

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – SEPTEMBER 9, 2014
VETERAN’S MEMORIAL HALL – 6:00P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Edward Kreins	Interim City Manager
	Joe Pannone	City Attorney
	Jamie Boucher	City Clerk
	Rob Livick	Public Services Director
	Joe Woods	Recreation & Parks Director
	Eric Endersby	Harbor Director

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

CLOSED SESSION REPORT – Interim City Attorney Joe Pannone reported with regards to Closed Session Items: Conference with Labor Negotiators regarding Morro Bay Firefighters’ Association, Morro Bay Police Officers’ Association, Service Employee’s International Union, SEIU Local 620, Management Employees, and, Confidential Employees; the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS

Mayor Irons presented Morro Bay in Bloom Certificates to Morro Bay residents and business owners. In July, America in Bloom judges came through Morro Bay and did an evaluation of the City; they awarded Certificates of Admiration to Linna Thomas (Coalesce Bookstore), Cloisters Nature Area (Dawn Beattie), Vince and Janet Marino and Sunshine Health Foods/Shine Café (Greg and Tanner).

Mayor Irons and the Council presented Eric Endersby with a 25 year employee service pin.

PUBLIC COMMENT

Shannon Sawicki, owner of Shore Senior Fitness presented the Morro Bay Business report. Shannon is new to the area, moving here in March from Redlands. She has been a lifestyle fitness coordinator for seniors; given her background and seeing the need in our area, she created

this business. The entire central coast has amazing fitness opportunities; she wants to specifically cater to those who can't get out due to illness or injury; she offers clients a way to interact with her and hopefully eventually the community. She also keeps in close contact with doctors and therapists to ensure client safety. She loves it here, the people are wonderful.

Ken Vesterfelt applauded the parade crew – it was a wonderful event. As a result of a recent fatality, he brought up bicyclist and skateboarder safety. He is concerned with the poor choices that many are making – ie: running stop signs, not wearing safety helmets, etc. He urged parents to take control of their young people – make them wear helmets. He also encouraged education as well as enforcement.

Karen Croley spoke in an effort to bring awareness to Measure D, a measure that will be on the November ballot. She hopes to bring awareness to the outdated infrastructure in our schools, especially Morro Bay High School. She encouraged citizens to do a school tour to see for themselves. Vote yes on Measure D.

Rigmore is not usually in favor of police power; however, a young Morro Bay couple dumped a load of trash next to the Sun Bulletin building. It was brought to the Police's attention and they made them clean it up as well as made them do some work around the location. She publicly thanked the police department as well as the person who made the initial report to the police.

Barbara Doerr stated that most adults don't wear bicycle helmets. She hopes that through the leadership of Council and businesses, people can be pressured to wear them and be safer.

Susan Stewart spoke on Item D-1, urging Council to pay close attention to the recommendations from the commercial fishermen, HAB and staff. We should require that Dynegy minimize or eliminate potential impacts on an industry already overburdened with restrictions and regulations. It is our responsibility as a community to provide FERC with a comprehensive statement of concerns. As the process moves forward, and as a member of the Chamber, she wants to work with City staff, HAB and fishing representatives to help provide educational and informational forums. She also announced that the Avocado Margarita Festival is being held this weekend.

Nancy Castle is an adult bike rider who doesn't have nor wear a helmet; she is now going to get and wear one. We can be the examples for young people. She thanked the organizers of the parade, the participants of the parade and those that watched the parade - it was wonderful. She spoke on the Monday Night Dinners – they are still occurring, being held from 5-6pm at the Vet's Hall, have had approximately 60 diners each week, she thanked the participating groups and donors. She also let the public know there is a distribution table for food, clothing, books, toiletries, etc. for those who would like to help in that way. St. Peter's is having an evening BBQ on September 20th for those who have helped with anything that day.

Bill Martoney spoke on the site location for the WRF. He knows we are getting close. He recommends the McElvaine property – there is a motivated buyer, there is a need for water in the Morro Valley, and it is an ideal location for a city yard. Regarding the CMC option, there have been nitrate problems there; he also doesn't think Morro Bay wants to pump 9.5 miles. If we

want a regional concept, then look towards Los Osos, they could “super-size” for only \$20 million.

The public comment period was closed.

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 MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON AUGUST 26, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON AUGUST 26, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file report.

A-4 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file report.

