

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – MARCH 10, 2008
CITY HALL CONFERENCE ROOM - 5:00 P.M.

Vice-Mayor Grantham called the meeting to order at 5:00 p.m.

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

CLOSED SESSION

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

Vice-Mayor Grantham read the Closed Session Statement.

CS-1 GOVERNMENT CODE SECTION 54956.8; REAL PROPERTY

TRANSACTIONS: Instructing City's real property negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease of real property as to two (2) parcels.

- Property: Embarcadero/Market.
Negotiating Parties: Market Pavilion and City of Morro Bay.
Negotiations: Voluntary Purchase and Sale.

CS-2 GOVERNMENT CODE SECTION 54957; PERSONNEL ISSUES.

Discussions regarding Personnel Issues including one (1) public employee regarding evaluation, specifically the Interim City Manager.

The meeting adjourned to Closed Session at 5:00 p.m. and returned to regular session at 6:00 p.m.

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

The meeting adjourned at 6:00 p.m.

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VETERANS MEMORIAL HALL - 6:00 P.M.

Vice-Mayor Grantham called the meeting to order at 6:05 p.m.

PRESENT:	Rick Grantham	Vice-Mayor
	Melody DeMeritt	Councilmember
	William Peirce	Councilmember
	Betty Winholtz	Councilmember
ABSENT:	Janice Peters	Mayor
STAFF:	Andrea Lueker	Interim City Manager
	Robert Schultz	City Attorney
	Bridgett Bauer	City Clerk
	John DeRohan	Police Chief
	Sue Lichtenbaum	Acting Harbor Director
	Mike Pond	Fire Chief
	Joe Woods	Acting 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 addressed the importance of educating senior citizens on emergency calls and the “Are You OK” program. He referred to the use of Measure Q funds and said the Measure Q Oversight Committee is doing a good job in overseeing these funds. Mr. Taylor wished the candidates running for Mayor and City Council good luck.

Joyce Lundy referred to the upcoming Kite Festival and the importance of involving the children. She said the day prior to the Kite Festival four schools in the area will be involved in learning how kites fly, and they will be giving away over 2,000 kites to the children. Ms. Lundy requested the City Council consider donating some of their discretionary funds to help incur the cost for these kites.

Jack Barrett announced his candidacy for City Council. He announced upcoming events sponsored by the Friends of the Police Department.

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Hunter Kilpatrick announced a newly formed non-profit public benefit corporation to provide recovery resources for the individual and community. He invited the public to the first annual TRAC spring barbeque fundraiser on March 22nd at the Veterans' Memorial Building.

Mick Theis announced his candidacy for City Council.

Jude Long announced the Morro Bay Library would be conducting an Input Meeting on March 18th to receive information from the public on future expectations of the library. She also noted there is an on-line survey at slolibrary.org.

John Barta referred to the June 3rd Primary Election and said there is still time to pull papers to run for a seat on the City Council. He also referred to the numerous CHP located on Highway One at the entrance of the City.

Mickey Hooks invited the public to attend the planting of a peace pole at the Estero Bay United Methodist Church on March 15th.

Greg Bushow stated the homes being built out at the Chorro Creek Ranch are to provide affordable housing.

Nancy Johnson announced upcoming gardening and floral events.

David Nelson referred to the Harborwalk Project and noted the City Council should consider the City's infrastructure. He said once-through cooling is destroying the sea life and negatively affecting the fishing industry.

Dana Putnam stated the Surfrider Foundation's primary concern is with water quality and coastal access, and noted the need for further consideration on the proposed boatyard and haul-out facility near Coleman Park.

Noah Smukler announced his candidacy for City Council. He also referred to the proposed boat haul-out facility and said he supports the plan as long as it does not impact the watershed or water quality.

Vice-Mayor Grantham closed the hearing for public comment.

Vice-Mayor Grantham called for a break at 7:07 p.m.; the meeting resumed at 7:15 p.m.

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DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Peirce requested to agendize a discussion on the concept of creating an Ad-Hoc Committee to determine what non-tourist industry businesses are appropriate for the City and how to bring them to Morro Bay; Councilmember DeMeritt and Vice-Mayor Grantham concurred.

