

**AGENDA NO: A-1**

**MEETING DATE: 04/10/2012**

MINUTES - MORRO BAY CITY COUNCIL  
CLOSED SESSION – MARCH 13, 2012  
CITY HALL CONFERENCE ROOM - 5:00 P.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
	Eric Endersby	Harbor Operations Manager

CLOSED SESSION

Mayor Yates adjourned the meeting to Closed Session.

Mayor Yates read the Closed Session Statement.

**CS-1 GOVERNMENT CODE SECTION 54957.6; CONFERENCE WITH LABOR NEGOTIATOR.** 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 City Employees and giving instructions to the Designated Representative.

**CS-2 GOVERNMENT CODE SECTION 54956.8; REAL PROPERTY TRANSACTIONS.** Instructing City's real property negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease of real property as to two (2) parcels.

- **Property: Lease Site 122-123/122W-123W, 1205 Embarcadero**  
Negotiating Parties: Troy & Heather Leage (Harbor Hut) and City of Morro Bay  
Negotiations: Lease Terms and Conditions
- **Property: Lease Site 87-88/87W-88W, 833 Embarcadero**  
Negotiating Parties: Violet Leage (Outrigger) and City of Morro Bay  
Negotiations: Lease Terms and Conditions

The meeting adjourned at 5:45pm.

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VETERANS MEMORIAL HALL - 6:00 P.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
	Tim Olivas	Police Chief
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Operations Manager
	Joe Woods	Recreation & Parks Director
	Kathleen Wold	Planning 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

Robert Latham spoke in favor of Item D-2 (Beach Access Ramp at Morro Rock) stressing the need for stairs from the parking lot down to the beach. He also thanked all concerned for their continued work towards those efforts.

Susan Brown spoke on the City's Transit System's enhancements and thanked staff for their involvement as permanent transit stop signage and information kiosks are now in place. She also presented information on how to ride the bus.

Kelly Lewis spoke in favor of Item A-5 (Approval of the Sign Exception Permit) and hoped that Council would uphold the off-site sign exception permit for Virg's Sport Fishing.

Jamie Irons requested Council pull Item A-4 (Approval of Amended Job Descriptions for the Harbor Director and Harbor Business Manager and Authorization to Fill Both Vacancies). He hoped that Council would propose a long range plan that would restore the Harbor's infrastructure as well as the Harbor Department itself and then design an organization to fulfill that.

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Keith Taylor, a member of Friends of the Fire Department, spoke soliciting the sale of bricks being placed at the new fire department. The money collected goes towards the Morro Bay Fire Reserves for their attendance at the Fire Academy and/or Paramedic School. You can get bricks from him by calling 772-2852.

Ron De Carli, Executive Director of SLOCOG spoke on Item C-1 (Consideration of Estero Bay Transit Service Proposal). He expressed concerns that the system continues to perform poorly with low ridership and high overhead rate. He did express his thanks for the enhancements that have taken place including the bus stop improvements as well as changing hours to better connect with the regional system.

Mandy Davis also spoke on Item A-4 saying there should be more thought and consideration given to how the Harbor Department should be reorganized. She felt this item should have been brought to the Harbor Advisory Board first.

Mark Hamerding was in agreement with Ms. Davis and felt that the position of Harbor Director should be advertised for, as opposed to appointed.

Craig Schmidt announced the upcoming Chamber Mixers – one at Coast National Bank and the other at Casa de Flores.

Betty Winholtz was surprised that we weren't going to advertise for a Harbor Director. She also spoke about KONY2012. She asked you as parents and grandparents and guardians of the children to send a letter to the President of the United States to agendize it for the next meeting to ask him to not withdraw his advisors in Africa but to keep them there so that we might capture this man.

Garry Johnson echoed Mayor Yates's comments about all candidates running a clean campaign. He promoted the upcoming Morro Photo Expo being held March 30 – April 1<sup>st</sup>. He also thanked Chief Tim Olivas for his years of service.

