

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – JUNE 25, 2013  
VETERAN’S MEMORIAL HALL – 6:00P.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
	Dana Swanson	Deputy City Clerk
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director
	Joe Woods	Recreation & Parks Director
	Rob Livick	Public Services Director

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

ESTABLISH QUORUM AND CALL TO ORDER  
MOMENT OF SILENCE  
PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT – City Attorney Robert Schultz reported that City Council met in a Special Closed Session on June 25, 2013 on the following item: Conference with legal counsel due to anticipated litigation, Government Code Section 54956.9(b): Exposure to litigation exists based upon existing facts and the advice of legal counsel as to two matters - First American Title Company/First California Bank and City of Morro Bay; and, Burton and City of Morro Bay; no reportable action under the Brown Act was taken.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS &  
PRESENTATIONS  
PUBLIC PRESENTATIONS - "SLOCOG Presentation on the US 101 Mobility Study"

SLOCOG Presentation on the US 101 Mobility Study  
SLOCOG’s Regional Transportation Planner Geiska Baker Velasquez and Kendal Flint of Flint Strategies spoke on the upcoming US 101 Corridor Mobility Master Plan. SLOCOG, Caltrans and the Cities and County are working together to make sure our investments on the US 101 Corridor are the right ones for our communities. They are taking public comment through a variety of ways and based on that input and traffic analysis, will suggest improvements which will then help SLOCOG choose which projects to fund over the next 25 years.

## PUBLIC COMMENT

Summer Birchell, new owner of Summer Expressions Hair Salon, presented the Morro Bay business report. Located at 735 Napa Street, this is a completely remodeled facility featuring hair styling for women, men and children. They are open Tuesday – Fridays from 9am-5pm; Saturdays and Mondays from 9am-1pm; and Sundays by appointment; walk-ins are welcome. Summer believes the keys to success are great customer service, great prices and a great product.

Hilary Grant, writer and producer of “Botso”, a movie about Botso Korisheli advertised the showing of the movie at the Bay Theater on Saturday, July 6<sup>th</sup> and Sunday, July 7<sup>th</sup> at noon. All profits from their project go to support scholarships for young musicians through the San Luis Symphony. Botso, a Morro Bay local, has taught over 10,000 children and has lived his life “daring to do enough”.

Elizabeth Scott Graham, also with the Botso film group, feels that this film will be big for Morro Bay, just as the film Sideways was big for Santa Ynez. They are currently in need of funds for marketing, posters, contract lawyers, and music rights, and asked the Council to underwrite the showing of the film at the Bay Theater at the cost of \$800.

Gary Hixon spoke about his many television projects, he felt the Aquarium is cool and he feels that everybody is doing a great job.

Susan Heineman advertised the upcoming 10<sup>th</sup> Annual Estero Bay Garden BBQ being held on Sunday, June 30<sup>th</sup> at the Estero Community Garden from 1-4pm. There will be a chicken bbq and live music. Tickets can be purchased at Coalesce Bookstore or at the event.

Julie Thomas advertised their new mobile telephone app called Fishline which is now available for all smart phones and tablets. Fishline was developed partially with the support of a grant from the Central California Cable Fisheries Liaison Committee. The purpose of the app is to make it easy for fishermen, seafood markets and restaurants to announce to the public that they have fresh local seafood.

Trina Dougherty read a letter from Robert “Red” Davis thanking the Council for including a donation to the library remodel project in this year’s budget. She stated that the remodel campaign is coming along very well and you can check the progress and make a donation on their website: [www.mbfol.org](http://www.mbfol.org). She also spoke of the tremendous success of the ECO Rotary Fair. They reached their goal of 105 solar reading lights for the orphanage in Ghana as well as 50 lights for the San Luis Obispo homeless shelter. It was a fun, educational and focused event. She also thanked the sponsors for their help.

Judy Heintzelman, President of Morro Bay Senior Citizen’s Inc. let the public know that they have been awarded the SLO County Senior Program of the Year for 2012. She thanked both Heather Salyer-Frith and Joe Woods for their continued support.

