

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JULY 12, 2016
VETERAN’S MEMORIAL HALL – 6:00 P.M.

PRESENT:	Jamie Irons	Mayor
	John Headding	Councilmember
	Matt Makowetski	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
	Scot Graham	Community Development Manager
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:02 p.m., with all members present.

MOMENT OF SILENCE

<https://youtu.be/42JbqJY9DA8?t=1m19s>

To honor the memory of the five fallen Police Officers in Dallas, Texas, Police Chaplain Jim Berg opened the Moment of Silence.

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT – City Attorney Pannone 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/42JbqJY9DA8?t=6m31s>

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/42JbqJY9DA8?t=8m23s>

City Manager Buckingham announced Police Chief Christey accepted a conditional offer of employment from the City of Pacific Grove. To assist during the transition, the City has entered into a contract with Interim Police Chief Larry Todd, who will begin August 1st.

PRESENTATIONS - None

PUBLIC COMMENT

<https://youtu.be/42JbqJY9DA8?t=12m50s>

Merlie Livermore of Pojas Floor & Tile provided the business spot. Pojas Floor & Tile is a family-owned business established in 2004 that has expanded to Grover Beach and Morro Bay. The Morro Bay retail showroom is located at 600 Morro Bay Blvd., Unit C, and open 12 noon – 5 p.m. on Mondays and 10:30 a.m. - 4:30 p.m. Tuesday – Saturday.

Caroline Lewis, Morro Bay resident and Secretary of Neighborhood Watch, announced National Night Out, a national police awareness event, to be held on Tuesday, August 2, at Cloisters Park from 5:00 – 7:00 p.m.

Ron Reisner, Morro Bay, on behalf of Community Foundation of Estero Bay (formerly the Morro Bay Community Foundation) presented a check to the City to help children in financially challenged families participate in recreation and enrichment activities.

Judy Salamacha, Morro Bay, on behalf of the Central Coast Maritime Museum Association, announced the city will host the San Salvador during its maiden voyage from September 28 through October 10.

Gannon Campbell, Morro Bay, spoke regarding skate park features recently removed from the area behind the Morro Bay Teen Center and offered to help improve the existing skate park.

Steve Campbell, Morro Bay, spoke regarding the “do it yourself” skate park features recently removed and suggested forming a study committee or action committee to look into short-term improvements to the existing skate park and long-term developing a state-of-the-art skate park.

Tina Metzger, Morro Bay, submitted a letter from her attorney, Daniel McGee, to Mayor Irons and the City Council and read that letter into the record.

Sandi Twist, Morro Bay resident, owner of The Paddleboard Company and Chamber of Commerce Director, spoke in support of developing a new and improved skate park.

John Hovdal, Central Coast Disc Golf Connection, expressed interest in adding an 8- to 9-hole disc golf course at Del Mar Park.

Ken Vesterfelt, Morro Bay, spoke regarding the possibility of outsourcing law enforcement services to the Sheriff Department, asked the City Council to ensure the community is aware of what’s going on.

Janice House, Morro Bay, expressed concern there were no minimum qualifications for education or experience listed on the current City job flyers for management level employees.

Ken Twist, Morro Bay, spoke in support of Mr. Campbell and others who wish to establish a skate park in the city, and is willing to participate in the project and help raise funds.

Alice Kolb, Morro Bay, addressed Item C-3, expressing concerned with proposed Section 2.12.100, noting elected City Council members should be part of the decision to reorganize departments.

The City Manager responded to questions raised during the public comment period.

The comment period was closed.

- A. CONSENT AGENDA
<https://youtu.be/42JbqJY9DA8?t=1h55s>

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 JUNE 14, 2016 CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FROM THE JUNE 28, 2016 CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 ADOPTION OF RESOLUTION NO. 57-16 ESTABLISHING THE COMPENSATION AND BENEFITS FOR UNREPRESENTED MANAGEMENT EMPLOYEES OF THE CITY OF MORRO BAY; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 57-16.

- A-4 APPROVAL OF SALES AGREEMENT WITH JEFF MAYER FOR THE PURCHASE OF 2783 CORAL AVENUE (CORAL / SAN JACINTO); APN: 065-386-015;
(COMMUNITY DEVELOPMENT)

RECOMMENDATION: Adopt Resolution No. 59-16 authorizing the sale of City-owned property located at 2783 Coral Avenue.

