

City of Morro Bay

City Council Agenda

Mission Statement

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

SPECIAL MEETING

**MONDAY, DECEMBER 10, 2012; 6:00 P.M.
209 SURF STREET, MORRO BAY, CA**

- I. ESTABLISH QUORUM AND CALL TO ORDER**
- II. MOMENT OF SILENCE**
- III. PLEDGE OF ALLEGIANCE**
- IV. PUBLIC COMMENT**
- V. APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING OF DECEMBER 5, 2012 AND THE REGULAR CITY COUNCIL MEETINGS OF OCTOBER 23, 2012 AND NOVEMBER 13, 2012**
- VI. COMMENTS BY CURRENT MAYOR AND COUNCILMEMBERS**
- VII. PRESENTATION OF PLAQUES TO MAYOR WILLIAM YATES AND COUNCILMEMBER CARLA BORCHARD**
- VIII. OATH OF OFFICE AND PRESENTATION OF CERTIFICATES OF ELECTION TO MAYOR JAMIE IRONS, COUNCILMEMBER CHRISTINE JOHNSON AND COUNCILMEMBER NOAH SMUKLER**
- IX. COMMENTS BY NEW MAYOR AND COUNCILMEMBERS**
- X. ADJOURNMENT**

THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 24 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 772-6205 FOR FURTHER INFORMATION.

COPIES OF STAFF REPORTS OR OTHER PUBLIC DOCUMENTATION RELATING TO EACH ITEM OF BUSINESS REFERRED TO ON THIS AGENDA ARE ON FILE IN THE OFFICE OF THE CITY CLERK AND AVAILABLE FOR PUBLIC INSPECTION AND REPRODUCTION AT COST AT CITY HALL, LIBRARY, AND MILLS STATIONERY.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

AGENDA NO: V

MEETING DATE: 12/10/2012

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – OCTOBER 23, 2012
VETERAN’S MEMORIAL HALL – 6:00P.M.

Mayor Yates called the meeting to order at 6:00 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Jamie Boucher	City Clerk
	Rob Livick	Public Services Director
	Mike Lewis	Interim Police Chief
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director
	Joe Woods	Recreation & Parks Director
	Bruce Keogh	WWTP Manager

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS &
PRESENTATIONS

CLOSED SESSION REPORT – City Attorney Robert Shultz reported that City Council met in Closed Session and no reportable action under the Brown Act was taken.

PUBLIC COMMENT

Crystal Bergman, owner of the Treasures Antique Mall, presented the Morro Bay Business Report. Her business is located at 475 Morro Bay Blvd and features a 4200 square foot space that allows for 78 local vendors to display their antiques and vintage gifts. They are open 7 days a week, Monday thru Saturday from 10am-7pm and Sundays from 10am-5pm.

Commander Bryan Millard spoke on the current strength and responsiveness of our Morro Bay Police Department. He also thanked Interim Chief Mike Lewis for such a fantastic job of keeping the department pointed in the right direction during his tenure.

Michael Durrick spoke on the WWTP project. He asked Council and those watching at home to look on the City’s website for the study conducted by Dudek which provides the cost analysis of building the project at the existing site versus the Righetti site. He has concerns with the cost impacts on rate payers should the Regional Water Quality Control Board and the EPA choose

not to allow us to continue with our 301h waiver during the time it would take to construct the new plant. What the study doesn't consider are the possible fines for non-compliance that could and would be levied at up to \$10,000/day. He urged Morro Bay rate payers to read the report before making any decision on whether or not you support moving the plant to a remote location.

Garry Johnson spoke on a new website – Fogcutter News (Fogcutternews.org) which brings truth into the light. The stories are written by 5 columnists and feature articles of local interest. It is also a site where you can donate to our troops overseas. There are also links on the site that allow you to fill out and send in protest petitions for both the WWTP project as well as the PG&E Seismic Testing project.

Carol DeVore spoke on behalf of Womenade, a local 501(c)3 network of over 525 women who donate items, time and money to meet essential needs in San Luis Obispo County. These monies are one time help, as opposed to cash payments to individuals, for things like furniture, diapers, doctors/dentist appointments, groceries, etc... Since 2003, \$195,808 has been raised through donations and every single penny goes to help those in need.