Dawn Beattie has yet to hear from staff about her request made 6 weeks ago. She is looking for who to contact to rebuild the Overlook at Cloisters. She would like an update.

Melissa Peters of SLO Tobacco Control Program of SLO County congratulated Casa de Flores Apartments for their commitment to provide a smoke free living to their tenants. She asked that if anybody were interested in tobacco free policies to contact their office at 781-5564.

Mayor Irons closed the public comment period.

A. CONSENT AGENDA

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 CLOSED SESSION MEETING HELD ON MAY 30, 2013; (CITY ATTORNEY)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF CITY COUNCIL MINUTES FOR THE SPECIAL CLOSED SESSION MEETING HELD ON JUNE 11, 2013; (CITY ATTORNEY)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF THE CITY COUNCIL MINUTES FOR THE REGULAR COUNCIL MEETING HELD ON JUNE 11, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF THE CITY COUNCIL MINUTES FOR THE BUDGET WORKSHOP HELD ON JUNE 12, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 RESOLUTION NO. 37-13 ADOPTING THE FISCAL YEAR 2013/14 OPERATING BUDGETS; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Approve Resolution No. 37-13 Adopting the Fiscal Year 2013/14 Operating Budgets.

A-6 RESOLUTION NO. 36-13 AUTHORIZING SAN LUIS OBISPO COUNTY ASSESSOR TO ASSESS AMOUNTS DUE ON DELINQUENT SOLID WASTE COLLECTION ACCOUNTS AS TAX LIENS AGAINST THE PROPERTIES; (PUBLIC SERVICES/ADMINISTRATIVE SERVICES)

RECOMMENDATION: Approve Resolution 36-13.

A-7 REVIEW AND SUPPORT THE AMENDED MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN LUIS COASTAL UNIFIED SCHOOL

DISTRICT, ESTERO BAY COMMUNITY POOL FOUNDATION, AND CITY OF MORRO BAY; (RECREATION & PARKS)

RECOMMENDATION: Review the attached information, and support the amended Memorandum of Understanding (MOU) between the San Luis Coastal Unified School District, Estero Bay Community Pool Foundation, and City of Morro Bay to establish a community pool in the City of Morro Bay.

A-8 APPROVAL OF LICENSE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND LEMOS FEED & PET SUPPLY; (CITY ATTORNEY)

RECOMMENDATION: Approve the License Agreement with Lemos Feed & Pet Supply to allow for the use of City property located next to the southbound onramp for Highway 1 at Main Street, and adjacent to the property owned by Lemos Feed & Pet Supply at 1320 Main Street.

Mayor Irons opened up the public comment period for items on the Consent Calendar; seeing none, the public comment period was closed.

Councilmember Christine Johnson pulled Item A-3, Councilmember Nancy Johnson pulled Item A-5, Councilmember Smukler pulled Item A-7, and Mayor Irons pulled Item A-8 from the Consent Calendar.

MOTION: Councilmember Smukler moved the City Council approve Items A-1, A-2, A-4 and A-6 of the Consent Calendar as presented. The motion was seconded by Councilmember Nancy Johnson and carried unanimously 5-0.

A-3 APPROVAL OF THE CITY COUNCIL MINUTES FOR THE REGULAR COUNCIL MEETING HELD ON JUNE 11, 2013; (ADMINISTRATION)

Councilmember Christine Johnson pulled this item to point out a typographical error on page 4, Item A-4; it read “Councilmember ~~Smukler~~ pulled this item...” it should have read “Councilmember **Christine Johnson** pulled this item...”

Mayor Irons also requested that the City Clerk review the recording on Item D-3 regarding Secondary Units and bring back a revised accounting of the minutes.

A-5 RESOLUTION NO. 37-13 ADOPTING THE FISCAL YEAR 2013/14 OPERATING BUDGETS; (ADMINISTRATIVE SERVICES)

Councilmember Nancy Johnson pulled this item to state that she has been giving much thought on her vote to give expenditures of City funds from the general fund to the variety of groups. After discussions with her constituents and hours of thought, she has changed her mind and as a result, will be voting no on the budget.

