

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JUNE 11, 2019
VETERAN'S MEMORIAL HALL – 5:30 P.M.

AGENDA NO: A-2
MEETING DATE: July 9, 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 Rick Catlett Eric Endersby Matt Vierra Eric Casares	City Manager City Attorney City Clerk Finance Director Public Works Director Community Development Director Acting Police Commander Harbor Director Fire Marshal WRF Program Manager (<i>Carollo Engineering</i>)

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 5:30 p.m., with all members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION – None

CLOSED SESSION REPORT – City Attorney Neumeyer stated the Council took the following reportable action during the May 29, 2019 Closed Session Meeting. Regarding Item CS-2, the Council directed the City Attorney's office to commence necessary legal action to abate the public nuisance at 320 Orcas Street. Regarding Item CS-1, due exclusively to unanticipated time constraints, that item was not completed as expected. Therefore, to ensure participation by the entire City Council, Item CS-1 was continued to the next Closed Session scheduled on June 11, 2019. At its June 11, 2019 Closed Session Meeting, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

https://youtu.be/3jHJ1_YWtfY?t=135

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

https://youtu.be/3jHJ1_YWtfY?t=539

PRESENTATIONS - None

PUBLIC COMMENT PERIOD

https://youtu.be/3jHJ1_YWtfY?t=626

Susan Stewart, owner of Beads by the Bay located at 333 Morro Bay Blvd., provided the business spot. Visit www.morrobaybeads.com or call (805) 772-3338 for more information.

Bob Keller, Morro Bay, announced a fundraising BBQ and Blood Drive event benefitting Project Surf Camp on Friday, June 28, from Noon to 4:00 pm at San Luis Sports Therapy, 890 Shasta Avenue.

Barry Branin, Morro Bay, raised concerns regarding the proposed pipeline path for the WRF project.

Katherine Gillen, Member Relations Manager for the Morro Bay Chamber of Commerce, announced upcoming events.

Linda Winters, Morro Bay, spoke regarding mobile home park living and the importance of affordable housing.

Ken MacMillan, Morro Bay business and property owner, shared his support for collaborative economic development efforts between the City and Chamber.

Dan Sedley, Morro Bay, asked when new Veterans Hall chairs would be provided for the public.

Richard Sadowski, Morro Bay, commented on Item C-1 and expressed concern about proposed groundwater injection.

Mayor Headding closed public comment.

At the Council's request, staff to respond to issues raised during public comment.

A. CONSENT AGENDA
https://youtu.be/3jHJ1_YWtfY?t=2198

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 MAY 14, 2019 AND MAY 16, 2019, CITY COUNCIL SPECIAL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE MAY 14, 2019, CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE MAY 29, 2019, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 DESIGNATION OF REPRESENTATIVE(S) TO THE CALIFORNIA JOINT POWERS INSURANCE AUTHORITY; (CITY CLERK)

RECOMMENDATION: City Council designate the Mayor as the official representative of the City of Morro Bay on the California Joint Powers Insurance Authority (CJPIA) Board of Directors, designate the Risk Manager as first alternate, and designate the City Manager as second alternate.

A-5 ANNUAL WATER REPORT CONCERNING ALLOCATION AND USE IN FY 2018/19 OF WATER EQUIVALENCY UNITS, AND ADOPTION OF RESOLUTION NO. 42-19 ALLOCATING WATER EQUIVALENCY UNITS FOR FY2019/20; (PUBLIC WORKS)

RECOMMENDATION: City Council review the 2018 annual water report concerning allocation and use in FY 2018/19 of Water Equivalency Units (WEUs) and the proposed allocation of the FY 2019/20 WEUs, and then adopt Resolution No. 42-19 allocating a total of 115 WEUs for FY2019/20, comprised of a total of 50 WEUs for residential development (30 for Single Family Residences and 20 for Multi-Family Residences) and 65 for commercial development.

- A-6 ADOPTION OF RESOLUTION NO. 43-19 APPROVING A NEW LICENSE AGREEMENT WITH CAL POLY CORPORATION, INC. FOR DEDICATED DOCKAGE SPACE ON THE NORTH T-PIER FOR A FLOATING RESEARCH AND EDUCATIONAL DOCK; (HARBOR)

RECOMMENDATION: City Council adopt resolution No. 43-19 to approve the two-year License Agreement with Cal Poly Corporation, Inc. (“Cal Poly”) for dedicated dockage space on the North T-Pier for a floating research and educational dock, to include an option to extend the agreement for one 2-year period.

- A-7 ADOPTION OF RESOLUTION NO. 44-19 APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND STATE OF CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE FOR EXCLUSIVE TIE-UP SPACE ON THE NORTH T-PIER FOR A PATROL VESSEL ACCOMMODATION DOCK; (HARBOR)

RECOMMENDATION: City Council adopt Resolution No. 44-19 to approve a two-year Lease Agreement with the State of California Department of Fish and Wildlife (DFW) for dedicated pier space on the North T-Pier to dock the patrol vessel BLUEFIN.

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

MOTION: Council Member McPherson moved for approval of Items A-1 through A-7 on the Consent Agenda. The motion was seconded by Council Member Davis and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS

- B-1 ADOPTION OF RESOLUTION NO. 45-19 CONTINUING THE PROGRAM AND LEVYING THE ASSESSMENTS FOR THE 2019/20 FISCAL YEAR FOR THE MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT (MBTBID) (CITY MANAGER/ TOURISM)
https://youtu.be/3jHJ1_YWtfY?t=2272

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

Council Member McPherson suggested the Council review TBID grant criteria prior to implementation to ensure consistency with the Council grant approval process. There was consensus to move forward in that manner.

