

MINUTES –CITIZENS OVERSIGHT/FINANCE  
ADVISORY COMMITTEE  
REGULAR MEETING – Aug 16, 2022  
VETERAN’S MEMORIAL HALL /  
TELECONFERENCE – 3:00 p.m.

*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.*

MEMBERS PRESENT: Courtney Shepler Chair  
Stephen Peck Vice-Chairperson  
Home Alexander Committee Member  
Michael Erin Woody Committee Member

ABSENT: None

STAFF PRESENT: Scott Collins City Manager  
Sarah Johnson-Rios Assistant City Manager/Admin Services Dir.  
Greg Kwolek Public Works Director  
Kelley Mattos Senior Administrative Services Analyst  
Sara Pruitt Senior Account Technician

**ESTABLISH QUORUM AND CALL TO ORDER**

[https://youtu.be/PvW-8Z\\_T0Gs?t=31](https://youtu.be/PvW-8Z_T0Gs?t=31)

Chair Shepler called the meeting to order at 03:03 p.m. with Members present.

**COMMITTEE ANNOUNCEMENTS & PRESENTATIONS - None**

**BRIEF ASSISTANT CITY MANAGER/DIRECTOR UPDATE**

[https://youtu.be/PvW-8Z\\_T0Gs?t=120](https://youtu.be/PvW-8Z_T0Gs?t=120)

**PUBLIC COMMENT**

Chair Shepler opened public comment, seeing none, the public comment period was closed.

A. **CONSENT CALENDAR**  
[https://youtu.be/PvW-8Z\\_T0Gs?t=79](https://youtu.be/PvW-8Z_T0Gs?t=79)

A-1 APPROVAL OF MINUTES FOR May 17, 2022 CITIZENS OVERSIGHT/FINANCE  
ADVISORY COMMITTEE MEETING

MOTION: Vice Chair Peck moved to approve minutes from the May 17, 2022 Citizens Oversight/Finance Advisory Committee meeting. The motion was seconded by Chair Shepler and carried 4-0 by roll call vote.

B. **BUSINESS ITEMS**

B-1 WATER RECLAMATION FACILITY FINANCING UPDATE; (CITY MANAGER,  
ASSISTANT CITY MANAGER/ADMIN SERVICES DIRECTOR/PUBLIC WORKS  
DIRECTOR)  
[https://youtu.be/PvW-8Z\\_T0Gs?t=105](https://youtu.be/PvW-8Z_T0Gs?t=105)

City Manager Collins, Assistant City Manager/Admin Services Director Johnson-Rios and Public Works Director Kwolek gave a brief presentation and answered Board Member questions.

Public Comment:

Paul Donnelly, Morro Bay, opined that the ratepayers did not cause the rate escalations and believes the city has already spent too much money on the project and wants someone to look out for the public.

Betty Winholtz, Morro Bay, opined that we need to watch out for the public rather than the bottom dollar. Stated that she did not want to have another vote to raise rates and call them CPI adjustments.

Linda Donnelly, Morro Bay, expressed disappointment with the current cost of the project and believes the project is way over-built. Noted that citizens are paying attention whether they are attending the meeting or not.

Joseph Lloyd, Morro Bay, questioned the overall long-term costs of the facility.

Chair Shepler closed public comment.

Motion: Chair Shepler moved to support staff's recommendation to City Council to apply for a State Revolving Fund loan amendment in the amount of \$21,172,000 to cover the full Water Reclamation Facility project cost and provide any relevant input to City Council for their consideration. The motion was seconded by Vice Chair Peck for discussion.

Following individual comments, the motion was carried 4-0 by roll call vote.

B-2 BUDGET-IN-BRIEF UPDATE; (CITY MANAGER, ASSISTANT CITY MANAGER/ADMIN SERVICES DIRECTOR)

[https://youtu.be/PvW-8Z\\_T0Gs?t=3060](https://youtu.be/PvW-8Z_T0Gs?t=3060)

City Manager Collins gave a brief presentation and answered Board Member questions.

Public comment:

Betty Winholtz, Morro Bay, opined that the budget-in-brief is too simplistic and stated that the money spent on it could have been spent on a better use.

Chair Shepler closed public comment

Motion: Member Alexander moved that the CFAC Committee recommend to the City Council that their work plan be adjusted to include a two-person plus others subcommittee to develop a simplified budget brief. The motion was seconded by Member Shepler.

Chair Shepler requested a friendly amendment to include the option to receive alternatives from staff.

Amended Motion: Member Alexander moved that the CFAC Committee recommend to the City Council that their work plan be adjusted to include a two-person plus others subcommittee to develop a simplified budget brief and to include the option to receive alternatives from staff. The motion was seconded by Chair Shepler and carried 4-0 by roll call vote.

C. FUTURE AGENDA ITEMS  
[https://youtu.be/PvW-8Z\\_T0Gs?t=4474](https://youtu.be/PvW-8Z_T0Gs?t=4474)

1. HDL
2. Budget Brief

D. SCHEDULE NEXT MEETING

The next regularly scheduled Citizen's Oversight/Finance Committee meeting will be held on October 18, 2022, at 3:00 pm.

E. ADJOURNMENT

The meeting adjourned at 04:17 p.m.

Recorded by:

Sara Pruitt  
Senior Account Technician