A-5 AMENDMENT 1 TO THE COOPERATION AGREEMENT BETWEEN THE COUNTY OF SAN LUIS OBISPO AND THE CITY OF MORRO BAY FOR JOINT PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, THE EMERGENCY SOLUTIONS GRANT PROGRAM, AND THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM THROUGH FISCAL YEARS 2015-2017; (PUBLIC SERVICES)

RECOMMENDATION: Approve execution of Amendment 1 to the Cooperation Agreement for participation in the Urban County for Fiscal Years 2015-2017.

A-6 APPROVAL OF RESOLUTION 59-14 AUTHORIZING A NEW LEASE AGREEMENT WITH UNITED STATES COAST GUARD TO LEASE A MAINTENANCE AND STORAGE FACILITY FOR THE COAST GUARD STATION MORRO BAY, LOCATED AT 1620 EMBARCADERO; (HARBOR)

RECOMMENDATION: Approve the attached one-year Lease Agreement with three one-year successive options to renew, with the United States Coast Guard (USCG)

for use of a portion of the City's Harbor Department gear storage yard and building located at 1620 Embarcadero.

A-7 AUTHORIZE CITY MANAGER TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH CENTRAL COAST MARITIME MUSEUM ASSOCIATION (CCMA) FOR DISPLAY OF UP TO THREE VESSELS AND TWO KIOSKS IN THE CITY PARKING LOT ON FRONT STREET; (PUBLIC SERVICES / HARBOR)

RECOMMENDATION: Authorize the City Manager to negotiate and approve a license agreement with Central Coast Maritime Museum Association, to allow the CCMA to use a portion of the City's parking lot and public right-of-way along Front Street for display of three vessels, and two informational kiosks.

The public comment period was opened for the Consent Calendar; seeing none, the public comment period was closed.

Councilmember Christine Johnson pulled Item A-2 and Councilmember Nancy Johnson pulled Item A-7 from the Consent Calendar.

MOTION: Councilmember Smukler moved the City Council approve Items, A-1, A-3, A-4, A-5, and A-6 from the Consent Calendar as presented. The motion was seconded by Councilmember Nancy Johnson and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No's: None

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON AUGUST 26, 2014; (ADMINISTRATION)

Councilmember Christine Johnson pulled Item A-2 for clarification. She previously spoke with the City Clerk, presenting some possible amendments to the minutes. The City Clerk concurred, then provided the amendments to the Council for their consideration, prior to the meeting.

MOTION: Councilmember Christine Johnson moved the City Council approve the August 26, 2014 minutes as amended. The motion was seconded by Mayor Irons and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No's: None

A-7 AUTHORIZE CITY MANAGER TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH CENTRAL COAST MARITIME MUSEUM ASSOCIATION (CCMA) FOR DISPLAY OF UP TO THREE VESSELS AND TWO KIOSKS IN THE CITY PARKING LOT ON FRONT STREET; (PUBLIC SERVICES / HARBOR)

Councilmember Nancy Johnson is a proponent of the Maritime Museum and is glad to see it growing; the biggest concern is parking down there. She wants to see us using the parking lot we acquired from Dynegy – the triangle lot. There was a movement several years ago with the

triangle parking lot, taking the fence come down as well as removing the trees separating the 2 parking lots. As the museum is enlarged, that concept is extremely important to keep in the forefront.

Councilmember Leage feels that signage is important to let people know the parking lot exists and we need a crosswalk down there badly.

Councilmember Smukler reinforced the proposals for the additional vessel to be on display as well as discussion of the final build-out of the museum. At this point, it makes sense to keep the momentum going with the Maritime's effort and public outreach. He doesn't feel the placement will impact parking too much.

MOTION: Councilmember Nancy Johnson moved the City Council approve Item A-7 as presented. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler
No's: None

B. PUBLIC HEARINGS - None

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES – None

D. NEW BUSINESS

D-1 CONSIDERATION OF DYNEGY APPLICATIONS TO THE FEDERAL ENERGY REGULATORY COMMISSION FOR ENERGY-GENERATING WAVE PARKS IN MORRO BAY AREA WATERS; (HARBOR)

Harbor Director Eric Endersby presented the staff report. The HAB heard this item on September 4, 2014 and voted unanimously to recommend the Council take the position against FERC accepting the permit applications as proposed. There are areas that would have a lot less impact to fisheries. These proposed locations will inhibit commercial and recreational fishing opportunities. As starting points, Mr. Endersby prepared 2 draft letters, with alternative 1 being the HAB recommended opposition and alternative 2 being a more conciliatory approach.

