

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – AUGUST 8, 2023
VETERAN'S MEMORIAL HALL – 5:30 P.M.

AGENDA NO: A-2
MEETING DATE: August 22, 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
Lona Laymon Assistant 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
Ted Schiafone Harbor Director
Janeen Burlingame Management Analyst

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Wixom called the meeting to order at 5:34 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/0lOdeUUyXdQ?t=99>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/0lOdeUUyXdQ?t=344>

PRESENTATIONS

<https://youtu.be/0lOdeUUyXdQ?t=1030>

- A Certificate of Appreciation for his service as Interim City Manager was presented to Greg Carpenter
- Morro Bay Chamber of Commerce Quarterly Update

PUBLIC COMMENT

<https://youtu.be/0lOdeUUyXdQ?t=2116>

Judy Salamacha, Morro Bay, announced the arrival of the San Salvador arrived today.

Linda Winters, Morro Bay, spoke as an advocate for mobile home park residents.

Gloria Zion, Morro Bay, spoke in support of the Morro Bay Chamber of Commerce.

Terry Simons, Morro Bay, spoke regarding Item C-1, suggesting there be a clear delineation between the services provided under direction of the Chamber Board vs. the services provided under the City's economic development contract.

Betty Winholtz, Morro Bay, asked that an overhead projector be provided with audio/video upgrades and encouraged Council Members to respond to emails submitted by community members.

Betsy Gaudette-Cross, Morro Bay, thanked residents who signed the initiative petition circulated by Citizens for Estero Bay Preservation and shared the QR code for a video on lithium battery fire.

Jeff Eckles, Morro Bay resident and San Luis Obispo Housing Trust Fund CEO commented on Regional Housing and Infrastructure Plan approved by the San Luis Obispo County Board of Supervisors and opportunity for collaboration with other SLO county cities on efforts to support affordable housing.

Susan Stewart, Morro Bay business owner, announced South Bay Blvd will be closed 7:00 pm – 6:00 am Sunday, August 13, through Tuesday, August 15, and expressed concern the City had not moved forward with a Historic Preservation Ordinance.

James Worthy, SLOCOG, provided an update on regional transportation funding efforts and challenges and encouraged members of the public to visit www.localroadsfirst.com for more information.

Mayor Wixom closed public comment.

A. CONSENT AGENDA
<https://youtu.be/0lOdeUUyXdQ?t=3661>

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 JUNE 13, 2023, CITY COUNCIL MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE JUNE 27, 2023, CITY COUNCIL SPECIAL MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE JUNE 27, 2023, CITY COUNCIL MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE JUNE 28, 2023, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

- A-5 DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY FOR ABC LICENSE – 833 EMBARCADERO RD., SUITE C AND SUITE F; (POLICE DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council make the Determination of Public Convenience or Necessity to approve the request to allow sales of alcohol for off sale beer and wine type 20 license for HarborWalk Convenience at 833 Embarcadero Rd., Suite C; and for alcohol sales type 47 license at Umi Seafood Grill at 833 Embarcadero Rd., Suite F, and direct staff to provide the applicant with a letter of support.

- A-6 CONSIDERATION OF SPONSORSHIP FOR THE BRAIDING WATER PROJECT PRESENTED BY R.A.C.E. MATTERS SLO; (MAYOR PRO TEM/INTERIM CITY MANAGER)

RECOMMENDATION: Approve the sponsorship request submitted by R.A.C.E. (Responsibility, Action, Culture, Education) Matters SLO and adopt Resolution No. 48-23 allocating \$1,000 from Fiscal Year (FY) 23-24 Community Grant Funds to sponsor “Braiding Water,” a multi-location Art & Cultural Festival and experience exploring and expanding our connections with water on the Central Coast.

- A-7 ADOPTION OF RESOLUTION NO. 49-23 APPROVING A 2-YEAR LEASE AGREEMENT WITH LET’S GET TUNED, LLC FOR PROPERTY LOCATED AT 781 MARKET STREET; (COMMUNITY DEVELOPMENT DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 49-23 (Attachment 1), approving a 2-year Lease Agreement for the City property located at 781 Market Street (APN: 066-321-027).

