

AGENDA NO: A-1b

MEETING DATE: 1/22/2013

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JANUARY 8, 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
	Mike Pond	Fire Chief
	Steve Knuckles	Fire Captain
	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

Consent Calendar items A-7 and A-8 were pulled in order for Mayor Irons to present Proclamations to retiring City employees, Sergeant Manny Silva and Fire Chief Mike Pond.

There was a request from Mayor Irons to hear a Special Emergency Item regarding a request from the Cayucos Sanitary District to discuss the potential withdrawal of our Wastewater Treatment Plant Project application. This would take a 4/5th vote to be heard.

MOTION: Councilmember Nancy Johnson moved that Council add an item to the agenda to entertain discussions regarding the Cayucos Sanitary District’s withdrawal of the Wastewater Treatment Plant project application. The motion was seconded by Councilmember Leage and failed 3-2 with Councilmembers Christine Johnson and Smukler voting no.

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

Rose Morrison, owner of New Asian Gourmet, presented the Morro Bay Business Report. Located at 430 Morro Bay Blvd, they serve Chinese, Thai and Japanese food. They use locally grown fresh vegetables. They are open Thursday – Sunday for lunch and dinner from 1130am-8pm. She hopes people will visit them soon and give them a try.

Garry Johnson expressed his concern with where we are going with our wastewater treatment plant. He is confused with why the PERC plant was thought to be an option at the current site but that same site isn't an option for a new wastewater treatment plant. He is also concerned that the Coastal Commission's denial made the current site's property useless. He believed that Morro Bay should have joined with Cayucos and withdrawn the project.

Marlys McPherson is the Chair of the Winter Bird Festival which begins on Friday, January 18th and runs through Monday, January 21st. To date they have 504 people registered, most of them from out of the county. She also thanked the City for co-sponsoring the event.

Marla Jo Bruton requested that Item A-4 be pulled (Award of Contract to Specialty Construction, Inc of San Luis Obispo, CA for the Project No. MB-2012-W1: 2012 City Water Treatment Plant Improvements) so that it can be discussed. She feels that the City doesn't have a valid permit for the operation of the plant which leads to legal concerns that need to be addressed.

Mandy Davis applauded the Council's decision they came to at their last meeting. She also encouraged Council to show up at the Coastal Commission hearing on Wednesday, January 9th to speak on the PG&E Seismic project supporting the suspension of all seismic testing in the area.

Betty Winholtz spoke on Item D-1 (Resolution No. 01-13 Adopting the City of Morro Bay Investment Policy and Delegating Authority to the City Treasurer to Invest Funds) and Item D-2 (Resolution No. 02-13 Authorizing the Examination of Sales or Transactions and Use Tax Records). Both items state that the Council will receive less financial information and receive it less frequently which she cautions against doing. She also spoke on Item D-3 (Discussion of the Goal Setting Workshop Process and Timeline for 2013). She is very strong believer of goal setting and encourages staff to look at facilitators that charge less.

Brian Stacy spoke on the PG&E Seismic Surveys. He feels this entire process has been a failure of government at all levels. The fisherman, the City, and businesses have all been deprived of mitigation measures.

Barbara Doerr spoke on Item A-5 (Resolution No. 05-13 Approving Amendment #3 to the Lease Agreement for Lease Site 50-51/50W-51W located at 451 Embarcadero) wondering what the City benefit would be to approve this. She also feels the City is setting a bad precedent for future leases by allowing them to make this change.

Cathy Novak thanked both Sergeant Manny Silva and Chief Mike Pond for all their years of service and for all they have done.

Bob Doerr thanked the Fire Department for their quick response to a request for medical aid at the golf course that morning.

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 SPECIAL CITY COUNCIL MEETING OF DECEMBER 10, 2012 AND THE REGULAR MEETING OF DECEMBER 11, 2012; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 RESOLUTION NO. 03-13 ADOPTING THE VANTAGECARE RHS EMPLOYER INVESTMENT PROGRAM (EIP) FOR PRE-FUNDING OTHER POSTEMPLOYMENT BENEFITS (OPEB); (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution 03-13.

A-3 RESOLUTION NO. 04-13 AUTHORIZING A CONTRACT AMENDMENT WITH ICMA-RC TO ALLOW EMPLOYEE LOANS ON 457 DEFERRED COMPENSATION ACCOUNTS; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 04-13.

A-4 AWARD OF CONTRACT TO SPECIALTY CONSTRUCTION, INC OF SAN LUIS OBISPO, CA FOR THE PROJECT NO. MB-2012-W1: 2012 CITY WATER TREATMENT PLANT IMPROVEMENTS; (PUBLIC SERVICES)

RECOMMENDATION: Award the Project contract to Specialty Construction in the amount of \$995,278.

