City of Morro Bay
City Council Agenda

Mission Statement
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
TUESDAY, MAY 14, 2013

PUBLIC SESSION
VETERANS MEMORIAL HALL - 6:00 P.M.
209 SURF ST., MORRO BAY, CA

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
CLOSED SESSION REPORT
MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
PUBLIC PRESENTATIONS

PUBLIC COMMENT - Members of the audience wishing to address the Council on City business matters not on the agenda may do so at this time. For those desiring to speak on items on the agenda, but unable to stay for the item, may also address the Council at this time.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Mayor, please come forward to the podium and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall be addressed to Council, as a whole, and not to any individual member thereof.
- The Council 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 City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council 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 City Clerk, (805) 772-6205. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT AGENDA

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 JOINT CITY COUNCIL/PLANNING COMMISSION MEETING OF APRIL 23, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF CITY COUNCIL MINUTES FOR THE CITY COUNCIL MEETING OF APRIL 23, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPOINTMENT OF ONE (1) RECREATION & PARKS COMMISSION MEMBER TO A CURRENT BOARD VACANCY; (ADMINISTRATION)

RECOMMENDATION: Appoint Bob Swain to the vacancy on the Recreation & Parks Commission for the remainder of the term which expires January 31, 2014.

A-4 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR PROJECT NO. MB2012-WC01: MORRO BAY LIFT STATION 3 AND SSFM UPGRADE (PUBLIC SERVICES)

RECOMMENDATION: Authorize staff to file the Notice of Completion for Morro Bay Lift Station 3 and Sanitary Sewer Force Main Upgrade Project and transfer required funds from the Sewer Accumulation fund to the Lift Station 3 SSFM Upgrade project..

A-5 RESOLUTION AUTHORIZING MATCHING FUNDS AND GRANT AGREEMENT FOR THE MORRO CREEK MULTI-USE TRAIL AND BRIDGE PROJECT; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution 29-13 authorizing execution of the grant agreement and approving matching requirements amounting to 20% of project costs.

B. PUBLIC HEARINGS

B-1 RESOLUTION NO. 28-13 CONTINUING THE PROGRAM AND LEVYING THE ASSESSMENTS FOR THE 2013/14 FISCAL YEAR FOR THE MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT (MBTBID); (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Hold a public hearing, record testimony for/against the continuation of the MBTBID, and adopt Resolution No. 28-13 levying the assessments for.

B-2 RESOLUTION APPROVING THE ENGINEERS REPORT AND DECLARING THE INTENT TO LEVY THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

RECOMMENDATION: Adopt Resolution No. 26-13 declaring the intent to levy the annual assessment for the maintenance of the North Point Natural Area and approving the Engineers Report.

B-3 RESOLUTION APPROVING THE ENGINEERS REPORT AND DECLARING THE INTENT TO LEVY THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

RECOMMENDATION: Adopt Resolution No. 27-13 declaring the intent to levy the annual assessment for the maintenance of the Cloisters Park and Open Space and approving the Engineers Report.

B-4 PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS, AND PROVIDE FURTHER DIRECTION TO STAFF AND APPLICANT REGARDING A REQUEST FOR AN ABANDONMENT (E00-103) AND COASTAL DEVELOPMENT PERMIT (CP0-391) TO ALLOW THE ABANDONMENT OF A PORTION OF THE PUBLIC RIGHT OF WAY (ROW) NOT USED FOR PUBLIC STREET PURPOSES USING THE PROCEDURES PROVIDED BY THE CALIFORNIA STREETS AND HIGHWAYS CODE, SECTION 8300 ET SEQ. THE ABANDONMENT IS LOCATED WESTERLY OF THE EXISTING BACK OF CURB OF TORO LANE, BETWEEN YERBA BUENA AND NORTH POINT SUBDIVISION. (GREG FRYE, 3420 TORO LANE, APPLICANT); (PUBLIC SERVICES)

RECOMMENDATION: Receive public comment regarding the proposed abandonment and provide direction to staff based on the listed alternatives.

C. UNFINISHED BUSINESS - NONE

D. NEW BUSINESS

D-1 CONSIDERATION OF ALLOWING THE COUNTY OF SAN LUIS OBISPO TO USE THE FACILITY AT 535 HARBOR STREET FOR AN INTERIM LIBRARY DURING THE MORRO BAY LIBRARY REMODEL; (ADMINISTRATION)

RECOMMENDATION: Authorize the County of San Luis Obispo to utilize the facility located at 535 Harbor Street as a temporary library facility during the remodel of the Morro Bay Library. Staff further recommends the City Council review the provided alternatives with staff recommending Alternative 3.

D-2 REVIEW OF THE MASTER FEE SCHEDULE AS IT RELATES TO MINOR USE PERMIT FEES FOR THE BUSINESS PROPOSED FOR 1700 PARK AVENUE. (TROSS MOBILE AUTOMOTIVE AND R/V REPAIR BUSINESS); (PUBLIC SERVICES)

RECOMMENDATION: Require the payment of the fees for the processing of a Minor Use Permit for the relocation of a mobile automotive repair business at 1700 Park Avenue.

D-3 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (ADMINISTRATION)

RECOMMENDATION: Discuss in open session, the progress to date on the Water Reclamation Facility (WRF) and provide direction to staff as necessary.

D-4 AUTHORIZE PUBLIC SERVICES DIRECTOR TO FINALIZE THE CONTRACT FOR THE PLANNING CONSULTANT FOR THE NEW WRF AND APPROVE THE DRAFT "SCOPE OF WORK"; (PUBLIC SERVICES)

RECOMMENDATION: Authorize finalizing the contract for the Planning Consultant and approve the draft Scope of Work.

D-5 HISTORY AND STATUS OF WATER RIGHTS ISSUES IN THE CHORRO VALLEY; (CITY ATTORNEY/PUBLIC SERVICES)

RECOMMENDATION: Review the comprehensive staff report on the City's water history and our current ongoing practices related to the City's water rights and issues surrounding the Chorro Valley. After review, public comment and discussion provide any further direction to Staff.

D-6 COUNCIL CONSIDERATION OF REQUESTS FOR PROPOSALS FOR CURRENTLY VACANT LEASE SITES 138-139 (BETWEEN NORTH T-PIER PUBLIC RESTROOM AND CRILL'S), 107W-108W (ADJACENT TO SOUTH T-PIER), AND 49/49W (SOUTH OF ASSOCIATED PACIFIC CONSTRUCTORS); (HARBOR)

RECOMMENDATION: Approve Requests for Proposals (RFPs) for vacant Lease Sites 138-139, 107W-108W, and 49/49W.

