

MINUTES - MORRO BAY CITY COUNCIL  
CLOSED SESSION – MAY 27, 2008  
CITY HALL CONFERENCE ROOM - 5:00 P.M.

Mayor Peters called the meeting to order at 5:00 p.m.

PRESENT:	Janice Peters	Mayor
	Melody DeMeritt	Councilmember
	Rick Grantham	Councilmember
	William Peirce	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	Interim City Manager
	Robert Schultz	City Attorney

CLOSED SESSION

MOTION: Councilmember Winholtz moved the meeting be adjourned to Closed Session. The motion was seconded by Councilmember Peirce and unanimously carried. (5-0)

Mayor Peters read the Closed Session Statement.

**CS-1 GOVERNMENT CODE SECTION 54957.6; CONFERENCE WITH LABOR NEGOTIATOR.** Conference with the City's Designated Representative, for the purpose of reviewing the City's position regarding the terms and compensation paid to its employees and giving instructions to the Designated Representative.

**CS-2 GOVERNMENT CODE SECTION 54956.9(C); CONFERENCE WITH LEGAL COUNSEL DUE TO ANTICIPATED LITIGATION.** Initiation of litigation exists based upon existing facts and the advice of legal counsel as to one matter.

The meeting adjourned to Closed Session at 5:00 p.m. and returned to regular session at 5:50 p.m.

MOTION: Councilmember DeMeritt moved the meeting be adjourned. The motion was seconded by Councilmember Winholtz and unanimously carried. (5-0)

The meeting adjourned at 5:50 p.m.

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VETERANS MEMORIAL HALL - 6:00 P.M.

Mayor Peters called the meeting to order at 6:15 p.m.

PRESENT:	Janice Peters	Mayor
	Melody DeMeritt	Councilmember
	Rick Grantham	Councilmember
	William Peirce	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	Interim City Manager
	Robert Schultz	City Attorney
	Bridgett Bauer	City Clerk
	Rick Algert	Harbor Director
	Bruce Ambo	Public Services Director
	Janeen Burlingame	Management Analyst
	John DeRohan	Police Chief
	Tim Olivas	Police Commander
	Mike Pond	Fire Chief
	Susan Slayton	Finance Director
	Joe Woods	Interim Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

MAYOR'S REPORTS & ANNOUNCEMENTS

CLOSED SESSION REPORT - City Attorney Robert Schultz reported the City Council met in Closed Session, and no reportable action under the Brown Act was taken.

PUBLIC COMMENT

Keith Taylor announced the Morro Bay Music Festival would be held Saturday, June 7<sup>th</sup>, which will benefit the Friends of the Police Department and Fire Department and the Harbor Committee. He stated the Rotary Club of Morro Bay is selling raffle tickets with a grand prize of a Toyota Prius which drawing would be held at the Harbor Festival. Mr. Taylor also encouraged citizens to vote at the Primary Election on June 3<sup>rd</sup>.

Jonni Biaggini, Executive Director of the Visitors and Conference Bureau (VCB) stated the City Council at its May 15, 2008 budget meeting made a decision to withdraw their funding with the VCB. She said the City cannot afford not to participate in the VCB and urged Council pull Item A-3 (Resolution No. 25-08 Adopting the 2008-2009 Annual Budget) from the Consent Calendar and discuss funding with the VCB.

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Claire Grantham recognized the police effort in the Morro Bay High School lock-down. She also urged the City Council to consider public safety when approving the budget. Ms. Grantham encouraged citizens to vote at the Primary Election.

Joey Racano stated the City Council should not have voted to approve the budget at the last meeting, and should have spent more time reviewing it. He addressed Item B-3 (Committee Report on the Investigation of Contracting with Cal Fire) and submitted an article to Council regarding CalFire and a timber harvest plan that has no environmental oversight considered.

Ken Vesterfelt thanked all the agencies that participated in the Police Memorial held in Morro Bay. He acknowledged the police effort in the Morro Bay High School lock-down. Mr. Vesterfelt expressed support for Item D-1 (Discussion on the Removal of In-Lieu Parking Fees in the Downtown Area for Five Years).

Pete Zotovich, Principal of Morro Bay High School, commended the efforts of the Police Department and all public safety agencies that assisted with the high school lock-down.

