



**MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING**

**February 27, 2024, 5:30 p.m.  
Veterans Memorial Hall, 209 Surf St., Morro Bay, CA**

Members Present: Mayor Carla Wixom  
Council Member Zara Landrum  
Council Member Laurel Barton  
Council Member Cyndee Edwards  
Council Member Jennifer Ford

Staff Present: City Manager Yvonne Kimball  
City Attorney Chris Neumeyer  
City Clerk Dana Swanson  
Interim Asst City Mgr/Admin Svcs Director Steve Conway  
Public Works Director Greg Kwolek  
Interim Comm Dev Director Michael Codron  
Police Chief Amy Watkins  
Fire Chief Dan McCrain  
Harbor Director Ted Schiafone  
Finance Manager Emily Conrad  
Senior Budget Analyst Melissa Green

---

**1. ESTABLISH QUORUM AND CALL TO ORDER**

Mayor Wixom called the meeting to order at 5:30 p.m., with all members present.

**2. MOMENT OF SILENCE**

**3. PLEDGE OF ALLEGIANCE**

**4. REPORTS**

**4.a Closed Session Report**

City Attorney Neumeyer announced no reportable action was taken in closed session.

**4.b Mayor and Councilmembers' Reports, Announcements and Presentations**

<https://youtu.be/P8v5mVI5g8M?si=11TXjMIDRUmLWY8u&t=93>

**4.c City Manager Reports, Announcements and Presentations**

None

5. **RECOGNITION AND PRESENTATIONS**

None

6. **PUBLIC COMMENT**

<https://youtu.be/P8v5mVI5q8M?si=RQdl-zfTJ1vZUUK1&t=972>

- Don Maruska, San Luis Obispo County resident and Morro Bay business owner, commented on the potential for offshore wind development and encouraged the community to focus on facts rather than fears when considering this opportunity.
- Linda Winters, Morro Bay, reminded residents to get out and vote on March 5th.
- Monique Davis, Morro Bay, offered suggestions for assisting those who are unhoused.
- Rachel Wilson, Cayucos, shared information gleaned from the Cal Poly Sea Grant Community Education Workshop.
- Steve Ray, Morro Bay, suggested the review period for the BESS Project EIR be increased from 60 to 90 days and noted the importance of protecting the estuary.
- Terry Simons, Morro Bay, reported the property owners along the Quintana ditch were trying to acquire property from Caltrans with a goal of extending the drainageway.
- Jeanne Marie Colby, Morro Bay, agreed with the previous speaker a 90-day review of the BESS Project EIR was necessary and that it must address potential estuary impacts.
- Jeff Heller, Morro Bay, shared his appreciation for the City's efforts to address issues around homelessness. Regarding Item 9.c., he supported staff recommendation to seek available funding.
- An unnamed resident offered comments.
- Betty Winholtz, Morro Bay, announced REACT Alliance will host a "Save Our Seas Stop Offshore Wind" event on Saturday, March 9th, beginning at 12 noon at the Veterans Hall; requested the Council agendize consideration of a letter opposing AT&T's efforts to no longer be required to provide landline telephone service; and reminded residents nesting season began February 1st.

*End of public comment.*

7. **CONSENT AGENDA**

<https://youtu.be/P8v5mVI5g8M?si=CRLzR6YY9I0A93si&t=2951>

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion. The public will also be provided an opportunity to comment on consent agenda items.

Mayor Wixom opened public comment for the Consent Agenda. Seeing none, public comment was closed.

**Motion by** Council Member Barton

**Seconded by** Council Member Landrum

Approve Consent Agenda Items 7.a through 7.b as submitted.

Ayes (5): Mayor Wixom, Council Member Landrum, Council Member Barton, Council Member Edwards, and Council Member Ford

**CARRIED (5 to 0)**

**7.a Approval of Minutes**

Approve as submitted.

- a. January 23, 2024 - Regular Council Meeting
- b. February 13, 2024 - Regular Council Meeting

**7.b Second Quarter Investment Report (period ending December 31, 2023) for Fiscal Year (FY) 2023-24**

Receive the attached Second Quarter Investment Report (period ending December 31, 2023) for Fiscal Year 2023-24.

**8. PUBLIC HEARING ITEMS**

**8.a Review and Adopt Final Funding Recommendations for the 2024 Community Development Block Grant (CDBG) Program**

<https://youtu.be/P8v5mVI5g8M?si=H6pRdKpsiOwXfU06&t=3009>

Interim Community Development Director Codron presented the report and responded to Council inquiries.

Mayor Wixom opened public comment for Item 8.a.

[https://youtu.be/P8v5mVI5g8M?si=5C\\_GIjW\\_tWzWVOeD&t=3389](https://youtu.be/P8v5mVI5g8M?si=5C_GIjW_tWzWVOeD&t=3389)

- Betty Winholtz, Morro Bay, suggested the City apply independently for CDBG funds at the end of the current 3-year cycle.

*End of public comment.*

The Council took a brief recess at 6:32 p.m. and reconvened at 6:39 p.m. with all members present.