Gwen Infante and Tyra Solomon, both members of Womenade, promoted a calendar that they are selling for \$21.50. The photography shoot was donated by Two Tall Studios with all monies from the sales going to benefit their organization.

Sandy Tannler spoke regarding the article that was printed in the Wall Street Journal about the WWTP project. She feels we are being manipulated, that the article is skewed with half-truths, and that the possibility of a tsunami is being used as a scare tactic. She is also fearful of the expense of moving an entire new infrastructure to a new location where the sewage would have to be piped uphill.

Betty Winholtz spoke on Item A-5, the contract with the Fiber Optic Company at North Point. She was pleased that the City was receiving benefits but was concerned that this will only benefit City government; she would like to see the \$50,000 go to a defined public good and not just to the general fund. She also spoke on Item C-2, the Reorganization of the Public Services Department. She feels the timing of this is poor as the new Council will be seated in 6 weeks and she feels they should have some input. She urges the Council postpone action on this item.

Mayor Yates closed the public comment period.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE REGULAR MEETING OF OCTOBER 9, 2012; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 ADOPTION OF ORDINANCE NO. 581 REPEALING, AMENDING, AND REENACTING CHAPTER 10.76 OF THE MORRO BAY MUNICIPAL CODE

ENTITLED COASTERS, ROLLER SKATES, SKATEBOARDS, SCOOTERS, EPAMDS AND SIMILAR DEVICES; (CITY ATTORNEY)

RECOMMENDATION: Adopt Ordinance 581.

A-3 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY IDENTIFYING LOCATIONS PROHIBITING THE USE OF COASTERS, ROLLER SKATES, SKATEBOARDS, SCOOTERS, EPAMDS AND SIMILAR DEVICES ON CERTAIN CITY SIDEWALKS ; (CITY ATTORNEY)

RECOMMENDATION: Adopt Resolution 50-12.

A-4 ADOPTION OF ORDINANCE NO. 580 ADDING SECTION 7.04.170 MENACING AND AGGRESSIVE ANIMAL ORDINANCE TO CHAPTER 7.04 OF THE MORRO BAY MUNICIPAL CODE; (POLICE)

RECOMMENDATION: Adopt Ordinance 580.

A-5 APPROVAL OF LICENSE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND X2 TELECOM LLC FOR USE OF A PORTION OF THE NORTH POINT NATURAL AREA AND RIGHT OF WAY AREA FOR FIBER OPTIC CABLES; (CITY ATTORNEY)

RECOMMENDATION: Approve the license agreement with X2 Telecomm LLC for the use of a portion of the North Point Natural Area and right-of-way area for fiber optic cable.

A-6 RESOLUTION OF THE CITY COUNCIL OF CITY OF MORRO BAY APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE FEDERAL RECREATIONAL TRAILS PROGRAM; (RECREATION & PARKS)

RECOMMENDATION: Adopt Resolution 51-12 authorizing staff to submit a grant application to secure funds from the Federal Recreational Trails Program for the Morro Rock Access Ramp project.

A-7 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA APPROVING AMENDMENT #4 TO THE LEASE AGREEMENT FOR LEASE SITE 102/102W LOCATED AT 1001 EMBARCADERO; (CITY ATTORNEY)

RECOMMENDATION: Adopt Resolution 53-12.

A-8 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA APPROVING AMENDMENT #4 TO THE LEASE AGREEMENT FOR LEASE SITE 105.1W/105.2 LOCATED AT 1001 EMBARCADERO; (CITY ATTORNEY)

RECOMMENDATION: Adopt Resolution 54-12.

A-9 RESOLUTION NO. 40-12 ADOPTING THE MEMORANDUM OF UNDERSTANDING WITH THE MORRO BAY POLICE EMPLOYEES AND RELATED COMPENSATION; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution 40-12.

Councilmember Borchard pulled Item A-5 from the Consent Calendar.

MOTION: Councilmember Borchard moved the City Council approve Items A-1, A-2, A-3, A-4, A-6, A-7, A-8 and A-9 of the Consent Calendar as presented. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

A-5 APPROVAL OF LICENSE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND X2 TELECOM LLC FOR USE OF A PORTION OF THE NORTH POINT NATURAL AREA AND RIGHT OF WAY AREA FOR FIBER OPTIC CABLES; (CITY ATTORNEY)

Councilmember Borchard doesn't want to see this money go to the general fund. Her thought is to put it towards a facility maintenance fund for technology improvements.