Vice-Mayor Grantham requested to agendize a discussion on requiring businesses to obtain business licenses that make deliveries in the City; Councilmember Peirce and Councilmember DeMeritt 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 OF THE FEBRUARY 11, 2008 AND FEBRUARY 25, 2008 CITY COUNCIL MEETINGS; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 RESOLUTION NO. 13-08 ADOPTING THE MID-YEAR BUDGET ADJUSTMENTS; (FINANCE)

RECOMMENDATION: This item was pulled from the agenda.

A-3 RESOLUTION NO. 15-08 DECLARING OUTDOOR CHILDREN'S BILL OF RIGHTS; (RECREATION & PARKS)

RECOMMENDATION: Adopt Resolution No. 15-08.

Councilmember Winholtz pulled Item A-1 from the Consent Calendar.

MOTION: Councilmember Winholtz moved the City Council approve Item A-3 of the Consent Calendar. The motion was seconded by Councilmember Peirce and carried unanimously. (4-0)

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A-1 APPROVAL OF MINUTES OF THE FEBRUARY 11, 2008 AND FEBRUARY 25, 2008 CITY COUNCIL MEETINGS; (ADMINISTRATION)

Councilmember Winholtz noted that Mayor Peters had requested a correction to the minutes of February 25, 2008, page 7 as follows:

Mayor Peters stated she supports the idea of educating the public on how a roundabout works. **She said much of the funding for this project is from the San Luis Obispo Council of Governments. If we don't use it, it is lost not just to us, but to the county, which would not reflect well on Morro Bay for future project funding consideration.**

MOTION: Councilmember Winholtz moved the City Council approve Item A-1 of the Consent Calendar as amended. The motion was seconded by Councilmember Peirce and carried unanimously. (4-0)

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 DISCUSSION ON EXISTING WATER CONSERVATION GUIDELINES; (COUNCIL)

Councilmember Winholtz stated in the last two years, the City has experienced an increase beyond allowable limits of mineral content of water from City wells. In addition, the State Water Project, the City's primary source of water has reduced water allotments to all buyers. It is timely to review what responsibility and authority the City Council has. Also, it is timely to make the public aware of what they can contribute toward avoiding a low water level. Councilmember Winholtz recommended the City Council review the current code regarding water emergencies; understand that water conservation is only supported within the context of an emergency and not as a general rule; and, understand the role of the City Council in determining a "low water level" and subsequent conservation powers.

Vice-Mayor Grantham opened the hearing for public comment.

John Barta stated the City has a multiple redundant supply of water, and it is misleading to show reservoir totals when it has nothing to do with the City's water supply. He said the per capita use of water in the City is one of the lowest of any municipality in the State.

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Noah Smukler stated water is a vital resource to community health and viability and this resource should always be kept in mind because with the constant change in resource availability, expense and the possibility of a natural disaster within California. He said there is always room for improvement and requested the City Council maintain water as a source of consideration.

Roger Ewing expressed his support in the continuing consideration of the City's water supply and conservation. He said water is a finite resource and we are not guaranteed any amount of water delivered to the City. Mr. Ewing urged the City Council to continue encouraging conservation.

Vice-Mayor Grantham closed the public comment hearing.

Councilmember DeMeritt referred to a certified study on drinking water in the United States that showed that every municipality had signs of antibiotics and drugs that is being ingested by the public. She said the City relies on wells that are contaminated with nitrates, the desalination plant is expensive to run, and State Water is not reliable. Councilmember DeMeritt suggested Council declare a low water condition and send a mailer with the water bills educating the public on the importance of conserving water.

Councilmember Peirce stated the water shortage the City faces is when the water level drops in the aquifers from over pumping. He said the infiltration in the sewer pipes shows that water levels are up to near maximum. Councilmember Peirce stated past conservation guidelines were enforced by a staff member that he feels the City is not ready to pursue.

