

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JUNE 28, 2011
VETERANS MEMORIAL HALL - 6:00 P.M.

Mayor Yates called the meeting to order at 6:05 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Robert Schultz	City Attorney
	Bridgett Kessling	City Clerk
	Eric Endersby	Harbor Operations Manager
	Rob Livick	Public Services Director
	Tim Olivas	Police Chief
	Mike Pond	Fire Chief
	Barry Rand	Assistant Engineer
	Susan Slayton	Administrative Services Director
	Dylan Wade	Utilities/Capital Projects Manager
	Joe Woods	Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS &
PRESENTATIONS

CLOSED SESSION REPORT – there was no Closed Session report.

PUBLIC COMMENT

Craig Schmidt, Chamber of Commerce CEO stated the Visitors Center hours have been changed to 9:00 am – 5:00 pm seven days per week, and the Chamber of Commerce will be paying for the additional hours until the 90-day contract is re-evaluated. He said it is unlikely Morro Bay would qualify as a California State Welcome Center because it is within 50 miles of Pismo Beach which is a Welcome Center. Mr. Schmidt stated the City Manager has been added as a voting member to the Executive Committee to the Chamber. He noted the Chamber is providing the City with profit and loss detailed statements every month, and providing the Community Promotions Committee and Tourism Business Improvement District Advisory Board with fiscal information. Mr. Schmidt announced he is looking for Skateboard event volunteers for July 3rd and volunteers for the 4th of July. He also thanked Harold Biaggini for hiring a crew to remove the weeds around the City billboard.

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John Barta stated the California Welcome Center 50-mile rule may not come into play since Morro Bay is on Highway 1 and Pismo Beach is on Highway 101. He expressed support on Item D-2 (Report on the Cambria Voluntary Community Bus Program). Mr. Barta referred to Item D-4 (Discussion of Improvements to the “Rock” Parking Lot, Located at the End of Coleman Drive, Morro Bay) stating the Rock is known as the “Gibraltar of the Pacific” and the most sought after tourist attraction in the City. He requested Council be tenacious and aggressive in their decision on this item because improvements to this parking lot will add a lot to the town.

Betty Winholtz referred to Item D-4 stating the Rock parking lot is made of fill and could be an engineering nightmare; she said this money should go towards repaving City streets. Ms. Winholtz also referred to Item D-3 (Discussion and Adoption of the Pavement Management Plan) stating out of all the budgetary items on the agenda tonight, all the money should go towards this item.

Barry Brannin stated the workshops regarding the Wastewater Treatment Plant upgrade were well attended. He said he appreciated the openness and the interaction with staff and the consultant is bringing a level of professionalism that is truly remarkable.

Gerald Bednorz, Beach House Bistro, announced the 4th annual drive-thru barbeque will be held on the 4th of July from 12:00 pm - 4:00 pm to support the Susan G. Komen Breast Cancer Foundation.

Susan Stewart, Community Promotions Committee Chair gave a monthly update on the Committee’s actions.

Garry Johnson shared a photo of the K-9 walk-a-thon stating it was a great event. He also shared photos of the live theatre produced by Karen Garman stating what a fantastic job she does for the youth in our community.

Mayor Yates closed the hearing for public comment.

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 AGREEMENT BETWEEN THE MORRO BAY CHAMBER OF COMMERCE AND CITY OF MORRO BAY TO OPERATE THE VISITORS CENTER; (ADMINISTRATION)

RECOMMENDATION: Approve the Agreement between the Morro Bay Chamber of Commerce and the City of Morro Bay to operate the Visitors Center.

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A-2 RESOLUTION NO. 45-11 ESTABLISHING A THREE-YEAR MORATORIUM FOR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR COMMERCIAL PROJECTS WITHIN A COMMERCIAL ZONE DISTRICT; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 45-11.

Councilmember Smukler pulled Item A-2 from the Consent Calendar.

MOTION: Councilmember Borchard moved the City Council approve Item A-1 of the Consent Calendar. The motion was seconded by Councilmember Smukler and carried unanimously. (5-0)

A-2 RESOLUTION NO. 45-11 ESTABLISHING A THREE-YEAR MORATORIUM FOR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR COMMERCIAL PROJECTS WITHIN A COMMERCIAL ZONE DISTRICT; (PUBLIC SERVICES)

Councilmember Smukler stated he would be voting in opposition to this item because there are things the City could do that could support low impact development concepts as part of the impact fee reduction. He said this lacks a public benefit component that clearly shows resource improvements on conservation.

Councilmember Johnson referred to Resolution No. 45-11 and requested the following amendment:

BE IT FURTHER RESOLVED by the City Council of the City of Morro Bay, that only commercial or mixed-use projects on commercially zoned land shall be eligible and that residential projects within the mixed use areas shall not be eligible.

MOTION: Councilmember Johnson moved the City Council approve Item A-2 of the Consent Calendar as amended. The motion was seconded by Councilmember Borchard.

Councilmember Smukler expressed opposition because a higher standard needs to be held when giving away this large of a public gift.