D-7 DISCUSSION ON OPENING THE BATHROOM AT LIFT STATION 2 ON THE EMBARCADERO DURING SUMMER MONTHS; (RECREATION & PARKS)

RECOMMENDATION: Discuss the possibility of opening the bathroom to the public which is located at Lift Station 2 at the north end of Front Street for the summer months.

D-8 REVIEW OF THE 2008 MANAGEMENT PARTNER STUDY (ASSESSMENT OF CITY ORGANIZATION AND FINANCIAL OPTIONS), INCLUDING PROGRESS ON THE 21 EXPENDITURE CONTROL STRATEGIES, 13 REVENUE CREATION STRATEGIES AND 4 LONG RANGE STRATEGIES AND PROVIDE FURTHER DIRECTION TO STAFF; (ADMINISTRATION)

RECOMMENDATION: Review the attached report on the progress made on the 21 Expenditure Control Strategies, 13 Revenue Creation Strategies and 4 Long Range Strategies from the 2008 Management Partners Assessment of City Organization and Financial Options document and provide staff direction.

E. COUNCIL 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 CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 772-6205 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

AGENDA NO:	**A-1**
MEETING DATE:	**5/14/2013**

MINUTES - MORRO BAY CITY
COUNCIL/PLANNING COMMISSION
JOINT MEETING – APRIL 23, 2013
VETERANS MEMORIAL HALL - 4:30 P.M.

Mayor Irons called the meeting to order at 4:30 p.m.

PRESENT:	Jamie Irons	Mayor
	George Leage	Councilmember
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	Noah Smukler	Councilmember
	Rick Grantham	Chair
	John Solu	Vice Chair
	John Fennacy	Planning Commissioner
	Michael Lucas	Planning Commissioner
	Robert Tefft	Planning Commissioner
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Rob Livick	Public Services Director
	Kathleen Wold	Planning Manager
	Cindy Jacinth	Associate Planner
	Jamie Boucher	City Clerk

ESTABLISH QUORUM AND CALL TO ORDER
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PUBLIC COMMENT

Rigmore purchased the Sun Bulletin building and she is hoping that the Los Osos Mexican Market will get their business license soon. She thanked the two new Councilmembers for their service. She thanked the City for getting ready to put in new sidewalks in on Market. She also stated that she met with staff last week to talk about planting trees along Market Street.

Bill Martoney spoke on Measure D stating that Joe Giannini was instrumental in putting Measure D in place for a specific purpose. He saw the future and saw how the Embarcadero was turning towards tourism; he wanted to preserve the northern section for fishermen and the fishing industry. He urged Council and the Commission to keep in mind what the original intent was as he feels the Measure D area has been crept into over the years.

Sharon Moore of Virg's Sportfishing was here when Measure D was voted in; Virg and Joe Giannini wrote it to protect the industry. She stated that the Paddle Board business, in the winter time is fine but in the summer, her sportfishing business can't operate with them there as there isn't enough room in the parking lot. To protect the industry is to protect the creep.

Mayor Irons closed Public Comment.

I. JOINT MEETING DISCUSSION ITEMS

A) Planning Commission bylaws, duties and expectations of City Council

Councilmember Christine Johnson discussed the importance of the Bylaws stressing that they are fluid documents and can be adjusted; Councilmember Smukler stressed while its challenging, the General Plan and LCP are documents that should be guiding the Commission's decisions, and on some items he senses deviation from following those documents as guiding principles; and Mayor Irons stressed that the Planning Commission's duty was to advocate for the General Plan and to act in the best interests of the public.

Commissioner Fennacy responded that he looks forward to opportunities like this to share ideas specific to planning and looks forward to working with the Council on the issues before us. Commissioner Solu appreciates the opportunity to serve and realizes that the Commissioners serve at Council's pleasure. He thought it would be a good idea to get specific examples of how Councilmember Smukler felt they deviated from the General Plan and didn't do as well. Commissioner Tefft also appreciates the opportunity to meet jointly and agrees with the several of the Councilmembers that the current General Plan is difficult to work with. Councilmember Lucas stated he is happy to serve and it's important to remember that the General Plan and LCP are living documents and it's equally important to be able to exchange dialogue as to where things are going and coming from; those currently serving represent different groundings and different aspects of being here. Chair Grantham is pleased to be here and feels it's an honor to serve; he hopes that everybody can work to be a part of the solution.

Councilmember Nancy Johnson stated that one of the overriding things to remember is that anything that comes to the Planning Commission is very unusual – a variance or an exception – and these projects don't fit neatly into a box.

B) Discussion of Goal #3 - Update Plans for Current and Future Land Use Needs

Commissioner Fennacy stated that by definition, the General Plan is general and inconsistent. If a project is coming to the PC, it is because something is falling in the fringes of the General Plan or LCP, otherwise it would be dealt with at the administrative level. He favors constantly looking at it and being open minded, especially if there are problem areas that are tripping up staff, the Planning Commission or the public.

Commissioner Tefft stated that the overriding aspect of the General Plan is that it's primarily a negative document; ie: you can't do this and you can't do that. A major

improvement would be to make it a more positive document expressing the vision of each area of town and gives people an overall community vision of those areas.

Commissioner Lucas initially provided information to everybody prior to the meeting. Reading through the documents, a lot of the vision elements that are in there have been accomplished and a lot of them have been changed. When we don't have a black and white law in front of us, it would be a good idea to have the discernment of the vision of the City that would help us interpret these situations.

Chair Grantham stated that when the document was completed it was a good document but now it needs revising. Unfortunately it will take a lot of time and money which we don't have. He felt it necessary to establish reasonable goals and follow through on ones that we can and work on the ones we know we have to do.

Commissioner Solu agrees 100% with Commissioner Tefft and hopes that when we look at the General Plan, it will be more positive. If we are going to be a friendly City to do business, it needs to be more positive.

Public Services Director Rob Livick stated that the update has been something we've tried to do for many years. The City's current goal is to look for grant funding. If no grant monies are available, then possibly we would strategize to supplement current staffing on the lower end to give more experienced staff the ability to look at long range planning. Its also important to put together a work program for the LCP and GP. The Circulation Element will necessitate external help as well as it is too technical. Planning Manager Kathleen Wold agrees stating that she feels we will also need additional help with the environmental documentation.

Councilmember Christine Johnson in encouraged to hear from staff that even if it's difficult, we are going to move forward, have a work plan, we're going to put together an outline and will have a scope.