Councilmember Winholtz stated she brought this item forward in order to be proactive in the statewide campaign of water conservation awareness. She said there is concern with the quality of the City's water as much as the quantity. Councilmember Winholtz stated perhaps an educational program on water conservation would be a more proactive approach.

Councilmember Grantham stated there are already informal conservation guidelines being pursued by businesses in the City. He said reports are showing that pharmaceuticals are difficult to remove from water sources, which shows trace amounts in drinking water and what are the affects of ingesting this water in the long run. Councilmember Grantham stated his concern is water quality versus water quantity at this time.

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MOTION: Councilmember DeMeritt moved the City Council direct staff to add to the next water bill, if feasible, a statement that the City has received 20% less rainfall than average and water conservation is still important; and continue to place this message and rain totals on water bills until the next rain season. The motion was seconded by Councilmember Winholtz and carried unanimously. (4-0)

B-2 RESOLUTION NO. 14-08: INTENTION TO APPROVE AMENDMENT TO THE PERS CONTRACT (4TH LEVEL SURVIVOR BENEFIT FOR LOCAL POLICE MEMBERS); AND ORDINANCE NO. 537 AUTHORIZING AMENDMENT - FIRST READING AND INTRODUCTION; (ADMINISTRATION)

Interim City Manager Andrea Lueker stated Resolution No. 14-08 and Ordinance No. 537 is to enact the benefit provided in Section 13.6.3 of the Memorandum of Understanding (MOU) between the City of Morro Bay and the Morro Bay Peace Officers Association. The MOU was adopted by the City Council on November 13, 2007 by Resolution No. 59-07. This benefit provides certain survivors of a member who dies prior to retirement a monthly payment. This benefit would go into effect May 31, 2008. Ms. Lueker recommended the City Council adopt Resolution No. 14-08, which is a Resolution of Intention to amend the PERS contract in regard to the 4th Level Survivor Benefit for PERS Police members, and approve the first reading and introduction of Ordinance No. 537 authorizing this amendment.

Vice-Mayor Grantham opened the hearing for public comment; there being no comment, Vice-Mayor Grantham closed the public comment hearing.

MOTION: Vice-Mayor Grantham moved the City Council adopt Resolution No. 14-08, which is a Resolution of Intention to amend the PERS contract in regard to the 4th Level Survivor Benefit for PERS Police members, and approve the first reading and introduction of Ordinance No. 537 by number and title only authorizing this amendment. The motion was seconded by Councilmember Peirce and carried unanimously. (4-0)

Interim City Manager Andrea Lueker read Ordinance No. 537 by number and title only.

C. UNFINISHED BUSINESS – None.

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D. NEW BUSINESS

D-1 RESOLUTION NO. 12-08 AUTHORIZING PROPOSED PROJECTS FOR PROPOSITION 1B FUNDING; (FINANCE)

City Engineer Rob Livick stated Prop 1B is State money that is provided to cities to make safety improvements and repairs to local transportation facilities. California's 2007 budget appropriated Prop 1B funding for the 2007/08 fiscal year to counties and cities; the minimum funding per city is \$400,000, which is the amount that the City of Morro Bay is to receive. In order for the City to receive these funds, Council is required to approve their use, and staff must submit evidence of that approval to the California Department of Finance (DOF). Once the proof of approval is received, DOF will notify the State Controller's Office, who will then transmit the funds to the City. Per Prop 1B requirements, the 2007/08 allocations must be expended by June 11, 2011. The projects submitted for funding are Morro Bay Boulevard Overlay with ADA upgrades from Kern Avenue to Main Street; Morro Bay Boulevard Slurry seal from Main Street to Market Avenue; and, Main Street Overlay with ADA upgrades from Surf Street to Highway 1 southbound ramp. Mr. Livick recommended the City Council adopt Resolution No. 12-08 and add the capital improvement projects into the 2007/08 budget.

The City Council discussed the projects proposed by staff, and also projects they would prefer.

MOTION: Councilmember DeMeritt moved the City Council adopt Resolution No. 12-08 approving the proposed capital improvement projects to be funded with Proposition 1B funds with the amendment that the Main Street Overlay with ADA upgrades project is replaced with an overlay of Avalon Street from top to bottom, and use the remaining \$54,000 for projects recommended by staff for improvement of that section of Main Street. The motion was seconded by Councilmember Winholtz.

