



CITY OF MORRO BAY PUBLIC WORKS ADVISORY BOARD AGENDA

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

REGULAR MEETING Wednesday, June 16, 2021 – 5:30 PM Held Via Teleconference

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
BOARD MEMBERS ANNOUNCEMENTS AND PRESENTATIONS

PUBLIC COMMENT

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this Meeting will be conducted telephonically through Zoom and broadcast live on Cable Channel 20 and streamed on the City website (click [here](#) to view). Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Veterans' Hall will not be open for the meeting.

Public Participation:

In order to prevent and mitigate the effects of the COVID-19 pandemic, and limit potential spread within the City of Morro Bay, in accordance with Executive Order N-29-20, the City will not make available a physical location from which members of the public may observe the meeting and offer public comment. Remote public participation is allowed in the following ways:

- *Community members are encouraged to submit agenda correspondence in advance of the meeting via email to the Public Works' office at PWAB@morrobayca.gov prior to the meeting and will be published on the City website with a final update one hour prior to the meeting start time. Agenda correspondence received less than an hour before the meeting start time may not be posted until after the meeting.*
- *Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).*
- *Alternatively, members of the public may watch the meeting and speak on a specific agenda item by logging in to the Zoom webinar at the **beginning** of the meeting using the information provided below. Please use the **"raise hand"** feature to indicate your desire to provide public comment. Each speaker will be allowed three minutes to provide input.*

Please click the link below to join the webinar:

- <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcuTHlRTk9xaTlmWVNWRWFUQT09> Password: 135692
- Or Telephone Attendee: 1 (408) 638-0968 or 1 (669) 900 6833 or 1 (346) 248 7799; Webinar ID: 827 2274 7698; Password: 135692; Press * 9 to "Raise Hand" for Public Comment

A. CONSENT AGENDA

A-1 APPROVAL OF MINUTES FOR THE MAY 19, 2021 PUBLIC WORKS ADVISORY BOARD REGULAR MEETING

Recommendation: Approve as submitted.

B. BUSINESS ITEMS

B-1 DIRECTOR'S REPORT - SUMMARY OF CURRENT PUBLIC WORKS ACTIVITIES

Recommendation: Information item, no action needed.

B-2 CITY COUNCIL GOALS AND OBJECTIVES UPDATE, AND RECEIPT OF PUBLIC WORKS ADVISORY BOARD INPUT INTO THE UPCOMING 2021/2022 GOAL SETTING PROCESS

Recommendation: Staff recommends the PWAB review the staff progress on the City goals and provide input regarding goals and action items to share with City Council ahead of their review of the City Goals for 2021/2022.

C. FUTURE AGENDA ITEMS

a. August 2021

- i. WRF Project Update (Informational Item)
- ii. Transit Hub Improvements (Informational Item)

b. September 2021

- i. Impacts of Senate Bill 1383 on Waste Management (Informational Item)

c. October 2021

- i. Joint Meeting with Recreation and Parks Commission: City Parks Tour

D. ADJOURNMENT

The next Regular meeting will be held on Wednesday, August 18, 2021 at 5:30 p.m. via teleconference.

This agenda is subject to amendment up to 24 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Public Works Department, 955 Shasta Avenue, for any revisions or call the department at 772-6263 for further information.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Public Works Department at (805) 772-6263 at least 24 hours prior to the meeting to ensure reasonable arrangements can be made to provide accessibility to this meeting.

The Public Works Advisory Board 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: | Doug Rogers | Vice Chair |
| | Laurie Beale | Board Member |
| | John Erwin | Board Member |
| | Steven Francis | Board Member |
| | Ian Gaffney | Board Member |
| | Ted Schade | Board Member |
| ABSENT: | Torrey Byles | Chair |
| STAFF: | Scott Collins | City Manager/Acting Public Works Director |
| | Greg Kwolek | Public Works Director |
| | Joe Mueller | Utilities Division Manager |
| | Rob Livick | City Engineer |
| | Janeen Burlingame | Management Analyst |
| | Damaris Hanson | Environmental Programs Manager |
| | Matt Bishop | Consolidated Maintenance Lead Supervisor |

ESTABLISH QUORUM, CALL TO ORDER

The meeting was called to order at 5:30 P.M. with all Board members except Torrey Byles in attendance.

BOARDMEMBERS ANNOUNCEMENTS

Vice Chair Doug Rogers welcomed the new members to the Board. New members Ted Schade, Steven Francis, and Laurie Beale introduced themselves.

PUBLIC COMMENT

<https://youtu.be/JToo4qioN0U?t=404>

The public comment period was opened.

Council member Robert “Red” Davis welcomed the new members to the Board and welcomed the new Public Works Director, Greg Kwolek. He reminded the Board what they do is important to City Council, noting Board recommendations sent for consideration are taken seriously, and we appreciate your public service.

The public comment period was closed.

CONSENT AGENDA

<https://youtu.be/JToo4qioN0U?t=521>

A-1 APPROVAL OF MINUTES FOR THE MAY 19, 2021 PUBLIC WORKS ADVISORY BOARD REGULAR MEETING

MOTION: John Erwin moved to approve A-1. The motion was seconded by Ian Gaffney and carried 6-0 unanimously.

BUSINESS ITEMS

B-1 DIRECTOR’S REPORT
<https://youtu.be/JToo4qioN0U?t=588>

Greg Kwolek introduced himself, describing the plan for his first 100 days.

Matt Bishop, Janeen Burlingame, Damaris Hanson, Joe Mueller, and Rob Livick presented the Director's Report.

Discussion, comments, and questions amongst Board members and staff.

B-2 ANNUAL WATER REPORT AND RECOMMENDATION FOR ALLOCATION OF WATER EQUIVALENCY UNITS (WEU) FOR FY2021/2022
<https://youtu.be/JToo4qioN0U?t=2193>

Damaris Hanson presented the staff report.

Discussion, comments, and questions amongst Board members and staff.

The public comment period was opened, and seeing none, the public comment period was closed.

MOTION: Ted Schade moved forwarding staff's recommendations to the City Council: 1) Allocate 50 Water Equivalency Units (WEUs) for residential development and 65 for commercial development for a total of 115 WEUs for FY2021/22, and 2) Implement Mandatory Water Conservation Requirements for Severely Restricted Water Supply Conditions if the Governor of California declares a state of emergency due to drought.

