



**CITY OF MORRO BAY  
HARBOR ADVISORY BOARD  
A G E N D A  
REVISED**

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*The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life.  
The City shall be committed to this purpose and will provide a level of municipal service and safety  
consistent with and responsive to the needs of the public.*

**Regular Meeting - Thursday, May 2, 2013  
Veteran's Memorial Building - 6:00 P.M.  
209 Surf Street, Morro Bay, CA**

Jeff Eckles, Chair

Bill Luffee, Vice Chair  
Jim Phillips  
Lynn Meissen

Gene Doughty  
Dana McClish  
(Vacant)

ESTABLISH QUORUM AND CALL TO ORDER  
MOMENT OF SILENCE  
PLEDGE OF ALLEGIANCE  
CHAIR AND ADVISORY BOARD MEMBER ANNOUNCEMENTS & PRESENTATIONS

**PUBLIC COMMENT PERIOD**

Members of the audience wishing to address the Commission on City business matters other than scheduled items may do so at this time. To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Commission meetings are audio and video recorded and this information is voluntary and desired for the preparation of minutes.
- Comments are to be limited to three minutes.
- All remarks shall be addressed to the Commission, as a whole, and not to any individual member thereof.
- The Commission respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the Commission to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Commission meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Harbor Department's Office Assistant at (805) 772-6254. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**A. CONSENT CALENDAR**

- A-1 Approval of Minutes from Harbor Advisory Board meeting held on March 7, 2013  
**Staff Recommendation: Approve minutes.**

B. PUBLIC HEARINGS, REPORTS, AND APPEARANCES

- B-1 Harbor Department Status Report  
**Staff Recommendation: Receive and file.**
- B-2 State Park Marina Proposed Maintenance Plan  
**THIS ITEM HAS BEEN PULLED FROM THE AGENDA**  
**Staff Recommendation: Receive and file.**
- B-3 Morro Bay Aquarium  
**Staff Recommendation: Receive and facilitate testimony.**

C. UNFINISHED BUSINESS

- C-1 None.

D. NEW BUSINESS

- D-1 State Park Marina Operating Agreement  
**Staff Recommendation: Provide input to staff.**

E. DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

This agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Morro Bay Harbor Department, 1275 Embarcadero, for any revisions or call the department at 772-6254 for further information.

Materials related to an item on this Agenda are available for public inspection during normal business hours at the Harbor Department and at Mill's/ASAP, 495 Morro Bay Boulevard, or online at [www.morro-bay.ca.us](http://www.morro-bay.ca.us). Materials related to an item on this Agenda submitted to the Board after publication of the Agenda packet are available for inspection at the Harbor Department during normal business hours or at the scheduled meeting.

**CITY OF MORRO BAY**

**HARBOR ADVISORY BOARD**

**SYNOPSIS MINUTES**

The regular meeting of the City of Morro Bay Harbor Advisory Board was held Thursday, March 7, 2013 at 6:00 PM in the Veteran's Hall, 209 Surf ST, Morro Bay, California.

**ESTABLISH QUORUM AND CALL TO ORDER**

Present:	Members:	Gene Doughty Jeff Eckles Bill Luffee Dana McClish Lynn Meissen Jim Phillips (Vacant Seat)
	Staff:	Eric Endersby, Harbor Director Polly Curtis, Office Assistant

**MOMENT OF SILENCE**

**PLEDGE OF ALLEGIANCE**

**CHAIR AND ADVISORY BOARD MEMBER ANNOUNCEMENTS & PRESENTATIONS**

Chair Eckles asked the Board for their announcements. Mr. McClish said the Morro Bay Yacht Club is completely reworking the gangway to the dock. The Yacht Club will host the Big Rock Regatta Youth Sailing on March 16-17, which includes a lot of races in the bay.

Chair Eckles announced the upcoming City of Morro Bay Goal Setting Workshops on March 11 and March 13.

**PUBLIC COMMENT**

Mr. David, Morro Bay Coast Guard Auxiliary Commander, said the Auxiliary meets the first Wednesday of every month at 6:30 p.m. at the Community Center. He said topics include boating inspections, licensing, environmental protection, sailing, search & rescue, and patrol. The lake operations range from Nacimiento to Cachuma. Ocean ops are generally Central Coast. Mr. David gave his contact information: Phone 440-8501, website: uscgaux.org and email: DrTiki@sbcglobal.net. He welcomed anyone to join them, as there are many opportunities and benefits. The military ID gives members access to good surf locations such as Point Magu and on Kauai. Chair Eckles thanked Mr. David for his presentation.

