

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – SEPTEMBER 8, 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	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 DeMeritt and unanimously carried. (5-0)

Mayor Peters 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 3 parcels.

- Property: 625 Harbor Street; Library.
Negotiating Parties: SLO County and City of Morro Bay.
Negotiations: Lease Terms and Conditions.
- Property: 35W and 36W adjacent to 235 Main Street
Negotiating Parties: Martony, Pekarek and City of Morro Bay.
Negotiations: Lease Terms and Conditions.
- Property: Morro Bay RV Dunes.
Negotiating Parties: Doug Claassen and City of Morro Bay.
Negotiations: Lease Terms and Conditions.

**CS-2 GOVERNMENT CODE SECTION 54956.9(A); CONFERENCE WITH
LEGAL COUNSEL REGARDING PENDING LITIGATION.**

- LINKER vs. CITY OF MORRO BAY
- MORRO BAY vs. MARTONY and PEKAREK

The meeting adjourned to Closed Session at 5:00 p.m. and returned to regular session at 5:55 p.m.

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

The meeting adjourned at 5:55 p.m.

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VETERANS MEMORIAL HALL - 6:00 P.M.

Mayor Peters called the meeting to order at 6:00 p.m.

PRESENT:	Janice Peters	Mayor
	Melody DeMeritt	Councilmember
	Rick Grantham	Councilmember
	William Peirce	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Bridgett Bauer	City Clerk
	Bruce Ambo	Public Services Director
	John DeRohan	Police Chief
	Sue Lichtenbaum	Business Coordinator
	Mike Pond	Fire Chief
	Mike Prater	Planning Manager
	Susan Slayton	Finance Director
	Dylan Wade	Utilities/Capital Project Manager
	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

Rachel Ayotte, Morro Bay High School student, gave an update on what is happening at the high school.

Peter Candela reviewed statistics of the Chamber of Commerce, and announced upcoming events.

Rosalie Valvo announced the Morro Coast Audubon Society became the owner of eight additional acres of land to add to the Los Osos Sweet Springs Natural Preserve. She stated a celebration would be held on September 21st, and a donation of time and/or money would be appreciated.

Keith Taylor stated donations for the brick program for Phase I of the Fire Station is due September 15th.

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Ken Vesterfelt stated tickets are being sold for a raffle that will benefit the Rotary Club and Friends of the Police and Fire Departments, and prizes will be issued at the Harbor Festival. He reviewed that status on the job located at 600 Morro Bay Boulevard.

Rick Gilligan announced an informational meeting would be held to learn more about the proposed community competition-sized and therapy pool on September 10th at the Morro Bay High School.

Lynda Merrill expressed support for Item C-1 (Further Discussion of Responsible Party on Utility Accounts and Water Deposit). She expressed concern with the financial state of the City and urged the City to continue cutting back on City spending. Ms. Merrill addressed Item D-1 (Consideration of Channel Streaming and Purchase of Replacement Equipment for Local Government Channel Insertion Point) stating this would be advantageous for those who do not have cable television. She addressed Item D-3 (Consideration of a Date for a Joint City Council and Community Promotions Committee Meeting) and requested Council considers scheduling an evening meeting.

Patti Dunton expressed concern with the grading of a lot in Morro Bay that is a Native American burial site. She addressed Morro Bay Municipal Code 17.48.310(d) and sections of the General Plan regarding historical resources.

Roger Ewing addressed Item D-1 and encouraged Council considers streaming meetings in order to keep those with satellite dishes informed.

Joey Racano stated precedence was set at the Central Coast Regional Water Quality Control Board meeting when the California Men's Colony was found in violation of the Marine Life Protection Act. He also addressed the placement of the marina and dredge by the State Marine Reserve, which is a violation of the Coastal Act.

Noah Smukler addressed the implementation of programs promoting water conservation. He also expressed support for video streaming government meetings.

Mayor Peters closed the hearing for public comment.

Mayor Peters called for a break at 6:50 p.m.; the meeting resumed at 7:00 p.m.

DECLARATION OF FUTURE AGENDA ITEMS – None.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

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REGULAR MEETING – SEPTEMBER 8, 2008

A-1 APPROVAL OF MINUTES FOR THE SPECIAL MEETING OF AUGUST 4, 2008, AND THE REGULAR CITY COUNCIL MEETINGS OF AUGUST 11, 2008 AND AUGUST 25, 2008; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 RESOLUTION NO. 55-08 APPROVING A LANDLORD'S ESTOPPEL CERTIFICATE ON LEASE SITE 53-56/53W-56W; ESTERO LANDING LOCATED AT 501 EMBARCADERO; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 55-08.

A-3 PROCLAMATION DECLARING SEA OTTER AWARENESS WEEK; (ADMINISTRATION)

RECOMMENDATION: Adopt Proclamation.