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 JOINT PLANNING COMMISSION/CITY COUNCIL MEETING AND REGULAR MEETING OF FEBRUARY 28, 2012; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

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A-2 RESOLUTION 14-12 AUTHORIZING THE FEDERAL FUNDING UNDER FTA SECTION 5317 (49 U.S.C. SECTION 5317) WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR THE COMMUNITY BUS PROGRAM; (PUBLIC SERVICES)

**RECOMMENDATION: Adopt Resolution 14-12.**

A-3 RESOLUTION 13-12 AUTHORIZING THE EXECUTION OF A MASTER AGREEMENT AND PROGRAM SUPPLEMENTS WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR STATE FUNDED TRANSIT PROJECTS; (PUBLIC SERVICES)

**RECOMMENDATION: Adopt Resolution 13-12.**

A-4 APPROVAL OF THE AMENDED JOB DESCRIPTIONS FOR THE HARBOR DIRECTOR/HARBORMASTER AND HARBOR BUSINESS MANAGER AND AUTHORIZATION TO FILL THE HARBOR DIRECTOR/HARBORMASTER AND HARBOR BUSINESS MANAGER VACANCIES; (ADMINISTRATION)

**RECOMMENDATION: Approve the amended job descriptions for the Harbor Director/Harbormaster and Harbor Business Manager and authorize to fill the Harbor Director/Harbormaster and Harbor Business Manager vacancies.**

A-5 FINDINGS FOR APPROVAL OF THE SIGN EXCEPTION PERMIT (#SP0-141) FOR VIRG'S SPORT FISHING; (PUBLIC SERVICES)

**RECOMMENDATION: Staff recommends that Council adopt the findings listed in Exhibit A and Conditions detailed in Exhibit B.**

Councilmember Smukler pulled Items A-2 and A-4 from the Consent Calendar; Councilmember Borchard pulled Item A-5 from the Consent Calendar.

MOTION: Councilmember Johnson moved the City Council approve Item A-1 and A-3 of the Consent Calendar. The motion was seconded by Councilmember Borchard and carried unanimously 5-0.

Councilmember Smukler pulled Item A-2 in order to thank staff for their work on the Community Bus Program.

MOTION: Councilmember Smukler moved the City Council approve Item A-2 of the Consent Calendar. The motion was seconded by Councilmember Johnson and carried unanimously 5-0.

Councilmember Smukler spoke on Item A-4, he feels we are moving too quickly and wants to see us do an outside recruitment for the Harbor Director position.

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Councilmember Leage agreed with Councilmember Smukler, we should put out for applications.

Councilmember Johnson has spoken with many people from the public that want to move forward and appoint Eric Endersby as our Harbor Director. She supports staff's recommendation.

Mayor Yates spoke in favor of supporting the City Manager's recommendation.

Councilmember Borchard echoed those sentiments as Mr. Endersby has already been fulfilling the job duties. She respects the outreach that has come to Council.

MOTION: Councilmember Borchard moved the City Council approve Item A-4 of the Consent Calendar. The motion was seconded by Councilmember Johnson and carried 3-2 with Councilmember Smukler and Councilmember Leage voting no.

Councilmember Borchard and Councilmember Leage stepped down from the dais due to a conflict of interest.

MOTION: Councilmember Johnson moved the City Council approve Item A-5 of the Consent Calendar. The motion was seconded by Mayor Yates and carried 3-0-2 with Councilmember Borchard and Councilmember Leage needing to abstain.

Mayor Yates called for a break at 7:15 p.m.; the meeting resumed at 7:28 p.m.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 INTRODUCTION AND 1ST READING OF THE ORDINANCE AMENDING CHAPTER 17.48.32, SECONDARY UNITS, SPECIFICALLY MINIMUM AND MAXIMUM FLOOR AREA, ARCHITECTURAL COMPATIBILITY, PARKING AND CONDITIONAL USE PERMIT; (PUBLIC SERVICES)

Kathleen Wold, Planning Manager presented her staff report. This is an Introduction and First Reading of Ordinance 576 which was presented in draft form at the February 14, 2012 Council meeting. Ms. Wold wanted to add for clarification purposes that "nothing in GC Section 65852.2 or 65852.150 shall be construed to supersede or in any way alter or lessen the effect of application of the California coast Act except that the local government shall not be required to hold public hearings for coast development permit applications for second units."

