

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – OCTOBER 13, 2015
VETERAN’S MEMORIAL HALL – 6:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Noah Smukler	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Sam Taylor	Deputy City Manager
	Susan Slayton	Administrative Services Director
	Rob Livick	Public Works Director
	Scot Graham	Community Development Manager
	Eric Endersby	Harbor Director
	Bryan Millard	Police Commander
	Steve Knuckles	Fire Chief
	Janeen Burlingame	Management Analyst
	Cindy Jacinth	Assistant Planner

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:03 p.m.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT – Mayor Irons reported that with regard to the Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/2H5j5901dwQ?t=2m29s>

Mayor Irons and Councilmembers Johnson, Headding and Smukler provided verbal reports following their attendance at the League of California Cities Annual Conference in San Jose September 29 – October 2, 2015.

PUBLIC PRESENTATIONS

LEAP Summary Report

<https://youtu.be/2H5j5901dwQ?t=26m50s>

Don Maruska opened the presentation and, along with several initiative team leaders, provided a final summary. The PowerPoint presentation is available on the City website:

<http://ca-morrobay.civicplus.com/DocumentCenter/View/8881>

PUBLIC COMMENT

<https://youtu.be/2H5j5901dwQ?t=1h3m13s>

Walter Heath, Morro Bay in Bloom, provided the business spot. Volunteers worked to raise funds and prepare for the city's second year of participation in the America in Bloom contest. He recently returned from the American in Bloom Symposium & Awards in Holland, MI, where Morro Bay earned a 5 out of 5 bloom rating and was the winner in its population category.

Marla Jo Bruton-Sadowski, Chairwoman of COAST Alliance, just learned about acoustic seismic testing planned in Morro Bay and asked why residents had not been informed. She provided information to contact the California State Lands Commission with comments, questions and concerns.

Jon Elliott, Morro Bay resident and business owner, announced a Downtown Trick-or-Treat event to be held on Saturday, October 31st from 2-5pm on Morro Bay Blvd. from Main Street to Market Avenue. All local businesses are encouraged to set up a table to participate and can sign up by emailing: barberjon@morrobaybarbershop.com.

Jennifer Redman, Morro Bay, asked parents to please spread the news and invite the kids to the October 31st Downtown Trick-or-Treat event. Local non-profit organizations are also encouraged to bring candy and set up a table. They look forward to a safe, fun event to celebrate downtown Morro Bay.

Jane Heath, Morro Bay resident and business owner, announced the Surfboard Art Festival. Maps are available at www.mbsurfboardartfest.com and in local businesses and a Gala Auction benefitting Morro Bay in Bloom and Project Surf Camp will be held at the Morro Bay Golf Course on November 7th from 2-5pm. More information is available at www.morrobayinbloom.org.

Steve McElvaine, owner of Rancho Colina site currently being considered for the future WRF, expressed concern about the draft MOU and proposed layout prepared by Black & Veatch. He has been a willing seller to this point but his family was upset with the proposed plan that had grown from 11 to 16 to 21 acres, including a solar farm, corporation yard, waste water collection shed, water treatment plant, hazardous waste facility and parking.

Betty Winholtz, Morro Bay, commented on LEAP initiatives: 1) she hoped the City will not put an aquarium back where the aquarium is, 2) it's great to have citizen input but forming committees and not going through advisory boards can get out of control, and 3) she hoped the 2020 visioning statement has been part of the process. With regard to Item D-2, she doesn't recall the proposed wind farm coming before PWAB and Planning Commission. Regarding Items D-1 and C-3, those items should be public hearings. Regarding Item C-2, she supported those who say we need traffic control; bulb-outs don't work. She also asked why an attorney representing the City appeared at the Grilli civil court hearing.

Lynda Merrill, Morro Bay, spoke regarding Item B-1 and asked Council to postpone the interim rate adjustment pending review of noise concerns and wear and tear on streets. Regarding Item D-2, she urged the Council to consider the potential danger wind turbines create for wildlife, mammals, and birds.

Chuck Stoll, Morro Bay resident and President of Senior Citizens, Inc., congratulated Morro Bay in Bloom and Walter and Jane Heath on their accomplishment. Members of Senior Citizens, Inc. are very active and many enjoy pickle ball. He provided court usage and year-end reports that demonstrate the City could make better use of the roller hockey rink area as permanent pickle ball courts.