Councilmember Nancy Johnson is happy to see staff has a plan to work through this. She asked staff to consider using an intern who may have a fresh perspective on items.

Councilmember Smukler is also glad to hear that work has already been done in preparation of this plan in the upcoming budget. He feels it's important to try to get a foundational plan together and then take some time to strategize and consider the different options particularly given the funding challenges. He would be willing, if necessary depending on the finances, to prioritize and be strategic about specific elements if we can't fund the whole chunk at once.

C) Discussion of Projects Appealed to City Council

Councilmember Smukler has seen a number of appeals come to the Council in the last couple of months; at times staff's presentation of information is lighter than in the past; he'd like to see more robust staff reports/presentations. Also, the Planning Commission

has heard some “non-standard” projects and it would be his wish that if they felt that they’ve been presented an incomplete project that taking a little more time at the Planning Commission level could make for a stronger and more complete project. Continuing a project to make it stronger would be preferable to an approval.

Councilmember Nancy Johnson disagrees as over the years she has seen several projects come to the Council and projects that come are unusual in the first place. Also, anytime we deal with a superior agency, things tend to get complicated and convoluted. She feels the Planning Commission is doing a good job; there will always be appeals because projects that come before Planning Commission are always unusual and different and there are people who disagree with things that are different and outside of the box.

Councilmember Christine Johnson stated that where Council has been strongest is when we have continued an item and stepped back and learned. This gives Council time to think and allows staff to spend more time flushing out things for us.

Mayor Irons echoes all these comments and recognizes there a lot of challenging projects. He is in support of taking more time, having discussion and if needed, continuing an item could make for a better project.

Chair Grantham stated that by the time Council gets the project on appeal, the Council can often get much more information than the Planning Commission ever had when making their initial determination.

Commissioner Solu agrees; in fact he gets angry when something that is appealed is overturned as often times the PC doesn’t have the information. The Planning Commission does its due diligence and will continue something if we don’t feel good about it but that realistically if there is a 3-2 vote it will likely get appealed anyway, that’s the reality of things. The Planning Commission will do its best to make sure their decisions are in the best interest of the City and in compliance with the General Plan.

Commissioner Fennacy wanted to reinforce the position that a factor out of the Planning Commissioners control is the appellants and the motivation for their appeal. It would be good to educate the general public as we move forward with the General Plan and LCP which he feels would diminish the “off the wall” and political appeals.

Commissioner Lucas stated that in his experience, part of the issue is time versus information. He doesn’t think that at times the information is satisfactory in order to make a proper decision or to understand what’s being proposed.

Commissioner Tefft feels that they are being asked to be deliberate and thorough. He is not offended if an appeal is overturned by the Council as it is a way that Council can send a message as to what their priorities are. He is okay with the appeals process and will try and do his job the way the Council would like him to.

Mayor Irons stated that as appeals come forward, he encourages the Commissioners to let their reasoning for their position be known to the Council.

D) Discussion on the Interpretation of Measure D

Councilmember Smukler stated that since he's been on Council, there has never been any action to change Measure D and that any change would need to be made through the public process and initiative process. We are seeing a recovery in the fishing industry and as such, we need to hold Measure D strong unless it's changed through the public process.

Mayor Irons stated that Measure D is vital to the area and strengthens our fishing community.

Chair Grantham stated that Measure D protects the rights of our local commercial fishermen and definitely supports it, and supports the businesses that are in the area that support Measure D. He hopes we don't crowd it out so much that there won't be enough room for slips for the fishermen.

Commissioner Solu met with those affected by Measure D and stated that there is a sense among the local fishermen that we may circumventing the system, and there is a question about whether we are changing language; their number one complaint is that they don't have slips and are worried that future slip fees will go up. The goal is to keep the fishermen whole and if language changes need to be made, that has to be kept at the forefront.

Commissioner Fennacy is a proponent of Measure D and that strict adherence is in the best interest unless it goes to a vote of the people. He doesn't want the City to diminish the amount of slips; there are places along the Embarcadero to increase slips for non-commercial boats.

Commissioner Lucas completely agrees; the fishing industry should be an asset we want to enhance as best we can. As we look forward, the question should be – how can we support this longer term as a healthy industry? It's amazing they have had such resiliency during such difficult times.

Commissioner Tefft agrees with a strict interpretation of Measure D; without that, the influx of other commercial/recreational vessels for the slips and landside uses will push the fishing community out of the market on the Embarcadero. Measure D preserves the area for commercial fishing and maybe we need to look at actively providing some additional facilities or support.

Councilmember Leage stated that Measure D is one of the most important things we have for our fishing community. There is a lot of concern about what is and what has been going on. He suggested bringing this back as a stand-alone Council item to talk about it in more depth.

Councilmember Smukler agrees that bringing Measure D back as a stand-alone item is a good idea and in fact, believes it should start at the Planning Commission level first.

Councilmember Nancy Johnson agrees and would like to see this as a Future Agenda Item at the Council level as we need to enforce Measure D.

Councilmember Christine Johnson stated that what makes Morro Bay different than every other coastal community is Measure D. She would like to see the fishing community invited in on a discussion as we move forward.

E) Discussion of Creation of a Specific Plan Overlay District from No. Embarcadero to Cloisters, West of Highway 1

There was not time for discussion on this item.

II. ADJOURNMENT – 5:55 p.m.

This meeting adjourned to the regularly scheduled City Council meeting.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: A-2

MEETING DATE: 5/14/2013

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – APRIL 23, 2013
VETERAN'S MEMORIAL HALL – 6:00P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Jamie Boucher	City Clerk
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director
	Susan Slayton	Administrative Services Director
	Joe Woods	Recreation & Parks Director

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

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

CLOSED SESSION REPORT – City Attorney Robert Shultz reported that City Council met in Closed Session on April 16th and 17th, 2013 on the following items: Government Code Section 54957, Personnel Issues regarding one (1) public employee regarding evaluation, specifically the City Attorney; and, Government Code Section 54957.6, Conference with City Council, the City's Designated Representative, for the purpose of reviewing the City's position regarding the terms and compensation paid to the following unrepresented employee: City Attorney. No reportable action under the Brown Act was taken.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
PUBLIC PRESENTATIONS

PUBLIC COMMENT

Janice King, owner of Vibrant Life, a new artist cooperative located at 315 Morro Bay Blvd., on the corner of Morro Bay Blvd and Main Street. They sell beautiful products, paintings, candles, mosaic mirrors, handmade items for the home, etc… They are looking for other artists to join them in their venture. They will also be holding art classes for middle and high school students. Their hours are Wednesday – Saturday, 10-5pm and Sundays noon-5pm. Their phone number is 541-218-8275.