Mayor Yates opened the hearing for public comment.

Betty Winholtz restated her previous opposition to this ordinance stating: it is inaccurate that increasing the size of secondary units is a benefit to low income housing; the ordinance

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relaxes the neighborhood character standards; this does away with deed restrictions that eliminates the need of having one of the homes on the property “be in charge of the other home”; and, adding 300 square feet adds another bedroom which adds another car which increases gas emissions.

Dorothy Cutter felt that this Ordinance was an insult to the residents of Morro Bay. Workshops were held and it was found that people don’t want large houses and definitely don’t want two (2) large houses on a lot. She feels this will create too many rental units, crowding on small lots and parking problems.

Mayor Yates closed the hearing for public comment.

Councilmember Smukler feels that this seems arbitrary and overrides a valid and thoughtful public input process. He doesn’t agree that the increase of secondary units will increase the affordability of housing.

Councilmember Borchard requested information on the previously held public process. City Attorney Rob Schultz responded that there have been no specific workshops on this topic. The topic may have been discussed when there were public workshops on mansionization or neighborhood compatibility.

Councilmember Johnson requested information on whether you could run a business through one of these secondary units to which the answer was yes, through the City’s Home Occupation Permit process like everybody/everywhere else. She also asked if setbacks applied to building a second unit to which the answer was yes.

MOTION: Councilmember Borchard moved the City Council Adopt the Negative Declaration; adopt the proposed ordinance amendments that would allow for ministerial secondary dwelling units in residential zones; and, approve the First Reading and Introduction of Ordinance 576 by number and title only. The motion was seconded by Councilmember Johnson and carried 4-1 with Councilmember Smukler voting no.

C. UNFINISHED BUSINESS

C-1 CONSIDERATION OF ESTERO BAY TRANSIT SERVICE PROPOSAL;  
(PUBLIC SERVICES)

Janeen Burlingame, Management Analyst, presented her staff report on the Estero Bay Transit Service Proposal. She highlighted the changes from the September proposal – it is still lacking North Main late afternoon coverage; South Morro Bay would see a reduction in service frequency; the Beach Tract would lose service frequency; the regular and discount base fare would increase; and, we would lose the City’s current Demand Response service as the Call-A-Ride service would stop operating. It is staff’s feeling that this proposal is not in the best interest of the community and is not being recommended for implementation.

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Councilmember Smukler wants what's best for the transit future of Morro Bay; he is excited about the involvement of PWAB and feels he wants to give PWAB the opportunity for review of what the final plan might be. He also thinks that since we are transitioning as a result of a major change, it would be good to give it a bit more time to see what the trends reflect.

Mayor Yates requested information on our ridership – is it up or down. Ms. Burlingame stated that we are in the 2<sup>nd</sup> year of transition which was a major shift. We are currently seeing a 30-40% increase in ridership over the same time period last year and thinks that it will get better now that the enhancements are in place. Mayor Yates went on to say that he is in support of recommendation #2 and would like to see PWAB continue in their efforts.

Councilmember Borchard was concerned that our ridership is still only at ½ of the average. She feels we will continue to be challenged with a change in service based on a decrease of subsidized funding and is supportive of having PWAB finish what they started.

Councilmember Johnson asked for clarification of what “penalties for non-compliance meant”. Ms. Burlingame assured her that currently we are not out of compliance.

MOTION: Councilmember Borchard directed staff to follow recommendation #2 listed on Item C-1 – continue working with SLOCOG and return to PWAB and Council. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

Councilmember Smukler wanted to ensure that the trolley component will be included in further discussions.