The motion was seconded by Laurie Beale and carried 6-0 unanimously.

B-3 REVIEW PROPOSED FISCAL YEAR 2021/2022 CAPITAL BUDGET
<https://youtu.be/JToo4qioN0U?t=3523>

Rob Livick presented the staff report.

Discussion, comments, and questions amongst Board members and staff.

BOARDMEMBERS CONCERNS AND INTEREST
<https://youtu.be/JToo4qioN0U?t=5194>

Ian Gaffney asked if it was typical that the Police budget is about 25% of the whole City budget and if the Conveyance System contractor who broke the City sewer pipes would pay for that or if the City does.

Ted Schade complemented staff on providing a comprehensive and well-organized Board packet.

Greg Kwolek noted he would be reaching out to the new Board members to set up orientation meetings with Public Works staff.

Laurie Beale concurred with Ted Schade's comments, noting the materials were very helpful. She inquired if effects from climate change are factored in on future planning projects that could potentially affect water, other resources, and flood issues.

Steven Francis noted he learned the most going through the budget package as it lists projects on the current and medium range plan with enough information to figure out what is happening and where. He inquired if it was too late to provide input on the Highway 1/41 intersection issue and proposed change.

FUTURE AGENDA ITEMS

<https://youtu.be/JToo4qioN0U?t=5945>

Ted Schade asked about the process for getting something on the agenda.

Scott Collins discussed the City Council goal setting process, stating this item would be coming to the Board at its next meeting. He noted other items outside the scope established by Council, may need to go to Council as there are impacts on staff time.

Ian Gaffney stated water should be at the top of the list, better ways to conserve and save water, adding it would be smart if we always act like we are in a drought whether the Governor has said we are or not.

Laurie Beale expressed interest in hearing more about stormwater and its impacts.

Doug Rogers expressed interest in discussing more on what Board's purpose is and what we can do to help.

ADJOURNMENT

The meeting adjourned at 7:18 P.M.

Recorded by:

Janeen Burlingame
Management Analyst



AGENDA NO: B-1

MEETING DATE: June 16, 2021

MEMORANDUM

TO: Public Works Advisory Board
CC: City Manager
DATE: June 10, 2021
FROM: Gregory Kwolek – Public Works Director

SUBJECT: Director's Report / Information Items

Please contact the individual staff members prior to the meeting for more detailed information.

Notify Me: Sign up for Notify Me on the City's Website www.morrobayca.gov/notifyme to be notified by email when Council, Board's and Commission's agendas and minutes are posted on the website.

Service Requests: Citizens can report a concern to the City for predetermined issues without the need to phone the City during business hours (for example: reporting a pothole) by using a feature on the City's website, Service Requests www.morrobayca.gov/905/Service-Requests, or the mobile App (available on both Android and IOS operating systems).

Staff can also add Service Requests for someone over the phone or in the office if they do not have access to a computer. Each category in Service Requests is assigned to the appropriate staff member to handle so citizens don't have to figure out what department to contact for an issue they need to report on.



Reopening of City Offices to the Public

Staff Contact: Gregory Kwolek

The City closed several facilities to the public on March 19, 2020 to minimize the spread of person-to-person transmission of the coronavirus.

Given Governor Newsom's announcement to lift the mask mandate in public effective Tuesday, June 15th, City facilities will reopen their doors to the public on Monday, June 21st.

Residents and people doing business in the City will be able to enter and visit the following City facilities:

- City Hall
- Shasta Building (Public Works and Community Development)
- Community Center
- Harbor Department Building

The Public Works Department will have counter hours from 8:00 a.m. to 12:00 p.m. Monday thru Thursday. Guests will be required to stay behind the counter area and will be asked to wear a mask.



CONSOLIDATED MAINTENANCE

Staff Contact: Matt Bishop

Rock Parking Lot

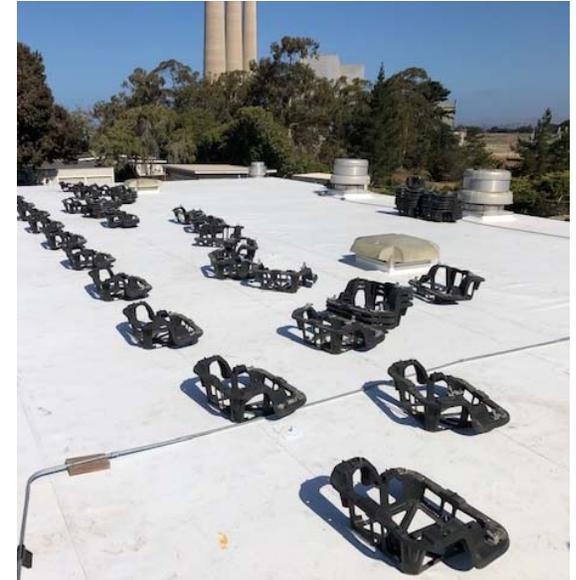
Nautical concrete pilings were strategically placed at the Rock parking lot to organize public parking. This configuration also reduces congestion and facilitates emergency access. Coordinated City efforts involved EOC staff, Harbor Department, and Maintenance Division. Special thanks to Associated Pacific for supplying the pilings and Garcia Construction for the heavy lifting.