Bob Schwenoah, Dean of Students, also commended the public safety agencies of the City.

Bill Davies requested an update on the progress of the Roundabout and Fire Station projects. He expressed opposition to Proposition 98 and support for Proposition 99.

Jim Federman, Silverado bus line, stated the tourist industry bring money to the local economy, and urged Council to reconsider funding with the VCB.

Joan Solu stated last year the City received full benefits with partial funding with the VCB. She said by not participating with the VCB will limit the City of potential tourist funding. Ms. Solu stated without the franchise fees from the power plant and lack of fishing, tourism is critical to the economy of the City. She urged the City Council to reconsider funding with the VCB. Ms. Solu also forwarded a letter from Stan Trap to the Council in support of the VCB.

Roger Ewing addressed Item D-1 stating in-lieu parking fees help fund parking needs of the City and avoid placing the costs on the citizens. He said in-lieu parking fees are for new businesses that increase the footprint of a building, and not those that have been established. Mr. Ewing urged Council to not change the present in-lieu parking fee program.

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Garry Johnson addressed the importance of the City's fishing industry and how the State and Federal government have depleted this industry.

Nancy Castle announced Chess Live would be performing at the Harbor Festival, and noted volunteers and participants are needed.

Noah Smukler stated funding on promotions are beneficial, and requested Council reconsider funding with the VCB. He also said in-lieu parking fees create a barrier for new business owners. Mr. Smukler stated reinstating a School Resource Officer should be considered.

Lynda Merrill stated there are five baby peregrine falcons at the rock. She expressed support for Items B-1 and B-2. Ms. Merrill requested the City reconsider the sign ordinance in reference to elections signs.

Mayor Peters closed the hearing for public comment.

Mayor Peters called for a break at 7:15 p.m.; the meeting resumed at 7:28 p.m.

DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Peirce requested to agendize a discussion on the consideration of a Charter City; Councilmember DeMeritt and Mayor Peters concurred.

A. CONSENT CALENDAR

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 APRIL 14, 2008 CITY COUNCIL MEETING; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 CASH AND FINANCIAL REPORT; (FINANCE)

**RECOMMENDATION: This item has been pulled from the agenda.**

A-3 RESOLUTION NO. 25-08 ADOPTING THE 2008-2009 ANNUAL BUDGET; (FINANCE)

**RECOMMENDATION: Adopt Resolution No. 25-08.**

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A-4 ORDINANCE NO. 539 AMENDING TITLE 16 OF THE MORRO BAY MUNICIPAL CODE (SUBDIVISION ORDINANCE/TRACT 41) - SECOND READING/ADOPTION; (PUBLIC SERVICES)

**RECOMMENDATION: Approve second reading and adoption of Ordinance No. 539.**

A-5 ORDINANCE NO. 540 ADDING CHAPTER 13.18 TO THE MORRO BAY MUNICIPAL CODE TO PROVIDE FOR THE REGULATION OF EQUIPMENT OR FACILITIES IN RIGHTS-OF-WAY - SECOND READING/ADOPTION; (PUBLIC SERVICES)

**RECOMMENDATION: Approve second reading and adoption of Ordinance No. 540.**

A-6 PROCLAMATION DECLARING JUNE 2008 AS "MAKE-A-WISH FOUNDATION MONTH OF JOY; (ADMINISTRATION)

**RECOMMENDATION: Adopt Proclamation.**

Councilmember DeMeritt pulled Item A-1 from the Consent Calendar; Councilmember Winholtz pulled Items A-3 and A-5; and Mayor Peters pulled Item A-6.

MOTION: Councilmember DeMeritt moved the City Council approve Items A-2 and A-4 of the Consent Calendar. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

A-1 APPROVAL OF MINUTES FOR THE APRIL 14, 2008 CITY COUNCIL MEETING; (ADMINISTRATION)

Councilmember DeMeritt made the following amendment to the minutes of the April 14, 2008 City Council meeting: “One of their goals is to erect a memorial ~~in the vicinity of Morro Rock’s south side,~~ near the harbor entrance dedicated to “those who wait”.

Councilmember Peirce also pointed out that the motion on this item has him making the motion and seconding it, and asked that be corrected.

