

**MINUTES - MORRO BAY CITY COUNCIL  
SPECIAL MEETING – MARCH 3, 2015  
MORRO BAY VETERAN’S HALL  
209 SURF STREET – 4:00 P.M.**

<b>PRESENT:</b>	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	John Heading	Councilmember
	Matt Makowetski	Councilmember
	Noah Smukler	Councilmember
<b>STAFF:</b>	David Buckingham	City Manager
	Dana Swanson	City Clerk
	Rob Livick	Public Works Director
	Joe Woods	Recreation Director
	Amy Christey	Police Chief
	Susan Slayton	Administrative Services Director
	Scot Graham	Community Services Manager
	Todd Gailey	Fire Captain

**ESTABLISH QUORUM AND CALL TO ORDER**

**PUBLIC COMMENT RE: ITEMS ON THE AGENDA**

The public comment period for Item I was opened.

Robert Davis, Morro Bay, shared his recommendations for budget priorities. 1) bicycling projects, including the following: Preserve Class 1 multi-use trail from Main Street to Cloisters, provide City-wide parking at popular destinations and public buildings, and look at intersection of Main Street and Quintana to help northbound bicyclists get from Main Street onto the bike trail; 2) vehicle parking – he asks the City move slowly with changes to parking management as the update to the General Plan Land Use and Circulation Elements will address future business district designs; 3) support coordinated event management at the City level; 4) link the Embarcadero with downtown; 5) broadband is important to the telecommuting workforce; and 6) economic development strategic plan.

Keith Taylor, Morro Bay, spoke on behalf of Friends of Morro Bay Fire Department, asking the City to 1) maintain and strive to continue to improve paramedic service, an extension of local emergency rooms, 2) ensure sufficient staffing for simultaneous emergency incidents in our community, 3) ensure firefighters have proper equipment to perform their jobs through true equipment depreciation accounts, and 4) improve response times to North Morro Bay.

Lisa Ludovici, Government Affairs Senior Manager of Charter Communications and Morro Bay resident, provided information on high speed fiber network currently running through Morro Bay and available services and programs, including last mile production grants available for

businesses. She and other Charter representatives recently met with City staff regarding available programs and would be happy to return with more information.

Brent Haugen, Morro Bay Tourism Bureau, encouraged the City to continue funding the Morro Bay Visitor Center which plays a vital role for visitors and the business community and also shows our great hospitality.

Linda Fidell, Morro Bay, along with Nancy Castle co-coordinates community dinners each Monday night at the Vet's Hall, asks the City to continue to waive facility rental fees. Since January 6th, they have served meals to 2,540 people. Their use of the Vet's Hall is relatively light; meals are cooked off site, and there is minimal use of electricity and water. More information will be provided at the March 10 City Council Meeting.

The public comment period was closed.

#### SPECIAL MEETING AGENDA ITEM:

#### I. 2015/16 BUDGET PRIORITIES STUDY SESSION

<https://youtu.be/EJ52kBgjW5g>

City Manager Buckingham presented the staff report, asking the Council to provide initial guidance to assist staff in preparing the 2015/16 budget.

Mayor Irons suggested that Goals 3 thru 9 be priorities for discussion, as funding for others are already decided.

Councilmember Johnson noted the Council has received support request letters from SCORE, NOOR Clinic, and Monday Night Community Dinners. She expects more requests are forthcoming, including EVC membership dues, SLO Housing Trust Fund and others, and suggests staff keep a running list and compare to last year's donations. City Manager Buckingham will reach out to those agencies to ensure requests are received in a timely manner for Council review.

Staff noted some one-time Dynegy funds are available that can be allocated to specific projects or one-time events. Councilmember Smukler suggested these funds be considered for the GP/LCP update; Councilmember Johnson agrees.

Councilmember Smukler recommended that with regard to traffic safety/calming measures, the following locations be top priorities: Main Street & Hwy. 41, San Jacinto & Main Street and Del Mar School area. Other requests include Radcliffe & Main, Pacific & Main and Easter Street as you enter or exit Hwy. 1. Councilmember Johnson notes citizen input and efforts will help in the Del Mar area, and likely will not require funding.

Councilmember Makowetski asked staff if the pavement management index and pavement management plan priorities can be manipulated and updated based on new projects, such as the

bike park. Director Livick responded noting there are both street repair and traffic issues in that location. City Manager Buckingham affirmed this is the type of discussion that's helpful to staff; a location may not be high on the pavement management index, but may be a community priority for other reasons.

Mayor Irons asked staff to discuss pavement management efforts. Director Livick noted that due to limited funding, staff is able to negotiate better pricing on a 2-year pavement contract rather than an annual contract. Funds from FY 2015/16 will be combined with FY 2016/17 for a larger project.

Mayor Irons asked Brent Haugen to comment regarding the Visitor's Center and last year's plan for self-funding. Brent shared the Tourism Bureau Board is looking at various structures and getting ideas from other cities, including a funding mechanism through ticket sales. He will be working with new board members and hopes to have more information by end of calendar year. He asks the City continue funding the Visitor's Center this fiscal year while they continue working on plans to become more self-sufficient.

