

**AGENDA NO: A-1**

**MEETING DATE: 2/26/2013**

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – FEBRUARY 13, 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
	Kathleen Wold	Planning Manager
	Cindy Jacinth	Assistant Planner

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 on the following items: Lease Site 93-95/93W-95W, 901 Embarcadero; Lease Site 96/96W, 945 Embarcadero; and, Lease Site 129W-131W, 1231 Embarcadero. Regarding Closed Session Item 887 Atascadero Road, Council authorized staff to obtain an appraisal of the property.

PUBLIC COMMENT

Robert Davis, President of Morro Bay Friends of the Library discussed their upcoming remodel of the library. He also advertised that they will be speaking at the Chamber Business Forum on February 21<sup>st</sup> at 9am at the Embarcadero Grill.

Violette Nava, Hattie Taylor, Marisa Dinsmoor, and Maia Burton, all members of Del Mar’s Student Council presented a report of what’s going on at Del Mar Elementary School. They are participating in a school service project helping Woods Humane Society; they are celebrating Read Across America Day on March 1<sup>st</sup> where they can dress as their favorite storybook character; and, they are raising monies thru recycling efforts.

Karen Croley announced the Morro Bay Community Pool Foundation's fundraising event, "Cayucos Cellars Zinfandel Party #9" being held on Saturday, March 16<sup>th</sup>. The event will feature entertainment, an auction and a Hawaiian buffet dinner.

Valerie Seymour expressed her support of the pool's MOU that is being voted on tonight. This has been a collaborative effort with huge commitments being made by all three of the organizations. She feels though that the MOU is vague and instead would like to see the involved groups' commitment to %'s of dollars they are willing to commit to.

Pat Starkey, the Community Outreach Person for the pool project, also spoke on behalf of the Morro Bay Community Pool Foundation and their efforts to build a pool locally.

Silvio DiSantis spoke as a new member of the Pool Foundation. He has spoken with many local businesses and most are really enthused about the group's commitment to getting a pool established in Morro Bay.

Karen Croley also spoke on behalf of the City's Recreation & Parks Commission stating that they are in full support of the MOU.

Mandy Davis continues to be pleased with the City's stance on the issue of acoustic seismic testing. In Coast Alliance's work, they came across information that PG&E has been doing acoustic seismic testing which they called LESS (low energy seismic study). This is of great concern as the decibel level of the testing is at 220 decibels or more. The Alliance has requested the permits that allowed for this but have yet to receive them.

Barry Brannon spoke on an item he feels will be coming before Council in the future; the abandonment of a piece of property which has been approved at the Planning Commission level. He feels it is the City's responsibility and primary goal to uphold and maintain the Local Coastal Plan which he feels this abandonment doesn't do.

Bill Martony also spoke on the abandonment of the property which is located on the west side of Highway 1. The City owed piece of property is 15,000 square feet and Mr. Martony feels that there are better uses of this property; City land should be used for the good of all.

Bill Shirkey spoke on the adoption of Resolution 14-13, restoring residential impact fees to their pre-October 23, 2012 levels. His concern is with the grandfathering language as he has a current project in the pipeline. He has submitted plans and made payments in September 2012 and January 2013. And as of today, he submitted complete plans and paid for his permit. He is hopeful Council will take fair consideration in performing due diligence in grandfathering in his and other applications.

Phil Kerno also spoke in support of the Pool's MOU. This is a coastal community who should have a thriving swim culture.

Elias Nimeh spoke as the Executive Director of the County Senior Nutrition Program. This program serves 200 seniors in the Morro Bay area, most of those free of charge. The meal program is important to seniors as it extends their good health as well as extends their

opportunities for independent living. They need every communities' help to keep this important lifesaving program going and urged Council's support.

Lynda Merrill spoke in support of Item C-2 (Discussion on Potential Rezone and General Plan Amendment for the M-1 area along Atascadero Road Specifically the Wastewater Facility Site and Surrounding Area) and Item D-2 (Discussion on the Status of the City of Morro Bay and Cayucos Sanitary District Waste Water Treatment Plant Project and Approval for City to Send Letters to State and Federal Legislators Regarding Support and Funding for the Project). She also hoped that at the conclusion of the goal setting workshop, there would be a report about what is being considered, in what order things might be taken care of and what we can and what we can't do.