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

MOTION: Mayor Peters moved the City Council approve Items A-2 and A-3 of the Consent Calendar. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

A-1 APPROVAL OF MINUTES FOR THE SPECIAL MEETING OF AUGUST 4, 2008, AND THE REGULAR CITY COUNCIL MEETINGS OF AUGUST 11, 2008 AND AUGUST 25, 2008; (ADMINISTRATION)

Councilmember Winholtz requested the following amendment to the minutes of August 11, 2008, page 8:

“...She said it is important to note that Sprint has had a difficult time locating a tower in the City because it is not a desirable use in the locations that are ~~appropriate~~ **proposed.**”

Mayor Peters requested the following amendment to the minutes of August 11, 2008, page 8:

“...She said the City has no ~~evidence~~ **ordinance** over the placement of cell phone towers in residential areas at this time; ...”

Councilmember Winholtz requested the following amendment to the minutes of August 25, 2008, page 3:

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“Mayor Peters requested to agendaize the reconsideration of the Palm Avenue right-of-way walkway; ~~Councilmember DeMeritt and Councilmember Winholtz~~ **Councilmember Grantham and Councilmember Peirce** concurred.”

MOTION: Mayor Peters moved the City Council approve the minutes of August 11, 2008 as amended. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

MOTION: Mayor Peters moved the City Council approve the minutes of August 4, 2008. The motion was seconded by Councilmember Grantham and carried with Councilmember Winholtz abstaining. (4-0-1)

MOTION: Councilmember Winholtz moved the City Council approve the minutes of August 25, 2008 as amended. The motion was seconded by Councilmember Peirce and carried unanimously. (5-0)

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 ZONING ORDINANCE AMENDMENT FOR NEIGHBORHOOD COMPATIBILITY STANDARDS; (PUBLIC SERVICES)

Planning Manager Mike Prater stated a series of public meetings were conducted to solicit and engage community input dealing with neighborhood standards and the growing concern of “mansionsization.” After careful consideration of the physical lot sizes, characteristics of the community, planning policy and ordinance framework, and the substantial amount of information available on the topic the Planning Commission recommends to the City Council that threshold(s) be developed to heighten the review process and elevate projects to the Planning Commission review level. This recommendation is similar to the current interim ordinance that elevates single-family residences greater than 2,500 square feet obtain a Conditional Use Permit. Mr. Prater recommended the City Council accept the Planning Commission recommendation, which would provide staff and the Commission direction to begin developing threshold(s) or work towards another approach.

Mayor Peters opened the hearing for public comment.

The following people expressed support for implementing a floor-to-area ratio: Roger Ewing, Dorothy Cutter, Amenity Perry, Jim Nance, and Sue Perry.

Bill Luffee stated he is confused with what the City is proposing with the proposed threshold concept.

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Chris Saderas stated the floor-to-area ratio should be limited to the architectural design rather than volume.

Verna Parrish stated the proposed threshold program is vague. She requested a more definitive value to the small town atmosphere, and where to invest for profit in the community. Ms. Parrish requested the proposed thresholds provide a style that would provide light on second story setbacks.

Noah Smukler stated Council should move towards a process that communicates neighborhood compatibility, and develops incentives that promote future vision.

Lynda Merrill stated staff is seeking direction on developing thresholds and expressing what expectations are desired.

John Barta stated the proposed floor-to-area ratio is going to turn legal homes into illegal non-conforming homes. He said the Planning Commission is requesting Council to set standards for the community.

Mayor Peters closed the public comment hearing.

Councilmember Winholtz suggested three options for floor-to-area ratio: 1) 1.0 floor-to-area ratio less normal setbacks such as Los Angeles; 2) 3-tier graduated plus menus such as Burbank; or 3) multi-tiers plus menu such as Santa Cruz. She said she is ready to move forward with this program.

Councilmember Peirce stated Council should request the Planning Commission to come back with a set of standards that works for the community.

Councilmember Grantham stated floor-to-area ratio could not address all neighborhoods. He said the Planning Commission is capable of providing thresholds for Council's consideration.

Councilmember DeMeritt stated this issue started with the consideration of view shed. She said the City needs to set standards to protect property values. Councilmember DeMeritt stated floor-to-area ratio is needed for single-family homes to provide bulk, size and scale on the various lot sizes that would allow neighborhood compatibility and flexibility in building.

Mayor Peters stated what is needed is a combination of floor-to-area ratio and articulation that would create an attractive neighborhood. She said she would like staff to return with the combination of tools and thresholds that would be appropriate for each neighborhood.

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MOTION: Councilmember Grantham moved the City Council direct staff and Planning Commission to develop building thresholds and expectations regarding lot size to building size. The motion was seconded by Councilmember Peirce.

Councilmember DeMeritt stated she would not support the motion because staff needs clearer direction in order to proceed.

VOTE: The motion failed with Councilmember DeMeritt, Councilmember Winholtz and Mayor Peters voting no. (2-3)

MOTION: Councilmember Winholtz moved the City Council direct the Planning Commission with the assistance of Planning Staff to return with a multi-tier floor-to-area ratio and menu similar to Santa Cruz and other cities, and return to Council by January 2009. The motion was seconded by Councilmember DeMeritt and carried with Councilmember Grantham and Councilmember Peirce voting no. (3-2)

Mayor Peters called for a break at 8:36 p.m.; the meeting resumed at 8:42 p.m.

