

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – SEPTEMBER 13, 2016  
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-2

MEETING DATE: September 27, 2016

PRESENT:	Jamie Irons	Mayor
	John Heading	Councilmember
	Christine Johnson	Councilmember
	Noah Smukler	Councilmember
ABSENT:	Matt Makowetski	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 Director
	Steve Knuckles	Fire Chief
	Larry Todd	Interim Police Chief
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:03 p.m., with all but Councilmember Makowetski present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT – City Attorney Pannone reported the Council discussed four items during its Closed Session meeting and took the following reportable action pursuant to the Brown Act:

**Item CS-2** - The Council directed staff to place on the next City Council meeting agenda, approval of a new master lease and accompanying agreements for The Boatyard lease site.

**Item CS-3** - The Council authorized the City to join other San Luis Obispo County cities in filing a protest to the mitigation deal governing closure of the Diablo Canyon Power Plant to be sure the SLO County cities' financial interests are protected as a result of the closure of that plant.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PRESENTATIONS

<https://youtu.be/ssRKdRx7nog?t=10m14s>

Presentation of scholarships by Friends of the Morro Bay Fire Department to Michael Szopinski and Sam Watson.

Presentation of Sea Otter Awareness Week Proclamation to Rouvaishyana, Manager of the Morro Bay Museum of Natural History, and Janet Lang and Sharon Blakely, volunteers for the State Parks' "SeaLife Stewards" Program.

#### PUBLIC COMMENT

<https://youtu.be/ssRKdRx7nog?t=20m12s>

Jane Heath, Central Coast Maritime Museum Association, announced the opportunity to be a member of the Maritime Museum 1542 Navigator's Circle. For more information, please email [cmma@morrobaymaritime.org](mailto:cmma@morrobaymaritime.org) or write to CCMMA, P.O. Box 1775, Morro Bay, CA 93443.

Robert Davis, representing the SLO Bicycle Club, announced the 45<sup>th</sup> Annual Lighthouse Century Bike Ride to be held Saturday, September 24<sup>th</sup> beginning at 7:00 a.m. at Morro Bay High School. The Lighthouse Ride is one of two annual fundraising events to provide college scholarships and support local non-profit organizations. Please call 543-5973 for more information.

Erica Crawford, Morro Bay Chamber of Commerce, reported on the Avocado and Margarita Festival held last weekend. Over 9,500 people attended and, as this year's beneficiaries, Morro Bay High School Music Boosters and Morro Bay Rotary will receive more than \$10,000 for their volunteer efforts. She thanked everyone who made the event possible.

Jude Long, Morro Bay Friends of the Library, announced the Book Sale to be held Saturday, September 24<sup>th</sup> at the Morro Bay Library, 625 Harbor Street, from 9:00 - 10:00 a.m. for members only and 10:00 a.m.- 3:00 p.m. for the public. All funds raised go to children's programs and to purchase items for the Library.

Walter Heath, Morro Bay, announced several events: The Chamber of Commerce is conducting a free seminar to help business owners use Google and Yelp to their advantage on September 21<sup>st</sup> from 3:00 – 5:00 p.m. at Windows on the Water, RSVPs are required; the Chamber is sponsoring a Candidate's Forum moderated by the League of Women Voters on Monday, October 3<sup>rd</sup> from 6:00 – 8:00 p.m. at the Morro Bay Community Center; the 3<sup>rd</sup> Annual Surfboard Art Festival will begin with an unveiling event on September 24<sup>th</sup> at Forever Stoked Gallery at 4:00 p.m.; and Morro Bay in Bloom will hold a planting event on Saturday, September 17<sup>th</sup> at the Morro Bay Library from 9:00 – 11:00 a.m.

Trina Dougherty, President of Friends of the Library and Past President of Eco Rotary, announced local historian and Cal Poly professor, Dan Krieger, will be at the Morro Bay Library to speak on the history of the San Salvador and explorer Juan Rodriguez Cabrillo on Friday, September 30<sup>th</sup> at 1:00 p.m. Eco Rotary will hold a benefit concert featuring Bob Livingston on Thursday, September 29<sup>th</sup> at Coalesce Bookstore. Tickets are \$20 each and proceeds will benefit the National Estuary Program stream monitoring program.

Betty Winholtz, Morro Bay, commented on Item C-2 recommending the Planning Commission determine whether the project is in conformance prior to Council approval, it was an unfair advantage for one proposer to combine two lease sites together, and maximizing revenue on Tideland's Trust lands is not a goal for the community.