Councilmember Smukler agrees that designating the monies will allow tracking of where funds are spent.

MOTION: Councilmember Borchard moved to approve the license agreement with X2 Telecom LLC with the provision that an item be brought back to the next meeting stipulating where the money will be spent. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 APPEAL OF THE AMENDMENT OF CONDITIONAL USE PERMIT CUP-02-01 TO CONSTRUCT A SECOND STORY OFFICE/STORAGE AREA AT THE EXISTING HARBOR HUT, 1205 EMBARCADERO; (PUBLIC SERVICES)

Councilmember Leage had to step down from the dais due to a conflict of interest.

Public Services Director Rob Livick presented the staff report.

Appellant Betty Winholtz presented her arguments supporting her appeal of the project.

Cathy Novak, speaking as the representative for the applicant, presented her arguments in favor of upholding the Planning Commission's decision.

Mayor Yates opened the hearing for public comment; seeing none, the public hearing was closed.

Councilmember Smukler was curious to hear from Public Services Director Livick staff's and the Planning Commission's opinion on why this wasn't an exception to Measure D.

Mayor Yates feels this that this addition provides ancillary benefit only; they are not adding restaurant space. In addition, this project provides public benefit as adding this office space adds square footage to the building which the City owns. He is in favor of upholding the Planning Commission's decision.

Councilmember Johnson agrees with Mayor Yates.

Councilmember Borchard stated that Council has been made fully aware, during the entire process of the lease site amendment process that this office space was proposed and Council approved it as such. It was vetted through the Planning Commission for the specifics.

MOTION: Councilmember Johnson moved to deny the appeal and uphold the Planning Commission's approval of the requested Amendment of Conditional Use Permit CUP-02-01. The motion was seconded by Councilmember Borchard and carried 4-0-1 with Councilmember Leage abstaining due to a conflict of interest.

C. UNFINISHED BUSINESS

C-1 UPDATE ON SIDEWALK UPGRADES ON THE EMBARCADERO BETWEEN BEACH STREET AND PACIFIC STREETS AND THE IMPACT TO PARKING; (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report.

Councilmember Smukler is intrigued by this concept and feels it is worth looking at; during his time on Council, there has been a transition in thought of a lot of business owners from concern to now looking into support of making changes. He feels that a conversation would need to begin regarding the update of the Local Coastal Plan and circulation element. He is interested in exploring a pilot program in the area to look at what could work and would be most cost effective. He would like to hear formally from the businesses in the area as these improvements would need to be supported by the businesses – maybe the first step could be a business forum on this topic.

Mayor Yates has walked this area with Ron DiCarli, Executive Director of SLOCOG and feels that COG would be able to fund this; however, it could be a 2-3 year process. He agrees that businesses would need to be on board. He also feels that waiting for an LCP update would take too long. He feels that COG could supply design monies, maybe as much as 90%. He would like to see the process begin, write COG requesting money to begin the design phase.

Councilmember Leage agrees with Mayor Yates completely as he has been a proponent of this for a long time. He has personally talked to businesses on the Embarcadero and they feel that widening the sidewalk will help their businesses.

Councilmember Johnson agrees we need something and this could be our best chance. She agrees that moving forward seeing what SLOCOG can do for us is the most expedient and least expensive solution at this time.

Councilmember Borchard stated that not having signs on the sidewalks has greatly improved the flow for the limited space we have. As projects on the Embarcadero come forward, the new Council and Planning Commission needs to be mindful of sidewalk enhancement and upgrade possibilities.

ACTION: There was unanimous Council consensus to start dialogue with SLOCOG; letting them know what we would like to see happen as well as to request design money for enhancements.

**C-2 PUBLIC SERVICES DEPARTMENT - DEPARTMENT REORGANIZATION;
(ADMINISTRATION/PUBLIC SERVICES)**

Public Services Director Rob Livick presented his staff report.