Ken Vesterfelt publicized the great success of Morro Bay's Emergency Car Show. He also advertised the upcoming 17th Annual Morro Bay Cruisn' Car Show being held on May 2nd – May 5th. Dennis Gage of My Classic Car will be in attendance, taping one of his show's segments.

Stan House spoke on behalf of Friends of the Fire Department congratulating Steve Knuckles on his promotion to Fire Chief. He also said that the fundraising efforts of the Friends of the Fire Department have been very successful. Just recently, Assemblyman Katcho Achadjian donated $995 for the purchase of a King Vision Video Laryngoscope. He also thanked all those who purchased bricks.

Don Doubledee spoke as a Board Member/Director for the Harbor Festival and Car Show regarding City fees charged for these events. He stated that both events bring thousands of people into town who shop, buy gas, stay in motels; all of which bring additional sales tax to Morro Bay. Both events are volunteer run and both donate money to non-profit community groups. He urged Council to consider rethinking charging fees for these events as they would much rather partner with the City.

Keith Taylor stated that the Emergency Car Show was a huge success and wanted to thank everybody for their support; it was wonderful to see the kids enjoying themselves so much. He also spoke on the Cruisn' Morro Bay Car Show thanking people for "doing what they do" and making visitor's feel so welcome.

Father Ed urged that Council not support the adoption of an official policy on signs in Morro Bay. We need more signage in Morro Bay promoting events, businesses, religious services, etc… He said that during elections they are everywhere and there is no attempt to limit them. Visitors and residents need a greater awareness of the attractions in Morro Bay. Limiting signs is an unnecessary distraction from the more important work of promoting Morro Bay.

Mandy Davis, as a representative of Coast Alliance, presented a short report on what's happening with the seismic testing. She/they have been going to meetings to make sure that those entities intervene with the California State Lands Commission and ensure the process for issuing permits for seismic testing are appropriate. Coast Alliance is drafting a Resolution to put before Morro Bay and she hopes we will be that proactive progressive City to lead the way with Marine Protection. She also applauded the efforts of the Harbor Department staff.

Wally Auerbach requested Council pull Item A-7 from the Consent Calendar and take the procedural steps necessary to reconsider the item in hopes of providing the residents of the beach tract an opportunity to unify behind a single position on the project so that Council can approve the project with appropriate conditions. He is asking that we would postpone rehearing the matter for 2 weeks to give us enough time to unify behind a single position made clear in a document to the City and the State Parks. If after that there is a need to still hear an appeal, at least everyone will have been heard.

Shaun Farmer spoke on behalf of the upcoming Morro Bay Kite Festival. He hopes that everyone will come out and join them in flying a kite this weekend. He thanked all those responsible for helping put this event on.
Mayor Irons closed the public comment period.

A. CONSENT AGENDA

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

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE CITY COUNCIL MEETING OF APRIL 9, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLAN; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file this report.

A-3 REVISED RECOMMENDATION FROM THE CITIZENS OVERSIGHT COMMITTEE ON THE REALLOCATION OF STORM DRAIN CARRYOVER FUNDS IN THE DISTRICT TRANSACTION TAX (MEASURE Q) FUND; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Staff recommends accepting the Citizens Oversight Committee's recommendation to reallocate the $471,000 Measure Q storm drain carryover, with $385,000 going to street maintenance, and $86,000 to update the 1987 Storm Drain Master Plan.

A-4 QUARTERLY FINANCIAL STATUS REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2013; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Accept the reports as presented.

A-5 REAFFIRM COUNCIL ACTION OF APRIL 9, 2013 PERTAINING TO THE SELECTION OF FIVE (5) CITIZEN MEMBERS TO PARTICIPATE ON THE SELECTION COMMITTEE FOR CONSULTATION SERVICES FOR THE WATER RECLAMATION FACILITY; (CITY ATTORNEY)

RECOMMENDATION: Reaffirm and approve its previous decision by selecting Don Boatman, Stephen Shively, Donald Smith, Paul Donnelly and Valerie Levulett to serve as Citizen Members to Participate on the Selection Committee for Consultation Services for the Water Reclamation Facility.

A-6 PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING MAY 2013 AS BIKE MONTH; MAY 13 TO MAY 17, 2013 AS BIKE TO WORK WEEK; AND MAY 8, 2013 AS BIKE TO SCHOOL DAY; (ADMINISTRATION)

RECOMMENDATION: Adopt Proclamation.

A-7 RESOLUTION 25-13 ADOPTING FINDINGS TO UPHOLD THE APPEAL AND OVERTURN THE PLANNING COMMISSION'S APPROVAL OF COASTAL DEVELOPMENT PERMIT (#CP0-390), MORRO STRAND CAMPGROUND IMPROVEMENTS PROJECT; (PUBLIC SERVICES)

RECOMMENDATION: Approve Resolution No. 25-13 adopting findings to uphold the appeal and overturn the Planning Commission's approval of Coastal Development Permit (#CP0-390).

Mayor Irons opened up the public comment period for items on the Consent Calendar.

Betty Winholtz spoke on Item A-3 feeling all of this money should be put towards streets; on Item A-7 stating there is a need to have findings before anything can happen next so she is in favor of us going ahead with the findings this evening; and Item A-5 stating that the issue isn't just a matter of whether or not expansion was aired but whether or not if people had known that more applicants would be chosen, would they have chosen to apply.

Mayor Irons closed public comment for the Consent Calendar.

Councilmember Smukler pulled Item A-5 and A-7; Councilmember Christine Johnson pulled Item A-1 and recused herself from Item A-7; and Mayor Irons pulled Item A-6 so that a Proclamation can be read.

MOTION: Councilmember Nancy Johnson moved the City Council approve Items A-2, A-3, and A-4 of the Consent Calendar as presented. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE CITY COUNCIL MEETING OF APRIL 9, 2013; (ADMINISTRATION)

Councilmember Christine Johnson pulled this item to read into the record the amended section of the minutes; she had previously spoken with the City Clerk and it was determined that the change was warranted.