Jon Elliott, Morro Bay resident and business owner, announced the 3<sup>rd</sup> Annual Trick-or-Treat event to be held Monday, October 31<sup>st</sup> from 3:30 to 5:30 p.m. with a walking parade at 5:00 p.m. and costume contest at 5:30 p.m. All Morro Bay businesses are encouraged to participate. Please email [info@morrochamber.org](mailto:info@morrochamber.org) by October 10<sup>th</sup> to be included on the map.

Lynda Merrill, Morro Bay, spoke in support of the Proclamation declaring September 18 - 24 Sea Otter Awareness Week and asked that fireworks be eliminated from festivals held in the City.

The comment period was closed.

- A. CONSENT AGENDA  
<https://youtu.be/ssRKdRx7nog?t=46m23s>

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 AUGUST 9, 2016 JOINT CITY COUNCIL AND PLANNING COMMISSION MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-2 APPROVAL OF MINUTES FROM THE AUGUST 9, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-3 APPROVAL OF MINUTES FROM THE AUGUST 23, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-4 APPROVAL OF PROCLAMATION DECLARING SEPTEMBER 18 - 24, 2016, AS SEA OTTER AWARENESS WEEK; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-5 QUARTERLY STATUS REPORT ON PARKING IN-LIEU FEE WAIVERS; (COMMUNITY DEVELOPMENT)

**RECOMMENDATION: Receive and file.**

- A-6 WATER RECLAMATION FACILITY ("WRF") PROGRAM UPDATE; (PUBLIC WORKS)

**RECOMMENDATION: Receive and file.**

- A-7 APPROVAL OF PURCHASE AND SALE AGREEMENT FOR REAL PROPERTY AT 2783 CORAL AVENUE; (COMMUNITY DEVELOPMENT)

**RECOMMENDATION: Approve as submitted.**

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

Councilmember Smukler pulled Item A-6. Councilmember Heading pulled Item A-5.

**MOTION:** Councilmember Johnson moved the Council approve Items A-1 through A-4 and A-7 on the Consent Agenda. The motion was seconded by Councilmember Heading and carried 4-0-1 with Makowetski absent.

A-6 WATER RECLAMATION FACILITY ("WRF") PROGRAM UPDATE; (PUBLIC WORKS)  
<https://youtu.be/ssRKdRx7nog?t=47m43s>

City Manager Buckingham reported on the status of property negotiations, environmental review and facility master planning process, including opportunities for public input.

MOTION: Councilmember Smukler moved the Council approve Item A-6. The motion was seconded by Councilmember Heading and carried 4-0-1 with Councilmember Makowetski absent.

A-5 QUARTERLY STATUS REPORT ON PARKING IN-LIEU QUARTERLY STATUS REPORT; (COMMUNITY DEVELOPMENT)  
<https://youtu.be/ssRKdRx7nog?t=58m>

Mayor Irons and Councilmember Heading recused themselves from this item due to a conflict of interest as property owners in the downtown area.

Mr. Pannone explained that more than 25% of the commercial properties are affected by that suspension and therefore it was not necessary for Mayor Irons and Councilmember Heading to recuse themselves but, having done so, no action can occur with two members. Also, there is no requirement to take action so you cannot pull a name out of a hat to form a quorum. The item will come back when three members can participate.

Item A-5 was continued to a date uncertain.

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

C-1 SEA OTTER AWARENESS WEEK 2016 UPDATE; (HARBOR)  
<https://youtu.be/ssRKdRx7nog?t=1h1m29s>

Harbor Director Endersby presented 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.

The Council expressed appreciation for efforts to educate the public on how to protect sea otters and other wildlife and also for those residents who brought this item forward during the goal setting process.

As a receive and file item, no formal action was taken.

The Council took a short recess at 7:12 p.m. The meeting reconvened at 7:20 p.m.

C-2 DISCUSSION AND APPROVAL OF CONDITIONAL CONSENT OF LANDOWNER PERTAINING TO LEASE SITE 87-88/87W-88W LOCATED AT 833 EMBARCADERO; (ADMINISTRATION)  
<https://youtu.be/ssRKdRx7nog?t=1h11m59s>

Mr. Buckingham, Mr. Endersby and Community Development Director Graham presented the staff report and responded to Council inquiries.

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

Madeline Moore, current lease site holder of Off the Hook, was unaware there was a potential to team up with the neighboring lease site and questioned the feasibility of 30 hotel rooms on the combined site.

Ron Reisner, Morro Bay, questioned the total project cost, the City's process for determining sufficient financial capability, parking capacity, and compliance with the City's liveaboard ordinance.

Mark Korkowski, Morro Bay, expressed concerned about the RFP process and proposed developments and recommended the RFP be put out again with clear guidelines so proposals are more comparable. He supported Proposal B and the current Caldwell proposal.