- A-5 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

- A-6 ADOPTION OF RESOLUTION NO. 60-16 ESTABLISHING THE MAXIMUM COMPENSATION AND BENEFITS FOR CERTAIN CITY DEPARTMENT HEAD POSITIONS; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 60-16.

The public comment period for the Consent Agenda was opened.

Betty Winholtz, Morro Bay, raised concern regarding four items on consent agenda: Item A-3 – when did the City Clerk’s title change and when did that position move from Confidential to

Management; Item A-4 – will the buyer of the San Jacinto property use the previous site plan or submit new plans; Item A-5 – why statistics or a budget for the proposed site were not provided; and Item A-6 – she suggested the proposed policy provided the City Manager too much discretion.

Janice House, Morro Bay, spoke regarding Item A-4, reminding the Council the property at Coral and San Jacinto was originally intended for a fire station and the proceeds from the sale were dedicated to pay down debt on the new fire station.

Tina Metzger, Morro Bay, spoke regarding Item A-6 expressing concern this resolution provides the City Manager with too much power.

The public comment period for the Consent Agenda was closed.

Mr. Buckingham responded to questions raised during the public comment period.

Mayor Irons pulled Item A-4. Councilmember Smukler pulled Item A-5.

MOTION: Councilmember Johnson moved the Council approve Item A-1, A-2, A-3 and A-6 on the Consent Agenda. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

A-4 APPROVAL OF SALES AGREEMENT WITH JEFF MAYER FOR THE PURCHASE OF 2783 CORAL AVENUE (CORAL / SAN JACINTO); APN: 065-386-015; (COMMUNITY DEVELOPMENT)
<https://youtu.be/42JbqJY9DA8?t=1h18m17s>

Mayor Irons asked staff for evidence the proceeds from the sale were dedicated to paying down the fire station. Mr. Buckingham assured the Council that should the sale go through, staff will research and take appropriate action. At the Mayor's request, Mr. Graham provided further clarification regarding the previous map approval process and steps going forward. The removal of trees was also discussed. Staff agreed to bring back information regarding the appropriate use of proceeds before the close of escrow.

A-5 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)
<https://youtu.be/42JbqJY9DA8?t=1h23m11s>

The Council requested this item be brought back in August as a discussion item to review and discuss public outreach milestones and budget execution.

MOTION: Councilmember Smukler moved for approval of Consent Items A-4 and A-5. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

B. PUBLIC HEARINGS

B-1 APPROVAL OF REPORT ON THE MEASURES TAKEN TO ALLEVIATE CONDITIONS PREVIOUSLY IDENTIFIED AND LEADING TO THE ADOPTION OF URGENCY ORDINANCE 604 APPROVING A 45-DAY MORATORIUM LIMITING

THE NUMBER OF VACATION RENTALS IN THE CITY AND CONSIDERATION AND ADOPTION OF ORDINANCE 605 APPROVING THE EXTENSION OF THAT CITYWIDE MORATORIUM FOR TWENTY-TWO MONTHS AND FIFTEEN DAYS; (COMMUNITY DEVELOPMENT)

<https://youtu.be/42JbqJY9DA8?t=1h30m19s>

Councilmember Headding recused himself from this item as he recently registered his property as a vacation rental. He left the meeting at 7:31 p.m.

Community Development Manager Graham presented the staff report and responded to Council inquiries.

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

Toni LeGras, Cayucos resident and owner of a vacation rental company, opposed extending the moratorium and offered her assistance in creating a new ordinance that can be enforced.

Betty Winholtz, Morro Bay, supported extending the moratorium, wanted to ensure the Planning Commission is involved in the process, and felt setting the limit at 250 rewarded those operating illegally.

Kathy Ruddell, Morro Bay, offered to assist in the drafting of a new ordinance.

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

The Council supported having an urgency ordinance in place while developing a vacation rental ordinance through the General Plan / LCP update process and encouraged those interested in participating to sign up for Notify Me and stay involved.

