

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT: John Headding Mayor
Dawn Addis Council Member
Robert Davis Council Member
Jeff Heller Council Member
Marlys McPherson Council Member

ABSENT: None

STAFF: Scott Collins City Manager
Chris Neumeyer City Attorney
Dana Swanson City Clerk
Jennifer Callaway Finance Director/Acting Public Works Director
Scot Graham Community Development Director
Steve Knuckles Fire Chief
Eric Endersby Harbor Director
Rob Livick City Engineer

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding established a quorum by roll call and called the meeting to order at 5:30 p.m., with all members present.

MOMENT OF SILENCE

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/6Dv07AAZVr4?t=156>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/6Dv07AAZVr4?t=922>

PRESENTATIONS

- Morro Bay National Estuary Program 2020 State of the Bay Update presentation by Lexi Bell
<https://youtu.be/6Dv07AAZVr4?t=1260>
- Morro Bay Chamber of Commerce Quarterly Update by Erica Crawford
<https://youtu.be/6Dv07AAZVr4?t=2252>

PUBLIC COMMENT

<https://youtu.be/6Dv07AAZVr4?t=3432>

Rema Cory, Hookah Chamber of Commerce, requested the Council exempt hookah products from the flavored tobacco ban.

Neve Donahue opposed a ban on the sale of flavored tobacco products and hoped for a compromise that would not ban the sale of hookah products.

George Johnson, Regal Hookah, requested the Council consider amending the proposed ordinance to provide a cultural exemption for non-electronic hookah products.

Melanie Williams-Mahan, Morro Bay, expressed concern regarding the financial impacts of the COVID-19 pandemic, suggested putting the WRF project on hold, and spoke in opposition for Item C-3.

Betty Winholtz, Morro Bay, informed the City there were issues with the meeting livestream.

Dan Sedley, Morro Bay, suggested the WRF project be deferred and requested information regarding financial impacts of the COVID-19 pandemic.

Michelle Leicester-Cadaret, Morro Bay, spoke regarding Item C-4, requesting language be added to protect single-family homeowners in close proximity to their neighbors from secondhand smoke.

Mayor Headding closed public comment.

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

A. CONSENT AGENDA
<https://youtu.be/6Dv07AAZVr4?t=4909>

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 FEBRUARY 11, 2020, CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE FEBRUARY 25, 2020, CITY COUNCIL SPECIAL
MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE MARCH 10, 2020, CITY COUNCIL SPECIAL
CLOSED MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE MARCH 19, 2020, CITY COUNCIL SPECIAL
MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 APPROVAL OF MINUTES FOR THE MARCH 23, 2020, CITY COUNCIL SPECIAL
CLOSED MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-6 APPROVAL OF MINUTES FOR THE APRIL 1, 2020, CITY COUNCIL SPECIAL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-7 APPROVAL OF MINUTES FOR THE APRIL 3, 2020, CITY COUNCIL SPECIAL CLOSED MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-8 ADOPTION OF RESOLUTION NO. 27-20 INITIATING PROCEEDINGS TO LEVY THE ANNUAL ASSESSMENT FOR THE CLOISTERS PARK AND OPEN SPACE - LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 27-20 ordering the preparation of an Engineer's Report detailing the expenses projected for Fiscal Year 2020/21 for the maintenance of the Cloisters Park and Open Space under the provisions of the "Landscaping and Lighting Act of 1972."

A-9 ADOPTION OF RESOLUTION NO. 28-20 INITIATING PROCEEDINGS TO LEVY THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA - LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (PUBLIC WORKS)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 28-20 ordering the preparation of an Engineer's Report detailing the expenses projected for Fiscal Year 2020/21 for the maintenance of the North Point Natural Area under the provisions of the "Landscaping and Lighting Act of 1972."

A-10 ADOPTION OF RESOLUTION NO. 29-20 APPROVING A 1-YEAR LEASE AGREEMENT WITH THE MORRO BAY SKATEBOARD MUSEUM, INC. FOR PROPERTY LOCATED AT 781 MARKET STREET.; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 29-20, approving a 1-year Lease Agreement for the City property located at 781 Market Street (APN: 066-321-027).