The public comment period was closed.

Council and staff responded to issues raised during public comment.

A. CONSENT AGENDA
<https://youtu.be/2H5j5901dwQ?t=2h5m56s>

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 SEPTEMBER 22, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING HELD ON SEPTEMBER 22, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON SEPTEMBER 22, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE JOINT MEETINGS OF THE CITY COUNCIL AND THE FOLLOWING ADVISORY BODIES: GENERAL PLAN ADVISORY COMMITTEE (GPAC), CITIZENS ADVISORY/CITIZENS FINANCE COMMITTEE (CFC), PUBLIC WORKS ADVISORY BOARD (PWAB), AND HARBOR ADVISORY BOARD (HAB) HELD ON SEPTEMBER 29, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 PROCLAMATION DECLARING OCTOBER 18-24, 2015 AS “FREEDOM FROM WORKPLACE BULLIES WEEK”; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-6 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-7 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-8 APPROVAL OF A CONTRACT BETWEEN THE CITY OF MORRO BAY AND PG&E RELATED TO ACCESS AND USE FOR THE BMX BIKE PARK AND APPROVAL OF AMENDMENT TO MEMORANDUM OF UNDERSTANDING WITH CENTRAL COAST CONCERNED MOUNTAIN BIKERS, INC. RELATED TO MANAGEMENT OF BMX BIKE PARK; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-9 AWARD OF CONTRACT TO PACIFIC COAST EXCAVATION, INC. OF SANTA MARIA, CA FOR THE PROJECT NO. MB2016-WW06: INTER-STAGE VAULT AND BLENDING VALVE REPLACEMENT PROJECT; (PUBLIC WORKS)

RECOMMENDATION: Approve as submitted.

A-10 AWARD OF CONTRACT TO ENVIRONMENTAL SCIENCE ASSOCIATES FOR WRF ENVIRONMENTAL COMPLIANCE SERVICES; (PUBLIC WORKS)

RECOMMENDATION: Approve as submitted.

A-11 AUTHORIZATION TO FILE THE NOTICE OF COMPLETION FOR PROJECT NO. MB-2015-WW05, MMRP: DIGESTER # 1 COATING AND REPAIRS PROJECT; (PUBLIC WORKS)

RECOMMENDATION: Approve as submitted.

A-12 APPOINTMENT OF COUNCIL MEMBER JOHN HEADDING AS LIAISON TO THE CITIZENS FINANCE COMMITTEE; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

Mayor Irons requested Items A-3, A-5 and A-7 be pulled for separate consideration.

Councilmember Heading requested Item A-10 be pulled for separate consideration.

MOTION: Councilmember Johnson moved the Council approve Items A-1, A-2, A-4, A-6, A-8, A-9, A-11 and A-12. The motion was seconded by Councilmember Smukler and carried unanimously, 4-0.

A-3 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON SEPTEMBER 22, 2015; (ADMINISTRATION)
<https://youtu.be/2H5j5901dwQ?t=2h7m12s>

Mayor Irons requested the September 22, 2015 City Council Minutes be corrected to reflect the order in which business was conducted.

A-5 PROCLAMATION DECLARING OCTOBER 18-24, 2015 AS “FREEDOM FROM WORKPLACE BULLIES WEEK”; (ADMINISTRATION)
<https://youtu.be/2H5j5901dwQ?t=2h7m54s>

Mayor Irons commented on the importance of being considerate and respectful to others and allow everyone to speak freely at public meetings without fear of being bullied.

A-7 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)
<https://youtu.be/2H5j5901dwQ?t=2h9m52s>

Mayor Irons noted there was a calculation error in Attachment 1 and requested it be corrected in the future. Public Works Director Livick agreed and noted the report will be improved to provide more detail in the future.