C. UNFINISHED BUSINESS

C-1 FURTHER DISCUSSION OF RESPONSIBLE PARTY ON UTILITY ACCOUNTS AND WATER DEPOSIT; (FINANCE)

Finance Director Susan Slayton stated at the July 14, 2008 City Council meeting, an item was presented to Council amending the Master Fee Schedule; one amendment was the establishment of a Water Utility Deposit, and require the deposit to be paid with new tenant signups. On August 11, 2008, Council voted against a tenant utility deposit and for requiring utility accounts to be carried in the property owner's name. Staff has concerns with this requirement primarily due to water conservation. Ms. Slayton recommended the City Council reconsider this motion, and direct staff accordingly.

Councilmember Winholtz stated tenants are as cautious as landlords when it comes to water conservation. She said it would be a better guarantee that the bill would be paid if the account were in the name of the landlord.

Councilmember Peirce stated it would be difficult for landlords to know how much to raise rents based on water usage. He said he supports staff's recommendation to place the accounts in the name of the tenant.

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Councilmember Grantham stated he also supports staff's recommendation to place the accounts in the name of the tenant.

Councilmember DeMeritt stated it should be between the landlord and tenant on who would be responsible for the water bill.

Mayor Peters stated whoever receives the water bill should pay the deposit.

MOTION: Councilmember Peirce moved the City Council rescind Resolution No. 49-08 and replace with an Ordinance that would return the responsibility of the \$100 water deposit to whoever applies for the water bill, and those who have their water turned off for non-payment would be required to pay a \$100 deposit. The motion was seconded by Councilmember Winholtz and carried unanimously. (5-0)

D. NEW BUSINESS

D-1 CONSIDERATION OF CHANNEL STREAMING AND PURCHASE OF REPLACEMENT EQUIPMENT FOR LOCAL GOVERNMENT CHANNEL INSERTION POINT; (ADMINISTRATION)

Management Analyst Janeen Burlingame stated at the June 8, 2008 meeting, Council approved a month-to-month extension of the Video Production Services and Local Government Channel Insertion Point Management Agreement with AGP Video. In addition, Council directed staff to return at the September 22nd meeting with an update on negotiations of a new agreement after information was received from AGP Video regarding upgrading the channel insertion point, camera system automation and web streaming of Council meetings. Should the Council authorize streaming Channel 20, AGP Video has agreed to begin streaming the channel as a pilot project once the new twin computer system has been installed at no additional charge to the City until such time a new agreement is negotiated and web streaming is added as part of the insertion point scope of work. Ms. Burlingame recommended the City Council: 1) approve the purchase of replacement equipment from AGP Video for a twin computer system for channel operations/community calendar; and 2) provide direction to staff as to whether or not to authorize AGP Video to begin streaming Channel 20 as described in the staff report and memorandum.

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MOTION: Councilmember Winholtz moved City Council: 1) approve the purchase of replacement equipment from AGP Video for a twin computer system for channel operations/community calendar; and 2) provide direction to staff as to whether or not to authorize AGP Video to begin streaming Channel 20 as described in the staff report and memorandum. The motion was seconded by Councilmember Peirce and carried unanimously. (5-0)

D-2 DISCUSSION ON COUNCIL MEMBER REPORTS FROM OTHER COUNTY
AND AGENCY MEETINGS; (COUNCIL)

Councilmember Winholtz stated currently, Council Members use their discretion on what to report at Council meeting regarding their assignments as liaisons to government agencies, non-profits, and other recognized entities to which Members represent the City. All other cities in the County have a time designated toward the end of their meetings for reporting back to their respective Councils. Councilmember Winholtz recommended: 1) the City Council amend its agenda to include an item toward the end of the meeting where members will report on their work as City liaisons with government agencies, non-profits, and other recognized entities that each Council Member attends as a representative; and 2) amend the City Council Guidelines/By Laws to reflect the intent that Members will report to the Council as a whole each month.

MOTION: Councilmember Winholtz moved the City Council direct staff to amend the agenda to read “Mayor and Council Members Announcements and Reports” and remove the word “Presentations”. The motion was seconded by Councilmember Peirce and carried unanimously. (5-0)

Councilmember Winholtz suggested moving Future Agenda Items to the end of the agenda.

D-3 CONSIDERATION OF A DATE FOR A JOINT CITY COUNCIL AND
COMMUNITY PROMOTIONS COMMITTEE MEETING; (ADMINISTRATION)

City Manager Andrea Lueker stated during the review of the report from Management Partners, *Assessment of City Organization and Financial Options* held on August 13, 2008, the City Council consensus was to schedule a joint meeting with the Community Promotions Committee. Ms. Lueker recommended the City Council choose a date to schedule a joint meeting with the Committee.

Council directed staff to discuss the scheduling of a joint meeting with the Community Promotions Committee to be held before a Council meeting.

No further action was taken on this item.

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ADJOURNMENT

The meeting adjourned at 9:25 p.m.

Recorded by:

Bridgett Bauer
City Clerk