

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – NOVEMBER 10, 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 Grantham 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 employees groups and giving instructions to the Designated Representative.

CS-2 GOVERNMENT CODE SECTION 54957; PERSONNEL ISSUES. Discussions regarding Personnel Issues including two (2) public employees regarding evaluation, specifically the City Attorney and 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 DeMeritt moved the meeting be adjourned. The motion was seconded by Councilmember Peirce and unanimously carried. (5-0)

The meeting adjourned at 6:00 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
	Rick Algert	Harbor Director
	Bruce Ambo	Public Services Director
	Rob Livick	City Engineer
	Tim Olivas	Police Commander
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Dylan Wade	Utilities/Capital Projects Manager
	Joe Woods	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 Open House and ribbon cutting ceremony for Phase I of the Morro Bay Fire Department improvements would be held at the new engine bay on November 15, 2008. He said that brick donations for Phase II of the Fire Department improvements would soon be accepted.

Bill Black announced the 11th annual Thanksgiving Dinner would be held on November 27, 2008. He listed the local businesses who are sponsoring this dinner, and noted rides would be made available by Dial-a-Ride.

Rick Carr, representing the Chamber of Commerce, reviewed the monthly statistics for the Visitor Center, and noted upcoming events.

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Rick Gilligan, Treasurer for the Morro Bay Community Pool Foundation Board of Directors, addressed Item D-1 (Consideration of the Adoption of Resolution Supporting the Morro Bay Community Pool Foundation) and stated fundraising is under way to raise money for a feasibility study and needs assessment for a Community Aquatic Center on the North Coast.

Karen Crowley expressed support for a community pool that would provide the need for recreational and competitive swimming.

Lynda Merrill expressed support for Item A-2 (Resolution Approving a Sublease Agreement for the Floating Dock on Lease Site 86/86W), Item A-4 (Consideration to Approve Park-In-Lieu Funds to Enhance Centennial Parkway and Public Restrooms), and Item D-1. She emphasized all should see the replica ship Nina while it is docked in the Morro Bay harbor. Ms. Merrill stated more tourists should come to visit Morro Bay with the lower gas prices.

Noah Smukler thanked those who supported his campaign and election as City Council Member. He said through his campaign he found those with expertise and local knowledge that will be the foundation for the City's future while we transition through these economic difficult times. Mr. Smukler addressed Item C-1 stating the City is getting ahead of itself and local groups would better serve the community with discussions on the City's economics.

Camille Pollack announced there would be an environmental symposium at the Botanical Gardens across from Cuesta College on December 6, 2008.

Daniel Crazack addressed Item C-1 stating local talent should be considered instead of out-sourcing retail development strategies for the City.

John Barta thanked Councilmember DeMeritt and Councilmember Peirce for a job well done. He said currently Morro Bay had the highest voter result in the County. Mr. Barta referred to Item C-1 stating the proposed funds would be better served elsewhere.

Mayor Peters closed the hearing for public comment.

Mayor Peters called for a break at 7:10 p.m.; the meeting resumed at 7:20 p.m.

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DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Winholtz requested to agendize a discussion and recommendations for the Operating Agreement between San Luis Obispo County and California State Parks; 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 REGULAR CITY COUNCIL MEETING OF OCTOBER 27, 2008; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 RESOLUTION NO. 75-08 APPROVING A SUBLEASE AGREEMENT BETWEEN 801 EMBARCADERO LLC AND MICHELE LEARY AND ZOE ANDRES, DBA, CENTRAL COAST SPORTFISHING FOR THE FLOATING DOCK ON LEASE SITE 86/86W LOCATED AT 801 EMBARCADERO; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 75-08.

A-3 RESOLUTION NO. 74-08 AUTHORIZING SUBMISSION OF RURAL TRANSIT FUND GRANT APPLICATIONS; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 74-08.