Carla Wixom addressed the Closed Session Property Transaction Item: Property: 887 Atascadero Road, Negotiating Parties: Clarice E. Righetti Trust and City of Morro Bay, Negotiations: Voluntary Purchase and Sale. She spoke of the Coastal Commissions site visit and it was her understanding that they felt that this was an inferior site. Other issues present on the site include: it is outside of the City limits and would require rezoning by the County, it is prime ag grazing land; it floods every year; it is a large archeological site; the Cambria earthquake fault runs through it; it interferes with coastal ranges and is a view shed; and, it abuts approximately 50 Morro Bay homes. There would be visual impacts on the street and to the neighbors. She urged Council that before you spend \$2 million of rate payers' dollars, to reconsider this location.

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 JANUARY 22, 2013; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 PRESENTATION BY THE MORRO BAY NATURAL HISTORY MUSEUM; (ADMINISTRATION)

**RECOMMENDATION: Receive presentation; no action is required.**

A-3 ADOPTION OF ORDINANCE NO. 582 REPEALING AND REPLACING MORRO BAY MUNICIPAL CODE SECTIONS 5.28 AND 5.30 WITH NEW SECTION 5.30 RELATING TO VIDEO SERVICE PROVIDERS; (PUBLIC SERVICES)

**RECOMMENDATION: Adopt Ordinance 582.**

A-4 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR PROJECT NO. MB2011-S2: MORRO BAY LIFT STATION #2 REPLACEMENT; (PUBLIC SERVICES)

**RECOMMENDATION: File the Notice of Completion for Morro Bay Lift Station #2 Replacement Project.**

A-5 RESOLUTION NO. 11-13 ACCEPTING \$100,000 GRANT FROM THE STATE OF CALIFORNIA CITIZENS OPTION FOR PUBLIC SAFETY (COPS) PROGRAM; (POLICE)

**RECOMMENDATION: Adopt Resolution No. 11-13.**

A-6 RESOLUTION 13-13 AMENDING THE CITY OF MORRO BAY ADVISORY BOARDS HANDBOOK AND BY-LAWS; (CITY ATTORNEY)

**RECOMMENDATION: Review the attached Advisory Board Handbook and By-Laws and approve Resolution 13-13.**

A-7 2012 TROLLEY SEASON SUMMARY; (PUBLIC SERVICES)

**RECOMMENDATION: Receive and file the 2012 Trolley season summary.**

Item A-2, Presentation by the Morro Bay Natural History Museum was not made.

Councilmember Smukler pulled Item A-6 from the Consent Calendar.

MOTION: Councilmember Christine Johnson moved the City Council approve Items A-1, A-3, A-4, A-5, and A-7 of the Consent Calendar as presented. The motion was seconded by Councilmember Nancy Johnson and carried unanimously 5-0.

A-6 RESOLUTION 13-13 AMENDING THE CITY OF MORRO BAY ADVISORY BOARDS HANDBOOK AND BY-LAWS; (CITY ATTORNEY)

Councilmember Smukler pulled this item for public information as he wanted to point out that the Public Works Advisory Board would be increasing its members from 5 to 7. He also requested information on the Planning Commission's meeting schedule change. He feels it's important to continue to have that Commission meet bimonthly.

MOTION: Councilmember Nancy Johnson moved for approval of Item A-6, adoption of Resolution 13-13 as presented. The motion was seconded by Councilmember Leage and failed 2-3 with Mayor Irons and Councilmembers Christine Johnson and Smukler voting no.

MOTION: Councilmember Smukler moved for approval of Resolution 13-13, the Advisory Board Bylaws as presented with the exception of the section of the Planning Commission's Procedures: remove "... held **monthly**..." and replace with "... **held twice a month**...". The motion was seconded by Councilmember Christine Johnson and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

**B. PUBLIC HEARINGS, REPORTS & APPEARANCES**

**B-1 PUBLIC INPUT ON 2013 CITY COUNCIL GOALS; (ADMINISTRATION)**

City Manager Andrea Lueker announced the first of two opportunities for the public to address Council on goals for the upcoming year.

Mayor Irons opened the Public Hearing for public comments.

Bill Martony felt that it was important for tourism and locals alike for the parking lot at Morro Rock to be more aesthetic and user friendly – possibly landscaped and have stairs down to the beach.

