

*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                 |
|          | Laurel Barton  | Council Member                 |
|          | Robert Davis   | Council Member                 |
|          | Jeff Heller    | Council Member                 |
| ABSENT:  | None           |                                |
| STAFF:   | Scott Collins  | City Manager                   |
|          | Chris Neumeyer | City Attorney                  |
|          | Dana Swanson   | City Clerk                     |
|          | Katie Lichtig  | Interim Finance Director       |
|          | Joe Mueller    | Acting Public Works Director   |
|          | Scot Graham    | Community Development Director |
|          | Steve Knuckles | Fire Chief                     |
|          | Jody Cox       | Police Chief                   |
|          | Eric Endersby  | Harbor Director                |

#### 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 no reportable action was taken by the City Council in accordance with the Brown Act.

#### MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/-hi4jVz7Z30?t=275>

#### CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/-hi4jVz7Z30?t=1656>

PRESENTATIONS - None

#### PUBLIC COMMENT

<https://youtu.be/-hi4jVz7Z30?t=1831>

Michael Martz, owner of property wrapping around Casa de Flores and 5-acre Seashell Estates parcel, submitted a letter requesting the City to include those two properties in the new General Plan document to be re-zoned to RM/PD, adding the current zoning is not favorable to development of mixed housing.

Kris Roudeboush, We Are the Care initiative, provided an update on challenges faced by childcare professionals as a result of COVID-19 and announced a virtual event to be held January 21<sup>st</sup> from 6:00 – 7:00 p.m.

Erica Crawford, Morro Bay Chamber of Commerce, recommended businesses take immediate steps to apply for federal and state financial relief.

Mayor Heading closed public comment.

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

A. CONSENT AGENDA  
<https://youtu.be/-hi4jVz7Z30?t=2423>

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 DECEMBER 4, 2020, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 APPROVAL OF MINUTES FOR THE DECEMBER 08, 2020, CITY COUNCIL SPECIAL SESSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-3 APPROVAL OF MINUTES FOR THE DECEMBER 16, 2020, CITY COUNCIL SPECIAL SESSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-4 APPROVAL OF MINUTES FOR THE DECEMBER 17, 2020, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-5 FISCAL YEAR (FY) 2019-20 STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES; (FINANCE DEPARTMENT/COMMUNITY DEVELOPMENT DEPARTMENT/PUBLIC WORKS DEPARTMENT)

**RECOMMENDATION: Staff recommends the Council Accept Fiscal Year (FY) 2019-20 status report on receipt and use of Development Impact Fees.**

A-6 ADOPTION OF RESOLUTION NO. 01-21 APPROVING AMENDMENT #1 TO THE MASTER LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND TLC FAMILY ENTERPRISES FOR LEASE SITE 87-88/87W-88W, LOCATED AT 833 EMBARCADERO; (HARBOR DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 01-21, approving Amendment #1 to the Master Lease Agreement for Lease Site 87-88/87W-88W, as proposed.**

A-7 ADOPTION OF RESOLUTION NO. 02-21 AUTHORIZING A ONE-YEAR EXEMPTION FROM QUALIFYING AS A COMMERCIAL FISHING VESSEL FOR EXISTING COMMERCIAL SLIP HOLDERS FOR THE 2021 CALENDAR YEAR; (HARBOR DEPARTMENT DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 02-21, authorizing a one-year exemption from qualifying as a commercial fishing vessel for existing City of Morro Bay commercial slip holders, as proposed.**

A-8 APPOINTMENT OF MAYOR PRO TEMPORE; APPOINTMENT OF REPRESENTATIVES ON DISCRETIONARY BOARDS, COUNCIL LIAISON ASSIGNMENTS AND COUNCIL SUB-COMMITTEES; REMOVE COMPLETED/DISBANDED SUB-COMMITTEE AND DISCRETIONARY APPOINTMENTS; (MAYOR)

**RECOMMENDATION: Appoint Council Member Jeff Heller as Mayor Pro Tempore; appoint representatives to serve on the various County or Regional Discretionary Boards, Council Liaison Assignments and Sub-Committees for calendar year 2021 as shown on the attached appointment list; and remove discretionary assignments and sub-committees that are no longer needed.**

A-9 ADOPTION OF RESOLUTION NO. 03-21 APPROVING THE CITY'S AMENDED SALARY SCHEDULE FOR FY 2020/21 ENDING 5% SALARY CONCESSIONS AND REINSTATING SALARIES FOR MEMBERS OF THE MORRO BAY FIREFIGHTERS ASSOCIATION EFFECTIVE JANUARY 1, 2021; (FINANCE DEPARTMENT/CITY CLERK/HUMAN RESOURCE DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 03-21, approving the City's amended FY 2020/21 Salary Schedule effective January 1, 2021.**

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

Council Member Heller pulled Item A-5.