MOTION: Councilmember Johnson moved the Council issue the “Report of the City Council of the City of Morro Bay on measures taken to alleviate the conditions previously identified and leading to the adoption of a moratorium on the issuance of any new Permit, License, Approval, or Entitlement pertaining to vacation rentals within the City (Ordinance 604), pursuant to Government Code Section 65858;” and (ii) adopt, by reading the title only and waiving further reading, Ordinance No. 605: An Urgency Ordinance of the City Council of the City of Morro Bay approving extension of a Citywide Moratorium on the issuance of any new Permit, License, Approval, or Entitlement pertaining to a vacation rental for an additional twenty-two months and fifteen days within the City of Morro Bay and declaring the urgency thereof and establishing its effective date as July 28, 2016. The motion was seconded by Councilmember Makowetski and carried 4-0-1 with Councilmember Headding having recused himself due to a conflict of interest.

Councilmember Headding rejoined the meeting at 8:00 p.m.

The Council took a short recess at 8:00 p.m.; the meeting reconvened at 8:09 p.m.

C. BUSINESS ITEMS

- C-1 ADOPTION OF RESOLUTION NO. 58-16 APPROVING A NEW 30-YEAR MASTER LEASE BETWEEN THE CITY OF MORRO BAY AND MORRO BAY OYSTER COMPANY, LLC FOR LEASE SITE 144/144W, LOCATED AT 1287 EMBARCADERO; (HARBOR)
<https://youtu.be/42JbqJY9DA8?t=2h2m14s>

Harbor Director Endersby presented the staff report and responded to Council inquiries. The Council discussed adding language requiring the engineering report be completed by end of 2016, subject to reasonable discretion of the Harbor Director.

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

Betty Winholtz, Morro Bay, supported the proposed use but disagreed adding a raw bar would be Measure "D" compliant.

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

The Council agreed to include a timeline for engineering analysis and mitigation, subject to the reasonable discretion of the Harbor Director. Regarding concerns about Measure "D" compliance, there was consensus to approve the relatively small retail and potential raw bar component as it helps relay oyster farming and the aquaculture process to the public, which fits today's commercial fishing needs.

MOTION: Councilmember Makowetski moved the Council adopt Resolution No. 58-16 approving a new 30-year master lease between the City of Morro Bay and Morro Bay Oyster Company, LLC for Lease Site 144/144W, located at 1287 Embarcadero, amended to include a timeline subject to the reasonable discretion of the Harbor Director. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

- C-2 DESIGNATION OF VOTING DELEGATE AND ALTERNATE AT LEAGUE OF CALIFORNIA CITIES 2016 ANNUAL CONFERENCE BUSINESS MEETING; (ADMINISTRATION)
<https://youtu.be/42JbqJY9DA8?t=2h36m19s>

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

The public comment period for Item C-2 was opened; seeing none, the public comment period was closed.

Mayor Irons and Councilmember Heading announced they will be attending the League of California Cities Annual Conference. Councilmember Makowetski is likely to attend and will confirm before the end of July. Councilmembers Johnson and Smukler do not plan to attend. There was consensus to appoint Mayor Irons as the voting delegate with Councilmembers Makowetski and Heading as alternates.

MOTION: Mayor Irons moved the Council appoint Mayor Irons as the voting delegate with Mayor Pro Tem Makowetski as the first alternate and Councilmember Heading as the second alternate. The motion was seconded by Councilmember Johnson and carried unanimously, 5-0.

C-3 INTRODUCTION OF ORDINANCE NO. 606, WHICH AMENDS VARIOUS PROVISIONS OF THE MORRO BAY MUNICIPAL CODE RELATING TO CITY ORGANIZATIONAL MATTERS, POLITICAL ACTIVITIES BY EMPLOYEES, USE OF CITY PARKS AND RECREATION EQUIPMENT AND PROVIDES OTHER CLARIFICATIONS; (CITY ATTORNEY)
<https://youtu.be/42JbqJY9DA8?t=2h38m43s>

City Attorney Pannone presented the staff report and responded to Council inquiries.

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

Tina Metzger, Morro Bay, spoke regarding proposed Section 2.12.100, expressing concern about circumventing the open forum process and surrendering power to the City Manager.

Janice House, Morro Bay, expressed concern about the proposed Section 2.12.100 and preferred the City Council retain that authority. Regarding Section 2.32.130, she suggested 'at any time' be removed.

Betty Winholtz, Morro Bay, suggested the Council reconsider the ordinance in terms of reorganizing departments, the appeal process for denied permits, and improper political activities.

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

The Council discussed concerns raised during public comment and agreed to approve the sections of the ordinance they were comfortable with, not including Sections 2.12.100 and 2.32.130, which need more discussion. Mayor Irons suggested reaching out to the League of California Cities for recommendations on improper political activities and compare Section 2.12.100 to other local cities.