VOTE: The motion carried with Councilmember Smukler voting no. (4-1)

Mayor Yates called for a break at 6:45 p.m.; the meeting resumed at 7:00 p.m.

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B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 RESOLUTION NO. 43-11 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods stated at the May 10, 2011 City Council meeting, Council adopted Resolution No. 32-11 approving the Engineer's Report describing the annual maintenance to be completed at the Cloisters Park and Open Space, and declaring the City's intent to levy an annual assessment to finance this maintenance. The assessment, projected at \$1,241.20 per assessable lot in the Cloisters subdivision, will be collected by the County Assessor. As part of the assessment process, the City ordered the preparation of an Engineer's report, adopted a resolution of intention to levy an assessment, set June 28, 2011 as the hearing date on the proposed levy of assessment, noticed all property owners on record via first class mail of the hearing and published the notice in the local newspaper. The City Council must hold a protest/public hearing before considering the levy of the annual assessment. Mr. Woods recommended the City Council hold a public hearing on the annual levy of assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District, and then adopt Resolution No. 43-11 confirming the levy of assessment for Fiscal Year 2011-12.

Mayor Yates opened the hearing for public comment.

Robert Bacon, resident of Cloisters, stated he shared pictures at a City Council meeting last year of the weeds throughout the parkway and park areas and it still looks the same this year. He said he does not object to paying the assessment, in fact it is a privilege to live by such a great park, which is a tourist attraction. Mr. Bacon objects to the lack of maintenance to the parkway and park areas.

Dawn Beattie, resident of Cloisters, stated the Recreation & Parks Department has been very responsive to the residents' needs. She said the communications between staff and the residents has been a major improvement. Ms. Beattie stated the homeowners are supporting the assessment on a probationary approach for this year.

Mayor Yates closed the hearing for public comment.

Councilmember Borchard stated she walks through the Cloisters and has noticed the improvements. She said she hopes the residents have patience with the progress.

Councilmember Johnson stated she agrees the Recreation & Parks Department has done a wonderful job in communicating with the residents and doing their best with limited funding.

Councilmember Leage stated he agrees the Department is making improvements to the area, and hopes it continues throughout the year when it comes back for review next year.

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Councilmember Smukler stated it appears there have been strong communications with the residents. He said performance is going to be important for the neighborhood to be satisfied, and it will be exciting to identify long-range management plans for the development.

Mayor Yates stated his history is to not be supportive of this assessment; however, based on the support of the residents, he will support the assessment this year. He said he will reassess his consideration of this assessment next year.

MOTION: Councilmember Borchard moved the City Council adopt Resolution No. 43-11 directing the levy of the Annual Assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Smukler and carried unanimously. (5-0)

B-2 RESOLUTION NO. 44-11 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods stated at the May 10, 2011 City Council meeting, Council adopted Resolution No. 32-11 approving the Engineer's Report describing the annual maintenance to be completed at the North Point Natural Area, and declaring the City's intent to levy an annual assessment to finance this maintenance. The assessment, projected at \$564.50 per assessable lot in the North Point subdivision, will be collected by the County Assessor. As part of the assessment process, the City ordered the preparation of an Engineer's report, adopted a resolution of intention to levy an assessment, set June 28, 2011 as the hearing date on the proposed levy of assessment, and finally, noticed all property owners on record via first class mail of the hearing, as well as published the notice in the local newspaper. The City Council must hold a protest/public hearing before considering the levy of the annual assessment. Mr. Woods recommended the City Council hold a public hearing on the annual levy of assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District and then adopt Resolution No. 44-11 confirming the levy of assessment for Fiscal Year 2011-12.

Mayor Yates opened the hearing for public comment; there were no comments and Mayor Yates closed the hearing for public comment.

MOTION: Councilmember Borchard moved the City Council adopt Resolution No. 44-11 directing the levy of the Annual Assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Leage and carried unanimously. (5-0)

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B-3 ADOPTION OF THE URBAN WATER MANAGEMENT PLAN 2010
UPDATE; (PUBLIC SERVICES)

Utilities/Capital Projects Manager Dylan Wade stated in order to comply with the water code and other segments of state law, water utilities that serve more than 3000 customers or sell more than 3000 acre-feet-per-year of water are required to prepare an Urban Water Management Plan in years ending in 5 and 10. The City began preparing an update to the 2005 Urban Water Management Plan in the fall of 2010 and is bringing this document forward for public comment and Council adoption at this time. Mr. Wade stated there is a correction to page 2-4 of the Plan as follows: “The Morro Bay area experienced **relatively high-annual** population growth of 7.1 percent between 1990 and 2000.” He recommended the City Council review the 2010 Urban Water Management Plan update, propose any necessary amendments, and move for adoption with Resolution Number 46-11 as amended.

Mayor Yates opened the hearing for public comment.

John Barta stated this study shows how far the City has come within the last 20 years regarding water. He said the City has an adequate supply of water.