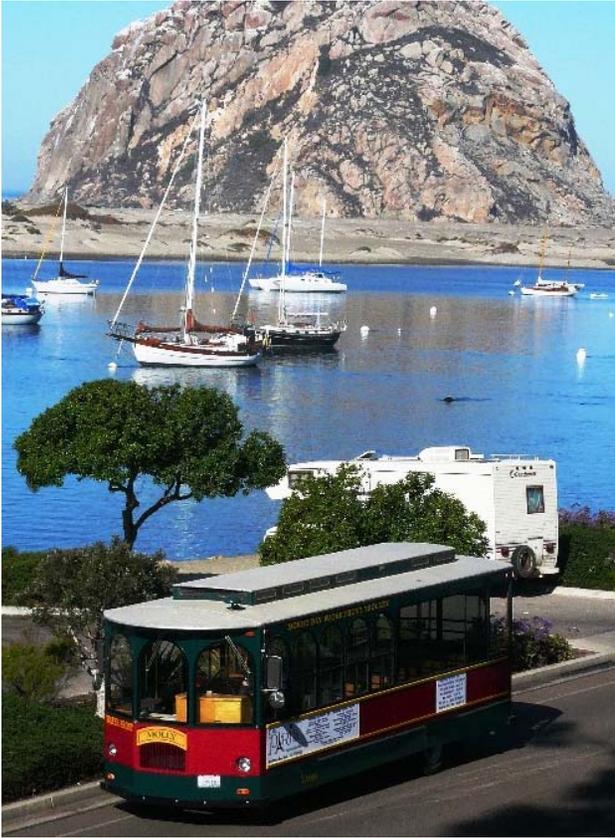
CONSOLIDATED MAINTENANCE

Staff Contact: Matt Bishop

Veterans Hall Memorial Building Re-roof and Re-install Solar System

- Old comp roofing material with the 96 solar panels that City Maintenance staff removed prior to re-roofing. (Left)
- New membrane roof material and gutters installed by local roofing contractor, Contractor also replaced several areas of damaged wood sheeting, beams, and fascia. (Right)
- Maintenance staff primed and painted all new exposed wood after re-roof installation and currently working on re-installing entire solar system.





Mask Up



COMPLETELY COVER NOSE AND MOUTH WITH MASK

ENSURE MASK FITS SNUGLY AGAINST FACE

FEDERAL LAW REQUIRES THE WEARING OF FACE MASKS ON PLANES, BUSES, TRAINS AND OTHER FORMS OF PUBLIC TRANSPORTATION.

U.S. Department of Transportation

www.transportation.gov/MaskUp




TRANSIT AND TROLLEY

Staff Contact:
Janeen Burlingame

- On July 1, 2021, Morro Bay Transit will resume collecting fares that were suspended in March 2020 when the State's Shelter at Home Executive Order took effect last year. The free service provided lifeline transport services for those in need that may have been economically impacted by the COVID-19 pandemic.
- Staff has initiated work on the purchase of a replacement Trolley that is fully funded with a Rural Transit Grant and local Transit funds.
- Staff has initiated work on the purchase of Transit and Trolley route display cases and stop signage needing replacing as they are faded/paint chipped. The project is fully funded with a local Transit funds.

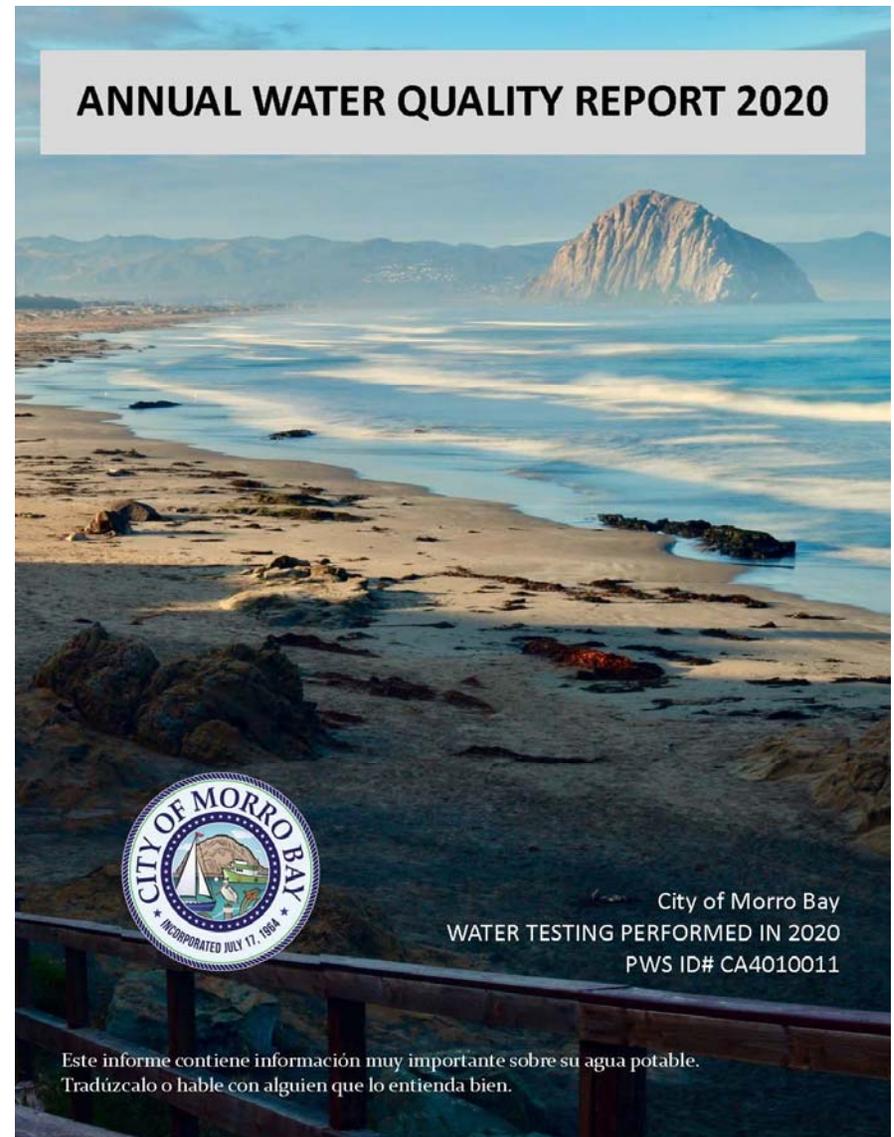
WATER

Staff Contact: Damaris Hanson

Annual Water Quality Report, or the Consumer Confidence report (CCR) is an annual report to inform Morro Bay water customers about their drinking water quality.

The report contains information about where your drinking water comes from, the regulated contaminants founds in the water, and educational information about specific contaminants that may be a concern.

The report is required to be available to all water customers by July 1st. A notice was included in this month's water bill informing customers that the report will be available on the city website or in hard copy by request.