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

A-5 FISCAL YEAR (FY) 2019-20 STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES; (FINANCE DEPARTMENT/COMMUNITY DEVELOPMENT DEPARTMENT/PUBLIC WORKS DEPARTMENT)  
<https://youtu.be/-hi4jVz7Z30?t=2537>

Staff responded to Council inquiries regarding allowed use of development impact fees.

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

B. PUBLIC HEARINGS

- B-1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 642, RESTATING AND AMENDING MORRO BAY MUNICIPAL CODE CHAPTER 13.12 TO UPDATE AND EXPAND THE CITY'S SEWER USE ORDINANCE; (PUBLIC WORKS DEPARTMENT)  
<https://youtu.be/-hi4jVz7Z30?t=2833>

City Engineer Livick, WRF Program Manager Casares and Permitting Deputy Holmes from Carollo provided the report and responded to Council inquires.

Mayor Headding opened the Public Hearing

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

The Public Hearing was closed.

MOTION: Council Member Heller moved to introduce for first reading by number and title only, with further reading waived, Ordinance No. 642, Restating and Amending Chapter 13.12 of the Morro Bay Municipal Code to Update and Expand the City's Sewer Regulations. The motion was seconded by Council Member Addis and carried 5-0 by roll call vote.

C. BUSINESS ITEMS

- C-1 CITY COUNCIL GOALS AND OBJECTIVES UPDATE AND PROPOSED DELAY TO THE 2021 – 2022 GOAL SETTING PROCESS; (CITY MANAGER)  
<https://youtu.be/-hi4jVz7Z30?t=3902>

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

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

There was Council consensus to add an interim goal and resources needed to support public health as it relates to COVID-19 and economic recovery as we move forward from the pandemic.

MOTION: Mayor Headding moved the Council begin the process of obtaining input through Polco on potential future community goals; add a major initiative that focuses on public health response locally to the pandemic and resource allocation necessary for that; continue with existing goals; regarding preparedness for COVID-19, that needs to come back within 30 days; and have staff come back and report on a community engagement process they think appropriate during the pandemic. The motion was seconded by Council Member Addis for discussion.

Council Member Addis requested the motion to be amended to consider adding economic recovery as well as touching in May to see if we are ready for a more robust goals process.

Following discussion, the Mayor withdrew the motion and Council Member Addis withdrew the second.

MOTION: Mayor Headding moved the Council delay the major goal setting review process as recommend by staff, ask staff to come back in 30 days with a focused goal to protect public health and address the economic recovery related to the COVID-19 issue, engage the community in obtaining

feedback on that particular issue and postpone major goal setting until a later date. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

- C-2 CONSIDERATION OF PROPOSAL AND APPROVAL OF CONTRACT WITH COGSTONE RESOURCE MANAGEMENT, INC. (COGSTONE) FOR ARCHEOLOGICAL AND PALEONTOLOGICAL MONITORING SERVICES FOR THE WATER RECLAMATION FACILITY (WRF) LIFT STATIONS AND OFFSITE PIPELINES CONSTRUCTION; (PUBLIC WORKS DEPARTMENT)

<https://youtu.be/-hi4jVz7Z30?t=6450>

Water Reclamation Facility Program Manager Casares provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, asked about potential for conflict with two monitoring groups involved in the project and timing for reconciliation of Site 16 as it relates to the overall plan.

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

MOTION: Council Member Heller moved to award a contract to Cogstone for Archeological and Paleontological Monitoring Services for the WRF Lift Stations and Offsite Pipelines Construction; and recommend the City Council authorize the City Manager to execute an agreement in the not to exceed amount of \$264,918. The motion was seconded by Council Member Barton and carried 5-0 by roll call vote.

- C-3 CONSIDERATION OF PROPOSAL AND APPROVAL OF CONTRACT WITH KEVIN MERK ASSOCIATES, LLC (KMA) FOR BIOLOGICAL MONITORING SERVICES FOR THE WATER RECLAMATION FACILITY (WRF) LIFT STATIONS AND OFFSITE PIPELINES CONSTRUCTION; (PUBLIC WORKS DEPARTMENT)

<https://youtu.be/-hi4jVz7Z30?t=7613>

City Engineer Livick provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, asked if fill would be put in the willow camp creek area and questioned the need for an Army Corp of Engineers permit.

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

Staff responded to questions raised during public comment.

MOTION: Mayor Heading moved to authorize the City Manager to execute an agreement not to exceed in the amount of \$71,310 for the approval of the contract with Kevin Merk and Associates for biological monitoring services for the WRF lift stations and off-site pipelines construction. The motion was seconded by Council Member Davis and carried 5-0 by roll call.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/-hi4jVz7Z30?t=8171>

Council Member Addis received full Council support to schedule a special meeting to discuss sending a letter supporting the impeachment of President Trump.

Council Member Addis received Council support to create a sub-committee to review advisory board recruitment process in hopes of receiving more applicants and discouraging them from dropping out.

E. ADJOURNMENT

The meeting adjourned at 7:53 p.m.

Recorded by:

Dana Swanson  
City Clerk