

**AGENDA NO: A-1**

**MEETING DATE: July 12, 2016**

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – JUNE 14, 2016  
VETERAN’S MEMORIAL HALL – 6:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Matt Makowetski	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Noah Smukler	Councilmember
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Susan Slayton	Administrative Services Director
	Rob Livick	Public Works Director
	Damaris Hanson	Engineering Tech IV
	Scot Graham	Community Development Manager
	Eric Endersby	Harbor Director
CONTRACT STAFF:	Mike Nunley	WRF Program Manager

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:06 p.m., with all members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT - City Attorney 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/ns\\_qz8vc-xE?t=1m45s](https://youtu.be/ns_qz8vc-xE?t=1m45s)

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PRESENTATIONS - None

PUBLIC COMMENT

[https://youtu.be/ns\\_qz8vc-xE?t=5m41s](https://youtu.be/ns_qz8vc-xE?t=5m41s)

Gregory Sigulas from the Gallery at Marina Square provided the business spot. The Gallery is open daily and features a variety of works by local artists.

The comment period was closed.

- A. CONSENT AGENDA  
[https://youtu.be/ns\\_qz8vc-xE?t=8m28s](https://youtu.be/ns_qz8vc-xE?t=8m28s)

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

- A-1 APPROVAL OF MINUTES FROM THE MAY 10, 2016 CITY COUNCIL MEETING;  
(ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-2 APPROVAL OF MINUTES FROM THE MAY 24, 2016 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-3 APPROVAL OF MINUTES FROM THE MAY 24, 2016 CITY COUNCIL MEETING;  
(ADMINISTRATIVE SERVICES)

**RECOMMENDATION: Approve as submitted.**

- A-4 APPOINTMENT OF VOTING DELEGATE(S) TO THE CALIFORNIA JOINT POWER INSURANCE AUTHORITY; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-5 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC WORKS)

**RECOMMENDATION: Receive and file.**

- A-6 ADOPT RESOLUTION NO. 42-16 AUTHORIZING SAN LUIS OBISPO COUNTY ASSESSOR TO ASSESS AMOUNTS DUE ON DELINQUENT SOLID WASTE COLLECTION ACCOUNTS AS TAX LIENS AGAINST THE PROPERTIES; (PUBLIC WORKS)

**RECOMMENDATION: Adopt Resolution No. 42-16.**

- A-7 ADOPT RESOLUTION NO. 43-16 CALLING A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, AND REQUESTING THE BOARD OF SUPERVISORS OF SAN LUIS OBISPO COUNTY TO CONSOLIDATE THE ELECTION WITH THE STATEWIDE GENERAL ELECTION; (ADMINISTRATION)

**RECOMMENDATION: Adopt Resolution No. 43-16.**

- A-8 ADOPT RESOLUTION NO. 44-16 ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE, PERTAINING TO, AND COSTS OF, CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT THE CONSOLIDATED GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016; (ADMINISTRATION)

**RECOMMENDATION: Adopt Resolution No. 44-16**

- A-9 ADOPT RESOLUTION NO. 46-16 RESCINDING RESOLUTIONS NO. 04-03, 07-04 AND 27-12 REGARDING STREET WORK DURING SUMMER MONTHS AND HOLIDAYS; (PUBLIC WORKS)

**RECOMMENDATION: Adopt Resolution No. 46-16.**

A-10 AWARD OF CONTRACT TO PACIFIC BEACH TOWER INC., OF MORRO BAY, CA FOR PROJECT NO. MB2016-MA04: SOLAR PHOTOVOLTAIC INSTALLATION PROJECT; (PUBLIC WORKS)

**RECOMMENDATION: Award the contract to Pacific Beach Tower Inc. and authorize the City Manager to approve said contract.**

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

Councilmember Smukler commented briefly on Agenda Item A-10.

Councilmember Makowetski pulled Agenda Item A-9.

MOTION: Councilmember Headding moved the Council approve all items on the Consent Agenda, except Item A-9. The motion was seconded by Councilmember Johnson and carried unanimously, 5-0.