Councilmember Smukler is feeling cautious about this request. While he agrees with most of the adjustments both in salary and increased duties, he has concerns that in the future, he is fearful of additional expansions in salaries. He wants to postpone the request for the Permit Technician moving back to a full-time position.

Mayor Yates is in favor of moving the Permit Technician position back to full-time as things have been moving much smoother in the last couple of months. He sees this as continued improvement.

Councilmember Johnson is happy with the new organizational chart as she feels it is a good plan, she would like to wait however until mid-year to look at moving the Permit Technician position from $\frac{3}{4}$ time to full-time.

Councilmember Borchard agrees with Councilmembers Smukler and Johnson and feels we should wait until mid-year for the new Council to make a determination on the $\frac{3}{4}$ time position based on the budget. She is also fine with the new reorganization. She called into question the approval of the filling of the vacant Collection System position; she thought that they hadn't approved refilling that spot.

MOTION: Councilmember Johnson moved to approve the Public Services Department Reorganization Plan with the exception of the Building Permit Technician moving from $\frac{3}{4}$ time to full time; require tracking business licenses so there is information available when it comes back; and pending confirmation that Council approved filling the Collection System Operator II position. The motion was seconded by Councilmember Smukler and passed unanimously 5-0.

D. NEW BUSINESS

D-1 DISCUSSION OF MORATORIUM ON BUILDING IMPACT FEES FOR COMMERCIAL AND RESIDENTIAL IMPACT FEE REDUCTION AND ADOPTION OF RESOLUTION 52-12 ESTABLISHING A REDUCTION FOR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR RESIDENTIAL PROJECTS; (CITY COUNCIL)

Councilmember Borchard presented the staff report noting that there is a correction in the Resolution that needs to be made in the date – it needs to say “...permit as of October 23, 2012 shall be eligible until July 1, ~~2013~~ 2014, for the residential projects impact fee waiver.” This only changes impact fees, it doesn’t change any other building fees. She stated that it is currently very cost prohibitive to build and is requesting that for the next 18 months, to only charge ½ of what they currently are.

Councilmember Johnson approves but wonders about limiting it to single family homes. Is it possible to include allowing this for projects of less than 8?

Councilmember Smukler is not in support of this as proposed. We currently have opportunities for us to help people construct new structures and smaller renovations. What we are doing here is giving a considerable amount and there isn’t a standard that we are asking them to comply with. He would be interested in pursuing if we could require they provide a higher standard of enhanced efficiencies.

Mayor Yates disagrees with Councilmember Smukler; the idea behind this is to spur construction. He also feels this is the same thing as waiving commercial impact fees. By doing this, it sends a message - there is a timetable as it won’t last forever.

Councilmember Smukler agrees that it is important to build new homes as well as renovate existing homes. But moving forward with this cuts back on the funding sources that allow us to accommodate new infrastructure improvements that we have been trying to move forward with. He feels that tying this into a higher standard makes more sense and provides us a sense of security that we won’t lose the quality of life that we are trying to provide.

Mayor Yates feels that impact fees are just another tax; it’s a revenue generation machine. He thinks that the trade off in losing the impact fees but gaining in property taxes and sales taxes will more than make up for the losses.

Councilmember Borchard reinforced that this isn’t a waiver of impact fees, it is a reduction of impact fees. In addition, this isn’t a subdivision development waiver; it is intended for single family residences.

Councilmember Smukler spoke about dual plumbing fixtures stating they are the wave of the future. He feels we should mandate that dual plumbing fixtures be installed for these types of requests as he feels it will be saving residents money in the long run when these fixtures become a requirement. Council consensus was not to trade a cost for a waiver of cost.

Councilmember Johnson feels it should be limited to single family residences or small 2 or 3 unit subdivisions. Councilmember Borchard is comfortable with 3 units.

MOTION: Councilmember Borchard moved for the adoption of Resolution No. 52-12 with the following change to the last “Whereas”, where the sentence now reads: **WHEREAS**, in furtherance of these goals, the City Council hereby desires to establish the following reductions to the payment of Development Impact Fees for single family residential projects **up to three units:...** as well as changes the eligibility date for the reduction of impact fee waiver on residential development until July 1, ~~2013~~ 2014. The

motion was seconded by Councilmember Johnson and passed 4-1 with Councilmember Smukler voting no.