D. NEW BUSINESS

D-1 REVIEW OF THE MORRO BAY SPRINKLER ORDINANCE; (FIRE)

Chief Mike Pond presented his informational staff report on the City's current Sprinkler Ordinance. The City's Sprinkler Ordinance is more restrictive than the minimum code requirements found in the California Fire Code and California Building Code; however, the Ordinance is also in line with the majority of San Luis Obispo County. Chief Pond stressed his strong support for the use of fire sprinklers and is not recommending changes to the Ordinance.

Councilmember Borchard doesn't want to see a requirement being cost prohibitive for a proposed change in a building for a less intense use.

Mayor Yates concern is in construction costs as fire sprinkler installation is very expensive.

Chief Pond responded that as of 2010, the State Fire Code mandates fire sprinklers are installed with any new residential building, no matter the size.

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Councilmember Borchard stated it is very challenging to try and weigh the economic factors of attempted use versus the limited resources of our fire suppression staff. At this time, she is not prepared to make a change without further evaluation.

Councilmember Johnson said that safety has to be first, even given the understanding of the cost of installation.

Mayor Yates stated we need to look long range and that this report has been quite educational.

Councilmember Smukler appreciates the fact that the Chief has some discretion to apply some of the local rules and feels that their concerns have been heard.

No action was taken on this item as it was informational only.

**D-2 RECOMMENDATION ON BEACH ACCESS RAMP AT MORRO ROCK;  
(PUBLIC SERVICES/RECREATION & PARKS)**

Public Services Director Rob Livick presented his staff report on the status of the development of a beach access ramp from the Rock parking lot to the beach. This item was last heard at the Council level on October 31, 2011 where it was sent for review to the Recreation & Parks Commission, the Harbor Advisory Board and the Public Works Advisory Board. All of the boards were in agreement that improved access to the beach was needed. Staff wanted to re-enforce the fact that any access to the beach would need to comply with ADA and apply to all users.

Councilmember Smukler thanked all the Advisory Boards and staff for how this has evolved. He would like to see the following included: a volunteer component for installation; a sponsorship component; only alternative funding sought; and, the need to avoid impacts to the view corridor.

Councilmember Leage agreed with the need for a walkway but went on to say that first and foremost, the revetment needs to be stabilized before moving forward.

Councilmember Johnson isn't in favor of this at this time as there is already a beach access ramp there. Also, the area in question is often times covered up with water. In addition, it will be incredibly difficult to build something over rocks. Her final concern was wondering what the Coastal Commission would say to an improvement like this.

Councilmember Borchard wants to ensure access to all so is in favor of moving forward with this concept. Keeping the pathway in as natural of a state as possible would be preferred.

Mayor Yates would also like to see this kept as natural as possible and would like to go after funding as opposed to waiting for the funding to become available.

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MOTION: Councilmember Smukler moved the City Council support the beach access concept and direct staff to return within six (6) months with an update. The motion was seconded by Councilmember Borchard and carried unanimously 5-0.

E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Borchard requested a reconsideration of a motion made at the last meeting with regards to the possibility of putting out an RFP for the Visitor's Center. Mayor Yates and Councilmember Smukler concurred.

Councilmember Johnson requested staff look at preparing an explanation guide for businesses regarding the Emergency Interim Sign Ordinance; Mayor Yates and Councilmember Smukler concurred.

Councilmember Leage requested a discussion of "unfriendly" sidewalks in commercial zones throughout the City; Councilmember Johnson and Mayor Yates concurred.

Councilmember Smukler requested a discussion item on the Community FM Radio station being proposed in Morro Bay; Mayor Yates and Councilmember Borchard concurred.

Councilmember Smukler requested a discussion on a TOT Reinvestment Ordinance which would create opportunities for improvements to businesses without using general fund monies; Councilmember Johnson and Councilmember Borchard concurred.

Mayor Yates requested a Resolution requesting Morro Strand State Campground remain open; Councilmember Johnson and Councilmember Borchard concurred.

ADJOURNMENT

The meeting adjourned at 8:31 p.m.

Recorded by:

Jamie Boucher  
City Clerk