

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – MARCH 9, 2009
CITY HALL CONFERENCE ROOM - 5:00 P.M.

Mayor Peters called the meeting to order at 5:00 p.m.

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember

STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney

CLOSED SESSION

MOTION: Councilmember Grantham moved the meeting be adjourned to Closed Session. The motion was seconded by Councilmember Borchard and unanimously carried. (5-0)

Mayor Peters read the Closed Session Statement.

**CS-1 GOVERNMENT CODE SECTION 54956.9(A); CONFERENCE WITH
LEGAL COUNSEL REGARDING PENDING LITIGATION.**

- CITY OF MORRO BAY vs. MARTONY and PEKAREK

The meeting adjourned to Closed Session at 5:00 p.m. and returned to regular session at 5:45 p.m.

MOTION: Councilmember Borchard moved the meeting be adjourned. The motion was seconded by Mayor Peters and unanimously carried. (5-0)

The meeting adjourned at 5:45 p.m.

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VETERANS MEMORIAL HALL - 6:00 P.M.

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

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Bridgett Bauer	City Clerk
	Rick Algert	Harbor Director
	Bruce Ambo	Public Services Director
	John DeRohan	Police Chief
	Rob Livick	City Engineer
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Dylan Wade	Utilities/Capital Projects Manager
	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 - City Attorney Robert Schultz reported the City Council met in Closed Session, and no reportable action under the Brown Act was taken.

PUBLIC COMMENT

Keith Taylor addressed Item A-2 (Authorization to Secure a USDA Loan to Fund Fire Station 53 Phase II) and requested Council support by authorizing to secure a USDA loan to fund Fire Station 53 Phase II for the staffing quarters, administration building and most important the emergency service treatment room.

Bill Woodson addressed Item A-5 (Resolution in Support of the Adopt-A-Tree Program) and requested Council and community support in participating by adopting trees. He said the goal is to adopt a tree per week for the next two years.

Ken Vesterfelt stated 470 cars have registered for the upcoming car show. He said a Tip-a-Cop dinner would be held on April 3rd to benefit the Special Olympics.

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Joan Solu addressed Item B-1 (Recommendation on Contracting with Cal Fire for Fire Services in Morro Bay) and expressed support for maintaining the City's local Fire Department. She also addressed Item C-1 (Discussion on Revenue Generating Ballot Measures for the June 2010 Election) stating as an owner of a local hotel, she asked that the City does not do the same to the tourism industry as it did to the fishing industry and power plant by raising taxes. Ms. Solu announced the Dixon Spaghetti Feed would be held on March 27th, and the Del Mar Elementary School Art Auction, cow plop and barbeque would be held on March 29th.

Peter Candela announced the Chamber of Commerce is co-sponsoring the St. Patrick's Day Annual Party at Coast National Bank on March 17th; the Small Business Networking Business Breakfast will be held at The View on March 18th; Chamber Mixer at Central Coast Lending on March 19th. He said the Chamber is performing a survey amongst all of the businesses in the City. Mr. Candela reviewed the Chamber of Commerce statistics.

Garry Johnson thanked the Fire Department for saving his friend's life.

Nancy Johnson stated the University of California Master Gardeners of San Luis Obispo County is hosting a workshop on worm composting on April 4th.

Jim Murphy urged the City Council understand the City's financial needs when reviewing the City's additional fees and taxes.

Mayor Peters closed the hearing for public comment.

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 MINUTES FOR THE REGULAR CITY COUNCIL MEETING OF FEBRUARY 23, 2009; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 AUTHORIZATION TO SECURE A USDA LOAN TO FUND FIRE STATION 53 PHASE II; (FIRE)

RECOMMENDATION: Authorize the City Manager to sign loan documents with the United States Department of Agriculture to secure funding for Phase II of the Fire Station 53 replacement project in an amount not to exceed \$3,000,000 and annual payments not to exceed \$200,000 per year.

