

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
Eric Casares WRF Program 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

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/k-pipT6fB-s?t=354>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/k-pipT6fB-s?t=1010>

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

PRESENTATIONS - None

PUBLIC COMMENT

<https://youtu.be/k-pipT6fB-s?t=1315>

Betty Winholtz, Morro Bay, stated her appeal of an affordable housing project at 405 Atascadero Road, heard at the July 14, 2020 meeting, was based on information contained in the June 2020 Planning Commission staff report, rather than the complete project description presented in November 2019. She encouraged staff reports include details from previous meetings and restated her belief an elevator is needed to protect the health and safety of residents.

Dan Sedley, Morro Bay, requested an update on the paid parking study.

Mayor Heading closed public comment.

Staff responded to issues raised during public comment.

- A. CONSENT AGENDA
<https://youtu.be/k-pipT6fB-s?t=1831>

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 JUNE 23, 2020, CITY COUNCIL SPECIAL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FOR THE JULY 14, 2020, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 ADOPTION OF RESOLUTION NO. 74-20 UPDATING THE CITY'S CONFLICT OF INTEREST CODE; (CITY CLERK)

RECOMMENDATION: Staff recommends the City Council update the City's Conflict of Interest Code by adopting the proposed Resolution No. 74-20.

- A-4 ADOPTION OF RESOLUTION 75-20 RESCINDING RESOLUTION NO. 48-20 AND APPROVING REVISIONS TO THE CITY'S TEMPORARY USE PERMIT AND BLANKET ENCROACHMENT PERMIT PROGRAMS FOR OUTDOOR DINING/SALES TO INCLUDE OTHER OUTDOOR USES (E.G. OUTDOOR FITNESS AND PERSONAL CARE SERVICES); (COMMUNITY DEVELOPMENT DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 75-20 revising the City's recently adopted Blanket Encroachment Permit and Temporary Use Permit ("TUP") programs for outdoor dining/sales to include other outdoor uses.

- A-5 THIRD QUARTER INVESTMENT REPORT (PERIOD ENDING MARCH 31, 2020) FOR FISCAL YEAR 2019/20; (FINANCE DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council receive the attached Third Quarter Investment Report (period ending March 31, 2020) for Fiscal Year 2019/20.

- A-6 ADOPTION OF RESOLUTION NO. 76-20 APPROVING THE ASSIGNMENT AND ASSUMPTION AND CONDITIONALLY AUTHORIZING THE MAYOR TO EXECUTE DOCUMENTS NECESSARY FOR THE ASSIGNMENT AND ASSUMPTION AT LEASE SITE 91-92/91W-92W AND ACCEPTING DEEDS OF TRUST RELATED THERETO (ANDERSON INN, 897 EMBARCADERO); (HARBOR DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 76-20 allowing the Mayor to authorize the assignment and assumption, and authorizing

the Mayor to execute necessary documents, and accepting deeds of trust related thereto regarding the leasehold interest at Lease Site 91-92/91W-92W, with documents subject to approval of the City Attorney.

A-7 ADOPTION OF RESOLUTION NO. 77-20 APPROVING THE CITY'S AMENDED SALARY SCHEDULE FOR FY 2020/21; (FINANCE DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 77-20, rescinding Resolution No. 62-20 and approving the City's amended FY 2020/21 Salary Schedule.

Mayor Heading opened public comment for the Consent Agenda.

Betty Winholtz, Morro Bay, questioned cash flow for construction of the WRF project (Item A-5) and suggested step increases for staff not be allowed until the City is out of debt (Item A-7).

Dan Sedley, Morro Bay, spoke regarding Item A-7, questioning salary concessions agreed to by the bargaining groups and suggesting they be made permanent.

Rodger Anderson, Morro Bay, stated he was available to answer questions regarding Item A-6, as needed.

The public comment period was closed.

Mayor Heading pulled Items A-5 and A-7.