E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Borchard requested an item recommending earmarking the \$50,000 monies from X2 Telecom LLC to City's technology needs; there was unanimous Council consensus.

ADJOURNMENT

The meeting adjourned at 8:02 p.m.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: V

MEETING DATE: 12/10/2012

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 13, 2012
VETERAN’S MEMORIAL HALL – 6:00P.M.

Mayor Yates called the meeting to order at 6:00 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Jamie Boucher	City Clerk
	Rob Livick	Public Services Director
	Amy Christey	Police Chief
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director
	Joe Woods	Recreation & Parks Director
	Cindy Jacinth	Assistant Planner
	Janeen Burlingame	Management Analyst

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CLOSED SESSION REPORT – City Attorney Robert Shultz reported that City Council met in Closed Session and no reportable action under the Brown Act was taken.

PUBLIC COMMENT

Marvin Sosna, a 22 year resident, commented on the horrible state of his street wondering when it would be repaired. He doesn’t agree with the City’s street repair policy which he says is “those in need of repair the most are last to get fixed.”

Rick Grantham and Bill Black advertised the upcoming Annual Thanksgiving Day Dinner which is co-sponsored by Morro Bay Rotary and the Morro Bay Peace Officers Association. They thanked the major sponsors as well as the many volunteers it takes to put the event on. They also thanked both Mayor Yates and Councilmember Borchard for all their work on the City Council on behalf of the residents.

Garry Johnson thanked the Armed Service members for their selfless service to our Country. He also thanked both Mayor Yates and Councilmember Borchard for their time and hard work over the years. He provided a very extensive listing of all their successes on behalf of the City.

John Solu wanted to recognize all sitting Councilmembers for their service but especially Mayor Yates and Councilmember Borchard for all their efforts on behalf of Morro Bay. They have been stewards for growing business in Morro Bay.

John Dinunzio, the City's new Economic Development Director introduced himself, providing a short bio on his qualifications. He considers it an honor to be a part of the Chamber and the Economic Development Team.

Pat O'Daniels invited everybody to John Duran's Art Show being held on Saturday, November 17th and Sunday, November 18th at 280 Harbor (the old Morro Bay Brewery location).

Tom Martin spoke on the Cold Canyon Landfill stating that there will be a hearing on November 20th in front of the Board of Supervisors. While they received a permit, there were conditions levied that were entirely discretionary and very costly. Whatever decision is made will be borne by the rate payer. He encouraged the public to speak on their behalf.

Joan Solu stated publicly how much she appreciates all that the Councilmembers do; she especially focused on Mayor Yates and Councilmember Borchard both who are giving of their time and resources.

Keith Taylor spoke promoting the Fire Department Dedication being held on Saturday, December 8th starting at 1130am. They have worked for the last 8 years to get this project completed and wanted to thank the community for their part in passing Measure Q.

Mayor Yates closed the public comment period.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE REGULAR MEETING OF OCTOBER 23, 2012; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 DIRECTION TO ALLOCATE \$50,000 RECEIVED THROUGH THE CITY'S LICENSE AGREEMENT WITH X2 TELECOM LLC TOWARD CITY'S TECHNOLOGY NEEDS; (ADMINISTRATION/CITY ATTORNEY)

RECOMMENDATION: Direct the expenditure of one time monies in the amount of \$50,000 on City technology needs.

A-3 APPROVAL OF RESOLUTION 57-12 REGARDING CITY'S INTENTION TO SELL THE CITY-OWNED PROPERTY AT 1320 MAIN STREET IN MORRO BAY, CALIFORNIA; (CITY ATTORNEY)

RECOMMENDATION: Adopt Resolution No. 57-12.

A-4 REVIEW AND ADOPT DRAFT FUNDING RECOMMENDATIONS FOR THE 2013 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS; (PUBLIC SERVICES)

RECOMMENDATION: Review and adopt draft funding recommendations for the 2013 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors. Additionally, authorize the City Manager to make pro rata adjustments to the allocation based on final funding amount from San Luis Obispo County.

A-5 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA REAFFIRMING COMMUNITY SUPPORT OF THE LOCAL COMMERCIAL FISHING INDUSTRY; (CITY ATTORNEY)

RECOMMENDATION: Adopt Resolution 56-12.