MOTION: Councilmember DeMeritt moved the City Council approve Item A-1 of the Consent Calendar as amended. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

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A-3 RESOLUTION NO. 25-08 ADOPTING THE 2008-2009 ANNUAL BUDGET;  
(FINANCE)

Councilmember Winholtz requested clarification on the proposed budget. She also noted the public comment in support of funding VCB and asked for Council's input on this issue.

Councilmember DeMeritt stated she is reconsidering funding for the VCB. She said she discussed funding with the Finance Director who said the funds could come out of cash reserves; investigate the transient occupancy tax at the end of the fiscal year, and if it shows an increase of \$32,000, those funds would be reimbursed to the cash reserves.

Councilmember Grantham and Councilmember Peirce stated they would not be changing their position on their previous vote to not support funding for the VCB.

MOTION: Councilmember DeMeritt moved the City Council direct the Finance Director and Interim City Manager to contract with the Visitors and Conference Bureau for \$32,000, which funds are to be taken from the cash reserve fund; investigate the transient occupancy tax at the end of the fiscal year and if it shows an increase of \$32,000, those funds would be reimbursed to the cash reserve fund. The motion was seconded by Councilmember Winholtz.

Mayor Peters stated she could support this motion if the \$10,000 funded to the Community Promotions Committee would not be removed from their fund.

VOTE: The motion carried with Councilmember Grantham and Councilmember Peirce voting no. (3-2)

MOTION: Councilmember DeMeritt moved the City Council approve Item A-3 of the Consent Calendar with the amendment of funding for the Visitors and Conference Bureau. The motion was seconded by Mayor Peters and carried with Councilmember Grantham and Councilmember Winholtz voting no. (3-2)

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A-5 ORDINANCE NO. 540 ADDING CHAPTER 13.18 TO THE MORRO BAY MUNICIPAL CODE TO PROVIDE FOR THE REGULATION OF EQUIPMENT OR FACILITIES IN RIGHTS-OF-WAY - SECOND READING/ADOPTION; (PUBLIC SERVICES)

Councilmember Winholtz requested to amend the last sentence of Section B of Ordinance No. 540 as follows: “Any public or private property and any public rights-of-way shall be restored to the satisfaction of the owner thereof or to its original condition existing before the occurrence of any disturbance or damage ~~or to a condition that does not constitute a threat to the general health, safety, or welfare of the public or safe condition of property.~~”

MOTION: Councilmember Winholtz moved the City Council approve Item A-5 of the Consent Calendar as amended. The motion was seconded by Councilmember DeMeritt and carried unanimously. (5-0)

A-6 PROCLAMATION DECLARING JUNE 2008 AS "MAKE-A-WISH FOUNDATION MONTH OF JOY; (ADMINISTRATION)

Mayor Peters pulled this item to make a presentation.

MOTION: Councilmember Peirce moved the City Council approve Item A-6 of the Consent Calendar. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 RESOLUTION NO. 23-08 APPROVING THE ENGINEERS REPORT AND DECLARING THE CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Interim City Manager Andrea Lueker stated on April 28, 2008, the City Council adopted Resolution No. 19-08, which initiated the proceedings to levy the annual assessment to fund the maintenance of the Cloisters Park an Open Space. Staff was directed to have an Engineers Report prepared, detailing the estimated annual assessment for the parcel owners for fiscal year 2008/09. Upon adoption of Resolution No. 23-08, the next and final step in the annual levy of assessment process is the protest hearing/public hearing after which the City Council actually orders the levy of assessment. Ms. Lueker recommended the City Council adopt Resolution No. 23-08 declaring the intent to levy the annual assessment for the maintenance of the Cloisters Park and Open Space and approving the Engineers Report.

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Mayor Peters opened the hearing for public comment; there were no comments, and Mayor Peters closed the public comment hearing.

