

**AGENDA NO: A-1**

**MEETING DATE: 3/26/2013**

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – MARCH 12, 2013  
VETERAN’S MEMORIAL HALL – 6:00P.M.

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

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	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
	Steve Knuckles	Interim Fire Chief
	Eric Endersby	Harbor Director
	Susan Slayton	Administrative Services Director
	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 – City Attorney Robert Shultz reported that City Council met in Closed Session on the following items: Conference with City Manager, the City’s Designated Representative, for the purpose of reviewing the City’s position regarding the terms and compensation paid to the following employee organizations and giving instructions to the Designated Representative: Firefighters Association (FFA), Police Officer’s Association (POA), and Service Employee’s International Union, SEIU Local 620; and, Conference with City Council, the City’s Designated Representative, for the purpose of reviewing the City’s position regarding the terms and compensation paid to the following unrepresented employees: City Manager and City Attorney; no reportable action under the Brown Act was taken.

MOTION: Councilmember Smukler moved for approval and presentation of Item A-9, a Proclamation Declaring April 2013 as “Autism Awareness Month. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

PUBLIC COMMENT

Marlys McPherson, as Chair of the Morro Bay Winter Bird Festival, thanked Council and the City for their support and sponsorship of their biggest and most successful event yet. There were 546 people registered, 70% of which came from outside the County.

Hank Roth spoke on behalf of Morro Bay Beautiful advertising the upcoming City-wide Yard Sale. This annual event is being held the weekend of April 6<sup>th</sup> and 7<sup>th</sup>. You can sign up as a “seller” at the Chamber of Commerce, 695 Harbor, and the deadline to register is March 27<sup>th</sup>.

Brad Snook, Chair of the SLO Surfrider Association, spoke on Item D-3, Review and Discussion of Wastewater Treatment Plant Draft Schedule of Tasks Needed to Proceed with the New Wastewater Treatment Plant Project. It is their hope that Council will support a bolder vision than is on the schedule; they feel it is feasible to move forward by 2017.

Garry Johnson let the public know that the Photo Expo that had been scheduled for April 18<sup>th</sup> and 19<sup>th</sup> has been postponed to September. He also let people know that care packages for our troops overseas are available to be mailed for \$14.85. They can be picked up at Bayshore Realty and Carla’s Country Kitchen.

Daniel Podesto spoke as President of Morro Bay 4<sup>th</sup> stating they are actively looking for volunteers to join their group to help with both the event and fundraisers leading up to the event. The committee meets the 1<sup>st</sup> and 3<sup>rd</sup> Friday of the month at noon, upstairs at the Embarcadero Grill. He also announced the Annual Oyster and Beer Feast is being held at Tognazzini’s II sometime in May; the date for the 3<sup>rd</sup> Annual Wine Raffle is also in the process being set. His last request was to ask the Council for some help; he’d like to see an agenda item at a future meeting, giving financial support for the event in the form of waiving some City staff costs.

Greg Frye spoke on Item D-1, Consideration of the Abandonment of a Portion of the Public Right of Way Westerly of the Existing Back of Curb of Toro Lane. He is in favor of further investigation and feels that his proposal will allow for additional needed parking in the area. He would like a chance to present his concept at a Public Hearing to provide options for this land.

Brian Stacy spoke on the PG&E Seismic Surveys as well as the need for a State audit as to why the City didn’t receive any mitigation. He also feels there is a small group of fishermen who get all the information and then a bunch of money but the “rest of us don’t”.

Betty Winholtz spoke on Item A-3, Approval of Lease Agreement for Lease Site 93-95/93W-95W; 901-915 Embarcadero. She questioned what the justification for a 40 year lease was as there was nothing in the lease document that listed what the investment of money by the lessee there was. She also wondered if there was anyone else who had received a 40 year lease like this. She also spoke on Item D-1, disagreeing with the applicant stating that the request of intention to abandon is not consistent with the General Plan as there is need for this property for public use.

Doug Hamp also spoke on Item D-1 and urged Council not to jump into any quick decisions. He feels we need to look at all the alternatives of what may be possible.

Bill Martoney spoke on Item D-1 thanking Council for bringing this forward. He recommends not adopting the Resolution of Intent as he feels that it locks the City into the process of abandonment.