Betty Winholtz requested this item be continued due to insufficient noticing as required in the Plan. She said as a renter she did not receive notice since she does not receive a water bill, as is true of 50% of the residents in the City. Ms. Winholtz also referred to numerous errors in the Urban Water Management Plan as follows: 1) page 2-1: expansion of the community limited by a hillside; 2) page 2-3: viable industrial base; 3) page 2-4: affordable multi-family housing units; 4) page 2-4: population: 10,234; 5) Measure F – passed in 1984 due to a water issue; 6) page 2-9: climate average never over 70 degrees.

Mayor Yates closed the hearing for public comment.

MOTION: Mayor Yates moved the City Council adopt Resolution No. 46-11 approving the Urban Water Management Plan as amended by staff. The motion was seconded by Councilmember Borchard.

Councilmember Smukler requested the motion include recognition of the risk of unplanned emergency interruptions to the State Water Project in the Plan.

VOTE: The motion carried with Councilmember Smukler voting no. (4-1)

C. UNFINISHED BUSINESS – NONE.

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D. NEW BUSINESS

D-1 CONSIDERATION OF RESOLUTION NO. 42-11 AMENDING THE PARAMETERS FOR THE USE OF THE GENERAL FUND EMERGENCY RESERVE; (ADMINISTRATIVE SERVICES)

Administrative Services Director Susan Slayton stated Resolution No. 27-10 was enacted on May 24, 2010, and set the parameters for the General Fund Emergency Reserve Fund. Staff feels an additional comment needs to be added that recommends Council's annual review of excess reserves for programming/designating them for use in the upcoming year. Ms. Slayton recommended the City Council adopt Resolution No. 42-11 which amends Resolution No. 27-10 by adding the following language: "Amounts greater than the 27.5% target balance, or minimum of \$2,750,000 (whichever is greater), will be programmed/designated by Council during the annual budget adoption process, at Council's discretion."

MOTION: Councilmember Smukler moved the City Council adopt Resolution No. 42-11 which amends Resolution No. 27-10 by adding the following language: "Amounts greater than the 27.5% target balance, or minimum of \$2,750,000 (whichever is greater), will be programmed/designated by Council during the annual budget adoption process, at Council's discretion." The motion was seconded by Councilmember Johnson.

Councilmember Borchard requested Condition #4 be removed due to its redundancy; Councilmember Smukler stated he would prefer not to remove it.

VOTE: The motion carried unanimously. (5-0)

D-2 REPORT ON THE CAMBRIA VOLUNTARY COMMUNITY BUS PROGRAM; (COUNCIL)

Councilmember Smukler stated that he along with Councilmember Borchard and City Manager Lueker met with the Cambria Bus Program volunteer coordinator in early June and discussed the program offered in Cambria. With the significant reduction of the transit programs, a community bus program may be a viable option, with volunteer support, to provide further transit opportunities to the senior and disabled community in the City. It was recommended the City Council discuss steps towards implementing a volunteer- run Community Bus Program for the City of Morro Bay.

Council consensus was in support to move forward with the implementation of a volunteer-run Community Bus Program for the seniors and disabled citizens of the City of Morro Bay.

No further action was taken on this item.

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Mayor Yates called for a break at 8:10 p.m.; the meeting resumed at 8:15 p.m.

D-3 DISCUSSION AND ADOPTION OF THE PAVEMENT MANAGEMENT PLAN; (PUBLIC SERVICES)

Public Services Director Rob Livick stated in order to effectively utilize the City's limited street maintenance budget, staff has prepared a Pavement Management Plan that outlines the steps needed to both rehabilitate and preserve the pavement condition of this valuable City asset. Currently the present value of the City's street system is approximately \$40,000,000. Once adopted, the Pavement Management Plan will serve as the roadmap for future street maintenance. Mr. Livick noted an amendment to page 28 of the Pavement Management Plan as follows: "**Following years are funded with general funds or Measure Q funds as available. The actual level of funding will be allocated in each year's budget by City Council.**" He recommended the City Council review and adopts the Morro Bay Pavement Management Plan as amended.

MOTION: Councilmember Smukler moved the City Council adopt the Pavement Management Plan as amended by staff. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

D-4 DISCUSSION OF IMPROVEMENTS TO THE "ROCK" PARKING LOT, LOCATED AT THE END OF COLEMAN DRIVE, MORRO BAY; (PUBLIC SERVICES)

Councilmember Leage stated the parking lot is in need of repair; however, the area needs a concept plan that would include paving the parking area, the addition of recreation areas, grassy areas to be used by families and tourists. He requested Council discuss the concept of improving this area and direct staff to move forward with a concept plan.

Recreation & Parks Director Joe Woods discussed the concept plan for Coleman Park that could perhaps include a recreational use north of Coleman Drive.

Public Services Director Rob Livick stated the Waterfront Master Plan, which was adopted by the City Council in May 1996, should also be reviewed by the Recreation & Parks Commission.

Council directed staff to contact Cal Poly to consider this as a viable project/concept plan; and, return to Council for review of the concept plan for the Rock improvements that will interface with the existing concept plan for Coleman Park.

No further action was taken on this item.

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E. DECLARATION OF FUTURE AGENDA ITEMS – None.

ADJOURNMENT

The meeting adjourned at 9:35 p.m.

Recorded by:

Bridgett Kessler
City Clerk