Dorothy Cutter requested the Council look at the Granny Unit Law/Secondary Units.

Karin Moss hoped that Council continues making tourism marketing a major goal of the community. She reminded Council that Morro Bay tourism is a primary source of our revenue and income.

Kathleen Karle hoped Council would consider a City Tobacco Retail Licensing Ordinance which would allow for consistent compliance as well as it is the best strategy for reducing sales of tobacco to underage minors.

Melissa Peters concurred with Kathleen Karle.

Aaron Ochs feels we should be offering incentives to bring in more and more diverse entertainment/music/events to Morro Bay. After speaking with many business owners, he found that it takes 5-7 years to construct and get businesses operational in Morro Bay and many get frustrated with that – his hope is that we could make this more streamlined (process and codes). We need to grow Morro Bay organically.

Barry Brannon feels a big issue is how we look to tourists. Highway One in North Morro Bay is very unattractive as the dead trees that Cal Trans cut are still there. He feels we should reinstate Code Enforcement as that will make our City look better.

Silvio DiSantis also feels that Highway One could look much better. If we replaced the chain linked fence with a better quality and more aesthetic looking fencing, that would enhance our look.

Mayor Irons closed the Public Hearing.

**B-2 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FUNDING RECOMMENDATIONS FOR 2013/2014 (PUBLIC SERVICES)**

Assistant Planner Cindy Jacinth presented the staff report.

Mayor Irons opened the Public Hearing for public comments.

Elias Nimeh reiterated his program's need for community and public funds in order for their program to continue. He also said he is available for questions if there were any.

Mayor Irons closed the Public Hearing.

MOTION: Councilmember Nancy Johnson moved approval of B-2 as submitted. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

B-3 2012 ANNUAL WATER REPORT; (PUBLIC SERVICES)

Planning Manager Kathleen Wold presented the staff report.

Mayor Irons opened the Public Hearing for public comments.

Barry Brannon stated that we haven't had any rain which will affect our water supply. He also said that starting this year, there will be cutbacks to our state water supply delivery. This is the time to talk about water.

Mayor Irons closed the Public Hearing.

Councilmember Smukler stated that while we are stable right now, we are just a drought away from trouble.

MOTION: Councilmember Smukler moved for approval of the 2012 Annual Water Report. The motion was seconded by Councilmember Nancy Johnson and carried unanimously 5-0.

C. UNFINISHED BUSINESS

C-1 ADOPTION OF RESOLUTION 14-13 RESTORING RESIDENTIAL IMPACT FEES TO THEIR PRE-OCTOBER 23, 2012 LEVEL AND DISCUSSION OF COMMERCIAL IMPACT FEES; (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report.

Mayor Irons requested that this item be looked at in two parts – residential and commercial.

Councilmember Smukler affirmed his support for the definition of "in the pipeline".

MOTION: Mayor Irons moved approval of Resolution 14-13 restoring residential impact fees to their pre-October 23, 2012 levels. The motion was seconded by Councilmember Smukler and passed 3-2 with Councilmembers Nancy Johnson and Leage voting no.

Councilmember Nancy Johnson agrees with information that City Attorney Rob Schultz shared and suggests making the commercial impact fee waivers City-wide until July 2014. She did find out that we currently don't have an agreement with Rabobank for the loan program. She is also

in favor of working with the Economic Development Director letting business property owners, many of whom don't live in Morro Bay, know that this program exists. In the long run, this will prove to be valuable as the increased income from better looking business properties will improve our City's sales tax revenues.

Councilmember Christine Johnson wanted to focus this on the Old Town area but understands that without an AB1600 Impact Fee Study, we can't. She would like to see the Chamber, through their Economic Development program, flesh out what it is that would be the kinds of projects Morro Bay needs, and then incentivize those to come. She said that the Chamber is getting ready to send a survey to the entire Morro Bay community to see what kinds of businesses we are lacking. She thinks we should wait until the results of that study are known, giving us more knowledge and a better plan, before looking at the potential of moving forward with waiving any commercial impact fees.

Councilmember Leage would like to see the commercial impact fee waiver that is currently in place continue through July 2014. We need to try and stimulate work. He doesn't feel a lot of people received the initial information.