A-9 ADOPT RESOLUTION NO. 46-16 RESCINDING RESOLUTIONS NO. 04-03, 07-04 AND 27-12 REGARDING STREET WORK DURING SUMMER MONTHS AND HOLIDAYS; (PUBLIC WORKS)  
[https://youtu.be/ns\\_qz8vc-xE?t=9m56s](https://youtu.be/ns_qz8vc-xE?t=9m56s)

Public Works Director Livick explained the purpose behind this resolution is not to disrupt business owners during the summer months, but to allow staff the flexibility to perform work when necessary during good weather months. Staff will reach out through the Chamber of Commerce and other methods to ensure businesses are notified. The Council directed staff develop and memorialize a business owner notification process to ensure businesses are notified in a consistent manner in the future.

MOTION: Councilmember Makowetski moved for approval of Item A-9. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

Consistent with the posted Agenda, Business Items C-1, C-2 and C-2 were heard before the Public Hearing items.

C. BUSINESS ITEMS

C-1 ADOPT RESOLUTION NO. 47-16 APPROVING THE FISCAL YEAR 2016/17 BUDGET; (ADMINISTRATIVE SERVICES)  
[https://youtu.be/ns\\_qz8vc-xE?t=14m50s](https://youtu.be/ns_qz8vc-xE?t=14m50s)

City Manager Buckingham provided the staff report and responded to Council inquiries.

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

MOTION: Councilmember Headding moved for adoption of Resolution No. 47-16 approving the fiscal year 2016/17 budget. The motion was seconded by Councilmember Johnson and carried unanimously, 5-0.

C-2 ADOPT RESOLUTION NO. 49-16 REGARDING THE SAN LUIS OBISPO COUNTY SELF-HELP TRANSPORTATION INVESTMENT PLAN; (PUBLIC WORKS)  
[https://youtu.be/ns\\_qz8vc-xE?t=41m55s](https://youtu.be/ns_qz8vc-xE?t=41m55s)

Public Works Director Livick provided a brief overview and introduced Ron DiCarli of San Luis Obispo Council of Governments (“SLOCOG”), who provided the report and responded to Council inquiries.

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

Sandi Tannler, Morro Bay resident and Board Member of Central Coast Taxpayers Association, requested the Council vote not to put the sales tax initiative on the November ballot.

Ric Deschler, Morro Bay, urged the Council to support placing this item on the November ballot so voters can decide whether to support or reject the initiative.

James Worthy, SLOCOG staff, clarified the amendment process does not allow changes to the percentages; those are fixed. Within those fixed percentages, changes could be made.

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

The Council expressed support for the initiative and the possibility of having local control over a significant amount of funding for infrastructure improvements. There was also consensus the voters should have the opportunity to decide to support or reject the initiative.

MOTION: Councilmember Johnson moved for adoption of Resolution No. 49-16 approving the 2016 San Luis Obispo County Self-Help Transportation Investment Plan and requesting the San Luis Obispo County Board of Supervisors place a 9-Year Transportation Sales Tax Measure on the November 8, 2016 ballot. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

The Council took a brief recess at 7:37 p.m. The meeting reconvened at 7:46 p.m. with all members present.

C-3 SELECTION OF TRI-W (SOUTH BAY BOULEVARD) AS PREFERRED SITE FOR PLANNING AND PERMITTING OF NEW WRF AND AMENDMENT TO AGREEMENT WITH BLACK & VEATCH CORPORATION; (PUBLIC WORKS)  
[https://youtu.be/Ss\\_5xgqIqk8?t=46s](https://youtu.be/Ss_5xgqIqk8?t=46s)

City Manager Buckingham provided a brief overview then turned the item over to WRF Program Manager, Mike Nunley, who provided the staff report and responded to Council inquiries.

Mayor Irons disclosed ex parte conversations with Mr. Maino and Mr. Thoresen who own property near the proposed Tri-W / South Bay Boulevard site.

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

Barbara Doerr, Morro Bay, thanked Council for listening to the community and looking at site alternatives but expressed concern about potential impacts on the estuary.

