

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – AUGUST 24, 2021
TELECONFERENCE – 5:30 P.M.

AGENDA NO: A-1
MEETING DATE: October 12, 2021

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 Dawn Addis Laurel Barton Jeff Heller Vacant	Mayor Council Member Council Member Council Member Council Member
ABSENT:	None	
STAFF:	Scott Collins Chris Neumeyer Dana Swanson Sarah Johnson-Rios Greg Kwolek Scot Graham Daniel McCrain Jody Cox Eric Endersby Rob Livick Kirk Carmichael Kyle Rohrer	City Manager City Attorney City Clerk Assistant City Manager/Admin Services Dir. Public Works Director Community Development Director Fire Chief Police Chief Harbor Director City Engineer Recreation Services Manager WRF Program Manager (Carollo Eng.)

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 5:33 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/CA9iQWohk6g?t=237>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/CA9iQWohk6g?t=966>

PRESENTATIONS - None

PUBLIC COMMENT

<https://youtu.be/CA9iQWohk6g?t=1067>

Betty Winholtz, Morro Bay, expressed concern regarding housing legislation being voted on by the State Senate (SB-9 and SB-10) and hoped the Council would agendize this as an emergency item.

Mayor Headding closed public comment.

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

A. CONSENT AGENDA
<https://youtu.be/CA9iQWohk6g?t=1334>

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 AUGUST 10, 2021, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 THIRD AND FOURTH QUARTER INVESTMENT REPORTS (PERIOD FROM JANUARY 1, 2021 TO JUNE 30, 2021) FOR FISCAL YEAR 2020/21; (ADMINISTRATIVE SERVICES DEPARTMENT)

RECOMMENDATION: Receive the attached Third and Fourth Quarter Investment Reports (period from January 1, 2021 to June 30, 2021) for Fiscal Year 2020/21.

A-3 DESIGNATION OF VOTING DELEGATE AND ALTERNATE AT LEAGUE OF CALIFORNIA CITIES 2021 ANNUAL CONFERENCE BUSINESS MEETING; AND, AUTHORIZE THE VOTING DELEGATES TO APPROVE PROPOSED RESOLUTIONS AT THE ANNUAL MEETING; (CITY CLERK)

RECOMMENDATION: Staff recommends the City Council:

1) Select Mayor Headding, as the voting delegate, and Council Members Addis and Barton, as the alternate voting delegates, for the upcoming annual business meeting to be held at the League of California Cities Annual Conference; and 2) Authorize City Clerk to sign the League of California Cities' form affirming the selection of the voting delegate and the alternate voting delegates (page 4 of Attachment 1); and 3) Authorize the selected voting delegate (or selected alternates as needed) to approve the proposed Resolutions provided as Attachment 2.

A-4 ADOPTION OF RESOLUTION NO. 57-21 UPDATING THE CITY'S CONFLICT OF INTEREST CODE; (CITY CLERK)

RECOMMENDATION: Staff recommends City Council update the City's Conflict of Interest Code by adopting the proposed Resolution No. 57-21.

A-5 ADOPTION OF RESOLUTION NO. 58-21 DECLARING THE INTENT TO DISESTABLISH THE PREVIOUS MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989 AND TO SET A PUBLIC HEARING DATE; (CITY MANAGER)

RECOMMENDATION: Staff recommends the Council adopt Resolution No. 58-21 declaring the intent to disestablish the previous Morro Bay Tourism Improvement District (MBTBID) formed in 2009 pursuant to the Parking and Business Improvement Area Law of 1989 ('89 Law) and set the public hearing date for September 14, 2021.

A-6 FISCAL YEAR 2021-2022 ADOPTED BUDGET CORRECTIONS; (ADMINISTRATIVE SERVICES DEPARTMENT)

RECOMMENDATION: Staff recommends the Council adopt Resolution No. 59-21 approving corrections to the FY 2021/22 Adopted Budget.

Mayor Headding 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 Mayor Headding and carried 4-0 by roll call vote.

B. PUBLIC HEARINGS – None

C. BUSINESS ITEMS

C-1 REVIEW WATER RECLAMATION FACILITY (WRF) QUARTERLY UPDATE REPORT AND APPROVAL OF CONTRACT AMENDMENTS; (PUBLIC WORKS)
<https://youtu.be/CA9iQWohk6g?t=1405>

WRF program manager Rhorer provided the report and responded to Council inquires.

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

Carole Truesdale, Morro Bay, requested clarification regarding the number of trees removed for the project and asked the Council to replace them on a 2:1 basis. She also posed questions regarding bridge financing.

Betty Winholtz, Morro Bay, restated comments submitted as agenda correspondence and raised questions regarding project cost and anticipated completion date. She also requested clarification regarding the number of trees removed for the project.

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

MOTION: Mayor Headding moved to 1) receive the Q4 2021 WRF Quarterly Update Report; 2) authorize the City Manager to approve Amendment No. 6 to the WRF Design-Build Agreement; 3) authorize the City Manager to approve Amendment No. 2 to the agreement with Water Works Engineers, LLC; 4) direct staff to continue due diligence to determine whether bridge financing is needed to keep the WRF construction on track, given slow and unpredictable State Revolving Fund (SRF) reimbursement timelines and when appropriate bring back to Council proposals or recommendations if bridge financing is needed; 5) and direct staff to review tree replacement options for trees removed as part of the WRF project with the Planning Commission and Public Works Advisory Board and return to City Council with a finalized tree replacement plan and associated budget for implementation as soon as possible. The motion was seconded by Council Member Barton for discussion.