A-4 CONSIDERATION TO APPROVE PARK-IN-LIEU FUNDS TO ENHANCE CENTENNIAL PARKWAY AND PUBLIC RESTROOMS; (RECREATION & PARKS)

RECOMMENDATION: Approve the use of up to \$15,000 of Park-in-Lieu funds for the enhancement of Centennial Parkway and public restrooms.

A-5 RESOLUTION ADOPTING THE MEMORANDUM OF UNDERSTANDING WITH THE MORRO BAY POLICE OFFICERS ASSOCIATION AND RELATED COMPENSATION; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 71-08.

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A-6 RESOLUTION NO. 72-08 ADOPTING MEMORANDUM OF UNDERSTANDING WITH THE MISCELLANEOUS EMPLOYEES AND RELATED COMPENSATION; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 72-08.

A-7 RESOLUTION NO. 73-08 ADOPTING MEMORANDUM OF UNDERSTANDING WITH THE CONFIDENTIAL EMPLOYEES AND RELATED COMPENSATION; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 73-08.

A-8 RESOLUTION NO. 78-08 AMENDING SALARIES AND BENEFITS OF THE MANAGEMENT EMPLOYEES; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 78-08.

A-9 CONTINUATION OF EMERGENCY PER PUBLIC CONTRACT CODE SECTION 22050 FOR THE INSTALLATION OF DESALINATION PLANT ENERGY RECOVERY EQUIPMENT; (PUBLIC SERVICES)

RECOMMENDATION: Determine the necessity to continue the emergency per Public Contract Code 22050 for the installation of desalination plant energy recovery equipment.

Councilmember Winholtz pulled Items A-1, A-3 and A-4 from the Consent Calendar.

MOTION: Councilmember Grantham moved the City Council approve the Consent Calendar with the exception of Items A-1, A-3 and A-4. The motion was seconded by Councilmember Peirce and carried unanimously. (5-0)

A-1 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETING OF OCTOBER 27, 2008; (ADMINISTRATION)

Councilmember Winholtz requested the following amendments to the City Council meeting of October 27, 2008:

Page 8 (Item D-2: Consideration Of Financial Assistance From The Affordable Housing In-Lieu Fund For A 15-Unit Work Force Housing Project At The Sea Shell Retirement Home Located At 1405 Teresa Drive):

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Councilmember Winholtz stated she is supportive of low-income housing projects; however, she would like an exchange for the requested housing in-lieu funding for an additional affordable unit **or change all three restricted units from moderate to low income.**

Page 10 (Item D-6: Discussion Regarding Amending Council Policies & Procedures Related To The Appointment Of Vice-Mayor, The Appointment Of Council Members To Discretionary Boards, The Order Of Business On The City Council Agenda, And The Use Of City Letterhead):

The City Council discussed the following amendments to the City Council Policies and Procedures:

- Maintain Moment of Silence;
- Remove “Thought of the Day”;
- Add Department Head Reports;
- **Add Mayor and Council Member’s Reports, Announcements and Presentations;**
- Appointment of Vice-Mayor shall be rotated on an annual basis; when a new Council is seated, the Vice-Mayor seat will go to the Council Member with the most seniority that has not been Vice-Mayor within the last two years;
- County discretionary board appointments shall be appointed by majority vote of the Council.

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. (5-0)

A-3 RESOLUTION NO. 74-08 AUTHORIZING SUBMISSION OF RURAL TRANSIT FUND GRANT APPLICATIONS; (PUBLIC SERVICES)

Councilmember Winholtz requested staff clarification on requested funding.

Management Analyst Janeen Burlingame responded the City is requesting approval to submit three grant applications from the Rural Transit Grant Program; one for Dial-a-Ride, one for the trolley, and one for a trolley route kiosk at the trolley stops.

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

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A-4 CONSIDERATION TO APPROVE PARK-IN-LIEU FUNDS TO ENHANCE
CENTENNIAL PARKWAY AND PUBLIC RESTROOMS; (RECREATION &
PARKS)

Councilmember Winholtz stated she supports the improvements to the proposed restrooms; however, expressed concern with the use of park in-lieu funds for the public restroom rehabilitation by the Harbor Department and North T-Pier, and noted Harbor Funds should be used for this project.