WATER – OPERATIONS

Staff Contacts: Joe Mueller,
Damaris Hanson

Submitted reports to the State,
electronically: No Violations

- May 2021 Monthly Monitoring Report
- May 2021 Monthly Water Rights Extraction Report
- May 2021 Monthly Water Conservation Report



Installation of Valve at South Quintana with Anvil Construction.



Main water line bypass



Positioning tank and pipe lay out pipe for RO CIP system.

WASTEWATER – COLLECTIONS

Staff Contacts: Joe Mueller, Robbie Victor

Operations and Maintenance May 2021

- Hydro cleaned approximately 28,510 feet of City main line.
- Video inspected 1,767 feet of City main line.
- On-call staff received four afterhours callouts:
 - Call to 2610 Coral Street, Lift Station 1 for power outage.
 - Call to 1196 Front Street, Lift Station 2 for power outage.
 - Call to 1495 Quintana Road, Lift Station 3 for common alarm.
 - Call to 901 Morro Bay Blvd. for sewer odor complaint inside trailer.
- Performed 5 restaurant source control inspections for Fats, Oils and Grease (FOG)
- Staff Initiated and / or Received 1 Service Request; 2490 Main Street for odor complaint.
- Inspected (1) Lateral replacement at 949 Pacific Street.
- Assisted with locating waterlines at Morro Bay Blvd and Quintana for the conveyance system project.
- Performed Lift Station #2 maintenance pulling all 3 pumps de-ragged impeller and adjusted tolerance on volute.



Lift Station #2 Maintenance

WASTEWATER – TREATMENT

Utilities Staff attended the following training:

- Workplace Harassment and Prevention.
- **Submitted reports to the State, [electronically](#):**
 - April 2021 California Integrated Water Quality System (CIWQS) Monthly Discharge-Monitoring Report (eDMR).
 - April 2021 (CIWQS) Monthly Self-Monitoring Report (eSMR).
 - Quarterly PFAS monitoring study to the State Waterboards GeoTracker portal.



Clean and inspection of Primary Clarifier #1



Boiler #2 motor and fan replacement

WASTEWATER – TREATMENT

Continued



Sodium hypochlorite tank removal and temporary feed tote



Sludge circulation pump oil-seal repair



Sludge drying beds



Rag removal and replacement of Victualic gaskets on primary sludge pump

ENGINEERING/CAPITAL PROJECTS 1/2

Staff Contact: Rob Livick

The following Capital Projects are in various stages of development:

STREETS PROGRAM SUMMARY	
	2021/22 Budget Including Carryforward
<i>Street Reconstruction & Resurfacing</i>	
915-9614 Annual Pavement Management Plan	\$ 1,150,000
915-8229 Highway 1 & 41 Interchange	766,617
<i>Street Maintenance, Repair & Safety</i>	
915-8423 Directional Signage & Wayfinding	150,000
<i>Storm Drains</i>	
915-9949 Emergency Storm Drain Repair - Juniper & Elena	242,000
915-9933 Pipeline Along Kern & Anchor Streets SD-01A	72,600
915-9934 Pipeline Along Kern & Anchor Streets SD-01B	412,300
STREETS	\$ 2,793,517

PUBLIC FACILITIES PROGRAM	
	2021/22 Budget Including Carryforward
<i>Infrastructure</i>	
915-9508 Veteran's Hall 209 Surf -Reno-Major Maint. & Audio Visual	\$ 148,200
915-9942 New Electric Vehicle Charging Station	57,809
915-New Coleman Park Restroom Renovation	318,000
PUBLIC FACILITIES	\$ 524,009
GENERAL GOV'T & OTHER	\$ 3,346,595

PARKS AND CREEK PROGRAM SUMMARY	
	2021/22 Budget Including Carryforward
<i>Park Improvements</i>	
915-8029 Bocce Ball Court (Dunes & Shasta)	29,069
PARKS/CREEKS	\$ 29,069

ENGINEERING/CAPITAL PROJECTS 2/2

Staff Contact: Rob Livick

The following Capital Projects are in various stages of development:

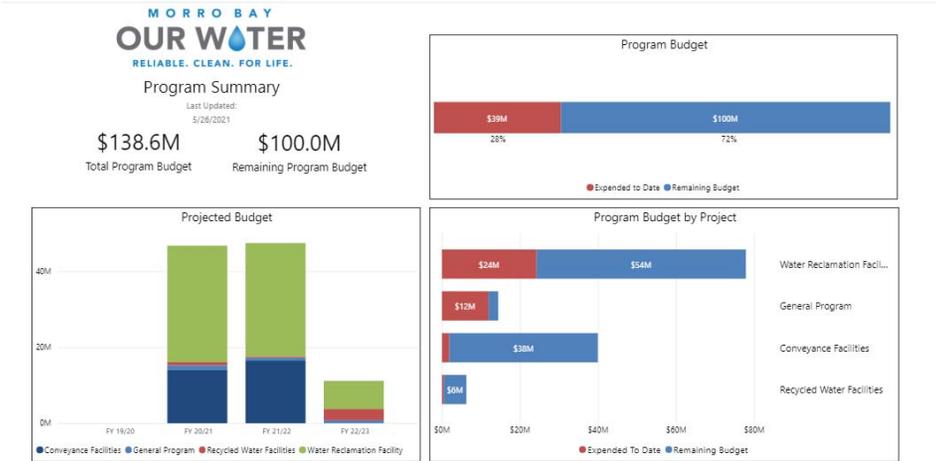
Water Capital Projects	
	2021/22 Budget Including Carryforward
<i>Infrastructure</i>	
921-9932 OneWater System Imprv - Nutmeg Pressure Zone	\$ 235,797
921-9944 Water Tank Rehabilitation (6)	2,691,152
921-9927 Reskin Desal Building	200,000
921-9946 Replace RO Membrane Filters	75,401
921-9945 RO Piping Tank Modifications	300,000
Total Facilities Projects	\$ 3,502,350
WATER	\$ 3,502,350

Transit Capital Projects	
	2021/22 Budget Including Carryforward
<i>Infrastructure</i>	
920-9931 MBT - Route Signage & Information Display Cases (Completed)	
920-9947 City Park Transit Hub Improvements	473,006
<i>Equipment</i>	
920-9922 Replace One MBT Trolley (2009)	215,000
920-New Automated Fare Collection System	74,000
<i>Other</i>	
920-New ZEB Implementation Plan	\$ 40,000
Total Facilities Projects	\$ 802,006
TRANSIT	\$ 802,006