**A. CONSENT CALENDAR**

**A-1 MINUTES**

Mr. Phillips moved the February 7, 2013 Harbor Advisory Board minutes be approved as submitted. The Motion was seconded by Mr. Luffee and carried unanimously.

**B. PUBLIC HEARINGS**

**B-1 Harbor Department Status Report**

Mr. Endersby briefed the Board on the following topics:

**New Harbor Patrol Vessel  
North T-Pier Repair Project  
CMANC Winter Meeting  
EVOC Training for HPOs**

**Status Report Continued**

**Tall Ships Lady Washington and Hawaiian Chieftain Turnout  
Snowy Plover Nesting Fences February 27 through October  
Lifeguard Requalification and Tryouts April 5, and Following 3 Weekends  
Easter Sunrise Service at the Rock  
City of Morro Bay Goal Setting Workshops March 11 & 13**

**B-2 Morro Bay Community Quota Fund Update**

Mr. Rick Algert said the City of Morro Bay has led a project to create the Morro Bay Community Quota Fund (MBCQF) which is a non-profit corporation intended to permanently secure West Coast Trawl sector fishing privileges associated with the Central Coast. He said the long-term goal is to create a financially stable and environmentally sustainable Morro Bay groundfish fishery, built on local stewardship of groundfish resources and secured fishing rights anchored permanently in the community.

Mr. Algert discussed The Nature Conservancy's (TNC) role in buying six Morro Bay based West Coast trawl permits in 2005, and now is a willing seller to the MBCQF in an attempt to secure social, economic and conservation gains for the community and the fishery. TNC now owns the Quota Share, which can be sold separately from the permits. There is a strict timeline on TNC to find suitable buyers and close sales agreements, which is between January 1, 2014 and January 1, 2016. Mr. Algert continued to discuss the issues and challenges with the program during the acquisition process.

Discussion and questions by the Board. Mr. Algert emphasized that the MBCQF non-profit organization, a seven-member Board, will be independent from the City of Morro Bay.

**B-3 Boatyard/Haulout Ad-Hoc Committee Report**

Mr. McClish reviewed the committee meeting that took place on February 22, 2013, which included himself, Mr. Doughty, Mr. Cunningham, and Mr. Algert. He said the discussion focused on the three alternative travel-lift haulout location plans by RRM Design, and two boatyard locations. During a discussion with the Santa Barbara boatyard owner, Mr. McClish learned that the travel-lift usage for moving boats is a real spectator sport.

Mr. Doughty presented his overlay of the Santa Barbara boatyard onto an aerial view of Morro Bay: three possible locations for the haulout, and two for the boatyard. He said the third haulout location view is on power plant property that the City does not own.

Discussion by the Board on the best use of the current City-owned parking lot at the south end of the power plant, and whether it should remain as public parking or be converted into a boatyard. Mr. McClish said the Ad-Hoc Committee will continue to look at all alternatives, and they are hoping to talk with a representative from the power plant.

**C. UNFINISHED BUSINESS**

**C-1 None**

**D. NEW BUSINESS**

**D-1 Appointment of One Harbor Advisory Board Member to the Morro Bay Fishing Community Sustainability Plan Advisory Working Group**

Mr. Endersby reviewed the item for the Board, and explained that most of the meetings will be via emails and teleconference, rather than physical meetings. He reviewed the duties of the members, which would be to review and comment on the "Background and Existing Conditions" document, and move to the phase of "Strategies and Recommendations."

Chair Eckles said he would be happy to represent the Harbor Advisory Board, and volunteered himself. Mr. Endersby thanked Chair Eckles for volunteering to be a member of the Morro Bay Fishing Community Sustainability Plan Advisory Working Group.

**D-2 Status of PG&E's Lower Energy Seismic Studies ("LESS") and Mitigation**

Mr. Endersby said PG&E had been conducting Lower Energy Seismic Studies (LESS) in local waters over the last several years, based on permits issued by the State Lands Commission back in the 1980's. Although staff has no hard data, in hindsight it was reported by several commercial fishermen that catch rates coincidentally went down while the LESS vessels were in the area.

Mr. Endersby said PG&E requires a standard claim form to be filed by any fisherman or businessman who feels they have suffered a financial loss due to the LESS activity. Specific to the LESS work, no separate or special mitigation, compensation, or MOU was put in place for that work.

Mr. Brian Stacy, commercial fisherman, reported his personal situation to the Board regarding PG&E's lack of mitigation to fishermen for displacement of gear. He believes two years of mitigation is due to local commercial fishermen. Mr. Phillips asked if Mr. Stacy filed any claims with PG&E, and Mr. Stacy replied he filed a claim to PG&E for his time doing representative work, but did not file the standard "Fridge" form due to the formula, which would disqualify him.