A-5 RESOLUTION NO. 05-13 APPROVING AMENDMENT #3 TO THE LEASE AGREEMENT FOR LEASE SITE 50-51/50W-51W LOCATED AT 451 EMBARCADERO (WHIBLEY); (HARBOR)

RECOMMENDATION: Adopt Resolution 05-13.

A-6 RESOLUTION NO. 06-13 AMENDING THE SAN LUIS OBISPO TRANSIT AUTHORITY JOINT POWERS AGREEMENT; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution 06-13.

A-7 A PROCLAMATION OF THE CITY OF MORRO BAY COMMENDING AND HONORING POLICE SERGEANT MANUAL A. SILVA ON HIS RETIREMENT; (ADMINISTRATION)

RECOMMENDATION: Present Proclamation.

A-8 A PROCLAMATION OF THE CITY OF MORRO BAY COMMENDING AND HONORING FIRE CHIEF MICHAEL S. POND ON HIS RETIREMENT; (ADMINISTRATION)

RECOMMENDATION: Present Proclamation.

Councilmember Christine Johnson pulled Item A-1a from the Consent Calendar.

Councilmember Smukler pulled Items A-4 and A-5 from the Consent Calendar.

MOTION: Councilmember Nancy Johnson moved the City Council approve Items A-2, A-3, 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-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE SPECIAL CITY COUNCIL MEETING OF DECEMBER 10, 2012 AND THE REGULAR MEETING OF DECEMBER 11, 2012; (ADMINISTRATION)

Councilmember Christine Johnson pulled this item to point out 3 amendments to Item A-1a, the December 11, 2012 minutes. She had already spoken to the City Clerk and as the amendments covered the clarification of names only with no content changes, the amendments were made.

MOTION: Councilmember Christine Johnson moved for approval of Item A-1 and A-1a with amendments as discussed. The motion was seconded by Mayor Irons and carried unanimously 5-0.

A-4 AWARD OF CONTRACT TO SPECIALTY CONSTRUCTION, INC OF SAN LUIS OBISPO, CA FOR THE PROJECT NO. MB-2012-W1: 2012 CITY WATER TREATMENT PLANT IMPROVEMENTS; (PUBLIC SERVICES)

Councilmember Smukler pulled this item to allow staff to elaborate on the questions raised by the public. Public Services Director Rob Livick provided an update on the plant's permit status.

MOTION: Councilmember Smukler moved for approval of Item A-4 as presented. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

A-5 RESOLUTION NO. 05-13 APPROVING AMENDMENT #3 TO THE LEASE AGREEMENT FOR LEASE SITE 50-51/50W-51W LOCATED AT 451 EMBARCADERO (WHIBLEY); (HARBOR)

Councilmember Smukler pulled this item to allow staff to elaborate on the questions raised by the public. City Attorney Rob Schultz provided information regarding the lease site amendment request.

MOTION: Councilmember Smukler moved for approval of Item A-5 as presented. The motion was seconded by Mayor Irons and carried unanimously 5-0.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES - NONE

C. UNFINISHED BUSINESS - NONE

D. NEW BUSINESS - NONE

D-1 RESOLUTION NO. 01-13 ADOPTING THE CITY OF MORRO BAY INVESTMENT POLICY AND DELEGATING AUTHORITY TO THE CITY TREASURER TO INVEST IDLE FUNDS; (ADMINISTRATIVE SERVICES)

Administrative Services Director Susan Slayton presented her staff report.

Both Councilmembers Nancy Johnson and Smukler asked if Ms. Slayton could bring the portfolio forward as part of the quarterly report.

MOTION: Councilmember Smukler moved approval of Resolution 01-13, with the adjustment to the reporting component that the portfolio is presented to Council on a quarterly basis. The motion was seconded by Councilmember Nancy Johnson and carried unanimously, 5-0.

D-2 RESOLUTION NO. 02-13 AUTHORIZING THE EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS; (ADMINISTRATIVE SERVICES)

Administrative Services Director Susan Slayton presented her staff report.

Councilmember Nancy Johnson feels it's important for Council to continue to receive this information. She also noted that, the Council is used to receiving confidential information. She feels this information is important as we gauge and try to help out our local economic climate.

Councilmember Smukler is comfortable with what is proposed as long as Council still receives the generalized category and/or geographical category information.

Councilmember Leage agrees with Councilmember Nancy Johnson. There haven't been any problems in the past and sees no reason to make any changes at this time.

Mayor Irons doesn't see a need to have information for a specific business. He also understands the reasons for this action are to protect Council. Also, he believes there has to be a reason most cities don't do this. He is inclined to remove Councilmembers from the list.

MOTION: Mayor Irons moved approval of Resolution No. 02-13 as presented. The motion was seconded by Councilmember Christine Johnson and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

D-3 DISCUSSION OF THE GOAL SETTING WORKSHOP PROCESS AND TIMELINE FOR 2013; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report.

Councilmember George Leage feels that the money spent last year didn't produce any results. He also feels this could be done in-house, as an agenda item and could be facilitated by the Mayor.