Debra Korkowski, Morro Bay, spoke on behalf of Cherise Hansson, sharing the benefits of Proposal B not included in staff report. She noted previous Council action directed proposers to work independently.

Carole Truesdale, Morro Bay, asked what effect floating structures would have on marine life and expressed concern about the integrity of Proposal A's investment partner.

George Leage, Morro Bay, spoke in support of Proposal B noting the Leage family's development experience on the Embarcadero and the proposer's energy and vision. He recommended keeping the development small to preserve the uniqueness of Morro Bay.

Travis Leage, Morro Bay, spoke representing TLC Enterprises, stating their proposal was developed based on the RFP and the permit process should go relatively quickly. He questioned information presented by staff and referred the Council to information he provided as agenda correspondence.

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

The Council discussed the importance of a balanced, viable project that takes into consideration the final Centennial Parkway design concept, public benefit and access improvements, return on investment to the City, consistency with the Waterfront Master Plan, includes a parking management plan, and best utilization of land and water.

There was consensus to extend the proposal review process to allow time for staff to do a conformance check then provide each of the proposers feedback and an opportunity to refine their proposals with the following items in mind: conformance with Waterfront Master Plan, context with and financial commitment to Centennial Parkway concept, parking plan, public benefit and access, environmental stewardship and economic viability. There was also consensus to reject the floating cottage concept.

The Council asked that staff bring back a report that includes details on each of the proposals but no recommendation.

**MOTION:** Councilmember Smukler moved the Council receive all three proposals, extend the review period to allow for optional refinements including, but not limited to, more detail on 1) conformance with Waterfront Master Plan, 2) context with and financial commitment to Centennial Parkway concept, 3) parking plan 4) public benefit and access 5) environmental stewardship, and 6) economic benefit. The motion was seconded by Councilmember Johnson and carried 4-0-1 with Councilmember Makowetski absent.

- C-3 INTRODUCTION OF ORDINANCE NO. 608, WHICH AMENDS SECTIONS 3.08.100 AND 3.08.110 OF THE MORRO BAY MUNICIPAL CODE PROVIDING FOR COOPERATIVE PURCHASING PROCEDURES (PIGGYBACKING) AND ADOPTION OF RESOLUTION NO. 68-16, RESCINDING RESOLUTION 44-07; (PUBLIC WORKS)  
<https://youtu.be/ssRKdRx7nog?t=3h45m57s>

Public Works Director Livick 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 the Council introduce for first reading by title only and with further reading waived, Ordinance No. 608: An Ordinance of the City Council of the City of Morro Bay, California, repealing and then replacing section 3.08.70 (Bidding) of Chapter 3.08 (Purchase and Sale of Supplier and Equipment) of Title 3 (Revenue and Finance) of the Morro Bay Municipal Code to provide for bidding procedures for purchase of supplies, equipment, materials and Public Works projects, while also providing for cooperative purchasing procedures, and adopt Resolution No. 68-16. The motion was seconded by Councilmember Heading and carried 4-0-1 with Councilmember Makowetski absent.

- C-4 REVIEW OF RESOLUTIONS TO BE CONSIDERED AT THE ANNUAL LEAGUE OF CALIFORNIA CITIES CONFERENCE; (ADMINISTRATION)  
<https://youtu.be/ssRKdRx7nog?t=3h49m24s>

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

MOTION: Mayor Irons moved the Council authorize the voting delegate to support the proposed League Resolution and make other decisions during the Annual Meeting, reporting back on any action taken. The motion was seconded by Councilmember Johnson.

Councilmember Heading suggested amending the motion to clarify the voting alternate be given the same authority.

AMENDED MOTION: Mayor Irons amended motion to provide the voting alternate the same authority in the event the voting delegate is unable to attend. The amended motion was seconded by Councilmember Johnson and carried 4-0-1 with Councilmember Makowetski absent.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS  
<https://youtu.be/ssRKdRx7nog?t=3h53m8s>

Mayor Irons requested an agenda item to appoint acting Mayor Pro Tempore during Councilmember Makowetski's absence. There was full support for this item.

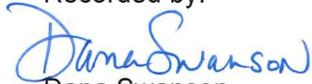
Mayor Items requested review and discussion of past resolutions and Council direction regarding the proceeds from sale of the Coral Avenue property. There was full support for this item.

Councilmember Heading noted other cities are reviewing their marijuana ordinance in light of potential passing of the ballot initiative in November. Mr. Buckingham noted that item is on the City's goals and objectives for 2016/17.

E. ADJOURNMENT

The meeting adjourned at 10:05 p.m. The next Regular Meeting will be held on Tuesday, September 27, 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