Discussion by the Board and Mr. Stacy regarding PG&E's lack of mitigation funds.

**MOTION:** Mr. Doughty requested staff to first invite a PG&E representative to appear at the Harbor Advisory Board to discuss concerns of rate increases and dispensing of LESS/HESS mitigation funds; then if no reply, send a letter of request to PG&E for mitigation funds. The Motion was seconded by Ms. Meissen, and carried unanimously.

**E. DECLARATION OF FUTURE AGENDA ITEMS**

**May: Capital Improvement Budget for Slips  
State Park Marina Proposed Maintenance Plan  
Morro Bay Aquarium  
State Park Marina Operating Agreement**

**June: Review of Harbor Lease Sites**

**F. ADJOURNMENT**

This meeting was adjourned at 8:03 PM.

Submitted by,



Polly Curtis  
Harbor Department



AGENDA NO: B-1

MEETING DATE: May 2, 2013

## Staff Report

**TO:** Harbor Advisory Board

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Harbor Department Status Report

**DATE:** April 24, 2013

### RECOMMENDATION

Receive and file.

### DISCUSSION

**New Harbor Patrol Vessel:** DR Radon Boatbuilding has the hull fully laid with bulkheads, stringers, and other interior structural elements currently in progress. The hull will remain in the mold until it is more fully cured, with construction of the deck, cabin, and other major structural elements coming next. Department staff will begin making more frequent visits to check progress and to make any layout or other decisions that need to be made.

**North T-Pier:** At their April 11 meeting, we received our Coastal Commission waiver for the major repair work to be done on the pier. Our Engineer and Construction Manager continue to work on the bid documents and specifications, in addition to coming up with a final Engineering Cost Estimate. Our Army Corps of Engineers' permit for the project is still pending, although their Ventura office is in receipt of it and working on it.

**C-MANC Washington DC Visit:** The Mayor and Harbor Director traveled to DC March 18-22 and had a very productive trip. A more thorough report to the HAB is scheduled for a future agenda, however we were recently notified that the President's FY14 budget has \$2,353,000 set for dredging Morro Bay.

**Lifeguard Academy:** The City's annual United States Lifesaving Association Ocean Lifeguard Training Academy was held over three weekends beginning the weekend of April 5-6-7. New recruits for both the Morro Bay and Cayucos Lifeguard and Junior Lifeguard program staffs were put through their paces in a variety of locations and conditions. The Harbor and Recreation and Parks Departments jointly run the academy.

**Harbor Dept. Budget:** A preliminary balanced budget has been submitted to the Finance Department for consideration by the City Council in future Budget Workshop and Council meetings. While revenues are projected to moderately increase and the budget is balanced, we are still proposing to rely on a portion of the Dynegy Outfall Lease revenues to do so, albeit a lesser amount than last year.

**Recent Events:** Emergency Vehicle Car Show April 20, Blessing of the Fleet April 21. Both of these events received much praise, were well attended, and were blessed with great weather.

**Upcoming Events:** While upcoming as of this writing, the Morro Bay Kite Festival and Miracle Mile For Kids run will have taken place over the April 27-28 weekend.

The 17<sup>th</sup> Annual Cruisin' Morro Bay Car Show takes place starting Thursday May 2 through Sunday May 5.

On Memorial Day weekend, Saturday, May 25 is a retirement celebration for recently retired Morro Bay Fire Chief Mike Pond, 11:00 a.m. to 3:00 p.m. at Del Mar Park for a barbeque and get together.

On Memorial Day, May 27 will be the annual Lost at Sea Ceremony and flyover at the Cayucos Pier.

**Department Training:** Reserve Officers Marcos Green and Jeremiah Jacobs recently attended a Department of Boating and Waterways Marine Fire Fighting class in Newport Beach, while Reserve Officers Tim Cowan and Nate Ditmore attended a DBW Basic Boating Safety and Enforcement class in Castaic. In addition, full-time Officer Scott Mather attended the California Boating Safety Officer's Association annual 3-day training conference in Sacramento.

**Passing of Nick Deurloo:** Long time Morro Bay and Port San Luis commercial fisherman Nick Deurloo passed away recently. Nick owned and operated the vessel AXIA. A memorial for Nick is scheduled for Friday, April 26 at Giovanni's Central Coast Seafood parking lot at 11:00 a.m.



AGENDA NO: B-2

Meeting Date: May 2, 2013 Action: \_\_\_\_\_

**THIS ITEM HAS BEEN PULLED**

**FROM THE  
HARBOR ADVISORY BOARD  
AGENDA**

**“STATE PARK MARINA PROPOSED  
MAINTENANCE PROGRAM FOR  
2013/2014”**



AGENDA NO: B-3

MEETING DATE: May 2, 2013

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** April 23, 2013

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Morro Bay Aquarium

### RECOMMENDATION

Receive and facilitate testimony.