Barbara Doerr concurs with Mr. Martoney. She feels we should preserve our environment as it is critical to keep this land. She also spoke about her disappointment at the actions in closed

session. She feels we advertise incorrectly, and we have announcement requirements that we don't follow. She also provided amendments to the February 26, 2013 meeting minutes. She further spoke on Item A-3, 47 years is an outrageous amount of time and she feels it may establish a policy on length and terms of future leases.

Barry Branin reported on a Special Meeting on March 5<sup>th</sup> of the Cayucos Sanitary District. He stated that Cayucos wants to move forward expeditiously and look at all of the concepts for Cayucos before they commit to Morro Bay which he feels is a good idea. At the end of the meeting, Chairman Enns made the comment that maybe we should think about putting the plant at Chorro Valley or CMC.

Susan Stewart attended the Goal Setting and commended all on a really good job; it was positive and all worked together well. She is very supportive of the Morro Bay 4<sup>th</sup>; the City service fees are approximately 10% of their costs. If there is any way to waive some or all of those fees, it would be very helpful.

Nancy Castle spoke promoting Supper and Singing this Friday night with dinner at 530pm and music by Tangos & More at 7pm. She also stated that there won't be a Sock Hop during the Morro Bay Car Show. She also advertised the Morro Bay Fundraiser Follies whose theme is music from the '50's.

Cathy Novak spoke on behalf of the applicant for Item D-1 hoping to provide clarity to the situation. She stated that the Resolution before Council did the following: approving the Resolution is only the intent to abandon the right of way; the resolution doesn't make the abandonment final; the resolution includes a public service easement that allows the Council to use the area for public purposes in the future; the resolution includes an easement for public utilities; a public hearing is set for April 23<sup>rd</sup> to consider the final abandonment, Coastal Development Permit, environmental determination and alternative options; and, it doesn't authorize the Council to sell all or a portion of the property. In addition, the applicant has submitted an alternative option to Council that will provide added public benefits above and beyond those that currently exist. Approving this only allows the opportunity to present this idea in a public forum.

Lynda Merrill agrees with those speaking against Item D-1; she feels there needs to be more public comment. She also is in favor of Item D-2 and Item D-3.

Mark Starbol spoke on Item D-1 and would like to see it not move forward. He is concerned with parking especially now with the possibility of the State Park project; there could be too many cars parking on Beachcomber. The City needs to take into account the needs of the residents, not just tourists, when making these decisions; the public needs access to the beach. If there are lots of cars parked there, it can cause a lot of confusion and congestion which is dangerous.

Harold Wiebenga spoke out against an item that will be coming to Council as an appeal re: Morro Strand State Beach. He feels the park is in total violation of all new pollution laws – visual, dust, smell as well as state nuisance laws. He feels that State Parks have fallen short of their responsibilities and the park should be closed.

Mayor Irons 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 CITY COUNCIL MEETING OF FEBRUARY 26, 2013; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 RESOLUTION NO. 19-13 AMENDING COUNCIL POLICIES AND PROCEDURES MANUAL REGARDING MEETING GUIDELINES & PROCEDURES; (CITY ATTORNEY)

**RECOMMENDATION: Adopt Resolution 19-13.**

A-3 APPROVAL OF LEASE AGREEMENT FOR LEASE SITE 93-95/93W-95W; 901-915 EMBARCADERO (HARBOR)

**RECOMMENDATION: Approve Resolution No. 17-13 for a new Lease Agreement for Lease Site 93-95/93W-95W.**

A-4 AUTHORIZATION FOR ATTENDANCE AT THE C-MANC ANNUAL WASHINGTON D.C.; (ADMINISTRATION)

**RECOMMENDATION: Approve authorization for a two-person delegation to attend the California Marine Affairs and Navigation Conference (C-MANC) Washington Week meetings.**

A-5 APPROVAL OF THE 2013/14 BUDGET CALENDAR; (ADMINISTRATIVE SERVICES)

**RECOMMENDATION: Approve Calendar.**

A-6 STATUS REPORT ON THE UTILIZATION OF BIG BELLY GARBAGE RECEPTACLES AT THE MORRO ROCK PARKING LOT; (RECREATION & PARKS)

**RECOMMENDATION: Receive status report; no action is required.**

A-7 DISCUSSION ON THE STATUS OF THE SALE OF CITY-OWNED PROPERTY AT THE SOUTHEAST CORNER OF CORAL AVENUE AND SAN JACINTO STREET, AND AUTHORIZATION FOR STAFF TO SOLICIT A REQUEST FOR PROPOSALS FOR REAL ESTATE CONTRACT SERVICES TO ASSIST IN THE SALE OF THE PROPERTY; (CITY ATTORNEY)