MOTION: Councilmember Christine Johnson moved the City Council approve Item A-1 as amended. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

A-5 REAFFIRM COUNCIL ACTION OF APRIL 9, 2013 PERTAINING TO THE SELECTION OF FIVE (5) CITIZEN MEMBERS TO PARTICIPATE ON THE SELECTION COMMITTEE FOR CONSULTATION SERVICES FOR THE WATER RECLAMATION FACILITY; (CITY ATTORNEY)

Councilmember Smukler pulled this item stating that there was public concern this process didn't follow the Brown Act. City Attorney Rob Schultz stated that when this was brought up by a citizen via an email complaint, it triggered a time period where the City can tell the person that they don't believe there was a Brown Act violation or we can bring it back to cure. Even if there is a difference in opinion as there is in this case, it is the City's position is that we didn't violate the Brown Act, it's always best to bring the item back to cure and give the Council the opportunity reaffirm their original decision. Councilmember Smukler went on to say that he has studied the issue the last couple of weeks and feels the committee members are committed and as such, he trusts that they will have Morro Bay's best interests in mind.

Councilmember Nancy Johnson felt this was a good idea when it came up and still does; Council continually asks for more public input; she feels using 2 panels will be very valuable and would hate to start all over again.

Councilmember Leage states that is important to start moving ahead.

Councilmember Christine Johnson agrees with the sentiments that if we change direction now, it will delay the process which concerns her. While the process was unfortunate, she did speak to all the applicants and was incredibly impressed with their qualifications.

Mayor Irons is in favor of proceeding with this and is very happy with the quality of applicants.

MOTION: Councilmember Leage moved for City Council approval of Item A-5. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

A-6 PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING MAY 2013 AS BIKE MONTH; MAY 13 TO MAY 17, 2013 AS BIKE TO WORK WEEK; AND MAY 8, 2013 AS BIKE TO SCHOOL DAY; (ADMINISTRATION)

Mayor Irons read the Bike Month Proclamation

MOTION: Councilmember Nancy Johnson moved for approval of the Bike Month Proclamation. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

A-7 RESOLUTION 25-13 ADOPTING FINDINGS TO UPHOLD THE APPEAL AND OVERTURN THE PLANNING COMMISSION'S APPROVAL OF COASTAL DEVELOPMENT PERMIT (#CP0-390), MORRO STRAND CAMPGROUND IMPROVEMENTS PROJECT; (PUBLIC SERVICES)

Councilmember Christine Johnson had to recuse herself from this item due to a conflict of interest.

Public Services Director Rob Livick presented the staff report.

Mayor Irons spoke with State Parks Sector Chief, Nick Franco who expressed that they are going to the Coastal Commission as we speak and would not be in favor of extending this for 2 weeks. As such, this item is being heard to establish the findings which needed to be delineated as well as continue the City's support of the Morro Strand State Park.

Councilmember Nancy Johnson feels we need to move forward with this and tell our citizens who are still concerned to meet with State Parks, with Nick Franco of State Parks and with the Coastal Commission.

Councilmember Smukler left the last meeting wishing we could have been able to work with State Parks to create a better plan. He didn't feel we went as far as we needed to in order to be clear about what we wanted to address about this project. He wants to address the possibility of not approving this tonight and bringing it back to a Public Hearing giving everybody more time to come up with an agreement that meets everybody's needs. He has concerns that State Parks, when meeting with the Coastal Commission, may be delayed even further without a better support of the City and neighborhood.

Mayor Irons reminded Council that at the last meeting, the applicant didn't want us to approve this and in fact asked for a denial so they can move forward and take it directly to the Coastal Commission. They made no indications that they want to come back in front of Council as it will be an appealed project anyway and they wanted to get to Coastal Commission as soon as possible.

Councilmember Nancy Johnson stated that State Parks is a superior agency; they made their position very clear that they want it denied so that they can move forward. She feels we should move forward emphasizing our support for the Park and neighbors.

Councilmember Smukler stated that we still have the responsibility to push this project to be the best it can be. At a minimum, we should strengthen the Resolution to recognize the concerns of both Council and the neighborhood and we follow through with having a Public Hearing that is timely so we are clear about the issues that are important to the community.

Mayor Irons says we are in support of State Parks being successful as well as being in support of our community and the potential impacts of this project but we do want to move this forward.

Councilmember Smukler is still interested in working with the neighborhood to come up with a Resolution or a clear message to Coastal Commission and State Parks as to what the issues are, making sure the neighborhood had a strong voice in the process.

Councilmember Nancy Johnson stated that the Resolution as written is a very strong statement; State Parks has made it very clear what they want to do and they need this information tonight so they can move forward; and, we are still coming back with a hearing where we can take public input. It's important that we move forward with this tonight.

MOTION: Councilmember Nancy Johnson moved for approval of Resolution 25-13. The motion was seconded by Councilmember Leage and carried 3-1-1 with Councilmember Smukler voting no and Councilmember Christine Johnson having been recused from the item.

B. PUBLIC HEARINGS

B-1 RESOLUTION NO. 24-13 DECLARING THE INTENTION TO CONTINUE THE PROGRAM AND ASSESSMENTS FOR THE 2013/14 FISCAL YEAR FOR THE MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT (MBTBID) AND SCHEDULING A PUBLIC HEARING TO LEVY THE ASSESSMENTS; (ADMINISTRATIVE SERVICES)

Administrative Services Director Susan Slayton presented the staff report.

Mayor Irons opened the public comment period for Item B-1; seeing none, the public comment period was closed.

MOTION: Councilmember Leage moved approval of Resolution 24-13, declaring the intention to continue the program and assessments for the 2013/14 fiscal year for the Morro Bay Tourism Business Improvement District and scheduling a public hearing to levy the assessments. The motion was seconded by Councilmember Nancy Johnson and carried unanimously 5-0.

B-2 APPROVAL OF CONSENT OF LANDOWNER FOR LEASE SITE 82-85/82W-85W (ROSE'S LANDING) TO FILE AN APPLICATION FOR DOCK IMPROVEMENTS AND ALLOW STAFF TO ENTER INTO LEASE NEGOTIATIONS; (HARBOR)

Councilmember Leage had to recuse himself from this item due to a conflict of interest.

Harbor Director Eric Endersby presented the staff report.

Mayor Irons opened the public comment period for Item B-2.

Steve Paglessi, Project Architect, agrees with staff and would also opt for Alternative B. He reminded Council that Mr. Redican is a significant stakeholder in Morro Bay and has already invested upwards of 2 million dollars in Roses Landing. In addition, this project with slips has been vetted with the City already.