- A-8 APPROVE AMENDMENT NO. 2 TO THE CONSULTANT SERVICES CONTRACT BETWEEN THE CITY OF MORRO BAY AND MICHAEL BRANNAGAN, DOING BUSINESS AS TERRA SOLUTIONS, TO PROVIDE GEOGRAPHIC INFORMATION SYSTEM (GIS) SERVICES TO THE CITY OF MORRO BAY FOR AN ADDITIONAL TWO YEARS; (COMMUNITY DEVELOPMENT DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council Authorize the City Manager to execute Amendment No. 2 (Amendment 2) to the Agreement with Michael Brannagan, doing business as (DBA) Terra Solutions, to provide GIS services to the City for the next two years for an additional not-to-exceed amount of \$120,000.00.

- A-9 ADOPTION OF RESOLUTION NO. 50-23 APPROVING AMENDMENT NO. 1 TO THE 2022-2024 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF MORRO BAY AND THE MORRO BAY FIREFIGHTERS ASSOCIATION (MBFFA), IAFF LOCAL 3725, CHANGING FIREFIGHTER PROBATION REQUIREMENTS AND DURATION; (FIRE DEPARTMENT/HUMAN RESOURCES)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 50-23 approving Amendment No. 1 to the Memorandum of Understanding between the City of Morro Bay and the MBFFA Local 3725 (“MBFFA MOU 2022-2024”) reducing the entry level firefighter probationary period to twelve (12) months and removing the requirement to promote to Engineer as part of the probation process.

Mayor Wixom opened public comment for the Consent Agenda.
<https://youtu.be/0IOdeUUyXdQ?t=3661>

John Nowaczyk and Natalie Teichmann, spoke regarding Item A-7 expressing their excitement to open a sound bath and yoga studio in Morro Bay.

Betty Winholtz, Morro Bay, commented on Item A-3, encouraging the Council to take a re-vote on the Hwy 41 / Hwy 1 / Main St. intersection improvements to provide clear direction on this controversial item.

Terry Simons, Morro Bay, concurred with Ms. Winholtz, noting from a pro-roundabout perspective, he wished to be sure there is no question it was a 3-2 vote.

The public comment period was closed.

Council Member Landrum pulled Item A-3.

MOTION: Council Member Ford moved approval of all items on Consent except Items A-3. The motion was seconded by Council Member Landrum and carried 5-0.

A-3 APPROVAL OF MINUTES FOR THE JUNE 27, 2023, CITY COUNCIL MEETING; (CITY CLERK)
<https://youtu.be/0IOdeUUyXdQ?t=3973>

Council Member Landrum was in support of bringing back the Hwy 41 / Hwy 1 / Main Street intersection improvements item for discussion and another vote but did not receive support from a majority of Council to do so.

MOTION: Mayor Wixom moved approval of Item A-3. The motion was seconded by Council Member Ford and carried 5-0.

B. PUBLIC HEARINGS – NONE

The Council took a brief recess at 6:47 p.m. The meeting reconvened at 7:01 p.m. with all members present.

C. BUSINESS ITEMS

C-1 REVIEW AND COMMENT ON SCOPE OF WORK FOR FISCAL YEAR (FY) 23-24 ECONOMIC DEVELOPMENT SERVICES CONTRACT WITH THE MORRO BAY CHAMBER OF COMMERCE; (INTERIM CITY MANAGER)
<https://youtu.be/0IOdeUUyXdQ?t=5239>

Council Member Ford recused herself out of an abundance of caution due to a potential conflict of interest based on business and financial interests. She left the dais at 7:02 p.m.

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

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

Terry Simons, Morro Bay, felt it was inappropriate to contract with the Chamber's representative for the economic development services.

Betty Winholtz, Morro Bay, would like responses to questions raised in agenda correspondence and expressed concern with vagueness of items listed.

Cherise Hansson, Vice Chair of the Chamber Board of Directors and Co-Chair of its Governmental Affairs Committee, spoke in support of the revised scope of work and shared her appreciation for the tools and services Erica provides to new businesses, and guidance and facts during COVID.

Judy Salamacha, Morro Bay resident and member of the Chamber Board of Directors, respectfully requested the Council support the proposed scope of work.

Jeff Eckles, Morro Bay, appreciated the collaborative discussion of the scope of work and felt it was a mutually beneficial arrangement that benefits the City and business owners.

Michael Wambolt, Executive Director Visit Morro Bay, offered his support for the revised scope of work.

Susan Stewart, Morro Bay business owner, spoke in support of the item and noted the Governmental Affairs Committee does not support any program, business or take sides but rather takes a deep dive into issues and provides information that City staff, the Council and Commissioners can use.

Erica Crawford, Morro Bay Chamber of Commerce, clarified the legislative platform for the Chamber of Commerce sits apart from this scope of work.

