

AGENDA ITEM: A-1

DATE: April 18, 2013

ACTION: APPROVED

SYNOPSIS MINUTES - MORRO BAY PUBLIC WORKS ADVISORY BOARD
REGULAR MEETING – February 21, 2013
VETERAN’S HALL – 6:00 P.M.

Chairperson Makowetski called the meeting to order at 6:00 p.m.

PRESENT:	Matt Makowetski	Chairperson
	Ron Burkhart	Vice-Chairperson
	Marlys McPherson	Board Member
	Richard Rutherford	Board Member
	Stephen Shively	Board Member
STAFF:	Rob Livick	Public Services Director
	Rick Sauerwein	Capital Projects Manager

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE / PLEDGE OF ALLEGIANCE

ANNOUNCEMENTS/PRESENTATIONS – None

CONSENT CALENDAR

A-1 Approval of Minutes from January 14, 2013 - Recommendation: Approve minutes.

MOTION: Boardmember Burkhart moved to approve the January 14, 2013 minutes. The motion was seconded by Boardmember Rutherford and carried unanimously. (5-0).

A-2 Director’s Report/Information Items – Recommendation: Receive and file.

Boardmember Burkhart stated he would like the City to add a link on the City’s website specifically for street maintenance repair, as the current Let Us Know online format is unclear and difficult for the public to navigate.

Boardmember Rutherford asked about the status of the wastewater treatment plant upgrade project, specifically if the City has selected a new site for the facility. Livick stated the City is awaiting direction from the City Council and the Cayucos Sanitary District (CSD) Board of Directors. The City Council would like to make a decision soon and will be discussing the project at the next Joint Powers Agreement meeting which will be held on March 14, 2013. Livick noted the City Council members will be discussing letters to state and federal legislators at the upcoming City Council meeting so that when the City requests supplemental funding, the legislators will be aware of the project.

Boardmember Shively asked staff if the proposed site off of Highway 41 was examined in the original Environmental Impact Report. Livick stated it was not. He outlined the steps necessary to move forward with the upgrade project:

1. Investigate potential sites in the Morro Bay/Cayucos vicinity. There are currently 17 potential sites for the wastewater treatment plant;
2. Set goals and discuss the criteria for selecting a site, and given that criteria, select 2-3 sites for further investigation;
3. Select a preferred alternative site and go through facilities planning and environmental review for that site; and
4. Develop a preliminary design and determine a method for construction.

Boardmember Shively asked staff about the feasibility of completing the project in five years if a new site is chosen. Livick stated it is a City Council goal to complete the project as quickly as possible, and five years is the initial direction given to complete the project. Livick noted, however, the Regional Board historically does not fine if good progress is being made toward the project's end. Shively and Livick discussed the boundaries of the coastal zone and how it would apply to the Highway 41 site.

Boardmember McPherson asked staff if the site analysis conducted by the City is complete. Livick stated the new filters established by the City Council and the CSD will reveal new potential sites for the facility. Livick stated the City will need a consultant before entering into the analysis phase, and at this point the City does not have that direction.

Chairperson Makowetski and Livick discussed the possibility of establishing a subcommittee which would allow the public to discuss their ideas and concerns about the project. To streamline the process, Livick instead suggested the public attend the Public Works Advisory Board (PWAB) meetings to discuss such issues.

Chairperson Makowetski asked for clarification regarding the cause of the increased water production in December. Livick stated it was due to the state water shutdown. Livick discussed the status of the desalination plant upgrade. He stated the next step is to submit an application to the Coastal Commission addressing the facility's effects on marine life, its energy efficiency, and a complete look at the water portfolio showing how the City is meeting Local Coastal Plan goals with regard to water supply.

Boardmember Shively asked for clarification regarding whether it costs more to produce water from the desalination plant than from the state water supply. Livick confirmed the City currently maximizes its use of state water because it is less energy intensive and costs less than producing our own. Livick explained the City's water sources vary depending on the City's demand.

Boardmember McPherson asked staff how water rates will be affected later this year. Livick stated they will increase because the City is not meeting its required debt ratio. The City will conduct a rate analysis and carry out a Proposition 218 vote to impose new rates.

Chairperson Makowetski asked how funds have been spent from the last Proposition 218 vote. Livick stated some money has been banked and some has been used for collection system projects. Makowetski asked if there are other projects in the pipeline that would utilize these funds. Livick stated there are always yearly maintenance projects that need to be completed. Livick stated he will discuss the budget for these projects at the next meeting.