Betty Winholtz hopes that Council will address 2 issues: one is the policy change which is significant; the other is the conditions under which you are granting him what he wants. At the Lease Holder Study Session, one of the major concerns is that you are equitable to everybody. She feels this decision represents a larger decision for all the lease holders because Council hasn't made the definitive decision about what the policy is. She feels this decision is premature and she wonders if this is how you will handle the next guy and the next guy, and etc… She feels you need to postpone the decision.

Mayor Irons closed the public comment period for Item B-2.
Councilmember Christine Johnson finds it appealing to see this this kind of project at this stage because in 2018, there will a number of lease sites that will be expiring. Because of the policy, folks are coming forward to start to think about the future of those lease sites. It is in the best interest of the community for us to be able to participate in what the next 40-50 years will look like on the Embarcadero. She recognizes people are making incredible investments in Morro Bay so there needs to be a balance we will want to make.

Councilmember Smukler agrees we wouldn't be tying ourselves into an agreement. He is willing to move forward as it gives us the opportunity to see how much staff time this may take and in fact wants staff to keep track of their time. He feels comfortable as Mr. Redican has historically proven to be a good leaseholder. He does want to be cautious of the view shed and the navigable channel as slips may infringe in those areas. He also wants to include affordability and access of slips into the universal policy when we get to that point.

Mayor Irons wanted to be assured that the current lease management policy is performing properly. He also wanted to be assured we aren't circumventing the concept approval process. He has concerns that slips 6 & 7 may need adjusting to allow proper access to the working dock next to it.

Councilmember Nancy Johnson likes the new possible process; she recognizes that Mr. Redican has made extensive improvements over the years; and he is proposing 6 new slips which will hopefully help our Measure D situation.

Councilmember Christine Johnson wondered if we should set a time line to revisit this new process and wondered if want to go deeper into any of the lease issues that were brought up at the study session. She suggested revisiting this after the summer.

It was directed by Council consensus to have the Harbor Advisory Board review the Harbor Lease Site Policy before coming to Council.

> MOTION: Councilmember Christine Johnson moved to approve Item B-2, Alternative B as presented in the staff report. The motion was seconded by Councilmember Nancy Johnson and carried 4-0-1 with Councilmember Leage being recused from this item.

C. <u>UNFINISHED BUSINESS</u> – NONE

D. NEW BUSINESS

D-1 PRESENTATION BY ECONOMIC DEVELOPMENT PROGRAM

Chamber of Commerce CEO, Craig Schmidt made a presentation. This is the Chamber's first report to the Council regarding the formation and actions of the newly formed Economic Development Program. The goal of this partnership is to ensure that Morro Bay's local economy is vibrant, strong and sustainable over the long term by providing strategies, programs, and policies that will help improve the business climate in Morro Bay. This can be accomplished through Data Collection and Analysis, Business Retention and Expansion (BRE), and Business Attraction. The Chamber is helping to grow new businesses in Morro Bay. As indicated by the high percentage of self-employed, the entrepreneurial spirit is alive and well in Morro Bay. The Chamber has developed and is operating the Morro Bay Incubator in the hopes that these will mature to provide jobs and fill vacant commercial property.

Economic Development Director John DiNunzio made a presentation on the current progress of the Economic Development Program. The presentation covered "What is the Economic Development Program", the roles and responsibilities of the ED Program Coordinator, Upcoming ED Program Initiatives, a run-down of businesses who have received direct assistance from the Chamber for business retention or expansion, contacts made to or were received from businesses, contacts made with prospective businesses in Morro Bay, jobs in Morro Bay, regional job trending, and growing and declining occupations and industries.

D-2 REVIEW AND DISCUSSION OF CO-SPONSORSHIP OF SPECIAL EVENTS TO INCLUDE INITIAL REVIEW OF THE SPONSORSHIP POLICY; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

Mayor Irons opened the public comment period for Item B-1; seeing none, the public comment period was closed.

Councilmember Christine Johnson stated that the reason for additional City services tend to be as a result of increased traffic, alcohol and pyrotechnics.

Councilmember Smukler is cautious due to potential financial impacts to the City. He is willing to explore the concept but wants to ensure we are covering ourselves and we have a strong program to not overextend ourselves. Before we talk about criteria, he feels we should wait and hear from the Recreation & Parks Commission and the participants from the event planning meeting with the Chamber that's coming up. If we sponsor, we need to hold the events to a high standard of reporting. He also recommends expanding and requiring a recycling component for these events to include a zero waste initiative.

Mayor Irons shares the concerns of the Council and feels that the results from the events meeting will help in making this decision.

Councilmember Christine Johnson stated that the optimum solution is not to have to choose one organization over another. She remains cautious about funding. She recommended looking to discuss adding an alcohol free policy to co-sponsorship. The question of "who does events in Morro Bay' needs to be answered.

Councilmember Leage doesn't feel that the $18,000 in fees is that big of a hurdle for the City to find for the revenues that the events bring in.

Councilmember Smukler hoped that with the events meeting coming up, it's more important to focus on a general direction, work the process more and then bring the item back to the Council. He agreed that an alcohol free component could be very effective.

Councilmember Nancy Johnson agrees with much of what has been discussed and also agrees that we need more information. She felt it important to know how much the events bring to the City – what is the financial return? She would also like to see the following added to the co-sponsorship application: The cost of putting the event on; where the money goes at the conclusion of the event; and then to have a requirement that the event organizer(s) bring back a balance sheet.

It was the consensus of Council to bring this item back at a later date (July) following input from the events meeting, look into alcohol free, analyze the financial return and know who is doing events.

D-3 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report.

Mayor Irons opened up the public comment period for Item D-3; seeing none, the public comment period was closed.

There was no Council discussion on this item.

D-4 CONFIRMATION OF CITY GOALS AND GOAL OUTLINES FOR 2013; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report.

Mayor Irons opened up public comment for Item D-4; seeing none, the public comment period was closed.

Councilmember Smukler spoke on Goal #3 hoping to add under Key Tasks an e. **Update the Circulation Element to include Complete Streets Initiative**; he also spoke on Goal #6 hoping to add under Key Tasks a g. **Update Way-Finding Signage within the City and on Highway 1**; he also spoke on Goal #7 hoping to add under Key Tasks an i. **Work with Non-profit Group to**

move the Bike Park Project forward; and he spoke on Goal #5 hoping to add under Key Tasks an e. **Evaluate concept of Budget Sub-Committee.**

Councilmember Christine Johnson spoke on Goal #6 hoping to add under Key Tasks an a. …fund Economic Dev. Program, **Tourism Marketing and the Visitor's Center**

Mayor Irons spoke on Goal #3 hoping to add under Key Tasks an f. **Develop work plan for the update of the General Plan and the Local Coastal Plan.**

> MOTION: Councilmember Christine Johnson moved for approval of the City Goals as amended. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

D-5 SELECTION OF REAL ESTATE CONTRACT SERVICES AND AUTHORIZATION TO EXECUTE A RESIDENTIAL LISTING AGREEMENT FOR EXCLUSIVE AUTHORIZATION AND RIGHT TO SELL THE CITY-OWNED PROPERTY ON THE CORNER OF CORAL AVENUE AND SAN JACINTO STREET; (CITY ATTORNEY)

Mayor Irons and Councilmember Nancy Johnson recused themselves as there was a potential for a conflict of interest.