### BACKGROUND

The 50-year lease with Dean and Bertha Tyler for the Morro Bay Aquarium expires in 2018. The City Council-adopted Lease Management Policy stipulates, in part, that all lease sites eventually need to be reconstructed or significantly remodeled to bring sites up to modern codes, design criteria, market conditions, and to incorporate elements of the City's General Plan and Local Coastal Plan. Since this process can take several years from inception, through permitting, and into construction, the City typically desires to start into this process at the five-year mark from lease expiration.

In 2011 and again last year staff contacted the Tylers to see if they were interested in a new lease after 2018, and if so what their proposal was to receive one. Receiving no proposal, last fall the City Council directed staff to put the site out for Requests for Proposals (RFP). Due to constraints in available staff time, to date the RFP has not been issued.

### DISCUSSION

The Morro Bay Aquarium is an important and historical lease for the City of Morro Bay. Since its inception and construction in 1968, and subsequent upstairs addition in the 1980's, it has served as a marine mammal rescue and rehabilitation center, information and education center, and tourist and local attraction for almost five decades. While its current configuration may be argued in terms of appropriateness in this day and age, it cannot be denied that the Tylers have dedicated their lives to the community and to operating a popular and important center of marine education, display, and animal rehabilitation over the years.

In recent months considerable interest and ideas have been expressed for this site, including from the Tylers, the public, City Council, and other groups. This meeting is a first organized public step for the community and the lease holder to weigh-in on what they see as the future of the aquarium and this site. A City Council hearing is tentatively set for June 25th.

Prepared By: EE

Dept. Review: EE



AGENDA NO: D-1

MEETING DATE: May 2, 2013

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** April 25, 2013

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** State Park Marina Operating Agreement

### RECOMMENDATION

Provide input to staff.

### BACKGROUND

In the decades since the State Park Marina basin was created in 1948, substantial siltation has occurred in the basin, to the point of making it unusable at times. In addition, although the concessionaire operating the marina has undertaken considerable rehabilitation projects over the years, the overall age of the basin and its infrastructure obviated the need for an overall rebuild and complete dredging. In 2002 the City entered into an Operating Agreement with the State to manage the concessionaire, Associated Pacific Constructors, as well as to attempt to seek funding to complete the rebuild and dredging of the basin. In the agreement, the revenues from the concessionaire that were going to the State revert to the City to a dedicated fund for the project.

In 2004-2006 limited funding was secured from the Department of Boating and Waterways (DBW), an Environmental Impact Report commissioned, preliminary design and specification materials created, and a cost estimate worked-up. With an estimated cost of just over \$20 million, absent substantial further funding the overall project was scoped-back to focus purely on the dredging aspect.

The City continued to work on securing additional funding, as well as continuing to collect the concessionaire revenues. Five total grants from various sources were secured from DBW for design, engineering, and construction of the dredging project. During the permitting process, while the whole basin was permitted for dredging, only approximately 30,000 cubic yards, or 1/3 of the total volume identified to be dredged from the whole basin, was permitted for disposal in the Nearshore Disposal Site just outside the harbor. The remainder was only permitted to be disposed of landside. While the City and State attempted to locate a suitable and cost-effective site on land for the disposal, none were identified and still have not been. Cost was the driving factor as the cost of hauling, trucking and disposal made the project infeasible with the funding so far secured. Therefore, with the funding that was secured the City continued to pursue the limited scope of dredging, which consisted of the channel leading into the marina up to about the

Prepared By: EE

Dept. Review: EE

first finger of docks protruding into the basin. While not ideal, it was a start. In 2012 the Request for Proposals was let, and Associated Pacific Constructors of Morro Bay was the winning bidder at \$1.159 million. The dredging was commenced in fall last year, and successfully completed in November.

### **DISCUSSION**

With existing funding for further work (dredging or rebuilding) essentially exhausted, the City is at a crossroads as to whether to continue with the Operating Agreement and continue to pursue completion of the projects, or to cancel the agreement and hand it all back to the State. The dredging permits expire in 2015, however it is expected that a five-year extension can be obtained for them.

The City continues to collect the concessionaire revenues, and is still in conversation with DBW about possible future funding. However, until a substantial amount of funding is secured further work cannot be accomplished.

### **CONCLUSION**

Staff is seeking public and HAB input as to the importance of the marina and the City staying in the Operating Agreement and continuing to seek completion of the remainder of the dredging and/or the overall rebuild.