A-11 AUTHORIZATION TO SUBMIT A LOCAL EARLY ACTION PLANNING (LEAP) GRANT APPLICATION TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 30-20 authorizing staff to submit a grant application to the State of California Department of Housing and Community Development (HCD) for Local Early Action Planning Grant (LEAP) program funds to assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment (RHNA) in the City of Morro Bay, in the amount of \$65,000.

A-12 CONSIDER RESOLUTION 31-20 APPROVING DESIGNATION OF CITY'S AGENTS IN APPLYING FOR REIMBURSEMENT FROM THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES (CAL OES) FOR FEMA COVID-19 RELATED EXPENSES

AND AUTHORIZING CITY MANAGER TO TAKE ALL NECESSARY ACTIONS FOR COVID-19 REIMBURSEMENTS; (CITY ATTORNEY)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 31-20 approving the Designation of Applicant's Agent Resolution and authorizing the City Manager, or designee, to take all necessary actions to apply for reimbursement of eligible City costs resulting from the COVID-19 pandemic.

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

Council Member Heller pulled Items A-8, A-9 and A-12.

MOTION: Council Member Addis moved approval of all items on the Consent agenda except Items A-8, A-9 and A-12. The motion was seconded by Council Member Davis and carried 5-0 by roll call vote.

A-8 ADOPTION OF RESOLUTION NO. 27-20 INITIATING PROCEEDINGS TO LEVY THE ANNUAL ASSESSMENT FOR THE CLOISTERS PARK AND OPEN SPACE - LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (PUBLIC WORKS)

A-9 ADOPTION OF RESOLUTION NO. 28-20 INITIATING PROCEEDINGS TO LEVY THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA - LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (PUBLIC WORKS)
<https://youtu.be/6Dv07AAZVr4?t=5079>

Regarding Items A-8 and A-9, Council Member Heller asked if the process to continue the assessments could be simplified to eliminate the need for three separate resolutions. City Attorney Neumeyer explained any change in the renewal procedures would require an agreement between the City and affected property owners.

A-12 CONSIDER RESOLUTION 31-20 APPROVING DESIGNATION OF CITY'S AGENTS IN APPLYING FOR REIMBURSEMENT FROM THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES (CAL OES) FOR FEMA COVID-19 RELATED EXPENSES AND AUTHORIZING CITY MANAGER TO TAKE ALL NECESSARY ACTIONS FOR COVID-19 REIMBURSEMENTS; (CITY ATTORNEY)
<https://youtu.be/6Dv07AAZVr4?t=5426>

At Council Member Heller's request, staff described the costs that are anticipated to be reimbursable, and the Council discussed the importance of Federal and State assistance and reimbursement for direct costs and other impacts associated with the COVID-19 pandemic.

MOTION: Council Member Addis moved to approve Items A-8, A-9 and A-12. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

C-1 CONSIDERATION OF RESOLUTION NO. 32-20 TO JOIN THE SAN LUIS OBISPO COUNTYWIDE REGIONAL COMPACT ON HOUSING; (CITY MANAGER)
<https://youtu.be/6Dv07AAZVr4?t=5885>

City Manager Collins introduced Carolyn Berg from the County of San Luis Obispo, who presented the report and responded to Council inquiries.

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

Betty Winholtz, Morro Bay, asked if one or more cities could back out of the agreement and how it would be handled if one city overruled another.

Dan Sedley, Morro Bay, expressed concern about joining countywide group and asked about the funding mechanism.

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

Staff responded to questions raised during public comment.

MOTION: Mayor Headding moved to receive a presentation and adopt Resolution No. 32-20 approving and authorizing the Mayor to sign the San Luis Obispo Countywide Regional Compact (on housing). The motion was seconded by Council Member Addis for discussion.

Following individual comments, the motion carried 5-0 by roll call vote.

- C-2 ADOPT RESOLUTION NO. 33-20 REGARDING PUBLICATION OF EMERGENCY ORDERS ON EVICTIONS, FORECLOSURES AND PRICE GOUGING (COVID-19 STATE OF EMERGENCY); (CITY ATTORNEY)
<https://youtu.be/6Dv07AAZVr4?t=7615>

City Attorney Neumeyer provided the report and responded to Council inquiries.

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

Dan Sedley, Morro Bay, expressed concern regarding the call-in system for public comment and requested the meeting be suspended as the public is being prevented from observing the meeting and commenting on the meeting.