A-10 AWARD OF CONTRACT TO ENVIRONMENTAL SCIENCE ASSOCIATES FOR WRF ENVIRONMENTAL COMPLIANCE SERVICES; (PUBLIC WORKS)
<https://youtu.be/2H5j5901dwQ?t=2h11m10s>

Councilmember Heading asked for clarification on the fiscal impact section of the report. City Manager Buckingham explained the water and sewer rate increase recently approved was set to fund Phase 1 construction only as those rates cannot extend beyond 5 years. There is a 30% contingency in that project and staff is working to stay under budget. It is anticipated the City will need to look at rates again in 5 years to ensure they are set appropriately for Phase 2.

MOTION: Mayor Irons moved the Council approve Items A-3, A-5, A-7 and A-10 of the Consent Agenda. The motion was seconded by Councilmember Heading and carried unanimously, 4-0.

A brief recess was called at 8:23 p.m. and the meeting reconvened at 8:37 p.m.

There was Council consensus to move Item B-2 to the front of the agenda.

B. PUBLIC HEARINGS

- B-2 APPROVAL OF CONDITIONAL USE PERMIT (UP0-424) FOR THE CONCEPT AND PRECISE PLANS TO ERECT A FISHERMEN'S FAMILY SCULPTURE STATUE ON COLEMAN DRIVE NEAR TARGET ROCK AND SOUTHEAST OF MORRO ROCK; (COMMUNITY DEVELOPMENT)
<https://youtu.be/2H5j5901dwQ?t=2h21m50s>

Assistant Planner Jacinth presented the staff report and responded to Council inquiries.

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

Cathy Novak, spoke representing Central Coast Women for Fisheries (CCWF), noting the group has been diligently raising money for installation of this important tribute to the families of mariners for seven years. She thanked the City for its continued support of the project, recognizing the hardworking men and women of the commercial fishing industry. Responding to questions from the Council, she noted there are no funds at this time for an interpretive panel and the statue is solid bronze. With regard to vandalism, it would be difficult to get lighting approved by the Coastal Commission.

Lori French, Central Coast Women for Fisheries, thanked Morro Bay 50th and the Morro Bay Aquarium for their generous contributions. With regard to vandalism, she was hopeful it will not be a problem. The board will discuss an interpretative panel at their next meeting.

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

Councilmember Headding thanked the CCWF for their fundraising efforts and maintaining the heritage that runs deep in this community. Councilmember Smukler anticipated there will be vandalism at some point and encouraged staff to look into anti-graffiti applications to protect the statue. Mayor Irons suggested using rock to provide a buffer and some protection. Staff agreed this would be fairly simple to do.

MOTION: Mayor Irons moved the Council adopt Resolution No. 66-15 approving the Conditional Use Permit (UP0-424) for Concept and Precise Plans to erect a new Fishermen's Family Sculpture memorial, amended to include a condition for City staff to provide a rock barricade to delineate and protect the sculpture. The motion was seconded by Councilmember Smukler and carried unanimously, 4-0

- B-1 PUBLIC HEARING FOR AND CONSIDERATION OF MORRO BAY GARBAGE SERVICE INTERIM RATE ADJUSTMENT APPLICATION AND ADOPTION OF RESOLUTION NO. 65-15; (PUBLIC WORKS)
<https://youtu.be/2H5j5901dwQ?t=2h47m20s>

Management Analyst Burlingame presented the staff report and responded to Council inquiries.

Mayor Irons opened the public hearing. The City Clerk confirmed notices were mailed on August 28, 2015 to all property owners and customers, and confirmed that two written protests had been received thus far.

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

Mayor Irons closed the public hearing.

Councilmember Headding as the City's representative to IWMA, was present during the evaluation process. The anaerobic oxygen-free decomposition technology being used prevents the accumulation of something detrimental and generates something that is beneficial to the environment. The IWMA considered both 10-year and 20-year bonds; there was a 20% cost savings with the 20-year agreement.

MOTION: Councilmember Headding moved the Council adopt Resolution No. 65-15 increasing the solid waste rates by 3.22% effective January 1, 2016, provided there is not a majority protest against such increase. The motion was seconded by Councilmember Smukler and carried unanimously, 4-0.

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES

C-1 RESOLUTION NO. 63-15 ESTABLISHING A FEE SUBSIDY AND COST RECOVERY POLICY; (ADMINISTRATION)
<https://youtu.be/oOF2mkDmP6o?t=1s>

Deputy City Manager Taylor presented the staff report and responded to Council inquiries.