Chairperson Makowetski asked for clarification about the need to acquire permits for the Chorro Valley wells. Livick stated the City needs permits to install stream gauges. Additionally, based upon City Council direction, the City is working with property owners outside city limits and converting them to private wells so they are no longer connected to the City's water system.

Boardmember Shively and Livick discussed flow rate requirements for Chorro Creek.

Regarding the trolley season summary, Livick stated he was available to answer questions about the staff report.

OLD BUSINESS

B-1 Review of Streets Summit Recommendations and Memo to City Council – Recommendation: Review and approve memo to City Council.

Chairperson Makowetski opened public comment period.

Jim Polly, resident of Morro Bay, spoke against the proposal for an assessment district in north Morro Bay to pay for street repair and maintenance. He stated these matters should be paid for by the whole city.

Boardmember Shively clarified his proposal for an assessment district. When discussing potential new revenue sources at the last PWAB meeting, Shively noted it might be difficult to pass a citywide tax, as it requires a two-thirds majority, so he suggested an assessment district as an alternative means of revenue generation.

Polly suggested using existing funds generated from the gas tax, general property tax, or general fund to repair City streets instead of raising taxes to do so.

Boardmember Shively asked for clarification regarding the intent of the agenda item. Livick stated the intent discussed at the last PWAB meeting was to more equitably spread the funding between north and south Morro Bay.

Livick stated the City is currently inspecting the streets in north Morro Bay. The triple layer cape seal technique used in that area was a success, so the City will be modifying the Pavement Management Plan (PMP) and presenting it to the City Council after the inspection is complete.

Boardmember Shively discussed the feasibility of collecting developer fees to help upgrade the adjacent street. Livick confirmed Shively's recommendation for the record. Shively would like to collect fees from residential development and let the developers choose to either provide street improvements or pay an in lieu fee that would be used in same manner.

Boardmember McPherson asked staff about the feasibility of reallocating funds to the streets account. Livick stated there are no surplus funds available to do so at this time.

Boardmember Burkhart discussed the ineffectiveness of collecting developer fees from small-scale residential development as it would take a long time to establish a fund.

Boardmember Burkhart asked staff to clarify in the memo his previous comment regarding setting aside a fixed amount of money for street repair, as opposed to street maintenance.

Chairperson Makowetski and Livick discussed the goals outlined in the PMP and Makowetski suggested amending the goals to better reflect new funding programs in the future. Makowetski and Livick discussed the possibility of establishing a streets accumulation fund dedicated for matching of grant money and other outside funding sources. This verbiage is to be added to the memo.

Boardmember Burkhart stated he would like a line item added to the memo specifically for street repairs.

Livick discussed the City's funding sources and how they pertain to streets in north Morro Bay. He stated additional funds are necessary to meet the need in north Morro Bay.

Boardmembers and staff discussed how developer fees would be mandated if chosen as the preferable option to raise revenue for street repair in Morro Bay. Boardmember Shively noted the establishment of an assessment district would not be an ideal solution but it is realistic.

Boardmember McPherson asked staff if there is a minimum standard over which the City would be required to repair a street. Livick stated there is no minimum. He stated the City maintains a list of pavement conditions of all streets based on a physical inspection. McPherson and Livick discussed the necessity to keep streets in a safe condition, as the streets are not only for the vehicle but also for the pedestrian.

Chairperson Makowetski asked that verbiage be added to the memo regarding matching funds as they accumulate so that when grants become available, the City will be able to apply for them. Livick clarified how Makowetski's and the other Boardmembers' comments would be incorporated into the revised memo. Boardmember Burkhart clarified he would like a line item added regarding capital improvement projects, and not road maintenance.

Chairperson Makowetski closed public comment period.

MOTION: Boardmember Shively moved staff to make the corrections to the memo and submit it to Chairperson Makowetski who will authorize additional corrections and sign the corrected memo on the Board's behalf. The motion was seconded by Boardmember McPherson and carried unanimously. (5-0).

PUBLIC COMMENT PERIOD – None

NEW BUSINESS – None

FUTURE AGENDA ITEMS

Boardmember McPherson confirmed the wastewater treatment plant upgrade project will be discussed at the next PWAB meeting.

Boardmember Shively asked if the issue of increased water rates will be discussed at the next meeting. Livick stated staff is waiting for direction from the City Council regarding how to proceed on this issue.

Livick stated the Forestry Management Plan is almost complete and will be presented to the Board at the April PWAB meeting after it is reviewed by the volunteer citizens tree committee.

ADJOURNMENT

The meeting adjourned at 7:06 p.m. to the next scheduled meeting to be held at the Veteran's Memorial Hall on Thursday, April 18, 2013, at 6:00 p.m.