Sewer Capital Projects	
	2021/22 Budget Including Carryforward
<i>Infrastructure</i>	
922-8312 Waste Water Treatment Plant Relocation & Treatment Alternatives (WRF)	\$ 88,537,928
922-9928 OneWater Project -WasteWater Collections Main St & Atascadero Road	105,039
922-9929 OneWater Project - Waste Water Collections Upstream LS1/Beachcomber	42,126
922-9948 Upgrade Lift Station #2	70,000
Total Facilities Projects	\$ 88,755,093
SEWER	\$ 88,755,093

WASTEWATER – NEW WRF

Staff Contact: Rob Livick



- Conveyance system construction has commenced
- Work continues in accordance with City Council direction.
- Additional Information at <http://morrobaywrf.com/>
 - [Factsheet](#)
 - [Dashboard](#)



AGENDA NO: B-2

MEETING DATE: June 16, 2021

Staff Report

TO: Public Works Advisory Board

DATE: June 11, 2021

FROM: Scott Collins, City Manager

SUBJECT: City Council Goals and Objectives Update, and Receipt of Public Works Advisory Board Input into the Upcoming 2021/2022 Goals- and Objectives-Setting Process

RECOMMENDATION

Staff recommends the Public Works Advisory Board (PWAB) receive the staff update on the City Goals progress and provide input regarding goals and action items to share with City Council ahead of their review of the City Goals for 2021/2022.

ALTERNATIVES

None.

FISCAL IMPACT

There will be no immediate fiscal impact related to the recommendation.

BACKGROUND

City of Morro Bay Strategic Framework Policy and Community Outreach

In 2018, City Council revised the Strategic Framework Policy, which sets out the process for how the City adopts its strategic goals and objectives. According to the Policy, every two years, following a general election, City Council is to review (and amend if appropriate) its high-level City goals. The goals are intended to set the direction for the City for the next several years.

In order to ensure City goals relate back to the community's needs and desires, the Policy further dictates the City conduct outreach to the public to seek input in a variety of methods. Those methods include online survey(s), emails to City Council, community forums and City advisory boards/commissions. In previous years, the City has used an online engagement tool (Polco) whereby members of the community can complete simple surveys about how they feel the City is doing and what it should focus on in the upcoming years. In addition, the City hosted community forums to collect public input.

Following the Community Forum, City Council typically works with staff to create a focused set of goals for the next two years and select action items for the City to pursue during that period and inform budget decisions.

Prepared By: SC

Dept Review: _____

City Manager Review: SC

City Attorney Review: _____

Progress on Current City Council Goals and Objectives

Current City Council Goals

The City goals and related action items for calendar years 2019 and 2020 were formally adopted by City Council in May 2019. The City adopted four major goals that reflect the concerns and desires of the community. In early 2021, Council also added a temporary goal related to the COVID-19 pandemic. The goals are as follows:

- 1) Achieve Economic and Fiscal Sustainability
- 2) Improve Infrastructure and Public Spaces
- 3) Complete Updates to the City's Significant Land Use Plans and Address Affordable Housing Issues
- 4) Improve Communication and Engagement with the Community
- 5) Temporary goal for the COVID-19 pandemic public health response and response to the economic impact of the pandemic.

Each of the goals have several corresponding action items which, if implemented, would help bring the Council goals into reality. In establishing the 2019 and 2020 Goals, City Council was particularly interested in establishing an achievable work plan and stated the Council Members' desire to receive regular updates as to the status of the action items. The spreadsheet provided as Attachment 1 serves as a template to review progress toward each of the action items. For each action item, there are columns for proposed return dates to Council for further consideration/action and status updates. Council approved a total of 26 action items for 2019 and 2020. City Council Members also expressed support for a commitment to not adding new goals/action items after the goals have been adopted, without first removing or delaying an already approved goal/action item (policy adopted through recent revisions to the City Council policy handbook).

Progress on Current Goals and Action Items

City progress on completing action items has slowed as a result of the organization shifting focus to addressing the public health and economic impacts related to the COVID-19 pandemic. The City continues to monitor and respond to the pandemic and has taken comprehensive actions to assist community members and local businesses, while sustaining the process of stabilizing the City's financial recovery. Despite that, City staff has made progress on action items, and remains committed to doing so. The attached spreadsheet demonstrates completed action items (highlighted in green), items with significant progress completed (yellow highlighted items), and other items that require more work and will be addressed in 2020 or beyond (no highlight).

The following 2019 - 2020 action items have been completed:

- *"Bring forward a comprehensive set of revenue enhancement options for City Council consideration."* Council reviewed multiple revenue options in 2019, conducted community engagement throughout 2020 and placed a sales tax measure on the November 2020 ballot (Measure E). Measure E was approved by the voters and went into effect in April 2021. Council has also asked staff for more information on Harbor specific revenue enhancement options.
- *"In support of achieving economic development goals and limiting City costs in that pursuit, contract with an outside agency to fulfill economic development Ombudsmen duties on behalf of the City."* City Council approved a contract with the Chamber of Commerce to provide these services to the City in FY 2020/21 through the annual budget process.

- *“Review opportunity to include vacation rentals and recreational vehicle parks into Tourism Business Improvement District (TBID).”* City Council reviewed options in August 2019 and directed staff to move forward with bringing vacation rentals into the TBID by early 2020.
- *“Revise the partnership policy, and related policies, in conjunction with the fee study update.”* City Council approved a revised partnership policy agreement in late 2019.
- *“Review option to revise cannabis ordinance to allow for adult-use (recreational) cannabis retailing in Morro Bay.”* City Council approved allowing adult-use cannabis on June 9, 2020, and requested staff review of other cannabis opportunities.
- *“Complete a detailed review of the CalPERS pension liability, other post-employment benefits and health liability and determine specific actions to minimize financial impact to the City.”* City Council provided direction to staff for a refined analysis on PERS liability paydown for certain tiers. Council then approved actions to pay down liabilities for tier-two employees in early 2020.
- *“Include local labor on major City capital improvement projects (CIP), with the WRF being the initial project.”* City Council directed staff to include local hire provisions into the conveyance and injection wells systems construction contracts. In May 2020, Council approved language for bid documents related to local labor for those project components.
- *“Revise the short-term vacation rental policy.”* City Council approved the Vacation Rental Ordinance in October 2020. Staff submitted Coastal Development Permit application to Coastal Commission in December 2020 and anticipate Coastal review in fall 2021.
- *“Complete the General Plan/Local Coastal Plan rewrite.”* City Council approved the environmental review and adopted "Plan Morro Bay" the City's update to its GP/LCP in May 2021. Staff sent the approved documents to the California Coastal Commission for review.

