

*Pursuant to Assembly Bill 361 (2021-22) and Government Code section 54953 this Meeting will be conducted in a hybrid format with both in-person and virtual public participation.*

PRESENT:	John Headding	Mayor
	Dawn Addis	Council Member
	Laurel Barton	Council Member
	Jennifer Ford	Council Member
	Jeff Heller	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
	Scot Graham	Community Development Director
	Daniel McCrain	Fire Chief
	Jody Cox	Police Chief
	Eric Endersby	Harbor Director
	Paul Amico	WRF Program Manager

#### 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/g2x5ekpLF20?t=154>

#### CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/g2x5ekpLF20?t=1178>

#### PRESENTATIONS

<https://youtu.be/g2x5ekpLF20?t=1481>

- Sexual Assault ACTION Month Proclamation presented to Malani Anderson, Lumina Alliance Board Member
- World War II Commemoration Week Proclamation presented to Glenn Silloway and Tom Wilmer
- National Police Week Proclamation presented to Chief Cox and other Police Officers and volunteers
- Morro Bay Transit 45<sup>th</sup> Anniversary (Transit Week) Proclamation presented to Camille Watkins
- Proclamation for Appreciation presented to Tami and Randy Ponder

PUBLIC COMMENT

<https://youtu.be/g2x5ekpLF20?t=3286>

Ed Griggs, Morro Bay, requested a study session regarding the proposed development at 3300 Panorama.

Linda Winters, Morro Bay, shared subjects covered at Morro Bay Historical Society's recent meeting.

Kathryn Belt, Morro Bay, expressed concern regarding the proposed development at 3300 Panorama.

Dr. Margaret Carman, Morro Bay, urged the Council to ask more questions of staff and hoped to see more diversity of thought; asked that laws limiting landscaping in the right of way be enforced; expressed concern about the proposed battery storage project; and questioned the need for a playground at Coleman Park.

Nicole Dorfman spoke representing Children Health Defense, California Chapter, inviting the Council and community to watch the documentary "Medical Racism -- The New Apartheid" on Friday, April 29, 5:30pm at the Community Center.

Kristen Headland, Morro Bay, looked forward to a study session regarding the proposed development at 3300 Panorama.

Erica Crawford, Morro Bay Chamber of Commerce, announced a candidate forum moderated by the League of Women Voters would be held Wednesday, May 4<sup>th</sup>, from 5:30-7:00pm at the Veterans Hall.

Kevin Hadley, Morro Bay, commented on the proposed 3300 Panorama development, expressing concern about traffic impacts.

Betty Winholtz, Morro Bay, asked if the work being done along the bike path is allowed by the California Coastal Commission permit and raised concerns regarding tree removal.

Mayor Heading closed public comment.

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

A. CONSENT AGENDA

<https://youtu.be/g2x5ekpLF20?t=4961>

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 12, 2022, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (CITY CLERK)

**RECOMMENDATION: Approve as submitted.**

A-2 SECOND READING AND ADOPTION OF ORDINANCE NO. 649, ADOPTING A MILITARY EQUIPMENT USE POLICY CONSISTENT WITH AB 481 REQUIREMENTS; (POLICE DEPARTMENT/CITY ATTORNEY)

**RECOMMENDATION: Staff recommends the City Council adopt, by second reading and by title only with further reading waived, Ordinance No. 649, “An Ordinance of the City Council of the City of Morro Bay, California Adopting a Military Equipment Use Policy Consistent with AB 481 Requirements.”**

- A-3 SECOND READING AND ADOPTION OF ORDINANCE NO. 651 AMENDING MORRO BAY MUNICIPAL CODE SECTION 3.26.120 TO REDUCE THE CITIZENS OVERSIGHT COMMITTEE MEMBERSHIP TO FIVE MEMBERS AND UPDATE THE TIMING OF THE ANNUAL REPORT TO CITY COUNCIL; (CITY MANAGER/ADMINISTRATIVE SERVICES DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council adopt, by second reading by title only, with further reading waived, Ordinance No. 651, “An Ordinance of the City Council of the City of Morro Bay, California, Amending Sections 3.26.120(B) and 3.26.120(E) of the Morro Bay Municipal Code (MBMC) regarding Citizens Oversight Committee Membership and Report Timing.”**

- A-4 PROCLAMATION DECLARING APRIL 2022 AS SEXUAL ASSAULT ACTION MONTH; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-5 PROCLAMATION HONORING WORLD WAR II COMMEMORATION WEEK; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-6 PROCLAMATION ACKNOWLEDGING NATIONAL POLICE WEEK AND NATIONAL PEACE OFFICERS MEMORIAL DAY; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-7 PROCLAMATION HONORING MORRO BAY TRANSIT’S 45<sup>TH</sup> ANNIVERSARY AND MORRO BAY TRANSIT WEEK; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-8 PROCLAMATION OF APPRECIATION FOR TAMI AND RANDY PONDERS; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

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 Council Member Barton and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

- C-1 WATER RECLAMATION FACILITY (WRF) PROGRAM – RECYCLED WATER FACILITIES – INJECTION WELL NO. 1 CONTRACT AWARD IN THE AMOUNT OF \$346,725.00 (PUBLIC WORKS DEPARTMENT)

<https://youtu.be/g2x5ekpLF20?t=5033>

WRF Program Manager Amico provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, raised various questions regarding the project.