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A-3 APPROVAL OF MAYOR AND COUNCIL MEMBERS TO ATTEND THE LEAGUE OF CALIFORNIA CITIES "LEGISLATIVE ACTION DAYS"; (ADMINISTRATION)

RECOMMENDATION: Approve sending the Mayor and/or Council Members to attend the League of California Cities "Legislative Action Days" in Sacramento.

A-4 APPROVAL OF PARCEL MAP PM MB 05-0357 (594 KINGS AVENUE) AND ACCEPTANCE OF OFFER OF DEDICATION; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 10-09.

A-5 RESOLUTION IN SUPPORT OF THE ADOPT-A-TREE PROGRAM; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 11-09.

A-6 POTENTIAL TOPICS FOR THE JOINT PLANNING COMMISSION/CITY COUCIL MEETING; (PUBLIC SERVICES)

RECOMMENDATION: Consider potential discussion topics for the joint Planning Commission/City Council meeting on March 30, 2009.

A-7 CONTINUATION OF EMERGENCY PER PUBLIC CONTRACT CODE SECTION 22050 FOR THE INSTALLATION OF DESALINATION PLANT ENERGY RECOVERY EQUIPMENT; (PUBLIC SERVICES)

RECOMMENDATION: Determine the necessity to continue the emergency per Public Contract Code 22050 for the installation of desalination plant energy recovery equipment.

A-8 APPROVAL OF RESOLUTION NO. 09-09 AUTHORIZING THE CITY OF MORRO BAY TO ENTER INTO A DERELICT VESSEL ABATEMENT GRANT WITH THE MORRO BAY NATIONAL ESTUARY PROGRAM; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 09-09.

Councilmember Smukler pulled Items A-2 and A-5 from the Consent Calendar; Mayor Peters pulled Item A-6.

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MOTION: Councilmember Grantham moved the City Council approve the Consent Calendar with the exception of Items A-2, A-5 and A-6. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

A-2 AUTHORIZATION TO SECURE A USDA LOAN TO FUND FIRE STATION
53 PHASE II; (FIRE)

Councilmember Smukler addressed the concept of a lobbying effort to encourage the potential success of these grant applications and receiving the funding.

Fire Chief Mike Pond stated in the past when grant and loan applications have been made, the City has contacted State and Federal representatives and received letters of support for the project that is being funded.

Councilmember Borchard expressed concern with the Measure Q funding during this time of recession and being cautious with the long-term money that the City locks into.

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

A-5 RESOLUTION IN SUPPORT OF THE ADOPT-A-TREE PROGRAM;
(PUBLIC SERVICES)

Councilmember Smukler requested an update from staff on the Public Works Advisory Board's recommendation on the Adopt-a-Tree Program.

City Engineer Rob Livick responded the Public Works Advisory Board did recommend the formation of a tree committee, which will be a future agenda item before the City Council.

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

A-6 POTENTIAL TOPICS FOR THE JOINT PLANNING COMMISSION/CITY
COUNCIL MEETING; (PUBLIC SERVICES)

Mayor Peters asked if there were any items that Council would like to add to the agenda for the joint meeting with the Planning Commission.

Councilmember Grantham requested to add lot splitting to the agenda.

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Councilmember Smukler stated he would like to discuss the extended need for lobbying efforts with the Coastal Commission on the General Plan.

Mayor Peters stated she wanted to discuss how much architectural review the Planning Commission should do.

Councilmember Winholtz stated she would like to prioritize some of the items suggested by the Planning Commission, such as:

- 1) Strong recommendation on Neighborhood Compatibility Standards;
- 2) Environmental incentives to promote green building and planning in the application and approval process;
- 3) Downtown Visioning.

Consensus of the Council was to list the above items on the Joint Planning Commission/ City Council agenda with the discussion of the General Plan and Newspaper Racks listed last for discussion.