City Attorney Rob Schultz presented the staff report.

Vice-Mayor George Leage opened up public comment for Item D-5; seeing none, the public comment period was closed.

Councilmember Smukler stated that after looking at all the proposals, Ciano Real Estate stood out, especially since they were willing to take a commission of 3.5%

Councilmember Christine Johnson stated that all the agents would be able to sell this property. The money for the sale of this property will go to the Fire Station debt service which then would free up some Measure Q monies. She liked Ciano Real Estate due to the fact they are familiar with the Cloisters as their consultant was very involved with the original sale of Cloisters lots.

Vice Mayor Leage feels that we could be just as successful and make more money if we just tried to sell it ourselves.

> MOTION: Councilmember Smukler moved to accept the proposal from Ciano Real Estate to list City owned property on the corner of Coral Avenue and San Jacinto Street. The motion was seconded by Councilmember Christine Johnson and carried 3-0-2 with Mayor Irons and Councilmember Nancy Johnson having been recused from the item.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Smukler requested a discussion and evaluation of updated Resolution and Communication to Coastal Commission regarding the Atascadero Beach Campground Appeal to clarify the City's and Neighborhood Concerns; all Councilmembers concurred.

Mayor Irons requested developing a work plan for the General Plan and the Local Coastal Plan update; all Councilmembers concurred.

Councilmember Leage requested a discussion of Measure D; Mayor Irons and Councilmember Christine Johnson concurred.

Councilmember Smukler requested an update and review on the status of the Centennial Stairway Project; Mayor Irons and Councilmember Nancy Johnson concurred.

ADJOURNMENT

The meeting adjourned at 10:43pm.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: A-3

MEETING DATE: 5/14/13

Staff Report

TO: **Honorable Mayor and City Council** **DATE: February 20, 2013**

FROM: **Andrea K. Lueker, City Manager**

SUBJECT: **Appointment of One (1) Recreation & Parks Commission Member to a Current Board Vacancy**

RECOMMENDATION

Staff recommends the City Council appoint Bob Swain to the vacancy on the Recreation & Parks Commission for the remainder of the term which expires January 31, 2014.

ALTERNATIVES

- City Council can appoint Bob Swain to the vacancy on the Recreation & Parks Commission.
- City Council can require staff to advertise for the vacancy and conduct interviews for the opening.
- City Council can leave the vacancy unfilled for the remainder of the term.

BACKGROUND

Interviews for openings on the City's Commissions and Advisory Boards occurred at a Special City Council meeting held on Tuesday, January 29, 2013. At that time, the Recreation & Parks Commission had 3 vacancies to fill. Council interviewed 4 applicants for those openings and after voting, filled those vacancies with Alfonso Romero (5 votes), Drew Sidaris (5 votes) and Tom Coxwell (3 votes). Subsequently, there was a resignation from the board. It is staff's hope this vacancy can be filled with the fourth applicant interviewed that evening, Robert Swain who received 2 Council votes. Mr. Swain has been contacted by staff and is very interested in this appointment.

CONCLUSION

As there is a current vacancy on the Recreation & Parks Commission and there is a qualified candidate from the original applicant pool expressing his interest to fill that vacancy, staff recommends that Council appoint Robert Swain to fill the current vacancy on the Recreation & Parks Commission through January 31, 2014.

Prepared By: __JB___ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

AGENDA NO: A-4

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 6, 2013**

FROM: **Robert Livick, PE/PLS - Public Services Director/City Engineer**
Jarrod Whelan, EIT - Assistant Engineer

SUBJECT: **Authorization to File Notice of Completion for Project No. MB2012-WC01: Morro Bay Lift Station 3 and SSFM Upgrade**

RECOMMENDATION

Authorize staff to file the Notice of Completion for Morro Bay Lift Station 3 and Sanitary Sewer Force Main Upgrade Project and transfer required funds from the Sewer Accumulation fund to the Lift Station 3 SSFM Upgrade project.

ALTERNATIVES

Staff does not recommend any alternatives to the recommendation.

FISCAL IMPACT

The Project was funded from accumulated Sewer Revenues and was approved in the 2012/13 annual budget. The budgeted amount for the upgrade was $1,205,983, and the contractors bid was $1,191,052. During the course of the project, contract change orders added $241,076. This resulted in a final total contract cost of $1,432,128. There are sufficient funds in the sewer accumulation fund to compensate to the change in contract amount.

DISCUSSION

This project has been identified as a priority project in the Sewer Collection System Master Plan since 1974. In 2006, the City adopted an update of the Sewer Collection System Master Plan, which contains the following recommendation: "Upgrade lift station to submersible pump station with self-cleaning wet well, with shallow valve vault (eliminates confined space entry, except for any future wet well interior repairs), and with sufficient hydraulic capacity/redundancy to meet future peak flows."

On July 10, 2012, City Council awarded the Morro Bay Lift Station 3 and Sanitary Sewer Force Main Upgrade Project to Specialty Construction, Inc. of San Luis Obispo in the total bid amount of $1,191, 052. In September 2012, construction began at the Lift Station #3 site. Construction process resulted in 28 Contract Change Orders, including credits, totaling $218,859. The

Prepared By: JW Dept Review: RL

City Manager Review: _____

City Attorney Review: _____

changes included underground unforeseen circumstances, roadway section removal, site enhancements, and the purchase of a standby generator and replacement pump.

Daily inspection and post-construction punch list items verified that the lift station rehabilitation is a success. This replaced lift station should provide an additional 30 years or more of service.

CONCLUSION

Specialty Construction, Inc. has completed the Project and staff recommends the City Council accept the Project and authorize the filing of a Notice of Completion.

CITY OF MORRO BAY

CERTIFICATE OF COMPLETION

The undersigned hereby certifies that the construction of

MORRO BAY LIFT STATION #3 and SSFM UPGRADE

by **SPECIALTY CONSTRUCTION, INC.**

has been inspected and found to substantially comply with the approved plans and specifications and has been accepted as having been completed in accordance therewith.