MOTION: Councilmember Smukler moved the City Council approve Item A-5, adopting the fiscal year 2013/14 operating budgets. The motion was seconded by Councilmember Christine Johnson and carried 4-1 with Councilmember Nancy Johnson voting no.

A-7 REVIEW AND SUPPORT THE AMENDED MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT, ESTERO BAY COMMUNITY POOL FOUNDATION, AND CITY OF MORRO BAY; (RECREATION & PARKS)

Councilmember Smukler pulled this item as he was concerned that when this item was brought forward, Council had made a point to have staff reach out to the County to ensure they would be a part of this to the greatest possible extent. For the record, he wants to continue to try and bring the County into the program and the effort and also say that for the County staff to move forward with support, we need to continue to reach out to our County constituents, especially Supervisor Gibson.

MOTION: Councilmember Smukler moved the City Council approve the MOU between the SLCUSD, Estero Bay Community Pool Foundation and the City of Morro Bay. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

A-8 APPROVAL OF LICENSE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND LEMOS FEED & PET SUPPLY; (CITY ATTORNEY)

Mayor Irons asked City Attorney Rob Schultz as far as the contract goes, is there consideration for a repair clause. Mr. Schultz responded that Mr. Lemos has to return the land in the exact same condition.

MOTION: Mayor Irons moved the City Council approval of Item A-8, approval of license agreement between the City of Morro Bay and Lemos Feed and Pet Supply. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

B. PUBLIC HEARINGS

B-1 RESOLUTION NO. 33-13 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

Mayor Irons opened up the public comment period for Item B-1; seeing none, the public comment period was closed.

MOTION: Councilmember Nancy Johnson moved approval of Item B-1 directing the levy of the annual assessment for the North Point Natural Area and Landscaping and

Lighting Maintenance Assessment District. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

**B-2 RESOLUTION NO. 34-13 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)**

Recreation & Parks Director Joe Woods presented the staff report.

Mayor Irons opened the public comment period for Item B-2.

Dawn Beattie stated that every year, the Council receives a number of protest letters against this levy. She questioned how long she and her neighbors are supposed to solely fund a public park. She requested the City invest some general fund monies into Cloisters maintenance. Her issue is fairness; others only have to pay property taxes even though they have benefit of recreational areas, beach access, etc. Residents of the Cloisters have to pay greater property taxes as a result of their access as well as the assessment. She doesn't believe the developers intended for this assessment to go on in perpetuity. Instead she believes the developers in conjunction with the City were intending for increased property tax revenues to supplement and/or supersede the assessment for the Cloisters Park and surrounding area maintenance.

John Lauffer hopes Council has had the opportunity to review his letter. He hopes that Council will exercise their duty to represent the citizens and honor their oath of office where they are sworn to uphold the law. The law as its written is very clear; the City has the right to establish a special assessment district but has the responsibility to ensure that taxes collected are spent on a special benefit not available to the general public. He hopes Council will do the right thing and vote no tonight.

The public comment period for Item B-2 was closed.

Councilmember Christine Johnson stated that if she were currently under the assessment, she would want to ensure that the City had proper oversight over the funds. She asked staff to continue the quarterly meetings at the end of the fiscal year, and to also include Administrative Services Director Susan Slayton in those discussions on the accountability of their expenditures. She also hoped to bring back the possibility of having a Councilmember serve as a liaison to the Cloisters.

Councilmember Nancy Johnson understands and appreciates the concern of the Cloisters' residents. The developers were granted several exceptions to be able to develop there, the property owners who bought property in the area, agreed to pay the assessment. We have added quite a bit of staff and they have made a significant amount of improvements. We need to vote to continue the assessment.

Councilmember Smukler agrees with Councilmember Nancy Johnson. He has observed and been a part of the process to ensure that staff has is working on holding up our side of the process

with maintenance and transparency of the budget. He likes Councilmember Christine Johnson's suggestion of including Ms. Slayton at the end of year budget and financial meeting.

Mayor Irons questioned the deferred maintenance account. He would like to see, perhaps in the Engineer's Report each year, have us incorporate the deferred maintenance schedule into the report. He also supports Councilmember Christine Johnson's comments.