MOTION: Mayor Peters moved the City Council approve Item A-6 of the Consent Calendar. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

Mayor Peters called for a break at 6:59 p.m.; the meeting resumed at 7:09 p.m.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 RECOMMENDATION ON CONTRACTING WITH CAL FIRE FOR FIRE SERVICES IN MORRO BAY; (FIRE)

Fire Chief Mike Pond stated Council has been actively working to identify methods for improving fire services in Morro Bay since 2004. Council has approved replacement of the fire station apparatus bays at both fire stations, approved updating the Fire Department fleet with the purchase of a new fire engine and a new rescue vehicle, passed a significantly more restrictive sprinkler ordinance. Chief Pond listed actions related to Council's desire for better staffing to meet OSHA mandates, deal with the issue of increasing call volume and simultaneous calls, and improve response times to the citizens in North Morro Bay. Chief Pond recommended the City Council advise Cal Fire that the City is not interested in continuing the process toward a full service contract at this time. He further recommended the City Council direct staff to provide costs, for consideration in the budget process, to provide a part-time reserve firefighter as a fourth person scheduled each day and investigate the Amador Option 2.2 proposed by staff.

Mayor Peters opened the hearing for public comment.

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Ariane Leiter, Engineer/Paramedic, stated the past years have been very trying for the Fire Department with budgetary issues. She said through committee discussions on how to better serve the community of Morro Bay, there was one idea to contract with Cal Fire, and as the President of the Firefighters Association, she strongly supports this solution.

Steve Knuckles, Fire Captain/Paramedic, stated in May 2004 the five-year strategic plan was completed and recommended increasing the department's staffing to four people daily to cover simultaneous incidents and cover the north end of the City; it was also recommended that all responses be 5 minutes or less 90% of the time. He said in October 2007, the firefighters brought forward a possible contract idea with Cal Fire to seek a financial solution to meet the staffing and response needs as addressed in the five-year strategic plan. Captain Knuckles requested Council's consideration of the department's needs as well as the community's needs now and in the future.

Ken Vesterfelt stated he is supportive of the City contracting with Cal Fire. He reviewed sections in the staff report that he requested the City Council consider in their deliberation.

Jane Heath stated she is convinced that there are too many variables concerned with contracting with Cal Fire, one being the State's financial situation. She also expressed concern that the personnel would not be the same, and the City would have more control as an employer than as a customer.

Bill Murphy, Firefighter/Paramedic, thanked Cal Fire and Council for their efforts in reviewing the proposed contracts. He requested the City Council examine the proposals from the prospective of the objectives of the five-year strategic plan; the City's financial ability; and present a complete list of the strengths and weaknesses of both organizations ability to delivery the City's desired service level. Firefighter Murphy stated all of the options presented by Cal Fire are less expensive at their costs.

Todd Gailey, Engineer/Paramedic, stated he grew up in Morro Bay and prefers to work for the City of Morro Bay. He said it is assured that Station 11 would provide service to the City if needed. Engineer Gailey stated he does not support contracting with Cal Fire.

George Rees, Fire Captain/Paramedic, stated at this time the Morro Bay Fire Department does not adequately serve the community on the north end of town. He said the department needs more staffing due to increasing call volume and simultaneous calls. Captain Rees urged the City Council to move forward with the Cal Fire contract or give the Fire Department the tools to adequately serve the community.

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Erica Murphy stated it has been a long-time desire of the Fire Department to better serve the north portion of Morro Bay. She said the lack of staffing causes a risk to the community and liability to the City. Ms. Murphy stated the Cal Fire options presented to the City addresses these issues as well as saving the City money. She said the money saved could be used for other City needs and help minimize other City cost-cutting measures that are on the horizon.

Jim Murphy stated the City Council should give someone the task to pull all of the information together and return to Council with a recommendation.

Walter Heath stated police and fire services are the cornerstone of any City and should be maintained as City services. He said he does not agree that the City should forego tax increases for these services.

Mayor Peters closed the public comment hearing.