The public comment period for Item C-1 was opened.

Marla Jo Bruton-Sadowski, Morro Bay, asked whether the City was subsidizing the water supply in the harbor on the docks, noting there are no meters there. She also expressed concern about showers at the rock not being operational and requested more frequent cleanings during heavy tourist seasons.

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

Councilmember Johnson supports the advisory board recommendations. As Council liaison to the Recreation & Parks Commission, she appreciated how they balanced quality of life issues and conducted a thoughtful and thorough review.

Councilmember Headding does not support subsidizing an industry that doesn't need to be subsidized. He supports fishing as an important part of the community but would like to see those funds moved to youth programs.

Councilmember Smukler appreciated the phased approach with 85% this year and the next stage likely in future years. He noted that fees support the services and infrastructure we depend on, therefore subsidizing is a serious decision.

Mayor Irons clarified any harbor subsidies come out of the Harbor Enterprise Fund, which is separate from the General Fund.

MOTION: Mayor Irons moved the Council adopt Resolution 63-15 establishing a Fee Subsidy and Cost Recovery Policy. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

In order to facilitate public participation, there was Council consensus to move to Item D-2.

D. NEW BUSINESS

D-2 APPROVAL OF MEMORANDUM OF COOPERATION (“MOC”) BETWEEN THE CITY AND TRIDENT WINDS, LLC, A WASHINGTON LIMITED LIABILITY COMPANY (TRIDENT”), REGARDING A POSSIBLE WIND TURBINE PROJECT LOCATED OFF-SHORE FOR THE PRODUCTION OF ELECTRICITY; (ADMINISTRATION)
<https://youtu.be/oOF2mkDmP6o?t=29m19s>

City Manager Buckingham introduced Alla Weinstein and Brian Walshe from Trident Winds, LLC who presented information regarding the proposed project and responded to Council inquiries. The PowerPoint presentation is available on the City website: <http://ca-morrobay.civicplus.com/DocumentCenter/View/8885>.

Councilmember Johnson disclosed ex parte communications. She met once with Alla Weinstein and Erik Markell before bringing the item to the City Council.

Mayor Irons clarified the prior meetings were not Brown Act meetings, just introductions and one-on-one meetings with Trident representatives.

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

Rosalie Valvo, Morro Bay, spoke on behalf of Morro Coast Audubon Society, supports all forms of renewable energy to reduce greenhouse gas emissions. As the first offshore wind energy project proposed in California, this will set a precedent, and the Audubon Society looks forward to meeting with Trident to address concerns and plan a project that is best for our birds.

Marla Jo Bruton-Sadowski, Morro Bay, appreciated the presentation but has concerns and asked for caution before approving an MOC when we don't know what that commitment means.

Betty Winholtz, Morro Bay, believed it would be an advantage to the company for the City to enter into this agreement, not to the City, and suggested more research before taking action.

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

Mr. Pannone stated the agreement specifically says if at any time the City determines what Trident plans to do is not in the public's best interest, the document can be torn up. The City's flexibility in the agreement is very broad and includes exploring the project and providing input during the permitting process.

Mayor Irons shared this is an interesting opportunity to explore and consider, and he supports the MOC as a first step to open dialogue and stay informed along the way. He is hopeful other companies might want to enter into such an agreement on large projects as it provides an opportunity for dialogue and community input.

Councilmember Johnson noted that Morro Bay given its location with wind and wave resources is a likely candidate for renewable energy. It behooves the City to come to a simple agreement, to be at the table and participate in moving forward. The MOC will protect the City from unpleasant surprises and allow our stakeholders and constituents to be informed.

Councilmember Headding requested staff monitor internal resources as we move forward with this project. There are a tremendous number of goals and initiatives so it's appropriate to hear routinely from staff how much time is being spent on this project on a monthly or quarterly basis. This document is not exclusive and does not prevent us from talking to someone else, but it does memorialize the community's desire to buy into the concept of renewable energy and have a seat at the table.

Councilmember Smukler appreciated Trident's responsiveness for a strong public engagement process, which the MOC outlines as a key priority. The City reserves the right to pull back and make comments as the project goes through the process.