MOTION: Councilmember Nancy Johnson moved approval of Item B-2, directing the levy of the annual assessment for the Cloister's Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

C. UNFINISHED BUSINESS - NONE

D. NEW BUSINESS

D-1 CONSIDERATION OF FUTURE OF LEASE SITE 69-70/69W-70W, MORRO BAY AQUARIUM (DEAN AND BERTHA TYLER); (HARBOR)

Harbor Director Eric Endersby presented the staff report.

Applicant Dean Tyler made a presentation. He stated that the building is safe; it was tested after the San Simeon earthquake. He also feels he should have been invited to participate in a meeting with the people from Avila. The facility has been remodeled three times. The Department of Agriculture makes the rules and regulations for tank depth and resting areas and they provide greater than what is required. They have made their tanks deeper. The first time they remodeled, they shut the facility down which was a mistake. The next two times, they stayed open and moved specimens from tank to tank; as such, people may not be aware that improvements were made. He has visited over 31 different aquariums over the years and many are smaller than ours. He stated that seals need depth and enough water but they don't need size. He feels they have done a lot of good things here. He hopes that Council will allow them to work with Nelson Company to provide a better project. He concluded by saying that all these things they are doing that have given them unfavorable publicity is coming from people that don't know what they are talking about.

Mayor Irons opened up public comment for Item D-1.

The following citizens spoke in favor of staff preparing and bringing back a Request for Proposal for the lease site: Lynda Merrill, Francesca Henderson, Holly Sletteland, Erika Satkoski, Sandra Jouglard, Jenny Jones, Lois Barber, Abe Perlstein, Chuck Dishmon, Laurence Vallens, Dr. Courtney Carman, Renee Rubin, Debbie Buckheim, Sarah Spengeman, Genete Bowen, Susan Tripp, Kim O'Bryan, Christine Husk, Mandy Davis, Briana Weise, Hunter Kilpatrick, Claudia Ferriday, Liz Ochoa, Karen Croley, Lucille Craig, and Betty Winholtz.

The following citizens spoke in favor of the City accepting the Leaseholder's proposal and authorizing staff to begin lease negotiations: Trudy O'Brien, Judy Cross, Steven Rebuck,

Jeremiah O'Brien, Susan Fortman, Lupe Sylvester, Melinda Rice, Edward Sylvester, Len Willhite, Patti James, Debra Hesch, Bertha Tyler, Tave Holland, Tom Rex, Leo Ramos and Oliver Hopkins.

Mayor Irons **met with the** Tylers as well as the Central Coast Aquarium; an invitation for the Tylers to meet with the Central Coast Aquarium was also extended but never materialized. Mayor Irons also feels that having the opportunity to go out for RFP, especially knowing that the Central Coast Aquarium is interested in this site is an opportunity that we should consider. It is still an aquarium; it would allow for carrying on the legacy that the Tylers have built and still allows the Tylers the opportunity to participate in the process.

Councilmember Leage stated that the Tylers have been dedicated to this business and the animals; the facility is tired; maybe this is the time to bring something new in; he hopes there is a way to keep the Tylers involved and give them the respect they deserve.

Councilmember Christine Johnson stated that all are probably in agreement that the aquarium needs some physical improvements. She hoped we could help the aquarium re-envision the next 50 years and continue a tradition here of helping others interpret what we live with in Morro Bay every single day; we have such a wide variety of wildlife. How can we help and also, how can we leverage this kind of interest to support and continue this kind of facility in Morro Bay that moves us in perhaps a different direction but join together and find something we can be proud of. She hopes there will be collaborative efforts on many organization's parts in support of the Tylers.

Councilmember Nancy Johnson echo's Councilmember Leage's comments about the good work the Tylers have done over the years. She felt that since the Tylers still have 5 years in their current lease, we should give them 6 months to a year to work with someone to find a better proposal.

Councilmember Smukler stated it's important to talk about what the direction should be if we go out for an RFP. He wants to ensure we encourage, through RFP language, an aquarium or marine education facility. He wants to see, thru the proposals, a better articulation of a vision, a financial plan, and be clear that retail and other uses aren't a priority for that site.