There was Council concurrence the Citizens Finance Advisory Committee should review the potential need for bridge financing. Following discussion, the motion carried 3-1 by roll call vote with Council Member Heller opposed.

C-2 CONSIDERATION OF A FREE PUBLIC CONCERT AT CLOISTERS PARK ON TRIAL BASIS; (CITY MANAGER)
<https://youtu.be/CA9iQWohk6g?t=5184>

City Manager Collins provided the report and, along with Public Works Director Kwolek and City Engineer Livick, responded to Council inquiries.

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

Marian Liebowitz, Morro Bay, spoke on behalf of the committee seeking to host concerts featuring curated artists representing diverse cultures. She requested the City fund this inaugural event to determine the level of community interest. If successful, they will seek out a partner agency to accept donations for future events.

Dawn Beattie, Morro Bay, spoke in support of the event and hoped it would be one of many outdoor concerts.

Jeff Bacon, Morro Bay, agreed the event provided a wonderful opportunity.

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

MOTION: Council Member Addis moved to discuss a proposed free public concert event at Cloisters Park and direct staff to move forward with the support and planning for such an event to take place on October 24, 2021. The motion was seconded by Council Member Heller and carried 4-0 by roll call vote.

- C-3 RECEIVE PLANS FOR A “COMMUNITY FORUM ON MORRO BAY POWER PLANT STACKS – FACTS AND FIGURES” AND AUTHORIZE THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES TO COORDINATE WITH VISTRA CORP AND REGULATORY AGENCIES IN RESPONDING TO PUBLIC QUESTIONS AND CONCERNS REGARDING THE STACKS; (CITY MANAGER)
<https://youtu.be/CA9iQWohk6g?t=6376>

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

The public comment period for Item C-3 was opened; seeing none, the public comment period was closed.

MOTION: Council Member Addis moved 1) receive the plans for a community forum to provide the public with facts and figures about the stacks so that interested persons can have an informed basis for developing their input to the Council about the future of the stacks; 2) encourage broad public attendance in the Community Forum on the Stacks scheduled for 6:00-7:30 p.m., Wednesday, September 8, 2021, on the City’s Zoom link: <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcwTHIRtk9xaTlmWVNWRWFUQT09>, with password: 135692; 3) authorize the City Manager to execute an agreement with Don Maruska & Company, Inc., in a form approved by the City Attorney, to provide professional services to serve as project manager for the engagement efforts and work with Vistra Corp and regulatory agencies to be prepared to respond to public questions and concerns. The proposed agreement is for an initial fixed fee of \$24,000 with an option at the City Manager’s discretion to extend the agreement for up to an additional \$24,000 as determined based upon the needs for further public engagement to resolve the stacks issue. The motion was seconded by Mayor Heading and carried 3-1 by roll call vote with Council Member Heller opposed.

- C-4 AWARD CITY WAYFINDING SIGNAGE CONTRACT TO STATEWIDE SAFETY AND SIGN, INC. FOR \$188,200; AND, CITY WAYFINDING SIGNAGE PROGRAM INFORMATIONAL UPDATE; (PUBLIC WORKS DEPARTMENT)
<https://youtu.be/CA9iQWohk6g?t=7393>

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

The public comment period for Item C-4 was opened.

Erica Crawford, Morro Bay Chamber of Commerce, thanked the Council, Community Development and Public Works staff for moving the wayfinding signage program forward.

The public comment period for Item C-4 was closed.

MOTION: Mayor Headding moved to 1) reject the bid from Dekan Construction Corporation as non-responsive; 2) award a construction contract for the fabrication and installation of the City's Wayfinding Sign Program to Statewide Safety and Sign, Inc. for the base bid amount of one hundred eighty-eight thousand two hundred dollars and no cents (\$188,200.), and authorize City Manager to execute said contract in a form approved by the City Attorney; and 3) direct staff to return at Midyear with a budget amendment to increase the project budget in the Economic Development Fund by up to \$57,020. The motion was seconded by Council Member Addis.

Council Member Heller requested a friendly amendment to remove the 10% contingency.

AMENDED MOTION: Mayor Headding moved to 1) reject the bid from Dekan Construction Corporation as non-responsive; 2) award a construction contract for the fabrication and installation of the City's Wayfinding Sign Program to Statewide Safety and Sign, Inc. for the base bid amount of one hundred eighty-eight thousand two hundred dollars and no cents (\$188,200.), and authorize City Manager to execute said contract in a form approved by the City Attorney; and 3) direct staff to return at Midyear with a budget amendment to increase the project budget in the Economic Development Fund by up to \$38,200. The motion was seconded by Council Member Addis.

The motion carried 4-0 by roll call vote.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
None

- E. ADJOURNMENT

The meeting adjourned at 7:23 p.m.

Recorded by:

Dana Swanson
City Clerk