Mayor Heading opened the Public Hearing and asked the City Clerk to report the number of protests received thus far. Clerk Swanson confirmed no protests had been received.

Seeing no members of the public wishing to speak, the public hearing and comment period were closed.

MOTION: Council Member McPherson moved the Council adopt Resolution No. 45-19 continuing the program and levying the assessments for the 2019/20 Fiscal Year for the Morro Bay Tourism Business Improvement District. The motion was seconded by Council Member Davis and carried 5-0 by roll call vote.

C. BUSINESS ITEMS

C-1 REVIEW OF CONCEPT DESIGN REPORT FOR THE WATER CONVEYANCE FACILITIES PROJECT AND THE GROUNDWATER MODELING TECHNICAL MEMORANDUM FOR THE WATER RECLAMATION FACILITY (WRF); (PUBLIC WORKS)
https://youtu.be/3jHJ1_YWtfY?t=2675

WRF Program Manager Casares presented the report and responded to Council questions.

The public comment period for Item C-1 was opened.

Larry Truesdale, Morro Bay, presented his analysis of the GSI technical memo he had submitted to the WRFCAC and City Council as agenda correspondence.

Dan Sedley, Morro Bay resident and co-chairperson of Citizens for Affordable Living, opposed the public input process that is not an official public hearing and stated he would not comment further on the project.

Nancy Bast, Morro Bay, asked staff to explain the legal difference between a public hearing and business item.

The public comment period for Item C-1 was closed.

Mayor Headding re-opened public comment.

Roger Ewing, Morro Bay, asked if it was possible to put purified water from the WRF back into the system instead of injecting it into the ground.

The public comment period was closed.

Staff responded to questions raised during public comment.

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

The Council took a brief recess at 7:40 p.m. The meeting reconvened at 7:51 p.m. with all members present.

C-2 ADOPT RESOLUTION NO. 46-19 ADOPTING THE FISCAL YEAR 2019/20 OPERATING AND CAPITAL BUDGETS AND RESOLUTION NO. 47-19 ADOPTING THE CITY'S SALARY SCHEDULE AND RESOLUTION NO. 48-19 RESCINDING AND REPLACING RESOLUTION NO. 03-16 DEFINING THE MANAGEMENT OF TOURISM PROMOTIONS AND MARKETING; (FINANCE)
https://youtu.be/3jHJ1_YWtfY?t=7842

Finance Director Callaway presented the report and responded to Council questions.

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

MOTION: Council Member Davis moved the Council adopt Resolution No. 46-19, authorizing the Fiscal Year 2019/20 Operating and Capital Budgets, including any amendments approved by the City Council, prior to the adoption of that Resolution; and adopt Resolution No. 47-19 approving the FY 2019/20 Salary Schedule; and adopt Resolution No. 48-19 Rescinding and Replacing Resolution No. 03-16 Defining the Management of Tourism Promotions and Marketing to establish a \$60,000 General Fund contribution for FY 2019/20. The motion was seconded by Council Member McPherson for discussion.

The Mayor and Council provided individual comments. The motion carried 5-0 by roll call vote.

C-3 APPROVAL OF VISITOR CENTER SERVICES CONTRACT & LEASE AGREEMENT FOR CITY-OWNED PROPERTY LOCATED AT 695 HARBOR STREET; (CITY MANGER)
https://youtu.be/3jHJ1_YWtfY?t=9234

City Manager Collins presented the report and, along with Morro Bay Chamber of Commerce President/CEO, Erica Crawford, responded to Council questions.

The public comment period for Item C-3 was opened; seeing none, the public comment period was closed.

MOTION: Council Member McPherson moved the City Council approve the agreements with the Morro Bay Chamber of Commerce for Visitor Center Services and the renewal of a property lease at 695 Harbor Street. The motion was seconded by Council Member Addis and carried 5-0 by roll call vote.

C-4 PROPOSED FRAMEWORK FOR ECONOMIC DEVELOPMENT FACILITATION SUPPORT SERVICES PROVIDED TO THE CITY BY THE CHAMBER OF COMMERCE; (CITY MANAGER)
https://youtu.be/3jHJ1_YWtfY?t=10100

Mr. Collins presented the staff report and, along with Erica Crawford, Morro Bay Chamber of Commerce President/CEO, responded to Council questions.

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

Steven Peck, Morro Bay Chamber of Commerce Director, shared his support for the proposed partnership.

Nick Mendoza, Morro Bay resident and restaurant owner, appreciated the quarterly meetings held in north Morro Bay as part of the 4MB program and urged the Council to continue the economic development partnership with the Chamber.

The public comment period was closed.

The Council expressed support for the proposed partnership and provided individual comments for the agreement that will be brought back at a future meeting.

No formal action was taken by the City Council.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
https://youtu.be/3jHJ1_YWtfY?t=12044

Council Member Addis requested consideration of a resolution opposing on-land fracking. There was unanimous support for this item.

Council Member McPherson requested the previously agendaized discussion of changes to advisory board handbook be expanded to look broadly at advisory body roles to clarify language as needed. There was full support for this item.

Council Member Heller requested a staff report on the schedule to repair / replace sewer lines. Staff offered to generate a report that could be provided as an update to the Council.

E. ADJOURNMENT

The meeting adjourned at 9:10 p.m.

Recorded by:

Dana Swanson
City Clerk