Bob Keller, Morro Bay resident, shared his priority on traffic control is Main/Radcliffe, particularly with new Bike Park. This intersection is very congested at tourist and holiday time and he asks this to be priority #1.

Councilmember Smukler noted traffic calming that will be implemented on Main will help with the Radcliffe area.

Mayor Irons initiated discussion of Code Enforcement. Councilmember Makowetski prefers a proactive vs. reactive approach. He understands budget and staffing is a challenge, but wants to see Code Enforcement brought forward in the budget process. Councilmember Johnson noted a Code Enforcement position was almost budgeted last year. She feels parking and other public works and community development issues would be resolved with proactive code enforcement. There was Council consensus for code enforcement, noting there is an intangible return on investment. They recommend a strong community outreach and public education to allow citizens some time to clean up their properties.

Councilmember Johnson asked if body worn cameras are eligible for Measure Q funding. Chief Christey noted some funding has been allocated and more will likely become available in the next few months. She agrees there's a need and will be working on policies and a presentation to the Council. Measure Q funds would be appreciated, but she believes other funding sources are available.

Councilmember Heading provided thoughts regarding the budget process: 1) enterprise funds should be self-funding, 2) watch interdepartmental transfers, 3) identify any previously taboo or unidentified funding sources and areas where there was low hanging fruit, such as the MAS audit, 4) policy review in areas related to improving financial sustainability of City, such as review of the risk management accumulation fund policy, and, 5) with regard to Management Partners report, it will be important to prioritize as there are limited resources, so items that are most manageable with the highest potential for return should be top priority.

City Manager Buckingham advised the Council that in order to comply with City ordinance, on April 28 staff will present a full fee recovery master fee schedule and ask Council to discuss the level of subsidy for various items. The 2015/16 budget will be based on recovering close to the appropriate level of fees. Mayor Irons noted any significant changes in fees must be advertised.

Mayor Irons asked staff to review and bring back for discussion policies related to the Risk Management Accumulation Fund and General Fund Reserve, which is currently 27.5% of budget, including whether that should be a flat number or percentage of the budget.

Councilmember Heading noted economic development seems to happen in a disparate manner and he wants staff to look at bringing that closer to home. Although it may require a resource, the return on investment could be great. He notes the development of an economic vision may lend itself to a longer range strategic economic development plan, but things change so rapidly in economic development five years without that vision may be difficult. He would however support a longer term strategic plan.

Councilmember Smukler noted that he would prefer to use the limited funds available for the GP/LCP update, as that document will support economic development in so many ways. Councilmember Makowetski agrees the LEAP Process is instrumental in driving the 5-year process and suggests that under Goal #6 we need some sort of coordinator or consultant to continue progress with stakeholders 5-10 years down the road. He supports priorities listed under Goal #6, with the exception of Tri-W Property which is further down the road.

Councilmember Johnson noted the City is currently spending \$152,000 on activities that fall under economic development (Visitor's Center, events and Chamber business support program) and this year allocated \$49,000 for LEAP. She suggests preparing an RFP for a strategic plan to and is willing to spend some money in that area because it's bringing revenue to the City in the future.

Mayor Irons is glad to hear correlation between GP/LCP update and economic development and notes updated planning software could be an economic driver also. City Manager Buckingham agrees, noting the Information Technology (IT) shortfalls citywide are significant. An IT strategic plan would help determine the priorities and timing of all improvements that need to be made. There is significant cost, but current systems are woefully inadequate.

Councilmember Heading suggested some of the one-time Dynegy funds be allocated to efforts related to reuse of that property. Council concurred.

Staff asked for Council input on the following remaining issues:

1. Information Technology – Council supports this item.
2. Embarcadero/Downtown link – Staff asked for Council support to fund visioning for this area. Mayor Irons commented regarding need to determine available funding from property owner and perhaps there may be some SLOCOG funds available. Councilmember Makowetski suggests this area be tied strategically to the bike path as this small section touches several other goals.

3. Parking Management Study – Is the current Parking Management Study adequate, or do we need a new one? Councilmember Johnson suggests the document be refreshed in-house. Council concurred.
4. ADA Compliance Assessment – Staff notes a new assessment is recommended to determine the items required to comply with the law. Council concurs.

Mayor Irons asked that staff bring back the financial obligations related to improved water supply diversification.

No further Council action was taken

The Council recessed at 6:01 to Closed Session at City Hall Conference Room, located at 595 Harbor Street.

## II. CS-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: City Manager

The City Council was reconvened to Open Session.

The Mayor reported that with regards to the Closed Session Item, the Council did not take any reportable action pursuant to the Brown Act.

### ADJOURNMENT

The meeting adjourned at 9:10p.m.

Recorded by:

Dana Swanson  
City Clerk