Councilmember Smukler continues to feel that the City's infrastructure is the first priority. He is willing to have future discussion about what a program could look like but at this point we need to start at square 1 as opposed to backing into square 1. He would like to see us move forward without the impact fee reductions.

Mayor Irons wants to spur on economic development revitalize our downtown. We also have a Parking-in-Lieu Fee Resolution about to expire. Economic Development should be something we set as one of our goals. For our commercial areas to see the benefit of impact fee reductions, he feels we need to do something more robust, not just through 2014. Considering the amount of time it takes to bring forward a project to construction, we need to set economic development as a goal specific to our commercial sector. If we want to make incentives for commercial growth, it needs to be done beyond 2014 and it needs to be restructured into an entire economic development plan that will include much more than just impact fee reductions.

Councilmember Christine Johnson stated that it is the Council's responsibility to find balance in promoting commercial development and ensuring we have a strong future with our infrastructure needs. With a new focus and direction, Council hopes to have a full court press on how to help the entire City.

MOTION: Councilmember Smukler moved to reestablish the commercial impact fees to the 2007 level. The motion was seconded by Councilmember Christine Johnson and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

C-2 DISCUSSION ON POTENTIAL REZONE AND GENERAL PLAN AMENDMENT FOR THE M-1 AREA ALONG ATASCADERO ROAD SPECIFICALLY THE WASTEWATER FACILITY SITE AND SURROUNDING AREA (PARCELS 066331032, 066331033, 066331034, 066331038, 066331039 (PORTION), 066332001, 066332002, 066333002); (PUBLIC SERVICES)

Public Services Director Rob Livick pointed out in the analysis of the various parcels surrounding the area, we inadvertently attributed ownership of some of the parcels to the City of Morro Bay and instead should be designated as jointly owned property with the City and Cayucos.

Planning Manager Kathleen Wold presented the staff report.

Councilmember Smukler feels that with the treatment plant being moved, this is a good time to be looking at this. Also, with the construction of the bridge over the creek happening soon, the potential for this land is big as it is being severely underutilized. This is the only City owned beachfront property. Now is the time to start planning more aggressively for our long term vision for Morro Bay.

Councilmember Nancy Johnson is opposed to doing a single re-zoning. The City's LCP has to be updated, the maps are outdated and incomplete, and the General Plan has to be updated. This is in direct conflict to long term planning – we are just taking one small section of town. She also wondered how people's businesses were going to be affected by this. The City needs an industrial zone for its economic base. Finally, she wondered when construction of the bridge over the creek will begin.

Public Services Director Livick stated that we were waiting for a signed agreement from Cal Trans so that we can begin the planning and design process for the bridge; the construction dollars are planned to come in the year 14/15.

Councilmember Christine Johnson believes this falls into our overall plan for the City. The area hadn't been on the table for discussion as it had a different use. As a side benefit, we will get a map update. The number one reason people come to California is the beaches and that's what we have here; and this would be a good time to discuss what else could be there in the future.

Councilmember George Leage stated that the high school is there, how are we going to make this a thru-way down there? There will be a lot of added congestion. He also wondered that if we can't find a place for the wastewater treatment plant and it has to come back – would the area have to be rezoned again?

Mayor Irons agreed that the City has a lot on its plate and doesn't want to see something like this distracting us from getting the General Plan and LCP completed. At the same time, having discussions and moving forward on this wouldn't mean that it is going to take precedent as we still have to go through the goal setting process.

A majority of Council felt it important to move forward in gathering information on costs, realizing that through goal setting, this may or may not take precedent. Staff was directed to gather information with consultants through an RFP process – get proposals on more refined costs for environmental review, costs to prepare maps, etc... Once the goal setting occurs, it will be determined where this falls in with the priorities. This information needs to be provided by March 13, 2013.

C-3 DISCUSSION AND RECOMMENDATION ON THE SELECTION PROCESS FOR VOLUNTEER COMMUNITY SERVICES COORDINATOR; (CITY COUNCIL)

City Manager Andrea Lueker presented the staff report. She recommended that an adjustment be made to the job description in the “housing” of the volunteer position. She suggested that the phrase “...located at the Senior Citizen’s Inc. ...” be replaced with “... located in a City facility...”.

Councilmember Nancy Johnson has been working on this for quite some time and would be in favor of moving forward in the process and begin the advertising process.