Regarding Section 2.24.040, there was consensus to include a requirement an appeal must be heard within fifteen days.

MOTION: Councilmember Smukler moved for introduction and first reading by title only and with further reading waived, Ordinance 606: An Ordinance of the City Council of the City of Morro Bay, California, amending various provisions of the Morro Bay Municipal Code relating to City organizational matters, political activities by employees, use of City parks and recreation equipment, and providing other clarifications, removing Section 1 on page 1 and Section 12 on page 4, and amending Section 10 on page 3 to include language stating the Recreation & Parks Commission must meet within 15 days of an appeal being filed.. The motion was seconded by Councilmember Heading and carried 5-0.

C-4 INTRODUCTION OF ORDINANCE NO. 607, WHICH AMENDS SECTION 3.34.010 OF THE MORRO BAY MUNICIPAL CODE RELATING TO THE CITY'S MASTER FEE SCHEDULE; (CITY ATTORNEY)
<https://youtu.be/42JbqJY9DA8?t=3h37m27s>

Mr. Pannone presented the staff report and responded to Council inquiries.

The public comment period for Item C-4 was opened.

Betty Winholtz, Morro Bay, opposed the City charging market rate for any service and believes only in recovering actual costs.

Mr. Pannone clarified the ordinance doesn't say the City must charge market fees, but allows it to do so, and all fees are approved by Council through the Master Fee Schedule.

The public comment period for Item C-4 was closed.

MOTION: Mayor Irons moved for introduction and first reading by title only and with further reading waived, Ordinance No. 607: an ordinance of the City Council of the City of Morro bay, California, amending Section 3.34.010 of the Morro Bay Municipal Code relating to the City's Master Fee Schedule. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

C-5 ADOPTION OF ORDINANCE NO. 601: LOCAL COASTAL PROGRAM AND ZONING TEXT AMENDMENT (#A00-029) AMENDING TITLE 17 PROVISIONS RELATED TO SECONDARY DWELLING UNITS AND GUESTHOUSES/ QUARTERS AND ACCESSORY LIVING AREAS; (COMMUNITY DEVELOPMENT)
<https://youtu.be/42JbqJY9DA8?t=3h42m14s>

Mayor Irons recused himself from Item C-5 due to a conflict of interest based on having an application to build a guest house recently approved by the City, and left the meeting at 9:50 p.m.

Community Development Manager Graham presented 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: Councilmember Headding moved the Council adopt, by title only with further reading waived, Ordinance 601: an ordinance of the City Council of the City of Morro Bay, California, announcing findings and adopting amendments to Title 17 of the Morro Bay Municipal Code to establish provisions for review of secondary dwelling units and guesthouses, and direct staff to submit a Local Coastal Program (LCP) Amendment to Coastal Commission. The motion was seconded by Councilmember Johnson and carried 4-0-1 with Mayor Irons having recused himself due to a conflict of interest.

Mayor Irons rejoined the meeting at 9:54 p.m.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/42JbqJY9DA8?t=3h45m34s>

Mayor Irons requested staff bring forward an evaluation of Management Partners recommendation to consider beginning research on a contracted relationship to provide law enforcement services to the City at existing service levels. Councilmember Heading supported the item and suggested staff also provide a cost analysis of the current dispatch services. Councilmembers Johnson and Smukler supported the item.

Councilmember Johnson asked how the skate park discussion would move forward. Mr. Buckingham requested a month to investigate options then bring a report to Council in August that would likely add the project to the 2016/17 Goals and Objectives. Councilmember Smukler suggested Mayor Irons be the Council liaison on this project. There was Council support for this item.

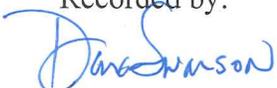
Councilmember Johnson asked about a similar process for disc golf. Mayor Irons suggested the group provide a presentation to the Recreation & Parks Commission. Councilmembers Johnson, Smukler and Makowetski agreed.

Councilmember Heading requested a discussion to consider utilizing low-interest loans to increase the amount of street work that can be accomplished. Mayor Irons, Councilmembers Johnson and Smukler supported the item.

E. ADJOURNMENT

The meeting adjourned at 10:13 p.m. The July 26, 2016 meeting was previously canceled; consequently, the next Regular Meeting will be held on Tuesday, August 9, 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