MOTION: Councilmember Johnson moved the Council approve the Memorandum of Cooperation between the City of Morro Bay and Trident Winds, LLC. The motion was seconded by Councilmember Headding and carried unanimously, 4-0.

There was Council consensus to continue Items C-2 and D-1 to a future meeting.

MOTION: Councilmember Headding moved the meeting go past 11:00 p.m. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

There was Council consensus to move to Item D-3.

D. NEW BUSINESS

D-3 DISCUSSION OF INTENT TO BE A HOST CITY FOR THE START OF ONE LEG OF THE 2016 AMGEN TOUR OF CALIFORNIA BICYCLE RACE; (ADMINISTRATION)
<https://youtu.be/oOF2mkDmP6o?t=1h41m2s>

Deputy City Manager Taylor presented the staff report and responded to Council inquiries.

The public comment period for Item D-3 was opened.

Robert Davis, Morro Bay, shared his enthusiasm for the City being part of this event as it will give the city international exposure. Tour of California is a major race on the professional circuit including the top bike racers in the world. The San Luis Obispo Bicycle Club has traditionally contributed \$1,000 to host cities in SLO County. If Council approves this tonight, then he requests staff send a letter requesting \$1,000 from the Bike Club.

Betty Winholtz, Morro Bay, supports this wonderful event but requested the Council add a clause to the motion directing staff to track costs so the public can see the financial benefit vs. expenses.

The public comment period for Item D-3 was closed.

MOTION: Mayor Irons moved the City Council endorse the intent to agree with the invitation to be a host city for the start of one leg of the 2016 Amgen Tour of California and directs the City Manager to coordinate all details, including the anticipated contract. Council further directs staff to return to Council for approval if the total cost to the General Fund exceeds current budget authorization. The motion was seconded by Councilmember Heading and carried unanimously, 4-0.

C-3 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 597 AMENDING SUBSECTION 5.08.220 C. OF THE MORRO MUNICIPAL CODE RELATING TO THE \$4,000 EXCEPTION: (ADMINISTRATIVE SERVICES)
<https://youtu.be/oOF2mkDmP6o?t=2h7m44s>

Administrative Services Director Slayton presented the staff report and responded to Council inquiries.

The public comment period for Item C-3 was opened; seeing none, the public comment period was closed.

MOTION: Mayor Irons moved for introduction and first reading of Ordinance 597 by number and title only, and waived further reading. The motion was seconded by Councilmember Smukler and carried unanimously, 4-0.

C-2 DISCUSSION OF UNWARRANTED TRAFFIC CONTROL DEVICES, RESCISSION OF RESOLUTION NO. 38-15 REGARDING PLACEMENT OF STOP SIGN AT THE INTERSECTION OF PACIFIC AND MAIN STREETS AND CONSIDERATION OF ALTERNATIVE TRAFFIC CALMING MEASURES: (PUBLIC WORKS)

This item was continued to a future meeting.

D-1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 596 ADDING CHAPTER 14.42 TO THE MORRO BAY MUNICIPAL CODE, PROVIDING A STREAMLINED PERMITTING PROCESS FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS AND FINDING THE ORDINANCE EXEMPT FROM THE

CALIFORNIA ENVIRONMENTAL QUALITY ACT; (COMMUNITY DEVELOPMENT)

This item was continued to a future meeting.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/oOF2mkDmP6o?t=2h12m8s>

Councilmember Johnson requested a status report on the MOU with Mr. McElvaine regarding the potential WRF site be brought to Council for discussion at the next City Council Meeting; Council concurred.

Mayor Irons requested an acoustic testing policy, statement or resolution be considered by the Harbor Advisory Board then brought to the City Council; Council concurred.

Councilmember Smukler requested a water systems and supply update be brought to Council within the year. Staff agreed and one objective for FY16 is to update the City's clean water master plan. This item will be added to the agenda planning guide.

ADJOURNMENT

The meeting was adjourned at 11:43 p.m. to the next regular City Council meeting will be held on **Tuesday, October 27, 2015** at 6:00 p.m. at the Veteran's Memorial Hall, 209 Surf Street, Morro Bay, California.

Recorded by:

Dana Swanson
City Clerk