

*City Council conducted this meeting in accordance with California Governor Newsom’s Executive Order N-08-21 issued on June 11, 2021 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
	Jeff Heller	Council Member
	Vacant	Council Member
ABSENT:	None	
STAFF:	Scott Collins	City Manager
	Chris Neumeyer	City Attorney
	Dana Swanson	City Clerk
	Sarah Johnson-Rios	Assistant City Manager/Admin Services Dir.
	Greg Kwolek	Public Works Director
	Daniel McCrain	Fire Chief
	Eric Endersby	Harbor Director
	Amy Watkins	Police Commander
	Rob Livick	City Engineer
	Cindy Jacinth	Senior Planner
	Kirk Carmichael	Recreation Services Manager

#### ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 5:30 p.m., with all but Council Member Barton present. Council Member Barton joined the meeting at 5:38 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/-kpiLKvdlSs?t=228>

#### CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/-kpiLKvdlSs?t=1120>

#### PRESENTATIONS

<https://youtu.be/-kpiLKvdlSs?t=1303>

- Proclamation honoring Council Member Robert “Red” Davis presented to wife, Gail Davis; daughter, Catherine Sullivan, and son-in-law, Pat Sullivan.

#### PUBLIC COMMENT

<https://youtu.be/-kpiLKvdlSs?t=1871>

Aaron Ochs, Morro Bay, requested the City consider an outside investigation into the City's cannabis retail permitting process and potentially cancel the license issued to Natural Healing Center.

Betty Winholtz, Morro Bay, announced she would be collecting signatures at Thursday's farmers market for those who would like to see community vote on whether tent or RV camping should be allowed on the Embarcadero or Coleman.

Mayor Heading closed public comment.

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

A. CONSENT AGENDA  
<https://youtu.be/-kpiLKvdlSs?t=2331>

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 27, 2021, CITY COUNCIL MEETING;  
(ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 APPROVAL OF MINUTES FOR THE MAY 25, 2021, CITY COUNCIL MEETING;  
(ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-3 APPROVAL OF MINUTES FOR THE MAY 25, 2021, AND MAY 26, 2021, CITY COUNCIL  
SPECIAL MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-4 APPROVAL OF MINUTES FOR THE JUNE 8, 2021, CITY COUNCIL MEETING;  
(ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-5 APPROVAL OF MINUTES FOR THE JUNE 9, 2021, CITY COUNCIL SPECIAL  
MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-6 APPROVAL OF MINUTES FOR THE JULY 1, 2021, CITY COUNCIL SPECIAL CLOSED  
SESSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-7 APPROVAL OF MINUTES FOR THE JULY 7, 2021, CITY COUNCIL SPECIAL CLOSED  
SESSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-8 ADOPT RESOLUTION NO. 55-21 ESTABLISHING THE ANNUAL PROPOSITION 4 APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2021/22; (ADMINISTRATIVE SERVICES DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 55-21, which sets the FY 2021/22 appropriations limit at \$30,559,247.**

A-9 PROCLAMATION EXPRESSING APPRECIATION FOR THE DEDICATION AND PUBLIC SERVICE OF ROBERT "RED" DAVIS; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

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

MOTION: Council Member Addis moved approval of all items on the Consent Agenda. The motion was seconded by Council Member Heller and carried 4-0 by roll call vote.

B. PUBLIC HEARINGS

B-1 PUBLIC HEARING, AND ADOPTION OF RESOLUTION NO. 56-21, FOR MINOR REVISIONS TO THE ADOPTED FISCAL YEAR 2021/22 (FY 2021/22) MASTER FEE SCHEDULE; (ADMINISTRATIVE SERVICES DEPARTMENT)

<https://youtu.be/-kpiLKvdlSs?t=2404>

Assistant City Manager/Administrative Services Director Johnson-Rios provided the report and responded to Council inquires.

Mayor Heading opened the Public Hearing.

Mayor Heading opened Public Comment; seeing none, public comment period was closed.

The Public Hearing was closed.

MOTION: Council Member Addis moved to adopt Resolution No. 56-21, which updates the City's Master Fee Schedule for FY 2021/22 to correct two fees that need to be consistent with State law and one revision of the explanation of the fee's applicability. The motion was seconded by Council Member Heller and carried 4-0 by roll call vote.

C. BUSINESS ITEMS

C-1 CONSIDERATION OF APPOINTMENT OF ROBERT NAVA TO THE PUBLIC WORKS ADVISORY BOARD; AND REAPPOINTMENT OF SUSAN STEWART TO THE PLANNING COMMISSION CONSISTENT WITH COUNCIL APPROVAL OF SPECIAL REQUIREMENT FOR NON-RESIDENT; (CITY CLERK)

<https://youtu.be/-kpiLKvdlSs?t=2740>

City Clerk Swanson briefly introduced the item.

