

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
 Jody Cox Police Chief
 Eric Endersby Harbor Director
 Rob Livick City Engineer

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order by roll call vote at 5:30 p.m., with all but Council Member Addis present. Council Member Addis joined the meeting at 5:33 p.m.

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/G8b_R0tq5_g?t=158

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

https://youtu.be/G8b_R0tq5_g?t=931

PRESENTATIONS

- Month of the Child and Child Abuse Prevention Proclamation presented to Raechelle Bowlay, Community Action Partnership of SLO County ("CAPSLO")
https://youtu.be/G8b_R0tq5_g?t=1196

PUBLIC COMMENT

https://youtu.be/G8b_R0tq5_g?t=1580

Cherise Hansson, Morro Bay, requested the City consider reducing percentage rents for Tidelands Trust leaseholders to encourage businesses to stay the course.

Phil Hill, Morro Bay, opposed increased liveaboard fees presented in Item B-1.

Dan Sedley, Morro Bay, asked how the City planned to deal with increased visitors and various questions related to the Water Reclamation Facility project.

Jeremiah O'Brien, Morro Bay Commercial Fishermen's Organization, commented on the proposed use of Castle Wind community benefit funds and hoped once those loans were paid back funds would go to T-Pier and dock repairs, as planned.

Betty Winholtz, Morro Bay, spoke regarding PG&E's draft Statement of Basis for remediation of the Morro Bay Power Plant property and hoped the City would agendaize this item and consider submitting comments to the Department of Toxic Substances.

Melanie Williams-Mahan, Morro Bay, expressed concern about individuals not wearing masks and gloves in public and stated her support for filling vacant police officer positions.

Mayor Heading closed public comment.

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

A. CONSENT AGENDA
https://youtu.be/G8b_R0tq5_g?t=3543

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 14, 2020, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 ADOPTION 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)

RECOMMENDATION: Staff recommends Council consider adopting, by second reading and by title only with further reading waived, Ordinance No. 632, entitled "An Ordinance of the City Council of the City of Morro Bay, California, Adding Chapter 5.54 (Tobacco, Electronic Cigarettes and Vaping) to Title 5 (Business Tax Certificates and Regulations), and amending Chapter 9.24 (Secondhand Smoking Regulations) of Title 9 (Public Peace, Morals and Welfare), of the Morro Bay Municipal Code, to regulate the sale of tobacco and vaping products and update and expand the City's Secondhand Smoking Regulations."

A-3 RESOLUTION AUTHORIZING STAFF TO SIGN A GRANT AGREEMENT WITH THE STATE COASTAL CONSERVANCY TO RECEIVE ONE HUNDRED AND FIFTY THOUSAND DOLLARS FOR USE IN PURCHASE OF DOG BEACH (APN: 073-075-016 AND PORTION OF APN 065-022-008); (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 34-20 authorizing the Community Development Director to accept grant funds from the

State Coastal Conservancy (SCC), for acquisition of Dog Beach and authorizing the Community Development Director to negotiate and sign all documents related to the grant agreement on behalf of the City of Morro Bay.

A-4 ADOPT RESOLUTION NO. 35-20 TO ESTABLISH ANNUAL CITY MANAGER EVALUATION PROCESS AND RESCIND RESOLUTION NO. 93-18; (CITY ATTORNEY)

RECOMMENDATION: Based on comments from the City Council during a City Manager's confidential evaluation on April 14, 2020, the City Attorney recommends the City Council consider adopting Resolution No. 35-20, establishing an annual Council evaluation process for the City Manager.

A-5 PROCLAMATION DECLARING APRIL 2020 AS FAIR HOUSING MONTH; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-6 PROCLAMATION DECLARING APRIL 2020 AS MONTH OF THE CHILD AND CHILD ABUSE PREVENTION MONTH; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

Mayor Heading opened public comment for the Consent Agenda.

Betty Winholtz, Morro Bay, raised questions regarding Item A-3.

Dan Sedley, Morro Bay, spoke regarding Item A-3.

The public comment period was closed.

Council Member Davis pulled Item A-3. Council Member McPherson noted a correction was needed on Item A-4.