Councilmember Christine Johnson shares some of the same thoughts as Councilmember Leage and feels the process could be done in-house with our staff facilitating. She believes in a very strong goal setting process including a very strong public role. She also sees value to team building exercises and feels the money might be better spent on those activities.

Councilmember Nancy Johnson agrees with Councilmember Leage but also feels that much was accomplished as a result of last year's goal setting process. She thinks we could do it here at the Council level. She firmly believes that we should adhere to the \$5,000 that was budgeted. She also feels that if we move forward with this process, we should postpone it for awhile as she feels it may take some time for this Council to come to consensus on issues. She also feels that the public participation component can be done as part of an agenda item at a City Council meeting.

Councilmember Smukler is a big fan of the goal setting process. The results can send a clear message to staff prior to the budget process as the information discussed can help them in the preparation of their department budgets. Given the prices provided, he thinks that financially, we shouldn't go beyond the budgeted \$5,000. He feels it would be important to have a neutral, outside person to facilitate the process. He also feels we can improve on the public comment and public participation component.

Mayor Irons feels that a public goal setting workshop is important as it relates to community. Without setting goals, how will Council and staff get anything done? He also feels it is best to have it facilitated by someone outside of staff as he feels a facilitator will help us get the most out of the process; and, they will be able to guide us through the workshops to help identify our goals outside of/ in addition to the wastewater treatment plant project. He too, would like to see us stay within the \$5,000 budget. Other reasons for the need of a facilitator include: time constraints for all of Council and staff; and, the ability for a neutral party to put together the list of goals that everybody has had input on.

Councilmember Christine Johnson is comfortable with contracting out if it's within the budget. She wondered if it would be possible to blend with in-house and outside facilitation.

Councilmembers Nancy Johnson, Christine Johnson and Smukler are all willing to contract with Mr. Maruska if he is willing to work within the \$5,000 budget. It was also felt that his experience with Morro Bay would be helpful.

Councilmember Leage continued with the thought that Mayor Irons could be a good facilitator.

Councilmember Nancy Johnson feels that we could save some money by having the public input part of the process as a part of a public hearing at a City Council meeting. It is also important to

advertise this well, in an effort to have as wide a cross section of people as possible attend. She is unavailable on February 27th.

Councilmember Smukler feels it is important to have the public have a chance to comment early to help guide the conversations as well as a second chance to comment as the information is defined and we get closer to the final product. He is available for all dates provided.

Councilmember Christine Johnson feels that a public component early is important. She is available for all dates provided. She also wondered if the potential of meeting on Saturdays could be looked into.

Councilmember Leage also wants to hear public comment but continues to feel the goal setting could be done in-house during a Council meeting. He is available for all dates provided.

It is Mayor Iron's intent to allow for 2 opportunities for public input; an early public workshop as well as a follow-up. One of these could possibly occur at a City Council meeting. He hopes that the City is able to work with the consultant to iron out the costs. He requested that Saturdays be looked into as a meeting date option. He is available for all dates provided.

MOTION: Mayor Irons moved approval of a contract with Don Maruska & Company for the City's goal setting process not to exceed \$5,000. The motion was seconded by Councilmember Smukler and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

D-4 DISCUSSION AND REVIEW OF RESOLUTION NO. 45-11, "ESTABLISHING A THREE YEAR MORATORIUM FOR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR COMMERCIAL PROJECTS WITHIN A COMMERCIAL ZONE DISTRICT" AND RESOLUTION NO. 52-12, "ESTABLISHING A REDUCTION FOR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR RESIDENTIAL PROJECTS"; (PUBLIC SERVICES)

This item was pulled from the agenda prior to the start of the meeting.

D-5 CITY COUNCIL ANNUAL MEETING SCHEDULE - 2013; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report.

MOTION: Councilmember Nancy Johnson moved approval of the annual meeting schedule as presented. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

There was discussion about scheduling the Joint Planning Commission/City Council meetings. There was consensus to look into scheduling them on the 5th Tuesdays of the months of April and October.

D-6 APPOINTMENT OF VICE-MAYOR AND APPOINTMENT OF REPRESENTATIVES ON DISCRETIONARY BOARDS, COUNCIL LIAISON ASSIGNMENTS AND COUNCIL SUB-COMMITTEES (ADMINISTRATION)

All Councilmembers were fine with the discretionary appointments proposed by Mayor Irons.

MOTION: Councilmember Nancy Johnson moved to appoint Councilmember George Leage as Vice-Mayor. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

E. DECLARATION OF FUTURE AGENDA ITEMS -

Mayor Irons requested a discussion of the City's options to hire a consultant to help find funding opportunities for City projects; Councilmembers Nancy Johnson, Christine Johnson and Smukler concurred.

ADJOURNMENT

The meeting adjourned at 8:43 p.m.

Recorded by:

Jamie Boucher
City Clerk