**Motion by Council Member Edwards**  
**Seconded by Council Member Ford**

Adopt Resolution No. 15-24 approving final funding recommendations for the 2024 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other final funding requests from the Urban County Consortium. The funding recommendation is for the two applications received from 5 Cities Homeless Coalition and the City Public Works Department along with City program administration of \$3,586 for a total 2024 funding allocation of \$51,228. Additionally, staff recommends the City Council authorize the City Manager to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and the U.S. Department of Housing and Urban Development's (HUD's) final grant amount to the County.

Ayes (5): Mayor Wixom, Council Member Landrum, Council Member Barton, Council Member Edwards, and Council Member Ford

**CARRIED (5 to 0)**

**9. BUSINESS ITEMS**

**9.a Presentation and Discussion of the Fiscal Year (FY) 2022-23 Annual Comprehensive Financial Report**

<https://youtu.be/P8v5mV15q8M?si=h3A9-URta7G3PjsK&t=4125>

Interim Assistant City Manager/Admin Services Director Conway introduced Lindsey Zimmerman of Brown Armstrong Accountancy Corporation, who presented the report and responded to Council inquiries.

Mayor Wixom opened public comment for Item 9.a.

<https://youtu.be/P8v5mV15q8M?si=19uuDtWkf4Ilg2Ad&t=4761>

- Terry Simons, Morro Bay, requested clarification regarding auditing of transient occupancy tax revenues collected by HdL.

*End of public comment.*

Ms. Zimmerman responded to questions raised during public comment.

**Motion by Council Member Landrum**  
**Seconded by Council Member Edwards**

1. Receive the FY 2022-23 Annual Comprehensive Financial Report (ACFR) for the period of July 1, 2022 through June 30, 2023 (Attachment 1), and

2. Receive FY 2022-23 Annual Streets Report (Attachment 2) and FY 2023-24 Prop 172 Maintenance of Effort Certification (Attachment 3).

Ayes (5): Mayor Wixom, Council Member Landrum, Council Member Barton, Council Member Edwards, and Council Member Ford

**CARRIED (5 to 0)**

### **9.b Fiscal Year 2023-24 Midyear Budget and Financial Update**

<https://youtu.be/P8v5mVI5q8M?si=JvQPIEPvB5uvri-t&t=5011>

Interim Assistant City Manager/Administrative Services Director Conway presented the report and responded to Council inquiries.

Mayor Wixom opened public comment for Item 9.b.

<https://youtu.be/P8v5mVI5q8M?si=yL7MqLYI-GCQcQdU&t=6846>

- Terry Simons, Morro Bay, requested clarification regarding Community Development Department expenses and commented on the Vistra project.
- Nicole Dorfman, Morro Bay, commented on short-term vacation rental compliance issues.
- Betty Winholtz, Morro Bay, urged the City to explore best options to spend down reserves in excess of the required minimum.

*End of public comment.*

**Motion by** Council Member Ford

**Seconded by** Council Member Edwards

Adopt Resolution No. 16-24 authorizing the attached Budget Amendments to the 2023-24 mid-year budget report.

Ayes (5): Mayor Wixom, Council Member Landrum, Council Member Barton, Council Member Edwards, and Council Member Ford

**CARRIED (5 to 0)**

### **9.c Response to San Luis Obispo County - Offshore Wind Notice of Funding Availability Scope of Work Questionnaire**

<https://youtu.be/P8v5mVI5q8M?si=BRgeg69I7DP6FzkS&t=7955>

Harbor Director Schiafone presented the report and, along with City Manager Kimball, responded to Council inquiries.

Mayor Wixom opened public comment for Item 9.c.

<https://youtu.be/P8v5mVl5q8M?si=-gsIKPDVJzlj5tS6&t=9676>

- Rachel Wilson, Cayucos, commented on the importance of protecting the environment.
- Steve Ray, Morro Bay, spoke in support of Measure A-24, an initiative that would allow citizens to decide what they want for the city.
- Terry Simons, Morro Bay, suggested a local ordinance likely would not impact the momentum and authority of the state and federal government and suggested the City focus on the potential revenues.
- Nicole Dorfman, Morro Bay, disagreed with previous speaker and was opposed to offshore wind development.
- Jeff Eckles, Morro Bay, encouraged the City to maintain strong and close relationships with county and state legislators on the issue.
- Betty Winholtz, Morro Bay, spoke in favor of the letter submitted to the County.
- Mandy Davis, President of REACT Alliance, offered to present information they've collected regarding offshore wind development.

*End of public comment.*

Following discussion, there was consensus to add the following comments: Morro Bay distinguishes itself from the other two respondents and strongly needs a study designated to its unique needs, specifically the needs of a full-service city with a tourism-based economy, and potential circulation and parking impacts during special events.

No formal action was taken on this item.

#### **10. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS**

<https://youtu.be/P8v5mVl5q8M?si=miRx3GpCquSnk4e5&t=12159>

Council Member Edwards requested and received support for a general review of Council and advisory board sub-committees, policies related to the formation of sub-committees, scope of work, authority, and Brown Act requirements.

Mayor Wixom requested and received support to have Planning Commission revisit the City's parking credit formula.

#### **11. ADJOURNMENT**

The meeting adjourned at 9:08 p.m.

---

/s/ Dana Swanson, City Clerk