

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – APRIL 25, 2023
VETERAN'S MEMORIAL HALL – 5:30 P.M.

AGENDA NO: A-1
MEETING DATE: May 23, 2023

PRESENT: Carla Wixom Mayor
Laurel Barton Council Member
Cyndee Edwards Council Member
Jennifer Ford Council Member
Zara Landrum Council Member

ABSENT: None

STAFF: Greg Carpenter Interim 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
Amy Watkins Police Chief

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Wixom called the meeting to order at 5:33 p.m., with all but Council Member Barton present. Council Member Barton joined the meeting at 5:36 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/JY-e6zb-erE?t=98>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/JY-e6zb-erE?t=617>

PRESENTATIONS

<https://youtu.be/JY-e6zb-erE?t=1568>

- Morro Bay Chamber of Commerce Quarterly Update

PUBLIC COMMENT

<https://youtu.be/JY-e6zb-erE?t=2516>

Sean Alexander, Morro Bay, offered baby oak trees to the City and community members.

Linda Winters, Morro Bay, encouraged mobile home park residents to educate themselves, learn about where they live, and stand up for their rights.

Rachel Wilson, Cayucos, commented on crew transfer vessels associated with offshore wind energy and potential impacts to the waterfront.

Lee Johnson, Morro Bay, spoke in support of the Chamber's efforts to promote Morro Bay.

Richard Sadowski, Morro Bay, requested financial support to purchase a new air monitoring device.

Betsy Gaudette-Cross, Morro Bay, asked the City to remove Vistra's weblink from its website or, alternatively, add a link to the Citizens for Estero Bay Preservation website on the same page.

Helene Finger, Morro Bay, spoke regarding the short-term rental (STR) ordinance, asking that permitted STRs not meeting the minimum transient occupancy tax threshold be identified.

Glenn Silloway, Morro Bay, spoke regarding the lack of affordable housing and announced upcoming League of Women Voters events on this topic. Visit <http://lwvslo.org> for more information.

Judi Brown, Morro Bay, read an email response she received from Public Works Director Kwolek regarding street sweeping services.

Terry Simons, Morro Bay, responded to Mr. Kwolek's announcement regarding the status of the Highway 1 / 41 interchange project and asked why it hadn't moved forward more quickly.

Betty Winholtz, Morro Bay, responded to Mr. Simons' comments regarding Highway 1 / 41 interchange, noting it is a controversial subject with varying opinions. She hoped the options would be presented equally and without bias.

Mayor Wixom closed public comment.

A. CONSENT AGENDA
<https://youtu.be/JY-e6zb-erE?t=4339>

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 MARCH 28, 2023, CITY COUNCIL MEETING;
(CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE APRIL 5, 2023, CITY COUNCIL SPECIAL
MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE APRIL 11, 2023, CITY COUNCIL SPECIAL
CLOSED SESSION MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-4 ADOPTION OF RESOLUTION NO. 22-23 UPHOLDING THE FEBRUARY 7, 2023
PLANNING COMMISSION APPROVAL OF COASTAL DEVELOPMENT PERMIT
#CDP22-025 WITH CHANGES IN CONDITIONS FOR THE PROPOSED NEW HOME
AT 2440 LAUREL AVENUE; (COMMUNITY DEVELOPMENT DEPARTMENT)

**RECOMMENDATION: Staff recommends the Council adopt Resolution No. 22-23
upholding the February 7, 2023 Planning Commission approval of Coastal**

Development Permit #CDP22-025 with changes in conditions as approved by the City Council at the April 11, 2023 Public Hearing.

- A-5 ADOPTION OF RESOLUTIONS APPROVING AGREEMENTS TO SHARE COSTS OF THE CALPERS EMPLOYER CONTRIBUTION PURSUANT TO GOVERNMENT CODE SECTION 20516 – UNREPRESENTED MANAGEMENT, UNREPRESENTED CONFIDENTIAL AND UNREPRESENTED DEPARTMENT HEAD EMPLOYEES; (HUMAN RESOURCES MANAGER)

RECOMMENDATION: Staff recommends the City Council adopt Resolution Nos. 23-23, 24-23, and 25-23 approving agreements to share costs of the employer contribution of the City’s California Public Employees Retirement System (CalPERS) contributions for the Tier 1 and Tier 2 miscellaneous and safety unrepresented management, unrepresented confidential and unrepresented department head employees.