Laura Lasko spoke representing the lodging community and was supportive of the continued scope of work.

Judy Setting, Morro Bay, suggested the Council request itemized invoices, was concerned businesses are represented at City meetings while residents are not, and suggested the contract amount could be decreased.

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

The Mayor and Council Members offered individual comments and suggested minor edits to the Scope of Work.

The Council did not take any formal action on this item.

Council Member Ford returned to the dais at 7:53 p.m.

C-2 INFORMATION ITEM TO REVIEW MORRO BAY GARBAGE SERVICE PROPOSED INCREASE TO THE MAXIMUM RATE SCHEDULE AND PROPOSITION 218 PROCEDURES; (PUBLIC WORKS DEPARTMENT)
<https://youtu.be/0lOdeUUyXdQ?t=8429>

Public Works Director Kwolek introduced the item and handed it over to Management Analyst Burlingame who provided the report and responded to Council inquiries.

Jordan Muratsuchi, Senior Project Analyst from R3 Consulting presented rate review analysis.

Assistant City Attorney Lona Laymon presented the Proposition 218 process.

All responded to Council inquiries.

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

Betty Winholtz, Morro Bay, disputed the percentage of the most recent rate increase, raised various questions and felt it was deceiving to say it's a 20% increase when there's an additional 18% for 9 months.

Terry Simons, Morro Bay, asked when residents would see the numbers indicating the next rate increase for water/sewer rates and questioned whether weekly garbage service was necessary.

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

Staff responded to questions raised during public comment.

The Council expressed concern the Prop 218 notice would be prepared in English only.

No action was taken by the City Council.

- C-3 RESOLUTIONS AUTHORIZING THE CITY MANAGER TO APPLY FOR STATE REVOLVING FUND FINANCIAL ASSISTANCE, EXECUTE SUCH AGREEMENTS, AND PERFORM ANY OTHER ACTION REQUIRED FOR THE PURPOSES OF OBTAINING THE CLEAN WATER AND DRINKING WATER STATE REVOLVING FUND GRANTS TO EVALUATE POTENTIAL CONSOLIDATION OF THE CITY AND RANCHO COLINA MUTUAL WATER COMPANY'S WATER AND WASTEWATER UTILITIES; (PUBLIC WORKS DEPARTMENT)
<https://youtu.be/0lOdeUUyXdQ?t=10566>

Public Works Director Kwolek and Dan Heimel, Confluence Engineering, provided the report and responded to Council inquiries.

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

Terry Simons, Morro Bay, was supportive and suggested the Council establish a blue ribbon committee to work with staff and Council on this issue.

Betty Winholtz, Morro Bay, raised several questions regarding the proposed project.

Jim asked about the timing of the project and whether it would interfere with the roundabout.

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

MOTION: Council Member Barton moved to adopt Resolutions No. 51-23 and 52-23 authorizing the City Manager to apply for State Revolving Fund Financial Assistance, execution of such Agreements, and any other action required for the purposes of the Clean Water and Drinking Water State Revolving Fund Grants to evaluate potential consolidation of the City and Rancho Colina Mutual Water Company's water and wastewater utilities. The motion was seconded by Council Member Edwards and carried 5-0.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/0lOdeUUyXdQ?t=12669>

Mayor Wixom requested and received majority support to have Harbor Director Schiafone bring back an agenda report on potential updates to the Harbor Lease Management Policy, with a focus on financial sustainability, and direct him to use resources from the

Harbor Advisory Board and Citizens Finance Advisory Committee as he deems appropriate for preparing the report.

Council Member Landrum requested and received majority support for consideration of having the Planning Commission and the Harbor Advisory Board conduct a short series of joint sessions to review an approach on addressing the City's future needs around the Embarcadero, power plant and associated waterfront facilities, and those that affect them. The initial phase would address issues around overlap and gaps between the two committees and the best approach to address issues around the planning process and eventually updating the waterfront master plan.

Council Member Landrum was aware of several short-term rentals (STR's) were being removed from the list for non-compliance and, before any permits are given to those on the waiting list, would like the Council to consider a moratorium or "pause" on issuing new permits until the Downtown Design District Committee has the chance to weigh in on this issue. There was full support for consideration at a future meeting.

E. ADJOURNMENT

The meeting adjourned at 9:08 p.m.

Recorded by:


Dana Swanson (Aug 23, 2023 10:25 PDT)

Dana Swanson
City Clerk

A2 CC_2023-08-08 Regular Meeting Minutes

Final Audit Report

2023-08-23

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