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

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 PRESENTATION FROM THE AMERICAN RED CROSS ON DISASTER
PREPAREDNESS

This item was pulled from the agenda.

C. UNFINISHED BUSINESS

C-1 FUNDING OPTIONS FOR THE BUXTON COMPANY ON RETAIL
MARKETING STRATEGIES FOR MORRO BAY; (PUBLIC SERVICES)

Public Services Director Bruce Ambo stated on October 27, 2008 the City Council received a presentation from the Buxton Company and directed staff to research financing options for a Retail Economic Development Strategy for Morro Bay. The Harbor Fund has been found as a potential source of funding approximately 1/3 of the cost of the study, and the General Fund covering the balance for the remainder of this budget year and next budget year. Mr. Ambo recommended the City Council authorize the City Manager to execute a contract with the Buxton Company and initiate the retail-marketing program for the City.

Councilmember Peirce stated in conversation with the City's Finance Director, she expressed support for this project because of the potential rewards received by the City. He said he would support locating a chain-business in Morro Bay that would serve surrounding communities.

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Councilmember Grantham stated the City's Finance Director assured him that one additional business would more than pay for the City's investment. He said he would like to assign the City Manager to manage this program. Councilmember Grantham stated the City should welcome business, growth and financial vigor to this community.

Councilmember DeMeritt stated the City does need more retail and industrial business. She expressed concern with the proposed timetable, and encouraged the City Council wait to consider this program until the mid-year budget review. Councilmember DeMeritt stated a recession is not the time to attract business or bring in competition.

Councilmember Winholtz stated she agrees the conservative approach would be to wait until the mid-year budget review. She said she is opposed to the use of Harbor Funds for this program. Councilmember Winholtz stated she would like to receive references on the Buxton Company.

Mayor Peters stated she is concerned with the loss of character and vision by locating a business in an inappropriate area.

MOTION: Councilmember Winholtz moved the City Council continue this decision to the mid-year budget review, and remove Harbor funding from the proposal. The motion was seconded by Councilmember DeMeritt.

Mayor Peters stated she supports the continuation of this decision, but not the removal of Harbor funding.

Councilmember Winholtz stated the Harbor Fund is an inappropriate use of funds and only the General Fund should be considered.

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

MOTION: Councilmember DeMeritt moved the City Council postpone any decision on the contract with the Buxton Company at or after the mid-year budget review. The motion was seconded by Councilmember Winholtz and carried with Councilmember Grantham and Councilmember Peirce voting no. (3-2)

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C-2 APPROVAL OF RESOLUTION NO. 76-08 AMENDING THE COUNCIL POLICIES & PROCEDURES MANUAL REGARDING THE ORDER OF BUSINESS ON THE CITY COUNCIL AGENDA, APPOINTMENT OF VICE MAYOR, FILLING COUNCIL VACANCIES, AND THE APPOINTMENT OF COUNCIL MEMBERS TO DISCRETIONARY BOARDS; (CITY ATTORNEY)

City Attorney Robert Schultz stated at the October 27, 2008 City Council meeting the City Council requested amendments be made to the Council Policies and Procedures Manual regarding the order of business on the City Council agenda, appointment of Vice Mayor, filling Council vacancies and the appointment of Councilmembers to discretionary boards. Mr. Schultz recommended the City Council adopt Resolution No. 76-08 amending the Council Policies and Procedures Manual to incorporate the requested changes and to ensure compliance with the law.

The City Council concurred on amendments to the Council Policies and Procedures Manual with the exception of Section 6.1 (County or Regional Representation).

Mayor Peters requested the language be as originally written whereby the Mayor shall make appointments to discretionary boards.

MOTION: Councilmember DeMeritt moved the City Council maintain the proposed language in Resolution No. 76-08 as offered by the City Attorney because it is more thorough than the second proposed language in keeping majority view of the Council at discretionary board meetings and also providing for an alternate. The motion was seconded by Councilmember Winholtz and carried with Councilmember Peirce and Mayor Peters voting no. (3-2)

Councilmember Grantham clarified his vote was based on a different section than what Councilmember DeMeritt had moved on.