Bonnie Sario, Morro Bay, spoke in support of the Tri-W-/ South Bay Boulevard site as it is less visible to the public with no neighbors or residents in close proximity.

Sandi Tannler, Morro Bay, urged the Council to listen to its advisory committee and remove Righetti from the list of potential sites.

James Pauly, Morro Bay, urged the Council to select Tri-W site as the preferred site and remove Righetti from the list of potential sites.

Mark Hanson, Morro Bay, stated the plant should have stayed at current site.

Donna Burke, Morro Bay, supported the WRFCAC recommendation to remove Righetti from the list of potential sites and supported the Tri-W site.

Lee Kleim, Morro Bay, read portions of a report he provided to the Council evaluating various sites for location of a wastewater reclamation facility and stated the most suitable is Giannini property or a joint project with Cayucos on Chevron property.

Lexie Bell, Morro Bay, National Estuary Program Executive Director, provided information on the Morro Bay watershed, noting the major focus is water quality for wildlife, residents and visitors.

Kal Huler, resident of Santa Ynez valley and Morro Bay property owner, encouraged the Council to remove Righetti property from consideration. He supported Tri-W and Chevron properties.

John Maino, property owner east of the proposed Tri-W site, discussed the current livestock management system and urged the Council to limit use for required WRF operation and maintenance with the smallest possible footprint.

Bob Keller, Morro Bay, spoke in support of the staff recommendation to consider the Tri-W / South Bay Boulevard site.

Rob Thoresen, property owner on Little Morro Creek Road, encouraged the City to choose the most southerly located Tri-W spot. He expressed concern about any potential public use.

Bart Beckman, Morro Bay, outlined steps to keep the project moving forward and recommended a schedule be brought forward to identify project milestones.

Tina Metzger, Morro Bay, urged the Council to remove Righetti property from the process.

Bill Martony, Morro Bay, suggested staff explore other sites on the Tri-W property within City limits.

Mary Jo DeSio, Morro Bay, expressed concern about funds spent to keep Righetti as an alternative and does not support a solar plant or corporation yard at the future location.

Bill Todd, Morro Bay, asked Council to remove Righetti as viable alternative and agreed Tri-W should only be used for primary purposes, keeping other uses at the current facility.

Stewart Skiff, Morro Bay, recommended the City build a smaller facility should Cayucos move forward on their own and urged the Council to move forward with the Tri-W site.

Linda Warwick, Morro Bay, urged the Council to remove Righetti from the list of potential sites.

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

Staff responded to questions raised during public comment and further questions from the Council.

The Council supported the staff recommendation to proceed with Tri-W (South Bay Boulevard) as the preferred site for planning and permitting and approved the contract amendment with Black & Veatch. There was concurrence to keep the Righetti property on the list for comparison as the project moves through the scoping process. Staff was encouraged to work expeditiously toward a memorandum of understanding with the Tri-W property owner and also work closely with nearby ranchers and neighbors across Highway 1.

**MOTION:** Mayor Irons moved the Council direct staff to proceed with the Tri-W (South Bay Boulevard) site nearest Highway 1 as the preferred WRF site for planning and permitting, and approve the contract amendment with Black & Veatch Corporation for the facility master plan. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

The Council took a brief recess at 10:49pm. The meeting reconvened at 10:52pm with all members present.

**MOTION:** Mayor Irons moved the meeting go past 11:00pm. The motion was seconded by Councilmember Johnson and carried 4-1, with Councilmember Makowetski opposed.

There was Council consensus to hear Item B-2 next.

## B. PUBLIC HEARINGS

B-2 ADOPTION OF URGENCY ORDINANCE NO. 604 APPROVING A 45-DAY MORATORIUM LIMITING THE NUMBER OF VACATION RENTALS IN THE CITY; (COMMUNITY DEVELOPMENT)  
[https://youtu.be/Ss\\_5xggIqk8?t=3h3m40s](https://youtu.be/Ss_5xggIqk8?t=3h3m40s)

Community Development Director Graham provided the staff report and responded to Council inquiries.