Councilmember Smukler stated a tax increase for the Fire Department should be considered. He said he would like to be aggressive in addressing short-term options in keeping the fire service in-house because there are no clear options from the State at this time. Councilmember Smukler stated he supports the implementation of a second five-year plan and address full staffing and response time to North Morro Bay. He said he would like to bring this discussion back in relation to the five-year plan.

Councilmember Borchard stated she does not support a tax increase since Measure Q was adopted. She expressed concern with the unknowns in the staff report, one being the intent with the use of reserve firefighters in place of full-time firefighters.

Councilmember Grantham stated he does not support enhancing regional fire services at the City's expense. He said there is a better chance of utilizing the Bonita Street Fire Station under the City's fire services. Councilmember Grantham stated he supports maintaining the City's Fire Department.

Councilmember Winholtz stated she is not ready to make a decision at this meeting. She said the two issues that need to be addressed is response time and firefighter safety. Councilmember Winholtz stated the ideal is to have Stations 53 and 54 opened, and one way is with the stimulus package.

Mayor Peters stated there is concern with the State budget and the lack of stability. She said the City should consider an assessment district to support the Fire Department. Mayor Peters stated it is important to find the source of funding for the City's Fire Department.

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MOTION: Councilmember Grantham moved the City Council thank Cal Fire for their due diligence and hard work on behalf of the City in providing a proposal for fire services; advise Cal Fire that the City is not interested in continuing the process toward a full service contract at this time; and, direct staff to provide costs, for consideration in the budget process, to provide a part-time reserve firefighter as a fourth person scheduled each day and investigate the Amador Option 2.2 proposed by staff. The motion was seconded by Councilmember Smukler and carried with Councilmember Borchard and Councilmember Winholtz voting no. (3-2)

MOTION: Councilmember Winholtz moved the City Council request staff to come back with information on the Amador Option with Cal Fire within 30 days; form an ad-hoc committee made up of one or two Councilmembers, one or two executive staff members, and one or two firefighters, that this ad-hoc committee discuss the City fire services needs; and, explore Federal and/or State stimulus funds in order to open Fire Station 54. The motion was seconded by Councilmember Smukler and carried with Councilmember Grantham and Mayor Peters voting no. (3-2)

Mayor Peters called for a break at 8:44 p.m.; the meeting resumed at 8:55 p.m.

C. UNFINISHED BUSINESS

C-1 DISCUSSION ON REVENUE GENERATING BALLOT MEASURES FOR THE JUNE 2010 ELECTION; (CITY ATTORNEY)

City Attorney Robert Schultz stated at the January 12, 2009 City Council meeting, Council directed staff to bring back a discussion of ballot revenue measures for Election 2010. He recommended the City Council discuss which revenue-generating ballot measures to begin preparing for consideration at a City workshop.

The following Councilmembers voted on which revenue-generating ballot measures they supported to be placed on the ballot in 2010:

Utility User Tax

Councilmember Grantham

911 Fee

Councilmember Grantham

Special Assessment/Parcel Tax

Councilmember Smukler
Councilmember Winholtz
Councilmember Grantham
Mayor Peters

Transient Occupancy Tax

Councilmember Smukler
Councilmember Borchard
Councilmember Winholtz
Councilmember Grantham
Mayor Peters

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MOTION: Mayor Peters moved the City Council direct staff to return to Council with information on placing a transient occupancy tax measure on the 2010 ballot. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

MOTION: Mayor Peters moved the City Council direct staff to return to Council with information on placing a special assessment/parcel tax measure on the 2010 ballot. The motion was seconded by Councilmember Smukler.

Councilmember Smukler clarified that staff's information would be an initial review; Mayor Peters clarified that staff would reporting to Council as information was received.