MOTION: Councilmember Winholtz moved the City Council adopt Resolution No. 23-08 declaring the intent to levy the annual assessment for the maintenance of the Cloisters Park and Open Space and approving the Engineers Report. The motion was seconded by Councilmember Peirce and carried unanimously. (5-0)

B-2 RESOLUTION NO. 22-08 APPROVING THE ENGINEERS REPORT AND DECLARING THE CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Interim City Manager Andrea Lueker stated on April 28, 2008, the City Council adopted Resolution No. 20-08, which initiated the proceedings to levy the annual assessment to fund the maintenance of the North Point Natural Area. Staff was directed to have an Engineers Report prepared, detailing the estimated annual assessment for the parcel owners for fiscal year 2008/09. Upon adoption of Resolution No. 22-08, the next and final step in the annual levy of assessment process is the protest hearing/public hearing after which the City Council actually orders the levy of assessment. Ms. Lueker recommended the City Council adopt Resolution No. 22-08 declaring the intent to levy the annual assessment for the maintenance of the North Point Natural Area and approving the Engineers Report.

Mayor Peters opened the hearing for public comment; there were no comments, and Mayor Peters closed the public comment hearing.

Councilmember Winholtz asked for amendments

MOTION: Councilmember Grantham moved the City Council adopt Resolution No. 22-08 declaring the intent to levy the annual assessment for the maintenance of the North Point Natural Area and approving the Engineers Report. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

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B-3 COMMITTEE REPORT ON THE INVESTIGATION OF CONTRACTING  
WITH CAL FIRE; (FIRE)

Fire Engineer Bill Murphy presented a report from the Cal Fire Ad-Hoc Committee. The Cal Fire Advisory Committee has been meeting since December 2007. The Committee established goals, confirmed desired service levels, and identified issues related to contracting for fire and emergency services. The Committee only considered options providing an increase to four firefighter constant staffing as recommended by the Morro Bay Fire Department five-year strategic plan, the Emergency Services Ad-Hoc Committee, and preferred by the City Council in a motion dated May 24, 2004. Committee findings indicate the City could receive some initial savings with a Cal Fire contract and that this contract would provide an opportunity for potential future savings while providing the desired staff with a comparable level of service. Mr. Murphy stated the Committee believes further investigation into contracting fire and emergency services with Cal Fire has merit. The Committee recommends the City Council consider the information provided from this report; conduct a workshop, including the Cal Fire Advisory Committee to educate the public and gather feedback; and, hold a public hearing and discuss entering into formal negotiations with Cal Fire.

Mayor Peters opened the hearing for public comment.

George Rees, representing the Morro Bay Firefighters Association, stated the Association would like the City Council to move forward with their support in acquiring a Cal Fire contract for services. He said in recent years there has been a threat of a loss of jobs and the their future uncertain due to the financial forecast. Captain Rees stated Cal Fire is one option to maintain the Fire Department's current level of service for reduced costs and avoid potential layoffs.

Noah Smukler stated although local control and accountability is important, it is more important to consider emergency response capabilities. He said a community workshop would be helpful in order to receive feedback from the community and discuss ways of bringing in further revenue for the Fire Department for the services they offer.

Ken Vesterfelt stated it is important for citizens to have first hand knowledge by participating in a workshop regarding the City's emergency services.

Jim Nance stated San Luis Ambulance seems to be the first to arrive on the scene when there is an emergency in the City. He said the workshop would be important for community participation.

Keith Taylor stated the City should consider its own ambulance service.

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Mayor Peters closed the public comment hearing.

Councilmember DeMeritt stated the next step would be to inform the community of the workshop. She said it would require a commitment for the City to communicate what the implications could be if contracting with Cal Fire.

Councilmember Grantham stated he would not support anything that would delay emergency services to the community. He said the City should see the proposal made by Cal Fire before making a decision.

Councilmember Peirce stated the educational process should be pursued and any decision would require a lot of information on the services offered by Cal Fire.

Councilmember Winholtz stated she has concerns with the proposal; however, a workshop should be held for community input.

Mayor Peters stated it is important to hold a workshop in order to educate the community and receive input on Cal Fire services.