Councilmember Leage also feels that Council should give the Tylers more time as it wouldn't hurt the process. They could team up with somebody to come up with a great proposal. He agrees that it's important to keep it an aquarium or marine themed site.

Councilmember Christine Johnson supports the RFP process with clear staff direction and timeline for all involved.

Councilmember Nancy Johnson feels we can all agree we want an aquarium but she doesn't feel we should be micromanaging what happens down there. She restated her desire to give the Tylers 6 additional months to come up with something far more adequate.

Councilmember Smukler feels it's important to go out for RFP as it still gives the Tylers the opportunity to participate. For us to have a viable project in 2018, we need ensure we move forward. We need to be explicit that revenue production/rents to the Harbor fund isn't a top priority. We should also be in discussion of what form of accreditation or standard of care would be involved in the next step of an aquarium/marine education center.

Councilmember Leage stated that since the Tylers have an established business, they have a better chance of getting something completed by 2018. If we go out for an RFP, we will be lucky to have something completed by 2030.

Mayor Irons believes the RFP will allow the Tylers to be successful as the 6-9 months that this RFP process will take, is the amount of time it would take to put together a proposal. This will also allow the City the opportunity to see what the options out there are. Mayor Irons provided a synopsis of the details they hope to see in a proposal: that the RFP stipulates an aquarium/marine education center, provides a financial plan, establishes a turnaround time, and provides an accreditation component.

MOTION: Mayor Irons moved to approve Alternate B, sending the lease site out to RFP with specific direction that directs that the RFP is for a marine education center/aquarium, accredited facility, provide a financial plan to ensure success, and turnaround time to deliver the product. The motion was seconded by Councilmember Smukler and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

D-2 UPDATE AND IDENTIFY THE CITY'S WAY-FINDING SIGNAGE INVENTORY AND STATUS OF SIGNAGE IMPROVEMENT EFFORTS; (ADMINISTRATION/PUBLIC SERVICES/RECREATION & PARKS)

City Manager presented the staff report.

Mayor Irons opened up the public comment period for Item D-2.

Lucille Craig stated that we need more directional signage to the beaches.

The public comment period for Item D-2 was closed.

All Councilmembers thanked staff for putting this together.

Councilmember Christine Johnson stated that with the new Director of Tourism and new Visitors Center there has been a lot of discussion of business owners and the Tourism Business members of how to get people into town. The Economic Development Committee did discuss signs at one of their prior meetings.

Councilmember Smukler feels it is good we are moving forward with directional signage to the Visitors Center, he feels we should continue our work with the Economic Development Program to identify other key areas that they could bring back recommendations for our updates. He also thinks we need to research and find a way to get signage advertising Beach Access Points.

Councilmember Nancy Johnson would like to see increased use of banners in the banner poles. Mayor Irons stated he would like to see this move forward to the Public Works Advisory Board, maybe even with a workshop that would include our Economic Development group covering directional signage. He would also like to see us come up with a design guideline for what our signs are going to look like to include way signage. He would like to see the event signage at City Park included in the discussion and public input.

Councilmember Nancy Johnson wonders how we can clarify how events get scheduled on the banners and incoming City signs/billboards. Event signage is an important part of this issue that we want to forward. She supports this going to the PWAB with some of these comments we have.

Councilmember Christine Johnson wanted to suggest a roadtrip to collect photos of signs from here to Cambria in an effort to find out how many brown beach access signs there are that we can use in our talks with CalTrans.

There was no action taken on this item.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Christine Johnson requested discussion of naming a City Council liaison each year to the North Point and Cloisters Assessment Districts; Mayor Irons and Councilmember Smukler concurred.

Mayor Irons requested to bring back the concept of Aid to Agencies for discussion prior to the next budget process; Councilmembers Christine Johnson and Smukler concurred.

Mayor Irons requested a discussion of the current Compact Infill Ordinance; Councilmembers Christine Johnson and Smukler concurred.

Councilmember Leage requested a status update on Parking on Central Embarcadero; Mayor Irons and Councilmember Nancy Johnson concurred.

ADJOURNMENT

The meeting adjourned at 10:26pm.

Recorded by:

Jamie Boucher  
City Clerk