VOTE: The motion carried with Councilmember Borchard voting no. (4-1)

D. NEW BUSINESS

D-1 SANITARY SEWER MANAGEMENT PLAN; (PUBLIC SERVICES)

Utilities/Capital Projects Manager Dylan Wade stated in 2006, the State Water Resources Control Board adopted Order No. 2006-003 General Waste Discharge Requirements for Wastewater Collections Agencies. One requirement of this order is that all public collections systems in the State of California are required to reduce the risks to public health and the environment by creating a Sanitary Sewer Management Plan (SSMP). The purpose of the SSMP is to implement a set of Best Management Practices into the operations of all collections systems in the State. The SSMP includes 11 mandatory elements ranging in complexity from preparing goals and a mission statement, to performing a complete capacity assessment. During the October 8, 2007 City Council meeting, the City Council adopted elements one and two of the SSMP, outlined a schedule for preparation of the other chapters of the SSMP, and directed staff to prepare the plan in conjunction with Public Works Advisory Board. Mr. Wade recommended the City Council adopt Chapters 3,4,6 and 7 of the Sanitary Sewer Management Plan; and, direct staff to continue to prepare the remaining Chapters in conjunction with the Public Works Advisory Board.

MOTION: Councilmember Grantham moved the City Council adopt Chapters 3,4,6 and 7 of the Sanitary Sewer Management Plan; and, direct staff to continue to prepare the remaining Chapters in conjunction with the Public Works Advisory Board. The motion was seconded by Councilmember Smukler and carried unanimously. (5-0)

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D-2 REVIEW PRELIMINARY DESIGN AND COST ESTIMATES FOR THE NORTH MAIN STREET CLASS II BIKE LANE PROJECT; (PUBLIC SERVICES)

City Engineer Rob Livick stated the City has approximately \$60,000 in funds for the North Main Bike Lane Project including the approximately \$30,000 in Transportation Development Act money for Citywide bicycle and pedestrian projects. The difference in project costs between the available funds would require either grant(s), a contribution from the General Fund, and/or “Measure Q” funds or a combination of funds. Additionally, this is one of the projects identified to San Luis Obispo Council of Governments as a candidate for economic stimulus funds. Staff has reviewed and updated the previous design and prepared an opinion of probable costs for a range of projects. The proposed design includes two five-foot wide Class II bike lanes, two 13-foot wide travel lanes and an eight-foot wide parking lane. Staff recommends the 13-foot wide travel lane due to Main Street’s classification as an arterial, the volume of traffic and the speed limit; there is existing right-of-way that is sufficient for this proposed section. Staff further recommends the City Council consider the feasibility and give direction to staff on whether to proceed further toward the installation of Class II bike lanes on North Main Street.

MOTION: Councilmember Winholtz moved the City Council direct staff to return with a bike plan within three months with potential funding sources, and a survey of the businesses along North Main Street. The motion was seconded by Councilmember Smukler and carried unanimously. (5-0)

D-3 REPORT ON THE DRAFT GOALS AND OBJECTIVES FROM THE GOALS SETTING WORKSHOP; (ADMINISTRATION)

City Manager Andrea Lueker stated in November 2007 the City Council determined that conducting an annual Goal Setting Process was an important part of strategic planning for the City of Morro Bay. As a result, in June 2008, the City Council held its first such workshop, which resulted in the establishment of six priority goals and 13 other goals. The City Council held its second Goal Setting Workshop on February 17-18, 2009, which entailed reviewing the progress make on the goals established last year as well as progress toward the Management Partners recommendations from an August 2008 meeting. The Goal Setting Workshop concluded with the City Council identifying five priority goals, nine other goals and two other carryover goals from last year’s process. Ms. Lueker recommended the City Council adopt the priority goals and other goals as designated priorities by the City Council. Staff will then return to the Council in the near future with the success factors for each of the five priority goals as well as a timeline for each of the five priority goals.

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MOTION: Councilmember Borchard moved the City Council adopt the priority goals and other goals as designated priorities by the City Council. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

E. DECLARATION OF FUTURE AGENDA ITEMS – None.

ADJOURNMENT

The meeting adjourned at 10:21 p.m.

Recorded by:

Bridgett Bauer
City Clerk