**MOTION:** Councilmember Winholtz moved the City Council hold a public workshop in July 2008 noticing the community on the options of contracting with Cal Fire as an alternative with comparative information on what the cost is currently at the 3-level and/or 4-level staffing; noticing shall be done through the water bills and/or a notice shall go directly to the citizen's house. The motion was seconded by Councilmember DeMeritt and carried unanimously. (5-0)

**B-4 RESOLUTION NO. 24-08 APPROVING AN EXTENSION OF THE GARBAGE, RECYCLING AND GREENWASTE SERVICES FRANCHISE AGREEMENT WITH MORRO BAY GARBAGE SERVICE AND APPROVING A BASE YEAR RATE ADJUSTMENT APPLICATION REQUESTING AN INCREASE TO SOLID WASTE COLLECTION RATES; (ADMINISTRATION)**

Management Analyst Janeen Burlingame stated the City Council adopted Resolution No. 48-01 approving the Garbage, Recycling and Greenwaste Franchise Agreement for collection service effective January 1, 2002 and setting the initial rates for collection for residential and commercial customers. This agreement is to expire December 31, 2008 and includes a provision to extend the agreement for an additional 36 months at the sole option of the City. All provisions of the current agreement remain in effect during any

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extension of the franchise agreement. Ms. Burlingame stated staff and the Public Works Advisory Board recommend the City Council adopt Resolution No. 24-08, which approves a 15-year extension of the current Garbage, Recycling and Greenwaste Services Franchise Agreement, including the addition of two amendments to the agreement pertaining to green waste deliveries to the Wastewater Treatment Plant and an annual CPI adjustment to the Recycling Development Program and Administration fee; and, approves the Morro Bay Garbage Service's Base Year Rate Adjustment Application and resulting rate schedule.

Mayor Peters opened the hearing for public comment.

Jim Nance stated the Garbage Company's contract provides no incentive for those who produce less waste or recycled materials. He said a 15-year contract is too long and stops the City from having any leverage or control over the Garbage Company's services and rates. Mr. Nance stated the City should purchase a chipper and cut out the middleman for providing Greenwaste to the sewer plant.

Lynda Merrill expressed support for a job well done by the Garbage Company and for the City Council to approve the 15-year contract.

Mayor Peters closed the public comment hearing.

Consensus of the City Council was in support of approving a 15-year extension of the current Garbage, Recycling and Greenwaste Services Franchise Agreement.

Councilmember Winholtz stated she would like Council to consider placing the franchise fee from the Garbage Company into the street fund.

**MOTION:** Councilmember Grantham moved the City Council adopt Resolution No. 24-08 approving an extension of the Garbage, Recycling and Greenwaste Services Franchise Agreement with Morro Bay Garbage Service, and approving a Base Year Rate Adjustment Application requesting an increase to solid waste collection rates. The motion was seconded by Councilmember DeMeritt and carried unanimously. (5-0)

Mayor Peters called for a break at 9:10 p.m.; the meeting resumed at 9:17 p.m.

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B-5 REPORT ON THE NORTH EMBARCADERO CAPITAL IMPROVEMENT  
PLAN; (HARBOR)

Harbor Director Rick Algert stated since the late 1990's the City has had an approved project for conceptual development of a boat repair/dry storage facility in the area north of the Morro Bay Power Plant intake structure and on the east side of Embarcadero Road. During permitting of the City's Harborwalk Project the California Coastal Commission designated much of the property that the City visualized for this use as Environmentally Sensitive Habitat. The City did not concur with the Coastal Commission's ESH determination, but that action in the Harborwalk permit put the City on notice that it would be very difficult to develop some or all of the land that was needed for a boat repair/dry storage facility. During construction of the Harborwalk project it also became clear that the Coleman Park area would be in need of some additional planning effort to determine if and how that area should be further improved. In September 2007, the City Council approved allocating some existing Park Master Planning funds and some existing Harbor "Boating Access Facility Plan" capital project monies on a joint planning effort for the North Embarcadero area. Staff hired RRM Design to do the work and in December 2007 a joint Harbor Advisory Board/Recreation and Parks Commission workshop was held. At their March 2008 meeting, the Recreation and Parks Commission voted unanimously to recommend the City Council support Concept C (attached to the staff report) for future planning purposes. Additionally, the Concept would provide for sensible recreation elements and preserve the area's natural beauty. Mr. Algert recommended the City Council initiate a Park Master Planning effort for the area based on Concept C; and, continue work on development of a boat repair/dry storage facility based on Concept C.

The City Council received a presentation on the concepts being presented for the Coleman Drive/Morro Rock Planning Area from Mike Sherrod of RRM Design.

Mayor Peters opened the hearing for public comment; there were no comments, and Mayor Peters closed the public comment hearing.