Significant progress has been made on the following 2019 - 2020 action items:

- *“Complete and implement the fee study and cost allocation plan.”* City Council approved the new fee structure in late 2019, with a few remaining fees that require their review (development impact fees). Those remaining fees will be brought forward to Council in summer/fall 2021.
- *“Establish Waterfront Lease Site policies and implementation plan.”* City Council approved the final policy and provided direction to staff on June 23, 2020. Staff is working on a plan to evaluate contracting options for lease management services.
- *“WRF Implementation, which includes completing design of the facility, pipeline conveyance and injection system, permitting the project, securing financing for entire project and beginning construction.”* WIFIA line of credit for \$61 million was approved by the City, construction is underway on WRF facility site and the pipeline components of project, and the WRF team continues working with State staff on State Revolving Fund (SRF) funding. Studies also continue on injection wells.
- *“Implement approved Capital Improvement Projects, including OneWater Projects.”* City Council approved contracts for design work on three OneWater projects in early 2020. Design work has been initiated.
- *“Complete the zoning code update.”* Staff will bring this back to the Planning Commission in summer 2021. Following Planning Commission review, City Council will review.
- *“Work with San Luis Obispo County and cities therein on a regional partnership and solutions to housing issues.”* The City joined the Regional Compact with the County and other cities in the County. City staff will present updates on housing related issues to City Council

throughout the year. The City completed the Housing Element prior to the end of calendar year 2020 and is coordinating implementation activities regionally.

- *“Review and make improvements, where feasible, to the planning permit process.”* Chamber completed a survey of key stakeholders in fall of 2020. Staff presented the survey results and related recommendations to Council on a process to review the planning and building function in November 2020. Council approved the recommendations to continue this effort.
- *“Complete and bring to Council a Parking Management Plan to address parking issues in the downtown and waterfront areas.”* City Council/advisory boards to review parking data analysis and parking management options (as developed by the City’s parking consultant) and provide initial direction in summer/fall 2021.

The remaining action items have had some work completed and staff continues to work diligently on completion of them. The following is a quick snapshot of those items:

- Market Street Plaza redevelopment.
- Continued work with federal agencies and elected representatives on offshore wind development.
- Outreach on opportunity sites in Morro Bay.
- Assist in development of a business incubator/co-working space in Morro Bay.
- Pursue grants for Boatyard feasibility study.
- Bring hi-speed internet to Morro Bay.
- Pursue grant funding for an emergency warming shelter in Morro Bay.
- Coordination with non-profits and community groups.

DISCUSSION

The original plan was to initiate the community outreach process for reviewing the City Goals in early 2021 in accordance with the City policy. Staff typically initiates outreach to the community and advisory boards in January and February, and then host a community forum(s) in March. From there, City Council would meet to determine the City goals and action items for 2021 and 2022, at the outset of the FY 2021/2022 Budget process to help inform budget decisions. In a typical year, that approach would be advisable and certainly achievable for the organization. With the City’s existing resources diverted to the pandemic effort, budget constraints and in the position of rebuilding reserves, and advisory boards not properly positioned to provide comprehensive input related to goals, Council approved delaying the goal setting process until closer to midyear 2021.

Goal Process Timing

Staff will be seeking input from the community from June through August 2021. Staff will use the same methods of outreach in the past to garner community input, including surveying and gathering input from City advisory boards and commissions. Staff will summarize that input into a report for City Council in advance of the community forum to be held later this year, likely in September. The forum is another opportunity for the public to engage in the process and also an opportunity for the Council to deliberate as a body about the public input and formulate together their goals for the next 18 months (through the end of 2022). As in years past, staff recommends the forum be facilitated by a professional third party to allow full Council and staff participation in the process.

Following the community input period and forum, City Council will then formalize the City goals and action items for 2021 – 2022. The key considerations for the City Council in developing goals and

action items are to:

- 1) Ensure they reflect the current needs and desires of the community
- 2) Are achievable given existing City resources (staff and revenues)

The new Council goals and action items will help inform the work plans for the City's advisory boards and commissions for the remainder of 2021 and all of 2022.

PWAB/Public Works Department Specific "Action Items"

The PWAB and Public Works staff have provided input to the City Council in years past, which helped Council in forming and approving the existing goals and related action items. The current action items that have bearing on the Public Works Department and PWAB are as follows:

- WRF Implementation (with PWAB's role being defined by City Council as reviewing key technical components of the WRF project)
- Review of parking management options
- Implement approved capital improvement projects, including One Water projects
- Review of hi-speed internet options for Morro Bay

Questions for the PWAB

- 1) Do the current City goals (identified in the beginning of this report) address the needs and priorities of the community, particular in relation to Public Works areas of responsibility?
 - i. If not, are there other goals that the City should consider adding or current goals that should be removed or refined?
- 2) Do the current action items related to the Public Works Department reflect priority public works needs?
 - i. If not, are there other action items the City should consider adding or current action items that should be removed or refined?

In answering these questions, PWAB members should keep in mind the available staffing resources. Therefore, it is important to develop a list of priority action items for Council consideration that can be achieved within the context of all the other City goals and action items. Narrow focus will ensure that the priorities are more likely to be achieved.

CONCLUSION

Updating the City Council goals is an important process to ensure that City goals link back to the current needs and desires of the community. Given the special circumstances related to the COVID-19 pandemic, the goal setting process was delayed several months to allow the organization to stabilize the budget and focus staff resources on the pandemic response. Now is the appropriate time to receive input from the community, including the City's advisory boards and commissions. Input from the community and boards and commissions will help bring the various points of public input together as Council begins its process of identifying priority goals and works with City staff to develop a work plan to systematically achieve them through allocation of budget and staff resources.