MOTION: Council Member Addis moved approval of all items on Consent except Items A-5 and A-7. The motion was seconded by Council Member Davis and carried 4-0-1 by roll call vote with Council Member McPherson absent due to technical difficulties.

A-5 THIRD QUARTER INVESTMENT REPORT (PERIOD ENDING MARCH 31, 2020) FOR FISCAL YEAR 2019/20; (FINANCE DEPARTMENT)
<https://youtu.be/k-pipT6fB-s?t=2337>

Mayor Heading responded to questions raised during public comment.

MOTION: Mayor Heading moved approval of Item A-5. The motion was seconded by Council Member Davis and carried 4-0-1 with Council Member McPherson absent due to technical difficulties.

A-7 ADOPTION OF RESOLUTION NO. 77-20 APPROVING THE CITY'S AMENDED SALARY SCHEDULE FOR FY 2020/21; (FINANCE DEPARTMENT)
<https://youtu.be/k-pipT6fB-s?t=2575>

City Manager Collins responded to questions raised during public comment.

MOTION: Mayor Heading moved approval of Item A-7. The motion was seconded by Council Member Davis and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

- C-1 REVIEW WRF QUARTERLY UPDATE REPORT AND DISCUSS THE CITIZEN'S FINANCE ADVISORY COMMITTEE (CFAC) ROLE IN WATER RECLAMATION FACILITY (WRF) REVIEW WITH ADDITIONAL RESPONSIBILITIES AS DIRECTED BY COUNCIL ON JANUARY 28, 2020; (PUBLIC WORKS DEPARTMENT)
<https://youtu.be/k-pipT6fB-s?t=2925>

WRF Program Manager Casares provided the report and, along with Finance Director Callaway, responded to Council inquires.

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

John Weiss, Morro Bay, raised several questions regarding the project and negotiations with Cayucos for closure of the existing wastewater treatment plant.

Dan Sedley, Morro Bay, sought information on the process to determine responsibility for costs associated with the soil slip and suggested the contract be structured so the City is not responsible for things outside its control.

Betty Winholtz, Morro Bay, thanked the Citizens' Finance Advisory Committee for its review and restated questions submitted as agenda correspondence.

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

Staff responded to questions raised during public comment.

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

- C-2 APPROVAL OF CONTRACT WITH DIGITAL WEST TO PROVIDE BROADBAND/INTERNET SERVICES TO THE CITY FOR REGULAR OPERATIONS AND CONTINUITY OF OPERATIONS NEEDS DURING EMERGENCIES AND POWER SHUTDOWNS; (CITY MANAGER/FIRE DEPARTMENT)
<https://youtu.be/k-pipT6fB-s?t=10757>

City Manager Collins and Fire Chief Knuckles provided the report and responded to Council inquires.

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

MOTION: Council Member McPherson moved to execute a contractor agreement with Digital West to provide broadband/internet services to support regular City operations as well as continuity of operations during prolonged power shutdowns and other emergencies, subject to approval as to form by the City Attorney. The motion was seconded by Council Member Addis

Council Member Heller stated his belief it was premature to invest in infrastructure for facilities that may not be used in the future.

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/k-pipT6fB-s?t=10757>

Mayor Headding suggested the Council agendaize a resolution at the next meeting to increase fines for overnight RV parking in prohibited areas. There was full support for this item.

Council Member McPherson proposed the Council consider adoption of an urgency ordinance to freeze issuance of short-term permits until new ordinance goes into effect. There was full support this item be brought back at the next meeting.

Council Member Heller suggested the City take a stronger stance and adopt an ordinance requiring face masks. Following brief comments by Council and staff, Council Member Heller withdrew the request.

Council Member Heller requested discussion of City operations and physical requirements (office space) going forward. The Council agreed in concept to a future discussion, possibly tied to consideration of the sale of City-owned property.

E. ADJOURNMENT

The meeting adjourned at 9:13 p.m.

Recorded by:

Dana Swanson
City Clerk