The public comment period was opened for the Item D-1.

Bill Martoney listened to the HAB meeting and understands the concerns of the fishermen. His understanding is the objective is to put 650 of these out in the ocean. He is all for wave energy but this has more to do with location. He feels Diablo is a perfect location, as it is a better wave energy producing area, is out of sight, and the transmission lines are right there on shore. Putting this out in the harbor mouth will be visually unattractive and a safety hazard for boats.

Barbara Doerr can see there is no alternative but to oppose these applications, especially since they are so site specific. She asked the City to request FERC deny the applications as they pose

hazards to navigation and are damaging to sealife and fishing. She also suggests hiring an outside consultant to follow any future application process in order to advise the City; ask Dynegy and GWAVE to give a WAVE Energy Plant presentation to the citizens of Morro Bay; and, ask FERC, Dynegy and GWAVE to stop calling these wave energy production projects “parks” – the term is highly deceptive.

John Headding recommends Council strongly oppose the current proposed study by Dynegy for wave parks as is presented. He is all for decreasing the carbon footprint in this nation; however, economic viability for this community is critical and the risks to the fishing industry outweigh the benefits to the community with regard to the project as proposed. He urged the Council and public to look at the Humboldt Wave Connect Pilot Project where PG&E suspended permitting efforts after several challenges made the project unviable. The Central Coast Wave Connect Project, another project through PG&E in Santa Barbara was also suspended in 2011. PG&E suspended further activity and filed with FERC to surrender the preliminary permit.

The public comment period for Item D-1 was closed.

Mayor Irons stated that when Dynegy/G-wave came out to Morro Bay, they shared an area of where they proposed to place the wave generators and confirmed with the Harbor Director that their original proposal to stakeholders was different than the application with FERC. In response to public comment he noted that not just technology has changed but regulation has been passed giving renewable energy priority in the energy market adding to the return on investment. Locating the wave generator's by Diablo Canyon is an interesting concept but probably a regulatory issue; also, adding 600 megawatts to an existing distribution line could be difficult in terms of capacity. He feels what is proposed isn't necessarily what came to council; it isn't accurate as far as what was looked at. Council's job is to protect the city which means protecting the fisherman and their industry. He is in support of opposing this all together. Agreeing conditionally isn't the way to go.

Councilmember Leage stated this is the most ridiculous thing he's ever seen; they need to come up with a different plan as this will ruin both fishing and boating activities. He feels we can do without it.

Councilmember Christine Johnson says it's exciting and interesting to see what and where the future of this lies, but not at the expense of Morro Bay. There are 3 areas she feels we need to consider and include in an opposition letter: access to fishing; safe navigation; impact on marine mammals and other marine species. Knowing we haven't had any public input on this process is something that isn't good to start a process with. She prepared a letter that she hoped Council would review.

Councilmember Nancy Johnson understands the importance of alternative energy and the potential economic impact it can bring to Morro Bay, but not this project. She feels the need to send a strong letter opposing it and really likes the letter that HAB recommends. The thing that upsets her most is their proposal; when she had her meeting with them, she was scheduled just after the fishermen and so was able to listen to them; it looks like in the proposal brought

forward, they ignored what the fishermen said. She is strongly opposed to what they have proposed.

Councilmember Smukler stated that the concept is intriguing for a lot of reasons. But based on the fact that they didn't structure this "community first" with outreach and participation as requested, we need to oppose this. His concern with the HAB letter is its weak on environmental impacts. He'd strengthen the letter presented by Councilmember Christine Johnson by adding a clear statement of opposition in the first sentence stating "we'd like to submit the following general comments opposing Dynegy's preliminary permit applications to FERC as proposed for the Point Estero and Estero Bay Wave Park." The rest of the letter gets to his core concerns.

Mayor Irons stated that all of council is clear on opposing the project. There was agreement to use council member Christine Johnson's proposed letter with some refining. Council and staff worked on refining and completing a final letter to submit to FERC.

MOTION: Mayor Irons moved approval of the letter drafted and discussed at tonight's meeting and submit to FERC for comments filed before the September 20, 2014 deadline with all the Councilmembers' signatures. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No's: None

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

No Future Agenda Items were declared.

ADJOURNMENT

The meeting adjourned at 7:59 p.m.

Recorded by:

Jamie Boucher
City Clerk