Councilmember Smukler is glad to see this item back and is support of moving forward. He felt there were key items that he would like to see added to the job description in order for it to function more efficiently: a phone number, voice mail account, physical computer, email account, business cards, and miscellaneous office supplies. He would see those being added to the section that stated: “... and physically located at a City facility and would likely be supplied with the following resources: (above)”.

Councilmember Nancy Johnson felt it important that this person be allowed the use of a City vehicle. She also felt it important to advertise the position; she would like to see the most qualified person receive this position.

Councilmember Christine Johnson has been very inspired by the work of the EBAC – Estero Bay Alliance for Care.

Councilmember Leage felt this is a wonderful thing that is being done.

Mayor Irons asked if there had been any consideration as to the length of time for the person’s commitment to the position – 1 year then reapply or what kind of timeframe.

Councilmember Nancy Johnson felt that there should and could be a quarterly report given and likes the potential of a 2 year commitment.

MOTION: Councilmember Nancy Johnson moved approval of the job description with the amendment of physical location to read “City facility” and approve the selection process. The motion was seconded by Mayor Irons and carried unanimously 5-0.

D. NEW BUSINESS

D-1 APPROVAL OF MOU BETWEEN THE ESTERO BAY COMMUNITY POOL FOUNDATION, SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT AND CITY OF MORRO BAY REGARDING THE ESTERO BAY COMMUNITY POOL PROJECT ”; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

Councilmember Nancy Johnson is totally and completely in favor of this MOU. She did question the lack of % monetary commitment from the various organizations though.

Councilmember Smukler is also very excited we are moving forward with this. He wasn't aware that the County was no longer interested; he contacted Supervisor Gibson's office and he said they felt there was some potential interest. Also, given the cost of energy, he challenged the project to the highest standards of energy efficiency.

Mayor Irons directed Director Woods to contact the County and report back to Council with an update on how that dialogue is proceeding.

MOTION: Councilmember Christine Johnson moved approval of Item D-1, Approval of MOU between the Estero Bay Community Pool Foundation, San Luis Coastal Unified School District and the City of Morro Bay regarding the Estero Bay Community Pool Project. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

D-2 DISCUSSION ON THE STATUS OF THE CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT WASTE WATER TREATMENT PLANT PROJECT AND APPROVAL FOR CITY TO SEND LETTERS TO STATE AND FEDERAL LEGISLATORS REGARDING SUPPORT AND FUNDING FOR THE PROJECT; (CITY COUNCIL)

Mayor Irons presented a brief oral report requesting consensus of Council to reach out to State and Federal constituents by sending letters asking for support and to put on their radar screen that we are looking for funding potentials.

Councilmember Nancy Johnson feels we are being premature as we haven't met with Cayucos yet. She doesn't feel we can send out letters without a project manager and without the status of our joint agreement.

Councilmember Leage also feels the need to see what Cayucos has in mind.

Councilmember Christine Johnson is looking forward to meeting with our JPA partners. If we are looking for sources of funding then it is in the best interest of the rate payers in both communities to find funding sooner than later.

Councilmember Smukler stated that it is never too soon to reach out. We are moving forward with building a new wastewater treatment plant and looks forward to any help that they could bring. He also hopes that we will continue to have a placeholder on the agenda to talk about wastewater treatment plant project issues.

Councilmember Nancy Johnson thanked Mr. Enns for staying through this meeting. She reiterated that we don't have a project yet; we don't know what Cayucos is going to do until tomorrow; and it can't hurt to wait one more day to formulate letters.

Mayor Irons stated that the remarks regarding Cayucos are well founded. He is in support of drafting these letters to be brought back in 2 weeks requesting help and funding support. The sooner the letters get sent out, the quicker we get on their radar screens.

There was no motion taken on this item; draft letters are to be brought back in 2 weeks to the next meeting.

E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Christine Johnson requested a report summarizing the outcome of the Street Summit; Mayor Irons and Councilmember Smukler concurred.

Councilmember Smukler requested a review of what a Volunteer Budget Review Committee would look like; Mayor Irons and Councilmembers Christine Johnson and Leage concurred.

Councilmember Smukler requested an update on LESS (Low Energy Seismic Study); Councilmembers Christine Johnson and Leage concurred.

ADJOURNMENT

The meeting adjourned at 9:50pm.

Recorded by:

Jamie Boucher  
City Clerk