MOTION: Council Member Addis moved approval of Items A-1, A-2, A-5 and A-6 on the Consent Agenda. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

A-3 RESOLUTION AUTHORIZING STAFF TO SIGN A GRANT AGREEMENT WITH THE STATE COASTAL CONSERVANCY TO RECEIVE ONE HUNDRED AND FIFTY THOUSAND DOLLARS FOR USE IN PURCHASE OF DOG BEACH (APN: 073-075-016 AND PORTION OF APN 065-022-008); (COMMUNITY DEVELOPMENT)
https://youtu.be/G8b_ROtg5_g?t=4268

Staff responded to questions raised during public comment,

MOTION: Council Member Addis moved to approve Item A-3. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

A-4 ADOPT RESOLUTION NO. 35-20 TO ESTABLISH ANNUAL CITY MANAGER EVALUATION PROCESS AND RESCIND RESOLUTION NO. 93-18; (CITY ATTORNEY)
https://youtu.be/G8b_ROtg5_g?t=4511

MOTION: Council Member McPherson moved to approve A-4 with the following correction: the evaluation form should have 3-point scale with 5 = Exceeds

Standard, 3 = Meets Standard and 1 = Needs Improvement. The motion was seconded by Council Member Addis and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS

- B-1 PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 36-20, WHICH RESCINDS RESOLUTION NO. 88-19 AND AMENDS AND ADOPTS THE COMPLETE FY 2020/21 MASTER FEE SCHEDULE; (FINANCE DIRECTOR)
https://youtu.be/G8b_ROtq5_g?t=4570

Finance Director Callaway provided the report and responded to Council inquires.

Mayor Headding opened the Public Hearing.

Dan Sedley, Morro Bay, opposed any fee increase stating his belief it was double taxation for residents paying property taxes.

Craig Kent spoke in opposition to the proposed liveaboard fees.

Betty Winholtz, Morro Bay, urged the Council to not raise appeal fees and disagreed with philosophy of full cost recovery for services.

Phil Hill, Morro Bay, opposed the increased liveaboard fees.

Mayor Headding opened Public Comment.

The Public Hearing was closed.

Following discussion, a majority of the Council supported the fees, as presented, and appreciation for the phased approach in light of the COVID-19 pandemic and impact on the local economy. Council Member Heller disagreed and urged the City to look at operations and cut expenses before imposing new fees.

MOTION: Mayor Headding moved to adopt Resolution No. 36-20, which updates the City's Master Fee Schedule for Fiscal Year (FY) 2020/21. This Resolution will also rescind Resolution No. 88-19 that adopted the current FY 2019/20 Master Fee Schedule and replaces it in its entirety for the new fiscal year. The motion was seconded by Council Member McPherson and carried 4-1 by roll call vote with Council Member Heller opposed.

C. BUSINESS ITEMS

- C-1 APPROVE THE MEMORANDUM OF UNDERSTANDING (MOU) WITH THE MORRO BAY OPEN SPACE ALLIANCE (MBOSA) RELATED TO CERRITO PEAK/EAGLE ROCK (EAGLE ROCK); (CITY MANAGER)
https://youtu.be/G8b_ROtq5_g?t=7596

City Manager Collins introduced the item and turned it over to City Attorney Neumeyer who provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, commented on the lower amount being accepted by the City and agreed funds received should go back to the Emergency Fund.

Dan Sedley, Morro Bay, opposed the item, expressing concern about maintenance costs and stating it was an inappropriate use of emergency reserve funds.

John Weiss, Morro Bay, agreed with previous speakers and congratulated MBOSA on their successful fundraising efforts.

Melanie Williams-Mahan, Morro Bay, suggested the City have the property appraised to ensure the property is sold at market rate.

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

MOTION: Mayor Headding moved to approve the MOU with the MBOSA through which MBOSA will reimburse the City the \$265,000 the City paid to purchase Eagle Rock to preserve it as open space and that the \$265k be placed into the GF Reserve Account. The motion was seconded by Council Member McPherson for discussion.

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

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

https://youtu.be/G8b_R0tq5_g?t=10088

Council Member Heller suggested the balance of issues covered during the April 28 special meeting be agendized as soon as possible in a format where public comment could be accepted for each item. There was consensus to bring back an update on financial issues as soon as possible.

Council Member Heller requested an agenda item covering the Department of Toxic Substances public comment period regarding PG&E's draft Statement of Basis document. Since no Council action was needed, there was support to either bring a report forward as a Consent item or publish information on the City website.

Council Member Addis asked if there was a need to agendize adult use cannabis ordinance. Staff confirmed that item will be brought to the Council in May.

E. ADJOURNMENT

The meeting adjourned at 8:30 p.m.

Recorded by:

Dana Swanson
City Clerk