**RECOMMENDATION: Authorize staff to solicit proposals for real estate contract services to assist in the sale of City-owned property located at the southeast corner (SEC) of Coral Avenue and San Jacinto Street.**

A-8 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY SUPPORTING THE DEVELOPMENT OF A PUBLIC BIKE PARK WITHIN THE CITY LIMITS (RECREATION & PARKS)

**RECOMMENDATION: Adopt Resolution 20-13.**

A-9 A PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING APRIL 2013 AS “AUTISM AWARENESS MONTH”; (ADMINISTRATION)

**RECOMMENDATION: Adopt Proclamation.**

Councilmember Smukler pulled Items A-2, A-3 and A-5 from the Consent Calendar.

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

A-2 RESOLUTION NO. 19-13 AMENDING COUNCIL POLICIES AND PROCEDURES MANUAL REGARDING MEETING GUIDELINES & PROCEDURES; (CITY ATTORNEY)

Councilmember Smukler pulled this item so that he could thank Mayor Irons for his time working with the City Attorney; he feels this is a major improvement.

MOTION: Councilmember Smukler moved for approval of Item A-2, approving Resolution 19-13, amending Council Policies and Procedures Manual regarding Meeting Guidelines & Procedures. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

A-3 APPROVAL OF LEASE AGREEMENT FOR LEASE SITE 93-95/93W-95W; 901-915 EMBARCADERO (HARBOR)

Councilmember Smukler pulled Item A-3 so that Harbor Director Eric Endersby has a chance to respond to the public’s comments/concerns. Mr. Endersby stated that this process began in November, 2011, the lease and its terms are on the website as well as in the staff report and has been publicly available. In this case, there is significant financial risk by the lessees.

MOTION: Councilmember Smukler moved for approval of Item A-3, Approval of Lease Agreement for Lease Site 93-95/93W-95W, 901-915 Embarcadero. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

A-5 APPROVAL OF THE 2013/14 BUDGET CALENDAR; (ADMINISTRATIVE SERVICES)

Councilmember Smukler pulled this item for public information purposes. Administrative Director Susan Slayton provided a short description of the budget process.

MOTION: Councilmember Smukler moved for approval of Item A-5, Approval of the 2013/14 Budget Calendar. The motion was seconded by Mayor Irons and carried unanimously 5-0.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES - NONE

C. UNFINISHED BUSINESS

C-1 RESOLUTION NO. 15-13 ADOPTING THE MID-YEAR BUDGET AMENDMENTS;  
(ADMINISTRATIVE SERVICES)

Administrative Services Director Susan Slayton presented the staff report.

Councilmember Nancy Johnson has a problem with seeing the \$30,000 listed as a Council Contingency Fund and would rather see it listed in the general budget.

Mayor Irons wondered about the Measure Q Funds and asked whether or not any of these funds could be allocated to an immediate need for streets or storm drains or should any be held back for adjustments. Public Services Director Rob Livick stated it would cost approximately \$86,000 to prepare and provide an updated Storm Drain Management Plan which he recommends being done. Mayor Irons would like to reauthorize this to see if a Storm Drain Master Plan would be a good use of Measure Q monies.

Councilmember Smukler doesn't want to see the \$30,000 listed as a Council Discretionary fund. He thinks it's important to keep these monies separate and designated for special projects as deemed necessary and approved by a majority of Council. He thinks that updating the plan is a good idea and an efficient use of Measure Q funds but feels it's important that we should ask the Measure Q Committee as to the appropriateness of the use.

Mayor Irons thinks we can leave the \$30,000 where it is for now, floating it into the general fund during the budget process wouldn't be that difficult.

Councilmember Nancy Johnson stated that if you don't want to put it into the general fund then at least put it into a Special Projects Fund, not a Contingency Fund for Council.

Ms. Slayton stated that the money can be placed into a special fund called a 515 Trust & Agency Fund, with the Council's approval.

MOTION: Mayor Irons moved to adopt Resolution 15-13 as written, to approve the Measure Q recommendations, and to place the \$30,000 contingency monies into a 515 Trust & Agency Fund. The motion was seconded by Councilmember Nancy Johnson and carried 5-0.