ATTACHMENTS

1. 2019 – 2020 Goals and Action Items Spreadsheet

City Council Goals and Action Items for 2019 and 2020

These are the City Council Goals and priority action items for 2019 and 2020, constituting the main work plan for the City.

Goal #1: Achieve Financial Sustainability and Economic Sustainability					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
1)	Complete and implement the fee study and cost allocation plan.	All	Finance	City Council approved the new fee schedule in late 2019, with the Development Impact Fees left for Council review in Summer/Fall 2021.	Rate increases for majority of fees have gone into effect, as of January 1, 2020. Other fees being phased in over several years. Staff completing development impact fees review, and will seek input from Chamber/Government Affairs Committee.
2)	Review option to revise cannabis ordinance to allow for adult-use (recreational) cannabis retailing in Morro Bay.	City Manager, Police, Fire and Finance	Planning, City Attorney	City Council approved allowing adult-use cannabis on June 9, 2020, and requested staff review of other cannabis opportunities.	One retailer opened business in October 2020, and second retailer currently has building under construction, with goal to open in Spring 2021.
3)	Redevelop the Market Street Plaza lot for visitor serving accommodations, with significant community benefit to include public improvements to the Centennial Plaza.	City Attorney, Finance	Planning, City Manager	City Council will review proposals if they are submitted.	Some interest in developing the property, but no progress to report at this time.
4)	Review and make improvements, where feasible, to the planning permit process.	City Manager, Public Works, Fire, Harbor	Chamber, Planning	City Council to review a resolution in Fall 2021 (which includes goals and metrics for the planning process) and receive regular updates on progress.	Chamber completed a survey of key stakeholders in fall of 2020. Staff presented recommendations on a process to review the planning and building function in November 2020.
5)	Bring forward a comprehensive set of revenue enhancement options for City Council consideration.	All	City Manager, Finance	Measure E will go into effect April 2021. Staff will present information to Council in June 2021 regarding Harbor specific revenues.	City Council placed Measure E (1 cent sales tax measure) on the November 2020 Ballot. Community approved Measure E. Council requested information regarding other revenue sources in response to the pandemic's impact on City finances. Council requested staff review of Harbor specific revenues in April 2021.
6)	Conduct outreach on the current opportunity sites within Morro Bay, including, but not limited to the decommissioned power plant.	Planning, City Manager, Harbor, Tourism	Chamber	Staff will provide updates to City Council.	On-going effort by the City and Chamber.
7)	In support of achieving economic development goals and limiting City costs in that pursuit, contract with an outside agency to fulfill economic development Ombudsmen duties on behalf of the City.	Planning, Tourism, Harbor	City Manager	City Council to receive quarterly updates from the Chamber.	City Council approved contract with Chamber to provide this service to the City.
8)	Continue to pursue locating a new aquarium in the water front area, in partnership with Cal Poly and Central Coast Aquarium.	City Manager, Planning, Tourism	Harbor	No updates planned at this time.	Project is on hold indefinitely as Central Coast Aquarium restructures following closure of their Avila Beach Aquarium due to the COVID-19 pandemic.
9)	Establish Waterfront Lease site policies and implementation plan.	Harbor, Planning, City Manager, Finance	Harbor	City Council approved final policy and provided direction to staff on June 23, 2020. Staff will report out on contracting options in late 2021/early 2022.	Staff in process of reviewing contracting out options for lease management services.
10)	Continue to pursue offshore windfarm development, with a short-term focus on ensuring the Federal Government approves a windfarm lease site near Morro Bay.	City Manager, Planning, City Attorney	Harbor	Staff will provide updates to City Council.	City Council approved Community Benefits Agreement with Castle Wind in 2018. Staff and Council sub-committee working with State and Federal representatives. Biden Administration announced agreement to move forward Offshore Wind in May 2021.

City Council Goals and Action Items for 2019 and 2020

11)	Review opportunity to include vacation rentals and recreational vehicle parks into Tourism Business Improvement District (TBID).	City Manager	Tourism	No further Council action required.	Council approved bringing VRs into the TBID. Goes into effect in mid-January 2020.
12)	Facilitate coordination and development of a business incubator/co-working space in Morro Bay.	City Manager, Planning	Ombudsmen	Staff will provide updates to City Council.	Chamber and staff will review opportunities in 2020 for business incubation/co-worker space.
13)	Complete a detailed review of the CalPERS pension liability, other post employment benefits and health liability and determine specific actions to minimize financial impact to the City.	Finance	City Manager	City Council approved actions in early 2020. Staff will present information to Council regarding potential increases in Summer/Fall 2021.	Council reviewed detailed report in August 2019 and directed staff to bring back refined analysis for liability paydown options. Council reviewed and approved actions in early 2020.

Goal #2: Improve Public Infrastructure

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
1)	WRF Implementation, which includes completing design of the facility, pipeline conveyance and injection system, permitting the project, securing financing for entire project and beginning construction.	Public Works, Planning, City Attorney	WRF Program Manager, City Manager	Next steps for Council: Review SRF loan information, likely in Summer 2021.	WIFIA line of credit approved, construction underway on WRF facility site and conveyance/pipeline components of project, and continuing working with State staff on the SRF Loan/Grant. Studies continue on injection wells.
2)	Include local labor on major City capital improvement projects (CIP), with the WRF being the initial project.	City Attorney, Public Works, Finance	WRF Program Manager, City Manager	City Council approved language to add to bidding documents at their May 26, 2020 meeting.	City Council directed staff to include local hire provisions in contracts for conveyance and injection well system components of the WRF project.
3)	Complete and bring to Council a Parking Management Plan to address parking issues in the downtown and water front areas.	City Manager, Finance, Harbor, Planning, Public Works	City Manager	City Council to review parking data analysis and parking management options and provide initial direction in Summer/Fall 2021.	City contracted with firm to conduct initial parking study. Parking counts completed, and contractor completed analysis. Outreach to community will begin in Summer 2021.
4)	Harbor Advisory Board to pursue grants for an RFP for marine services facility (boatyard) feasibility study and bring forward information to City Council for next steps.	City Manager	Harbor	City Council to review options sometime in 2020/2021.	Staff reviewing options for feasibility study (no responses to RFP in 2018), and looking at funding opportunities.
5)	Pursue a public-private partnership to increase business and residential access to hi-speed internet in Morro Bay.	All	City Manager	City Council to review options in 2021.	Staff reviewing options.
6)	Implement approved Capital Improvement Projects, including OneWater Projects.	Public Works, City Manager	Harbor	City Council to review construction bids in 2021/2022, following completion of design work.	City Council approved contracts for design work on 3 OneWater projects in early 2020. Design work initiated.