Betty Winholtz, Morro Bay, agreed with the prior speaker's concerns and spoke in support of the agenda item.

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

MOTION: Council Member McPherson moved to recommend the City Council adopt Resolution No. 33-20 regarding Publication of Emergency Orders on Evictions, Foreclosures and Price Gouging (COVID-19 State of Emergency). The motion was seconded by Council Member Addis for discussion.

Following discussion, the motion carried 5-0 by roll call vote.

The Council took a brief recess at 8:05 p.m. The meeting reconvened at 8:12 p.m. with all members present.

- C-3 APPROVAL OF CONSULTANT AGREEMENT FOR IMPLEMENTATION OF THE FIRST PHASE OF THE MORRO BAY ONEWATER PLAN (WATER AND WASTEWATER) AND AUTHORIZATION FOR THE CITY MANAGER TO SIGN THE AGREEMENT; (PUBLIC WORKS)

<https://youtu.be/6Dv07AAZVr4?t=9797>

City Engineer Livick provided the report and introduced Steve Kahn of Cannon Corporation, who provided additional information and responded to Council inquires.

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

Dan Sedley, Morro Bay, requested confirmation residents will not be asked to pay for their back yard laterals out to new mains in the street and whether this project will increase utility rates.

Betty Winholtz, Morro Bay, raised concerns about the Nutmeg Tank project and other issues.

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

Mr. Livick and Mr. Kahn responded to questions raised during public comment.

MOTION: Council Member Addis moved to approve and authorize the City Manager to execute a time and materials consultant agreement with Cannon Corporation, for engineering services to implement the first phase of the OneWater plan in an amount not to exceed \$815,237 without prior written authorization, and additionally authorize a ten-percent contingency to be used, for additions to the scope of work, at the discretion of the City Manager, resulting in a total authorization of \$896,761, with the budget for the project will come from the water and wastewater enterprise funds and will not impact the City's General Fund. The motion was seconded by Council Member Davis for discussion.

Council Member Heller favored award of contract to Cannon Corporation but felt the structure of the proposed contract was not in the best interest of the City. He preferred a fixed price contract over time and materials.

Following discussion, the motion carried 4-1 by roll call vote with Council Member Heller opposed.

MOTION: Council Member McPherson moved the meeting to go past 9:30 p.m. The motion was seconded by Council Member Davis and carried 5-0 by roll call vote.

C-4 INTRODUCTION OF ORDINANCE NO. 632 TO REGULATE TOBACCO, VAPING AND SECONDHAND SMOKE, INCLUDING THROUGH A TOBACCO RETAILER LICENSING PROGRAM, A PROHIBITION ON THE SALE OF E-CIGARETTES (VAPING PRODUCTS), AND ENHANCING THE CITY'S CURRENT SECONDHAND SMOKING REGULATIONS BY A SMOKEFREE POLICY FOR MULTI-UNIT HOUSING; (CITY ATTORNEY)

<https://youtu.be/6Dv07AAZVr4?t=13869>

City Attorney Neumeyer provided the report and responded to Council inquires.

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

Dan Sedley, Morro Bay, hoped the ordinance will protect residents from secondhand smoke.

An unnamed speaker expressed concern about the precedent if restrict adults from purchasing things we feel might not be beneficial to others and requested hookah products be provided an exemption based on its cultural aspects.

Jeremy Bird agreed it was important to protect children but felt the proposed ordinance disproportionately affected family traditions.

An unnamed speaker opposed any flavor ban that would include hookah products.

Michelle Leicester-Cadaret, Morro Bay, requested single family homes be included in the ordinance to protect all individuals, not just those in multi-family areas.

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

MOTION: Mayor Headding moved to introduce for first reading, by title only with further reading waived, Ordinance No. 632 to both add Chapter 5.54 (Tobacco, Electronic Cigarettes and Vaping) to Title 5 of the Municipal Code as well as to amend Chapter 9.24 (Secondhand Smoking Regulations) of Title 9 of the Municipal Code. The motion was seconded by Council Member Addis and carried 4-0-1 by roll call vote with Council Member McPherson abstaining.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

In response to resident requests, Council Member Addis requested an agenda item to consider writing a letter to the Governor in support of a rent freeze. There was no support for the request.

E. ADJOURNMENT

The meeting adjourned at 9:57 p.m.

Recorded by:

Dana Swanson
City Clerk