D. NEW BUSINESS

D-1 INITIATION OF THE PROCESS TO CONSIDER THE ABANDONMENT (VACATION) OF A PORTION OF THE PUBLIC RIGHT OF WAY WESTERLY OF THE EXISTING BACK OF CURB OF TORO LANE, BETWEEN YERBA BUENA AND NORTH POINT SUBDIVISION, USING THE PROCEDURES PROVIDED BY THE CALIFORNIA STREETS AND HIGHWAYS CODE, SECTION 8300 ET SEQ. (GREG FRYE, 3420 TORO LANE, APPLICANT); (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report.

Councilmember Smukler doesn't feel we are ready to proceed with the Resolution of Intention; he feels we owe it to the community to take more time for the public to look at it. He also feels Council needs to provide staff with clear direction to analyze various parking proposals, options and benefits that can come back to the City. He has spoken with neighbors and concerned citizens and most see parking as a key issue which has been exaggerated by the State Park issue. After reviewing the Morro Bay Cayucos Connector EIR, he is concerned we are setting ourselves up for pretty severe issues in the area and the connector project could backfire. He is also interested in looking for a fair market value concept of the property.

Councilmember Nancy Johnson thinks that many of Councilmember Smukler's concerns would be answered if we approved the Resolution of Intention tonight and initiate the process to consider the abandonment as the next step would be to bring it back to a Public Hearing where all the concerns can be addressed. She also questioned the idea of developing a parking lot right outside the state park which would encourage people to park there, enter Morro Strand, not paying the entrance fee. She would like to move ahead with the process looking at all our options.

Councilmember Leage agrees with Councilmember Nancy Johnson.

Councilmember Christine Johnson wondered if it was possible to bring this item forward as a public hearing without passing the Resolution of Intention. She is most comfortable with moving forward to a Public Hearing to discuss the issue without passing the Resolution of Intention.

Mayor Irons was concerned that the Planning Commission didn't see the most recent proposal from Mr. Frye. He also doesn't see any harm in doing the Public Hearing as it answers concerns from the public as well as gives everybody a fair opportunity to address the issue.

MOTION: Mayor Irons moved not to adopt Resolution of Intention 18-13 but direct the applicant and staff to come forward at a Public Hearing to work out details of the development and/or partnership and/or acquisition of the property to include exploring and evaluating scenarios of existing and maximized parking opportunities. The motion was seconded by Councilmember Smukler and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

D-2 APPROVAL OF A REQUEST FOR PROPOSAL (RFP) FOR CONSULTANT SERVICES TO STUDY OPTIONS FOR MORRO BAY IN THE DEVELOPMENT OF A WASTEWATER TREATMENT PLANT PROJECT; (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report.

Discussion was held on the make-up of the Selection Committee for the Project Manager.

Councilmember Smukler suggested 2 Councilmembers be part of the selection process.

Mayor Irons showed some concern that we want the process to be expedited and hopes that the selection committee doesn't slow down the process.

Councilmember Leage felt that Cayucos should be involved.

Councilmember Christine Johnson would be interested in being involved but understands it also makes sense to go with the JPA Sub-committee members.

MOTION: Mayor Irons moved approval of the RFP as proposed and cleaned up with the Selection Committee being comprised of Mayor Irons and Councilmember Christine Johnson along with staff. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

D-3 REVIEW AND DISCUSSION OF WASTEWATER TREATMENT PLANT DRAFT SCHEDULE OF TASKS NEEDED TO PROCEED WITH THE NEW WASTEWATER TREATMENT PLANT PROJECT; (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report reaffirming that this is a working document that will be added to as things come up.

Questions were asked of staff and discussion held. The thought of throwing in the CMC, the Chorro Valley and Tri-W option for possible sites was discussed.

E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Christine Johnson requested the City Develop a Consultant Services Hiring Policy; Mayor Irons and Councilmember Smukler concurred.

Councilmember Nancy Johnson requested the Completion of the City Sign Ordinance (for June 2013); Mayor Irons and Councilmember Christine Johnson concurred.

Councilmember Smukler requested the City provide an Update on the Storm Drain Management Plan to include Review of Funding Options; there was unanimous Council consensus for this item.

ADJOURNMENT

The meeting adjourned at 9:37pm.

Recorded by:

Jamie Boucher  
City Clerk