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

Mr. Amico responded to questions raised during public comment.

MOTION: Council Member Addis moved to authorize the City Manager to execute a contract, subject to the City Attorney's approval as to form, with Pacific Coast Well Drilling Inc. (PCWD) in the amount of \$346,725.00 and include a \$9,900 bid alternate for a total contract amount of \$356,625.00 for the construction and injection testing of the City's Injection Well No. 1. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

C-2 REVIEW OF RESERVE POLICIES, CONSIDER ADOPTING A PROPOSED PENSION RESERVE POLICY, AND REVIEW POTENTIAL SECTION 115 PENSION TRUST CONTRIBUTION; (ADMINISTRATIVE SERVICES DEPARTMENT)

<https://youtu.be/g2x5ekpLF20?t=6214>

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

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

Betty Winholtz, Morro Bay, raised various questions regarding the report.

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

MOTION: Mayor Heading moved to: 1) Adopt Resolution No. 37-22 which implements a proposed Pension Reserve Policy; and approves the updated and consolidated City Reserve Policy, which does not make changes to reserve levels but simplifies the enterprise fund reserve tracking and accounting as outlined in this report; and 2) Direct staff to initially contribute for FY 2022-23 \$1,060,000 to the establishment of a Section 115 pension trust and to move forward with the appointment of one Citizen Finance Advisory Committee (CFAC) member, one Council subcommittee (to be designated by Council if Council desires) and to move forward with the Section 115 trust provider then return to Council formation documents in a risk portfolio selection policy depending upon the specific offerings of the selected provider. The motion was seconded by Council Member Addis for discussion.

Following discussion, the motion carried 5-0 by roll call vote.

MOTION: Council Member Ford moved to appoint Council Member Barton and Mayor Heading to a Council subcommittee. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

The Council took a brief recess at 7:49 p.m. The meeting reconvened at 7:59 p.m. with all members present.

C-3 REVIEW AND DISCUSSION OF PROPOSED REVISIONS TO THE CITY COUNCIL POLICIES & PROCEDURES AND ADVISORY BODIES HANDBOOK AND BY-LAWS AS RECOMMENDED BY THE COUNCIL SUB-COMMITTEE AND CLARIFICATION REGARDING THE PUBLIC WORKS ADVISORY BOARD'S REVIEW OF THE WATER RECLAMATION FACILITY ("WRF") PROJECT; (CITY MANAGER)  
<https://youtu.be/g2x5ekpLF20?t=8914>

Mayor Headding shared the Council sub committee's review and proposed edits, highlighting the following areas of the Council Policies & Procedures:

- Section 1.3.3.5 (beginning on page 12) regarding Limitation on Discussion
- Section 6.2.1 (page 46) regarding Council Liaison Assignments

Regarding the Advisory Body Handbook, the Mayor highlighted clarifying edits to the section on Advisory Body Work Plans (page 9 of the document). Lastly, he suggested all members review the section on 'Email, the Public Records Act and the Brown Act' found on page 17 of the Council Policies & Procedures.

City Manager Collins reviewed additional items as presented in the staff report and, along with Clerk Swanson, 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 Ford moved 1) Adopt Resolution No. 38-22 amending the City Council Policies & Procedures; and 2) Adopt Resolution No. 39-22 amending the Advisory Bodies Handbook & By-Laws; and 3) Direct the Public Works Advisory Board to review the WRF Quarterly Report and, to the extent possible, contract amendments related to the WRF Project. The Citizens Finance Advisory Committee's role related to WRF review will continue to include the following as directed by Council in December 2020: 1) Review debt service recommendations from staff including use of cash vs. other funding sources and analysis of impacts on rates; 2) Review of cash flow performance to ensure we maximize the use of funds (time use of money); and 3) Monitor compliance with drawdown requirements for WIFIA and WRF funding. The motion was seconded by Council Member Addis for discussion.

Following individual comments, the motion carried 5-0 by roll call vote.

C-4 WATER RECLAMATION FACILITY (WRF) PROGRAM QUARTERLY REPORT DRAFT FORMAT; (PUBLIC WORKS DEPARTMENT)  
<https://youtu.be/g2x5ekpLF20?t=10803>

Public Works Director Kwolek and WRF Program Manager Amico 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 Heller moved to approve the draft format of the WRF program quarterly report. The motion was seconded by Mayor Headding and carried 5-0 by roll call vote.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS  
<https://youtu.be/g2x5ekpLF20?t=11477>

Council Member Heller requested a study session regarding the proposed development at 3300 Panorama within 30 days if possible. Staff offered to conduct a study session regarding the process this type of application would go through, but it was premature to discuss the project itself as the application was incomplete.

E. ADJOURNMENT

The meeting adjourned at 9:00 p.m.

Recorded by:

Dana Swanson  
City Clerk