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

Barbara Doerr, Morro Bay, urged the Council to adopt the ordinance and hoped the maximum number allowed would be lowered, approve vacation rentals only for shared housing, or limit to mixed use, visitor serving areas.

Bob Keller, Morro Bay, recommended the number of allowed units be reduced to 177 and that vacation rentals be limited to commercial, R-1 or R-2 areas, not residential.

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

MOTION: Mayor Irons moved for introduction by number and title only, with further reading waived, of Urgency Ordinance No. 604 of the City Council of the City of Morro Bay, CA, approving a citywide 45-day moratorium on the issuance of any new vacation rental within the City of Morro Bay and declaring the urgency thereof and that it shall take effect immediately. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

B-1 ADOPT RESOLUTION NO. 45-16 APPROVING THE 2015 URBAN WATER MANAGEMENT PLAN; (PUBLIC WORKS)  
[https://youtu.be/Ss\\_5xgqIqk8?t=3h23m](https://youtu.be/Ss_5xgqIqk8?t=3h23m)

Public Works Director Livick and Engineering Tech IV Hanson introduced Julia Aranda of MNS Engineers who presented the report and responded to Council inquiries.

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

MOTION: Councilmember Johnson moved for adoption of Resolution No. 45-16 approving the 2015 Urban Water Management Plan. The motion was seconded by Councilmember Headding.

Councilmember Smukler shared that based on his discussion with staff, he recommends renewable energy systems be folded into the OneWater Plan.

The motion carried unanimously, 5-0.

C. BUSINESS ITEMS

C-4 CONSIDERATION OF OPTIONS AND DIRECTION FOR NEW COAST GUARD STATION MORRO BAY BUILDING, HARBOR DEPARTMENT OFFICE BUILDING AND NORTH T-PIER PUBLIC RESTROOM BUILDING; (HARBOR DEPARTMENT)  
[https://youtu.be/Ss\\_5xgqIqk8?t=3h36m35s](https://youtu.be/Ss_5xgqIqk8?t=3h36m35s)

Harbor Director Endersby provided the staff report and responded to Council inquiries.

The public comment period for Item C-4 was opened; seeing none, the public comment period was closed.

The Council expressed concern about moving forward with design and permitting without a memorandum of understanding that laid out the basic lease terms. There was concurrence to move through the RFP process for an architectural design consultant and bring those proposals back in 4-6 weeks.

MOTION: Mayor Irons moved the Council direct staff to pursue the recommended Option 1 for construction of an expanded USCG office and a new Harbor Office with public restroom and shower; to seek loan and grant opportunities to fund the City's cost, with the intent the loans and/or grants would be sought for both past and future costs; and to continue negotiations with the USCG for an MOU and terms of a new lease agreement, both to be approved by Council in open session. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

C-5 ADOPTION OF ORDINANCE NO. 603 AMENDING CHAPTER 13.20 OF THE MORRO BAY MUNICIPAL CODE REGARDING BUILDING LIMITATIONS AND RESOLUTION NO. 48-16 ALLOCATING WATER EQUIVALENCY UNITS FOR FY 16/17; (PUBLIC WORKS)  
[https://youtu.be/Ss\\_5xgqIqk8?t=4h9m27s](https://youtu.be/Ss_5xgqIqk8?t=4h9m27s)

Mr. Livick provided the staff report and responded to Council inquiries.

The public comment period for Item C-5 was opened; seeing none, the public comment period was closed.

MOTION: Mayor Irons moved for adoption of Ordinance No. 603 amending Chapter 13.20 of the Morro Bay Municipal Code regarding Building Limitations by number and title only and waiving further reading, and adopt Resolution No. 48-16 allocating Water Equivalency Units for FY 2016/17. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS  
None

E. ADJOURNMENT

The meeting adjourned at 12:01am. The next Regular Meeting will be held on Tuesday, June 14, 2016 at 6:00 p.m. at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by:



Dana Swanson,  
City Clerk