

AGENDA NO: A-1

MEETING DATE: 09/25/2012

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – SEPTEMBER 11, 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

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 Meeting held this evening.

PUBLIC COMMENT

Paul Finley owner of Sojourner Surfboards, located at 986 Quintana presented the Morro Bay Business Report. Paul feels blessed to live in Morro Bay with his wife and 3 daughters. Sojourner Surfboards has been building custom surfboards since 2009 and are now branching off into screen printing. Paul is also involved in Project Surf Camp as a board member; Sojourner is completely behind this project for kids with special needs. He can be reached at 805 904-5079, at sojournersurfboards.com or at sojournerscreenprinting.com.

Robert “Red” Davis spoke representing the SLO Bicycle Club advertising their annual bike event, the 41st Annual Lighthouse Bike Ride. They expect over 1400 riders and monies raised through this fundraising effort goes towards local high school scholarships, college scholarships and community events. The event starts at MBHS, goes to Piedras Blancas Lighthouse Station and ends back at MBHS.

Hank Roth advertised the upcoming Avocado Margarita Festival. The event is being held this Saturday from 11am-6pm and Sunday from 11am-3pm. The days will be filled with fun, food and entertainment. Additional information can be found at avomargfest.com.

Dick Winiker resident at 555 Piney Way, Unit B spoke bringing to the attention of staff and Council that there is a rooster living nearby who crows at all times of the day. He played a tape of the crowing rooster in hopes that the situation can be rectified. He stated he brought this to our attention over 3 weeks ago and he feels it shouldn't take that long to handle it.

Michael Durick spoke regarding three items. He first urged Council to unanimously adopt Resolution 46-12, Affirming the Intended Use of the City's One-half Cent District Transaction Tax (Measure Q) as written, as it is entirely consistent with the intent of the voters. He also spoke on the Confidential Agreement regarding Section 6.5.5 – Approval of Compensatory Time-off, stating that the term “shall” was used inaccurately and recommended that section be revised to give management their due rights. He also spoke regarding the accumulated vacation time allowed feeling that it is quite excessive. He finally spoke on item D-1, Discussion and Approval of the Chamber of Commerce Economic Development Proposal and Lease Conditions for City Property feeling that if we rented the property to the Chamber for \$1/year, we would be giving much too much away and that instead it should be put out for an RFP for business people to bid on.

Sandy Tandler spoke regarding the WWTP project. After reading the Coastal Commission letter she was shocked by the fact that people would want to move the plant so badly they would provide faulty information. She is concerned about the cost of moving the plant and wondered what the agenda behind moving the plant is.

Suzanne Moyer asked a few questions regarding the WWTP project. She wondered how the Righetti property became involved. And how can we afford the plant at this new location?

John Solu spoke representing the Harbor Festival Organization on item D-1. The Harbor Festival is a non-profit organization that has an over \$400,000 impact to Morro Bay. They would like the opportunity to rent any City facility that may become available. He requested we respect other non-profits to rent space at a reduced rate as well.

Aaron Ochs, managing editor of The Rock thanked the City for placing the Seismic testing information on our website page. He said The Rock is dedicated to covering the City's side, the fishermen's side and the resident's side of this issue. He feels it is important to get the information into the hands of people that can make a difference.

Susan Stewart spoke on item D-1 encouraging the Council to approve the Chambers Economic Development Proposal and a 5 year lease of the Fire Department modular building at 695 Harbor. She feels they have provided a very viable and timely plan and that the City providing a facility would show that Morro Bay cares about growth and development.

Benjamin Terria has been a commercial fisherman for 17 years and is deeply concerned about our local waters. He feels that if the Seismic testing were to occur at the recommended decibel levels, it will kill everything in our waters which will obviously affect our entire local economy very badly. He hopes we will do what we can to stop it.

Wanda Durrick spoke on item D-1 stating that Morro Bay is not “swimming in money”. The Fire Department modular building can be a source of income for the City. If we are to give it away, then at least we should be giving other non-profits the ability to have a chance at it.

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 AUGUST 28, 2012; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 RESOLUTION NO. 42-12 ADOPTING THE AGREEMENT WITH THE MORRO BAY CONFIDENTIAL EMPLOYEES AND RELATED COMPENSATION; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution 42-12.

A-3 RESOLUTION NO. 41-12 ESTABLISHING THE COMPENSATION AND WORKING CONDITIONS FOR MANAGEMENT EMPLOYEES OF THE CITY OF MORRO BAY; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution 41-12.

A-4 ADOPT RESOLUTION NO. 47-12 AUTHORIZATION FOR THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES FOR THE PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT BOND PROGRAM; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution 47-12.

A-5 PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING THE MONTH OF OCTOBER, 2012 AS “ENERGY AWARENESS MONTH”; (ADMINISTRATION)

RECOMMENDATION: Adopt Proclamation.

A-6 RESOLUTION AUTHORIZING THE CITY OF MORRO BAY TO ENTER INTO 2012/2013 \$80,000 BOATING SAFETY AND ENFORCEMENT GRANT CONTRACT WITH THE DEPARTMENT OF BOATING AND WATERWAYS; (HARBOR)

RECOMMENDATION: Adopt Resolution 48-12

A-7 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA OPPOSING THE CENTRAL COASTAL CALIFORNIA SEISMIC IMAGING PROJECT; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution 49-12.