- A-6 AUTHORIZATION TO LOWER THE CITY’S WATER CONSERVATION REQUIREMENTS FROM SEVERELY RESTRICTED CONDITIONS TO MODERATELY RESTRICTED CONDITIONS; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends that the City Council direct staff to lower the City’s water conservation requirements from Severely Restricted Conditions to Moderately Restricted Conditions.

- A-7 CONSIDERATION OF APPOINTMENT OF KATHRYN HOVERSTEN TO THE CITIZENS OVERSIGHT/FINANCE ADVISORY COMMITTEE; (CITY CLERK)

RECOMMENDATION: Staff recommends the City Council consider the appointment of Kathryn Hoversten to the Citizens Oversight/Finance Advisory Committee (“CFAC”) to complete an unexpired term through January 31, 2026.

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

Mayor Wixom pulled Item A-7.

MOTION: Council Member Ford moved approval of Items A-1 through A-6. The motion was seconded by Council Member Barton and carried 5-0 by roll call vote.

- A-7 CONSIDERATION OF APPOINTMENT OF KATHRYN HOVERSTEN TO THE CITIZENS OVERSIGHT/FINANCE ADVISORY COMMITTEE; (CITY CLERK)
<https://youtu.be/JY-e6zb-erE?t=4432>

Mayor Wixom invited Kathy Hoversten to the podium to introduce herself.

MOTION: Mayor Wixom moved approval of Item A-7. The motion was seconded by Council Member Barton and carried 5-0.

B. PUBLIC HEARINGS

- B-1 PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 26-23, WHICH RESCINDS RESOLUTIONS NO. 33-22 AND 66-22 AND ADOPTS THE FY 2023-24 MASTER FEE SCHEDULE; (ASSISTANT CITY MANAGER/ADMIN SERVICES DIRECTOR)

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

<https://youtu.be/JY-e6zb-erE?t=4558>

Mayor Wixom opened the Public Hearing.

Mayor Wixom opened Public Comment.

Jeff Heller, Morro Bay, raised questions about the harbor and in-lieu affordable housing fees.

Terry Simons, Morro Bay, spoke in support of applying a CPI increase to fees.

Betty Winholtz, Morro Bay, opposed a CPI increase to the appeal fee.

The Public Hearing was closed.

Staff responded to additional Council inquiries.

Mayor Wixom recommended the appeal fee remain at the current rate to allow the community to participate without financial burden and would like to revisit the question on Harbor fees.

MOTION: Mayor Wixom moved to adopt Resolution No. 26-23 which rescinds Resolution Nos. 33-22 and 66-22 and adopts FY 2023-24 Master Fee Schedule, with the exception of the CPI increase on the appeal fee, and replaces it in its entirety for the new fiscal year. The motion was seconded by Council Member Landrum and carried 5-0 by roll call vote.

The Council took a brief recess at 7:13 p.m. The meeting reconvened at 7:26 p.m. with all members present.

C. BUSINESS ITEMS

C-1 COST ALLOCATION PLAN UPDATE; (ASSISTANT CITY MANAGER/ADMIN SERVICES DIRECTOR)

<https://youtu.be/JY-e6zb-erE?t=6817>

Assistant City Manager/Administrative Services Director Johnson-Rios introduced the item and turned it over to Jeannette Hahn, ClearSource Financial Consulting, who provided the report and responded to Council inquiries.

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

Terry Simons, Morro Bay, urged the Council to rely on staff analysis and concurrence with the consultant's recommendations.

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

MOTION: Council Member Ford moved to approve the resulting interfund charges for inclusion in the FY 2023-24 budget, and directed staff to update the Cost Allocation Plan data annually using the interactive model provided. The motion was seconded by Council Member Edwards and carried 5-0 by roll call vote.

C-2 CONTINUED DISCUSSION AND ADOPTION OF FY 2023-24 AND FY 2024–25 CITY COUNCIL GOALS AND ACTION ITEMS; (INTERIM CITY MANAGER)
<https://youtu.be/JY-e6zb-erE?t=9062>

Interim City Manager Carpenter provided the report and responded to Council inquiries.

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

Jeff Heller, Morro Bay, suggested the City hold a community forum to provide rough order of magnitude for infrastructure improvements and possible revenue sources to address those needs. He also supported deed restricted affordable housing.

Terry Simons, Morro Bay, asked if there was a revenue benefit to subsidizing the local fishing industry and recommended the City explore additional revenue streams to fund infrastructure improvements. He opined offshore wind energy may be Morro Bay's future.

Cal Myers, Morro Bay, requested the Council add the Waterfront Master Plan to the list of action items.

Betty Winholtz, Morro Bay, restated comments submitted as agenda correspondence.

