look to include social justice. There was full Council support for this item.

E. ADJOURNMENT

The meeting adjourned at 8:10 p.m.

Recorded by:

Dana Swanson
City Clerk