Goal #3: Improve Communication and Community Engagement

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
1)	Work to develop stronger coordination, and processes, with community groups in support of advancing mutually beneficial initiatives and goals.	All	City Manager	Staff to provide updates to City Council. Will bring new partnership agreements for Council review in 2021.	Will be an on-going effort. Next step includes outreach to volunteer groups in Morro Bay.

City Council Goals and Action Items for 2019 and 2020

2)	Revise the partnership policy, and related policies, in conjunction with the fee study update.	Finance	City Manager, Recreation, Tourism	Staff will bring new partnership agreements to Council for review in Summer 2021.	Council approved a revised Partnership Policy in late 2019.
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Goal #4: Complete Updates to the City Major Land Use Plans and Address Affordable Housing Issues					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
1)	Complete the General Plan/Local Coastal Plan rewrite.	City Manager	Planning	City Council approved this in May 2021.	Shipped off to Coastal Commission for review.
2)	Complete the Zoning Code update.	City Manager, Public Works	Planning	Staff likely to bring draft plans to City Council in Summer 2021, following Planning Commission review.	Planning Commission will begin review of Zoning Code in Spring/Summer 2021.
3)	Revise the vacation rental policy.	City Manager, Finance, Public Works, City Attorney	Planning	Staff will provide regular updates to City Council on the progress of the Coastal Development Permit and implementation of the new ordinance.	City Council approved the Vacation Rental Ordinance in October 2021. Staff submitted Coastal Development Permit application to Coastal Commission in December 2020, and anticipate Coastal review in Spring/Summer 2021.
4)	Work with San Luis Obispo County and cities therein on a regional partnership and solutions to housing issues.	Planning, Public Works, Finance	City Manager	Council approved Regional Housing Compact. Staff will provide updates to City Council in 2021.	Staff coordinating with County of SLO staff on housing and infrastructure planning. The City completed the Housing Element, and is coordinating implementation regionally.
5)	Pursue grant funding to develop an emergency warming shelter in Morro Bay.	Public Works, Recreation, Finance	City Manager	Staff will provide an update to City Council on the new funding opportunity once information is made available by the County.	City did not receive State funding (HEAP Grant). Coordinating with County on a new funding opportunity.

Cauldron: These are the Second Tier of priorities. These items will likely be addressed in 2019, but only as the top priority objectives are achieved. Some may be brought forward in 2018 in rare circumstances, schedule and other top priority objectives completion permitting

Goal #:1 Financial Sustainability and Economic Sustainability					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Bring to Council for decision proposals for a public/private partnership redevelopment of the City -owned "Market Plaza" property, and, if appropriate, to be included in redevelopment, the "Front Street" parking lot (below DiStasio's), and the parking lot at Pacific and Market.	Planning, City Manager	Planning	2019	City Council approved use of broker to seek out opportunities for the site. Staff meeting with broker as appropriate.

Goal #:2 WRF and OneWater Review and Implementation					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Take all appropriate actions, and bring to Council for information/approval, as required, information that will allow the City to make a decision to achieve water independence. Include an evaluation of future options regarding our existing State Water allocation.	Public Works, Planning, City Manager, Finance, City Attorney	Public Works	2019	OneWater Plan being developed. Once completed, should help inform this item.

Simmer: These are third tier priorities. Wont be significant work on these objectives until the 1st and 2nd tier priorities are completed. Minimal work may be applied to these items, as long as that work does not interfere with work on other higher priority action items.

Goal #:1 Financial Sustainability and Economic Sustainability					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Pursue opportunities and relationships that are likely to result in the revitalization and redevelopment of important properties including 1 – the Morro Bay Power Plant, 2- the existing Wastewater Treatment Plant Site 3 – Morro Bay Elementary School.	Harbor, Planning, City Manager, Public Works		2019 or 2020	No Work
b)	Bring to Council for decision an item to consider adding a street improvement tax measure	Public Works, City Manager, City Attorney, Finance	Public Works	2020 ballot	No Work

Goal #:2 WRF and OneWater					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Begin community outreach and Council discussion on future use of the 26-acre Atascadero Road site (location of existing WWTP) to be prepared to begin master planning that site in FY19.	Public Works, Planning, City Manager	Public Works		

Goal #:4 Land Use Plan Updates					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Explore opportunities to protect important scenic, recreational, natural and agricultural resources on the Estero Marine Terminal site and surrounding lands	Planning	Planning		

Refrigerator: These are items put on hold entirely, no work to be applied to these efforts. Can be brought back to the list of consideration in future years.

Goal #:4 Land Use Plan Updates					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council	Current Status
a)	Bring to Council for consideration the results of Code Enforcement outreach on existing codes related to fences and hedges, and boat, RV and trailer parking/storage on City streets and neighborhoods to determine whether to keep, or modify, related existing ordinances.	Planning, Harbor	Planning	None	None

Trash: These items are completed or will no longer be pursued.

Goal #1: Financial Sustainability and Economic Sustainability

Item #	Action Items	Departments Inv	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Evaluate and implement opportunities to increase TOT revenues.	Tourism	Tourism	On-going effort. Will report to City Council periodically throughout the year on the TOT revenue condition	On-going component of operations

Goal #3: Public Infrastructure and Facility Cleanliness

Item #	Action Items	Departments Inv	Lead Department	Anticipated Council Date/Completion	Current Status
a)	Monitor the maintenance and cleanliness of public facilities	Public Works	Public Works	On-going effort. Will report to Council if resources insufficient to maintain satisfactory service levels.	On-going component of operations