A-8 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AFFIRMING THE INTENDED USE OF THE CITY'S ONE-HALF CENT DISTRICT TRANSACTION TAX, COMMONLY KNOWN AS MEASURE Q; (CITY COUNCIL)

RECOMMENDATION: Adopt 46-12.

Councilmember Smukler pulled Items A-2 and A-8 from the Consent Calendar.

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

A-2 RESOLUTION NO. 42-12 ADOPTING THE AGREEMENT WITH THE MORRO BAY CONFIDENTIAL EMPLOYEES AND RELATED COMPENSATION; (ADMINISTRATIVE SERVICES)

Councilmember Smukler pulled Item A-2 questioning Section 6.5.5 of the Confidential Agreement and asked whether or not it would be prudent to make the change that the speaker in public comment recommended. Staff stated that they would make the change to remove the word "shall" and replace it with "may".

MOTION: Councilmember Smukler moved the City Council approve Item A-2 with the proposed change. The motion was seconded by Councilmember Borchard and carried unanimously 5-0.

A-8 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AFFIRMING THE INTENDED USE OF THE CITY'S ONE-HALF CENT DISTRICT TRANSACTION TAX, COMMONLY KNOWN AS MEASURE Q; (CITY COUNCIL)

Councilmember Smukler pulled Item A-8 requesting that an addition be made to Item #4 as he feels that as it currently reads, "Storm Drain Maintenance", it is too restrictive. He proposed to add the phrase "...and improve water quality". Councilmembers Borchard and Johnson felt that statement was too vague. It was then proposed to use the following language found in the advertisements, "... and prevention of toxic runoff into the Bay."

MOTION: Councilmember Smukler moved the City Council approve Item A-8 with the following addition to Item #4 – Storm Drain Maintenance *and Prevention of Toxic Runoff into the Bay*. The motion was seconded by Councilmember Borchard and carried unanimously 5-0.

- B. PUBLIC HEARINGS, REPORTS & APPEARANCES - None
- C. UNFINISHED BUSINESS - None
- D. NEW BUSINESS
- D-1 DISCUSSION AND APPROVAL OF THE CHAMBER OF COMMERCE ECONOMIC DEVELOPMENT PROPOSAL AND LEASE CONDITIONS FOR CITY PROPERTY LOCATED AT 695 HARBOR STREET; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report.

Chamber of Commerce Executive Craig Schmidt made his presentation to the Council. He reviewed prior presentations stressing that they would be able to provide for retention and expansion of businesses; recruitment of businesses; and entrepreneurial development. To measure impacts they would provide a monthly business barometer which will track vacancies, new businesses in town, TOT receipts, employment numbers, sales tax and businesses served with exit survey results. He also discussed the use of the Fire Department modular building. This building would provide the partner space needed to fully develop the economic development proposal as well as ensure the space necessary for the business incubator program.

Councilmember Smukler is fully in support of this concept. He stressed that the City would be able to monitor progress through monthly business barometer reports which can include budget reports.

Councilmember Leage fully supports the Chamber of Commerce and feels they are going in the right direction but has concerns about the \$1/month rent as he feels we will run into problems with other non-profits as well as the public.

Mayor Yates doesn't feel that the Chamber is equitable to the Harbor Festival as we've always given money to the Chamber. He feels our job is to support the Chamber so that more monies come into City Hall. He continues to support this concept in its entirety.

Councilmember Johnson is a firm supporter of economic development in Morro Bay. She posed some questions to Mr. Schmidt regarding the qualifications of the Economic Development Director as well as how the office space will be utilized. She feels that we can have an economic development program without the use of the Fire Department.

Councilmember Borchard was concerned that not all the partners that the Chamber has said would participate in the program may on board. She feels that it is the Chamber's responsibility to set the milestones, not the City's. She also feels we are indirectly competing with rentals in Morro Bay. She has a problem with \$1/year rent without giving other non-profits the same opportunity. She doesn't feel she can make any decision tonight without answers to some questions.

Councilmember Smukler is in favor of moving forward with this as many of the questions have either already been answered or are on the pathway to being answered. He stated that during the Goal Setting Workshop, Economic Development was Council's #2 priority. He feels we have

provided the Chamber with a moving target and they have continually stepped up to the plate. He also feels that nothing has a higher value than having the economic development program succeed. The \$1/year is an investment that will bring returns back to the City. This is a new program and it is important for us to provide them with the tools to succeed.

City Attorney reminded Council that at the last Council meeting, in a motion, they already approved the 695 Harbor building for the Chamber's use and that tonight is to be about lease terms.

Mayor Yates is in favor of coming back with more clarity but is also in favor of the \$1/year lease.

Councilmember Borchard feels it is important to receive fair market value of the rent if the Chamber is receiving rent from the incubator businesses or feels they can take below fair market value if the money coming in from the incubator businesses goes back to the City. She needs a clearer picture.

Councilmember Johnson would like to see the benchmarks more clearly defined and wondered how they would be measured and by whom? What business partners are going to participate and for how long? Will they need office space?

Councilmember Leage feels that we need to charge fair market value if the Chamber is making money on the incubator businesses.

ACTION: This item is to be brought back to a future meeting with a lease agreement to include terms containing fair market value and a range of options of what we could rent it for; and a second portion of the agreement dealing with the economic development proposal and measurable milestones/benchmarks.

E. DECLARATION OF FUTURE AGENDA ITEMS - None

ADJOURNMENT

The meeting adjourned at 7:55 p.m.

Recorded by:

Jamie Boucher
City Clerk