Councilmember Smukler pulled Items A-1, A-2 and A-4 from the Consent Calendar.

MOTION: Councilmember Smukler moved the City Council approve Items A-3 and A-5 of the Consent Calendar as presented. The motion was seconded by Councilmember Borchard and carried unanimously 5-0.

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE REGULAR MEETING OF OCTOBER 23, 2012; (ADMINISTRATION)

Regarding item C-1, Councilmember Smukler doesn't recall that there was Council direction for staff to request design monies for sidewalk enhancements from SLOCOG. City Clerk was directed to go back to the AGP tape for clarification and bring the item back to the next meeting for approval.

A-2 DIRECTION TO ALLOCATE \$50,000 RECEIVED THROUGH THE CITY'S LICENSE AGREEMENT WITH X2 TELECOM LLC TOWARD CITY'S TECHNOLOGY NEEDS; (ADMINISTRATION/CITY ATTORNEY)

Councilmember Smukler feels that how and where the money is spent should be brought back to Council for approval. There was no Council consensus for that concept.

MOTION: Mayor Yates moved for approval of Item A-2 as presented, allowing the City to spend the \$50,000 on technology needs. The motion was seconded by Councilmember Johnson and carried 4-1 with Councilmember Smukler voting no.

A-4 REVIEW AND ADOPT DRAFT FUNDING RECOMMENDATIONS FOR THE 2013 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS; (PUBLIC SERVICES)

Councilmember Smukler noted that last year the Council carved out a small amount of money for the Maxine Lewis Memorial Shelter which he would like to see continued; he would also like to see some funds go to the Senior Nutrition Program. Public Services Director Rob Livick noted that this is a draft document which then goes to the County and back to the Council for adoption. It was also noted by Assistant Planner Cindy Jacinth that only 15% of the allowable monies can go to Public Services requests of which both the Maxine Lewis Center and the Senior Nutrition are a part of. Councilmember Johnson stated that while she can support monies to the Senior Nutrition Program, at this time she can't support funding CAPSLO until they change the way they allocate spending their monies. Based on those comments, Councilmember Smukler recommends funding the Senior Nutrition Program request.

MOTION: Councilmember Smukler moved to tentatively approve the CDBG funding requests with an adjustment to fund the Senior Nutrition Program at the maximum amount requested. The motion was seconded by Councilmember Borchard and carried 3-2 with Mayor Yates and Councilmember Leage voting no.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 RESOLUTION NO. 55-12 APPROVING MORRO BAY GARBAGE SERVICE INTERIM RATE YEAR ADJUSTMENT APPLICATION AND ADJUSTING SOLID WASTE COLLECTION RATES; (PUBLIC SERVICES)

Management Analyst Janeen Burlingame presented the staff report.

Mayor Yates opened the hearing for public comment; seeing none, the public hearing was closed.

MOTION: Councilmember Borchard moved to Approve Resolution 55-12. The motion was seconded by Councilmember Johnson and carried 5-0.

C. UNFINISHED BUSINESS - NONE

D. NEW BUSINESS

D-1 REVIEW OF CONCEPT PLAN FOR IMPROVEMENTS TO CENTENNIAL STAIRCASE; (CITY ATTORNEY)

City Attorney Rob Schultz presented the staff report.

Mayor Yates is in favor of moving forward with the funicular concept.

Councilmember Johnson is also in favor the funicular and hopes we can move forward with an approval without having to send it to other boards for their input.

Councilmember Borchard also likes the funicular concept and thinks that it would definitely enhance the property.

Councilmember Leage liked the funicular concept but he had a fiscal concern. If Council moved forward with approving the funicular and it was discovered that concept was considerably more expensive than the elevator concept, would the City have to pay the difference since they were the ones requesting it? City Attorney Rob Schultz feels that both projects are similar in costs; in addition, it would be the City's assertion that all costs for this project will be borne by the applicant.

Councilmember Smukler feels it's important to confirm who would bear those cost differences. He had a discussion with Mr. Stowasser who asserted that the decision was the City's to make. On another note, he would like to see the wood from the staircase that would be removed used appropriately as it has historical significance.