Councilmember Peirce stated Council should support the projects as proposed by staff.

VOTE: The motion failed for lack of a majority vote with Councilmember DeMeritt and Councilmember Winholtz voting yes, and Vice-Mayor Grantham and Councilmember Peirce voting no. (2-2)

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MOTION: Councilmember DeMeritt moved the City Council adopt Resolution No. 12-08 approving the proposed capital improvement projects to be funded with Proposition 1B funds with further direction to staff to maintain the overlay of Avalon Street on top of the priority list for funding next year. The motion was seconded by Councilmember Peirce.

Councilmember Winholtz stated she would support a motion that would approve the Morro Bay Boulevard Overlay with ADA upgrades from Kern Avenue to Main Street, and the Morro Bay Boulevard Slurry seal from Main Street to Market Avenue projects and continue the third project when Council has a fifth vote or negotiate the use of the remaining funds.

VOTE: The motion carried with Councilmember Winholtz voting no. (3-1)

D-2 DISCUSSION ON GOALS AND OBJECTIVES WORKSHOP SCHEDULED ON MARCH 31, 2008; (ADMINISTRATION)

Acting City Manager Andrea Lueker stated the City Council, Interim City Manager and City Attorney attended a leadership workshop in Santa Barbara in November with five other City Council's and various City staff members. One of the strongest recommendations from the workshop was the importance of goal and objective setting as well as strategic planning for Councils and City staff. Those determined goals and objectives then serve as the parameters for the upcoming year. Following the Santa Barbara Leadership Workshop, this item was brought up as a future agenda item and placed on the agenda planning guide to occur on a 5th Monday. Ms. Lueker recommended the City Council reschedule this workshop for late spring/early summer, which would allow the City Council to have the results from the Organizational Assessment; enter into the process with the newly appointed City Manager; and, have a general idea of the budget status for fiscal year 2008/2009.

MOTION: Councilmember DeMeritt moved the City Council schedule the Goals and Objectives Workshop on June 30, 2008. The motion was seconded by Councilmember Peirce and carried with Councilmember Winholtz voting no. (3-1)

MOTION: Councilmember DeMeritt moved the City Council direct staff to obtain a contract with Jan Perkins of Management Partners that consists of fewer tasks and lower cost.

City Attorney Robert Schultz recommended the City Council direct staff to obtain a few more Request for Proposals to conduct and facilitate the workshop as a cost comparison.

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Councilmember DeMeritt withdrew her motion.

MOTION: Councilmember Peirce moved the City Council direct staff to prepare a Request for Proposal and send it out to facilitators, and return with a proposal for Council consideration. The motion was seconded by Councilmember DeMeritt and carried unanimously. (4-0)

D-3 LETTER TO LOCAL STATE PARKS REGARDING UNMET NEEDS;
(COUNCIL)

Councilmember Winholtz stated at the February 25, 2008 meeting, the City Council considered the 2008 Unmet Needs as identified by the Morro Bay Citizens Bike Committee and submitted to the San Luis Obispo Council of Governments. Unanimously Council voted to send a letter to the Parks Superintendent for the City's sector encouraging paving Lower State Park Road and creating a bike trail along Lower State Park Road; both being recommended by the Bike Committee. Councilmember Winholtz presented a draft letter for Council consideration, and recommended approving or amend as necessary, and sending the letter to the local Parks Superintendent with a copy being sent to San Luis Obispo Council of Governments and the Coastal Conservancy.

Councilmember DeMeritt recommended the last paragraph include language that the Superintendent contacts the City Manager with regard to Council's suggestions.

MOTION: Councilmember Winholtz moved the City Council approve the letter with an amendment that the Superintendent contacts the City Manager with regard to Council's suggestions. The motion was seconded by Councilmember Peirce and carried unanimously. (4-0).

ADJOURNMENT

The meeting adjourned at 9:37 p.m.

Recorded by:

Bridgett Bauer
City Clerk