Councilmember DeMeritt stated funding should go towards projects that have been previously considered by Council but have not been funded yet.

Councilmember Grantham stated Concept C is the preferred plan and should be submitted to the Coastal Commission for consideration.

Councilmember Winholtz stated she does not want to spend staff time on a project that has not been funded. She said she is concerned with the Target Rock area, and would like to maintain its natural landscape.

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Councilmember Peirce stated the proposed plan supports the marine-related industry. He said boat storage for visitors to store their boats would be a profitable use.

Mayor Peters stated this proposal is a long-term goal and should continue to be pursued as time and money allows.

**MOTION:** Councilmember Grantham moved the City Council initiate a park master planning effort for the area based on Concept C; and, continue work on development of a boat repair/dry storage facility based on Concept C. The motion was seconded by Councilmember Peirce.

Councilmember Winholtz stated going forward with this plan is premature without the resources to follow through, and it should wait until the Council does its 5-10 year planning and see what the priority is for this plan.

Councilmember DeMeritt stated this should wait until the goal setting workshop and discover the priority for this plan. She said Coleman Park could be a community project.

Mayor Peters stated there are no General Funds being used for this plan and it should move forward.

**VOTE:** The motion carried with Councilmember DeMeritt and Councilmember Winholtz voting no. (3-2)

**B-6 PROGRESS REPORT ON UNITED STATES COAST GUARD FACILITY;  
(HARBOR)**

Harbor Director Rick Algert stated for many years the City has been attempting to satisfy future office/facility requirements for the United States Coast Guard (USCG) by developing a joint office project in the area of the current Harbor Department and USCG offices. The City has proceeded with plans for an interim modular office on the site of the existing Harbor Department office and is attempting to provide USCG some limited additional outside storage space in this building. The North Embarcadero Capital Improvement Plan includes designation of a conceptual site for future freestanding USCG or Harbor Department office north of the Morro Bay Power Plant intake structure. Mr. Algert recommended the City Council receive this report and direct staff accordingly.

Mayor Peters opened the hearing for public comment; there were no comments, and Mayor Peters closed the public comment hearing.

The City Council received this report for information; no action was taken.

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C. UNFINISHED BUSINESS – NONE.

D. NEW BUSINESS

D-1 DISCUSSION ON THE REMOVAL OF IN-LIEU PARKING FEES IN THE  
DOWNTOWN AREA FOR FIVE YEARS; (CITY ATTORNEY)

City Attorney Robert Schultz stated the City's Parking In-Lieu Fund was established in 1988 to provide increased business opportunities along the community's waterfront. Rather than providing on-site parking, owners were allowed the option to pay the City a fee in the amount of \$4,000 per required on-site parking space, thereby increasing the area available for business development. Monies accumulated in the fund are to be used solely for the purpose of improving public parking availability, as the Municipal Code specifically states that Parking In-Lieu fees shall be used for planning, design, acquisition or lease of land and development/redevelopment of public parking facilities. Mr. Schultz recommended the City Council receive this report and direct staff accordingly.

Mayor Peters stated she brought this issue forward for Council discussion in order to assist the downtown area and in hopes of bringing new businesses to this area of the City.

Councilmember Grantham referred to the new commercial building on the corner of Shasta and Morro Bay Boulevard and stated a moratorium could be a loss of \$165,000 in parking in-lieu fees.

Councilmember DeMeritt stated she would support this proposal for existing buildings with a change in use, shared and grandfathered parking, and would consider reducing the fee for three years.

Councilmember Peirce stated the he would support suspending in-lieu parking fees for a three-year period in the downtown area.

Councilmember Winholtz stated she supports a moratorium for a limited period of time that would affect a change of use in square footage.

Mr. Schultz stated he would return to Council with a resolution based on their comments, and agendize as a public hearing.

No further action was taken on this item.

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D-2 SET DATE FOR ADVISORY BOARD INTERVIEW; (ADMINISTRATION)

The City Council scheduled interviews for the Harbor Advisory Board vacancy prior to their regular meeting on June 23, 2008.

No further action was taken on this item.

ADJOURNMENT

The meeting adjourned at 10:52 p.m.

Recorded by:

Bridgett Bauer  
City Clerk