MOTION: Mayor Heading moved to appoint Robert Nava to the Public Works Advisory Board (PWAB) to complete an unexpired term through January 31, 2023. The motion was seconded by Council Member Addis.

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

The motion carried 4-0 by roll call vote.

The Council considered the reappointment of Susan Stewart to the Planning Commission. City Attorney Neumeyer responded to Council questions.

Mayor Heading reopened public comment.

Betty Winholtz, Morro Bay, opposed the appointment of a non-resident to the Planning Commission.

The public comment period was closed.

MOTION: Council Member Heller moved to appoint Susan Stewart to the Planning Commission for the remainder of the term ending January 31, 2023, with the formal approval of a special requirement that her non-residency in Morro Bay will be accepted for this appointment due to unique and qualifying circumstances as outlined by our legal counsel. The motion was seconded by Council Member Addis and carried 4-0 by roll call vote.

- C-2 ONE-YEAR REVIEW OF THE WATERFRONT RV CAMPING PILOT PROGRAM, AND CITY COUNCIL INPUT AND RECOMMENDATIONS ON THE FUTURE OF THE PROGRAM; (HARBOR DEPARTMENT)  
<https://youtu.be/-kpiLKvdISs?t=3899>

Harbor Director Endersby provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, read the letter submitted as agenda correspondence.

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

MOTION: Council Member Addis moved to pursue establishment of the Waterfront RV Camping pilot program as outlined in this report for another year with a 6-month check-in with financial information. The motion was seconded by Council Member Barton for discussion.

Council Member Heller was not in favor of a 6-month check in and suggested the program be approved until other revenue stream for the Harbor Fund is established. The Council discussed the capital needs along the waterfront and appreciated resident concerns about visual impacts and preservation of day use parking.

AMENDED MOTION: Council Member Addis moved to approve the program, as recommended, for a maximum of one year unless another revenue source is identified before then. The motion was seconded by Council Member Barton and carried 4-0 by roll call vote.

- C-3 APPROVAL OF AMENDMENT 3 TO THE 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 AMENDMENT; (PUBLIC WORKS DEPARTMENT)  
<https://youtu.be/-kpiLKvdISs?t=6911>

Public Works Director Kwolek provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, encouraged community outreach to residents near the Nutmeg tank regarding the project.

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

MOTION: Council Member Addis moved to approve and authorize the City Manager to execute a time and materials amendment to the consultant agreement with Cannon Corporation (Cannon) for additional engineering services necessary to complete and implement the first phase of the OneWater Plan projects in an amount not to exceed \$100,000 without prior written authorization resulting in a total contract authorization of \$991,335; and return to Council during quarterly budget review with budget amendments necessary to accommodate additional design scope and to advance these projects in FY 21/22 rather than in FY 22/23. The motion was seconded by Council Member Barton for discussion.

Following discussion, the motion carried 4-0 by roll call vote.

- C-4 PROCEDURE FOR FILLING VACANCY ON THE CITY COUNCIL AND SELECTION OF METHOD FOR (OPTIONAL) TEMPORARY COUNCIL APPOINTMENT UNTIL SPECIAL ELECTION IS HELD; (ADMINISTRATION)  
<https://youtu.be/-kpiLKvdlSs?t=8764>

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

The public comment period for Item C-4 was opened; seeing none, the public comment period was closed.

MOTION: Council Member Addis moved to go with option A which reads “Direct staff to post a notice of vacancy, set a deadline for accepting applications for appointment, and place the consideration of applicants and making an appointment prior to September 22, 2021” and make a decision at the first September meeting. The motion was seconded by Council Member Heller for discussion.

AMENDED MOTION: Council Member Addis moved to go with option A which reads “Direct staff to post a notice of vacancy, set a deadline for accepting applications for appointment, and place the consideration of applicants and making an appointment prior to September 22, 2021” and to set September 3, 2021, as the application closing date. The motion was seconded by Council Member Heller for discussion.

Following discussion, the amended motion carried 4-0 by roll call vote.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS  
<https://youtu.be/-kpiLKvdlSs?t=9704>

Council Member Heller requested and received full support for Council review of current City policies and available options related to procurement of professional services, construction contracts.

E. ADJOURNMENT

The meeting adjourned at 8:15 p.m.

Recorded by:

Dana Swanson  
City Clerk