The City Attorney suggested the City Council reconsider the motion.

MOTION: Councilmember DeMeritt moved the City Council maintain the proposed language in Resolution No. 76-08 as offered by the City Attorney because it is more thorough than the second proposed language in keeping majority view of the Council at discretionary board meetings and also providing for an alternate. The motion was seconded by Councilmember Winholtz and failed with Councilmember Grantham, Councilmember Peirce and Mayor Peters voting no. (2-3)

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MOTION: Councilmember Peirce moved the City Council adopt Resolution No. 76-08 with the amendments as proposed by the City Council, with the exception of Section 6.1 (County or Regional Representation), which would remain as previously written in the City Council Policies and Procedures Manual. The motion was seconded by Mayor Peters

Councilmember Winholtz recommended an amendment to the third Whereas, “the City **Council** desires to amend certain sections.”

Councilmember Peirce and Mayor Peters accepted the amendment to the motion.

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

D. NEW BUSINESS

D-1 **CONSIDERATION OF THE ADOPTION OF RESOLUTION NO. 77-08 SUPPORTING THE MORRO BAY COMMUNITY POOL FOUNDATION AND THEIR GOAL OF PROVIDING AN AQUATIC CENTER IN CONJUNCTION WITH THE COUNTY OF SAN LUIS OBISPO, SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT AND CITY OF MORRO BAY; (RECREATION & PARKS)**

Recreation & Parks Director Joe Woods stated the City Council directed staff to work with San Luis Unified School District and San Luis Obispo County to form a collaborative effort to reinstate a public pool. Staff continues to work with these agencies to resolve the need for a local community pool. Additionally, a fourth party, the Morro Bay Community Pool Foundation has emerged with the desire of partnering with the three established agencies. The Morro Bay Community Pool Foundation is seeking the City’s support as they work to provide the community with a state of art aquatics facility. Mr. Woods recommended the City Council consider adopting Resolution No. 77-08 supporting the Morro Bay Community Pool Foundation and their goal of providing an Aquatic Center in conjunction with the County of San Luis Obispo, San Luis Coastal Unified School District and the City of Morro Bay.

Councilmember Winholtz requested the following amendment to the resolution: “WHEREAS, residents of Morro Bay now have ~~little~~ limited access to other public swimming pools; and”.

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MOTION: Councilmember Peirce moved the City Council adopt Resolution No. 77-08 in support of the Morro Bay Community Pool Foundation and their goal of providing an Aquatic Center in conjunction with the County of San Luis Obispo, San Luis Coastal Unified School District and the City of Morro Bay with the proposed amendment. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

D-2 PRESENTATION ON ADOPT-A-TREE PROGRAM AND DISCUSSION ON CITY TREES; (PUBLIC SERVICES)

Noah Smukler, member of the Public Works Advisory Board made a presentation on the Adopt-a-Tree Program as a part of the Urban Forest Management Plan. He said the Adopt-a-Tree Program would help create a program that would allow residents and community groups to adopt trees within the City and be the volunteer support network for the Public Services Department. Mr. Smukler noted there would be a tree planting ceremony at City Park on November 22, 2008 coordinated by the Planning Commission, Public Works Advisory Board, Recreation & Parks Department and Morro Bay Beautiful.

Bill Woodson, Treasurer for Morro Bay Beautiful stated the role of Morro Bay Beautiful is to make sure the trees are planted in the appropriate location and maintained to make sure they survive.

Consensus of the City Council was to reaffirm the efforts of the Planning Commission, Public Works Advisory Board, Recreation & Parks Department and Morro Bay Beautiful in developing the Adopt-a-Tree Program; and, requested staff return with a resolution in support of the Adopt-a-Tree Program.

ADJOURNMENT

The meeting adjourned at 8:51 p.m.

Recorded by:

Bridgett Bauer
City Clerk