MOTION: Mayor Yates moved for support of the Funicular, to communicate the Council's decision to Mr. Stowasser and send the project directly to the Planning Commission. The motion was seconded by Councilmember Leage and passed unanimously 5-0.

E. DECLARATION OF FUTURE AGENDA ITEMS -

Councilmember Smukler requested an item be sent to the Recreation & Parks Commission focusing on the appropriate use of the historically significant materials from the demolition of the Centennial Staircase. There was consensus from Councilmembers Borchard and Leage.

Councilmember Smukler requested a discussion on the Harbor Advisory Board's request to re-establish the New Futures Committee to help influence the future of the power plant. There was consensus from Councilmembers Johnson and Borchard as long as it wasn't called the "New Future's Committee".

ADJOURNMENT

The meeting adjourned at 7:39 p.m.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: V

MEETING DATE: 12/10/2012

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL MEETING – DECEMBER 5, 2012
VETERAN’S MEMORIAL HALL – 5:00P.M.

Mayor Yates called the meeting to order at 5:00 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Jamie Boucher	City Clerk
	Amy Christey	Police Chief
	Mike Pond	Fire Chief
	Joe Woods	Recreation & Parks Director

- I. ESTABLISH QUORUM AND CALL TO ORDER
- II. MOMENT OF SILENCE
- III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENT

Joan Solu, President of the Morro Bay Tourism Bureau introduced their new Director of Tourism, Karin Moss.

Karin Moss related her enthusiasm for the City and the position and is looking forward to getting to getting to work.

Garry Johnson spoke in opposition to a letter he had read that was written by a Morro Bay citizen who criticized the sitting City Council. He thanked Mayor Bill Yates and Councilmember Carla Borchard for all their hard work on behalf of the City and its citizens. He also thanked the Police and Fire Department for the help they gave him in a recent accident he had.

The following speakers spoke in opposition to the approval of the proposed Amendment to the Agreement to Lease and an Amendment to the Outfall Lease between the City of Morro Bay and Dynegy Morro Bay LLC:

Roger Ewing, Melody Demeritt, Henrietta Groot, Barbara Doerr, Julie Tacker, Linda Fidell, Mandy Davis, Marla Jo Bruton, David Nelson, Hershel Parker, Dorothy Cutter, and Robin Cook. Reasons for the opposition included the following: lack of public involvement in the process, not a good business decision, property could be used instead to enhance City’s revenue stream, harm to the Estuary and the environment, notice to public was too short, and should allow the newly elected Council to weigh in on the issue.

Rick Grantham spoke in favor of approving the Execution of the Amendment to the Agreement to Lease and an Amendment to the Outfall Lease between the City of Morro Bay and Dynegy Morro Bay LLC.

V. RESOLUTION 59-12 APPROVING AND AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE AGREEMENT TO LEASE AND AN AMENDMENT TO THE OUTFALL LEASE BETWEEN THE CITY OF MORRO BAY AND DYNEGY MORRO BAY LLC; (CITY ATTORNEY)

City Attorney Rob Schultz presented his staff report.

Mayor Yates is supportive of this agreement. The Council has been working on this transaction for over 2 years. He is pleased to have finally received the triangle property that has been discussed and negotiated for, for over 15 years.

Councilmember Johnson is in agreement with Mayor Yates. This is not a new item of discussion; Council has been working hard on this for quite some time. She also feels that this Council should have been the body to hear the item as it wouldn't have been fair to have a new Council, who doesn't have the history and background information, have to make the decision.

Councilmember Smukler stated that if his vote was needed for a majority, he would have voted yes as the City needs the money and there are significant property benefits. However, he will be voting no because the unnecessary haste of the process increases risk and missed opportunities. He is also frustrated by the unwillingness of the Council to support discussion of additional options with Dynegy to gain property and easements for future public access and infrastructure improvements. He is concerned about Dynegy's unwillingness to fund 2013 fire protection. He thinks it is important that we begin working with Dynegy and the community to develop a transition plan for the future of the site.

MOTION: Mayor Yates moved for approval of Resolution 59-12. The motion was seconded by Councilmember Borchard and carried 4-1 with Councilmember Smukler voting no.

VI. ADJOURNMENT

The meeting adjourned at 6:00 p.m.

Recorded by:

Jamie Boucher
City Clerk