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

The Council offered the following comments:

Goal #1

- Be cognizant of the costs of the infrastructure needs assessment as that funding can be put into an actional item.
- Prioritize Council Chamber audio/visual upgrades.

Goal #2

- Consider using a commercial realtor to manage City-owned commercial rental property.
- Remove review of the Vistra property battery project

Goal #3

- For clarification, insert review of possible upzone of Seashell Estates property for proposed housing project

Goal #4

- Add Historical Preservation Ordinance using existing draft ordinance prepared by the Historical Society.

MOTION: Council Member Edwards moved to adopt the proposed City Council goals, goals' statements, and action Items with the changes listed tonight. The motion was seconded by Mayor Wixom and carried 5-0 by roll call vote.

C-3 CONSIDER APPROVING A REQUEST TO THE CALIFORNIA COASTAL COMMISSION TO PROCESS A CONSOLIDATED COASTAL DEVELOPMENT PERMIT WITH THE COUNTY OF SAN LUIS OBISPO FOR THE MORRO BAY TO CAYUCOS TRAIL CONNECTOR PROJECT; (PUBLIC WORKS DEPARTMENT)
<https://youtu.be/JY-e6zb-erE?t=12669>

Public Works Director Kwolek introduced the item and introduced Elizabeth Kavanaugh from San Luis Obispo County Parks & Recreation Department who provided the report and responded to Council inquires.

There was Council consensus to go up to 30 minutes past the 9:30 p.m. end time.

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

<https://youtu.be/JY-e6zb-erE?t=13896>

Rick Ellison, Executive Director of Bike SLO County, urged the Council to approve a consolidated coastal permit.

Helene Finger, Morro Bay, attended previous public meetings regarding the project, cited safety as a benefit of using Toro Lane rather than continuing along Highway 1, and concurred with the staff recommendation to approve a consolidated permit.

Jim Shuler, Toro Lane property owner, was in favor of the project but believed the plan to divert onto Toro Lane violated the public easement.

Gary Havas, Board President of Bike SLO County, commented on the positive impacts this project provides residents and visitors and hoped the Council would support staff's recommendation to approve a consolidated permit.

Lea Brooks, San Luis Obispo, urged the Council to approve the consolidated permit.

Terry Simons, Morro Bay, offered alternatives the Council might consider to avoid litigation.

John Lindsay, SLOCOG Regional Transportation Planner, noted this project is a top priority and was eager to see the Coastal segment of the connector path through to completion according to the schedule.

Jeanette Evers, Morro Bay, commented on traffic and safety concerns if the path were diverted onto Toro Lane and was concerned a consolidated permit process would limit public input. She urged the Council to pause until more information was available.

Carl Evers, Morro Bay, commented on the lack of a recommendation by the Public Works Advisory Board and opined Toro Lane was too narrow for 2-way vehicle and bicycle traffic.

Babak Naficy, Attorney representing the North Point Homeowners' Association, addressed the procedural aspects stating if the City votes for a consolidated permit, it will not have an opportunity to evaluate and vote on 90% plans. He noted several attorneys had reviewed the easement and concluded the private road cannot be used for a bike path.

Betty Winholtz, Morro Bay, urged the Council to postpone a decision until it had more information and was assured a consolidated permit would not limit public input.

Beth Levy, Toro Lane resident, expressed concerns about safety and lack of notice by the County to Toro Lane residents.

Karl Levy, President of North Point Homeowners' Association, expressed concerns about traffic, lack of engagement from the County, and commented the EIR Addendum included no study of safety or traffic circulation of the Toro Lane alignment. He recommended the

Council defer the decision and ask the County to reevaluate putting the pathway up along Highway 1.

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

Mr. Kwolek and Ms. Kavanaugh responded to questions raised during public comment.

Council Member Landrum was in favor of a bike path but wanted the community to be involved in that process.

MOTION: Council Member Barton moved to adopt Resolution No. 27-23 approving a request to the California Coastal Commission to process a Consolidated Coastal Development Permit with the County of San Luis Obispo for the Morro Bay to Cayucos Trail Connector Project. The motion was seconded by Council Member Ford and carried 3-2 by roll call vote with Council Member Landrum and Mayor Wixom opposed.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

None

E. ADJOURNMENT

The meeting adjourned at 10:17 p.m.

Recorded by:

Dana Swanson

Dana Swanson (May 24, 2023 10:23 PDT)

Dana Swanson

City Clerk

A1 CC_2023-04-25 Regular Meeting Minutes

Final Audit Report

2023-05-24

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