It is, therefore, requested that the City Clerk file a Notice of Completion.

By: _____
Robert Livick, PE/PLS – City Engineer

Date: April 1, 2013

Recording requested by: and
When recorded mail to:
City of Morro Bay – City Engineer
595 Harbor Street
Morro Bay, Ca. 93442-1957

NOTICE OF COMPLETION
CITY OF MORRO BAY

TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN by the undersigned City Clerk of the City of Morro Bay, 595 Harbor Street, Morro Bay, County of San Luis Obispo, California, 93442, having the sole interest in fee, that the construction of the

MORRO BAY LIFT STATION 3 and SSFM UPGRADE

in the City of Morro Bay, has been completed by

SPECIALTY CONSTRUCTION, INC.

and was accepted on May 14, 2013.

_____
Jamie Boucher, City Clerk
City of Morro Bay, California

The undersigned hereby deposes and says:

That she is the City Clerk of the City of Morro Bay, County of San Luis Obispo, California; that she has read the foregoing Notice and knows the contents thereof and that the same is true of her own knowledge.

I declare the foregoing to be true under penalty of perjury.

Executed at Morro Bay, California, this _____ day of _____, 2013

_____
Jamie Boucher, City Clerk

AGENDA NO: A-5

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 7, 2013**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**
Barry Rands, PE, Associate Engineer

SUBJECT: **Resolution Authorizing Matching Funds and Grant Agreement for the Morro Creek Multi-Use Trail and Bridge Project**

RECOMMENDATION

Staff recommends the City Council adopt Resolution 29-13 authorizing execution of the grant agreement and approving matching requirements amounting to 20% of project costs.

ALTERNATIVES

Should the City Council so choose, the following are possible alternatives to the staff recommendation:

1. Fund the required match with General Fund Reserves.
2. Not authorize the required match funds and cancel the grant and project.

FISCAL IMPACT

Half of the $55,000 match requirement ($27,500), will come from accumulated Local Transportation Funds that are designated for bicycle and pedestrian projects. An additional $27,500 in in-kind services will be provided in the form of salaries to City staff working on the project. The Grant amount is $220,000 from the National Scenic Byways Program.

BACKGROUND and DISCUSSION

The City Council adopted the Waterfront Master Plan in May of 1996 which included a project to link the two sections of the Embarcadero with a multi-use bridge. More recently, the City Council adopted the Bicycle and Pedestrian Master Plan in February 2012, which also included the Morro Creek Bridge as a high priority project. Based on these Plans, the City was able to successfully apply for two major grants to fund the planning, design and construction of this project, which includes interpretive areas and a multi-use trail linking the Harborwalk with the proposed bridge across Morro Creek. The funds for construction, amounting to $616,000, are programmed from State Transportation Enhancement funds and the funds for planning and engineering are provided through a $220,000 grant from the National Scenic Byways program, authorized in February of this year.

The subject resolution is related to the latter grant. In order to execute the grant agreement, the City Council must authorize matching funds and designate an official to execute the agreement.

Prepared By: BR_____ **Dept Review:** RL

City Manager Review: _____

City Attorney Review: _____

The match requirement is 20% of the total project cost, estimated at $275,000. Half of the 20% ($55,000) match requirement can be contributed in services and the other half in funds. Salary payments to administrative, planning, legal, and engineering staff working on the project will make up half of the match requirement. The other half will be contributed in cash as payments from Local Transportation Funds for consulting services.

The Director of Public Services is the appropriate official to execute the grant agreement and to provide overall administration of the project.

CONCLUSION:

Cyclists and pedestrians will benefit from a safer and more convenient link between the waterfront and north Morro Bay. The use of $27,500 in designated Local Transportation Funds and the equivalent amount in staff time to leverage a $220,000 Grant is a good and appropriate use of City resources.

ATTACHMENT:

Supplemental Grant Agreement

RESOLUTION NO. 29-13

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AUTHORIZING EXECUTION OF THE PROGRAM SUPPLEMENT
AGREEMENT FOR FEDERAL AID PROJECT NO. 05-5391R
MORRO CREEK MULTI-USE TRAIL AND BRIDGE PROJECT**

T H E C I T Y C O U N C I L
City of Morro Bay, California

WHEREAS, the City Council adopted the Waterfront Master Plan in May of 1996 which included a project to link the two sections of the Embarcadero with a bridge; and

WHEREAS, the City has successfully applied for and received a $220,000 Grant through the National Scenic Byways Program to fund the engineering and environmental studies necessary for this project; and

WHEREAS, the City must provide a 20% match in funds and services as required by the Grant; and

WHEREAS, the City currently has adequate funds in the Local Transportation Fund Account for such purposes.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay, California, authorizes the Public Services Director to execute the subject agreement and to use staff resources and Local Transportation Funds to meet the 20% match requirements of this Grant.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 14th day of May, 2013 on the following vote:

AYES:
NOES:
ABSENT:

_____
JAMIE L. IRONS, Mayor

ATTEST:

_____
JAMIE BOUCHER, City Clerk

DEPARTMENT OF TRANSPORTATION
Division of Local Assistance
1120 N STREET
P.O. BOX 942874, MS# 1
Sacramento, CA 94274-0001
TTY 711
(916) 654-3151
Fax (916) 653-7621

RECEIVED
APR 08 2013
City of Morro Bay
Public Services Department

April 4, 2013

File : 05-SLO-0-MOBY
CASB12RP-5391(013)
Morro Bay from Hwy 1 to Morro Rock

Mr. ~~Bruce Ambo~~ Rob Livick
Director of Public Services
City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

Dear Mr. ~~Ambo~~ Livick:

Enclosed are two originals of the Program Supplement Agreement No. 005-N to Administering Agency-State Agreement No. 05-5391R.

Please note that federal funding will be lost if you proceed with future phase(s) of the project prior to getting the "Authorization to Proceed" with that phase.

Please review the covenants and sign both copies of this Agreement and return both to this office, Office of Project Implementation - MS1 within 60 days from the date of this letter. If the signed Agreements are not received back in this office within 60 days, funds will be disencumbered and/or deobligated. Alterations should not be made to the agreement language or funding. Attach your local agency's certified authorizing resolution that clearly identifies the project and the official authorized to execute the agreement. A fully executed copy of the agreement will be returned to you upon ratification by Caltrans. No invoices for reimbursement can be processed until the agreement is fully executed.

A copy of the State approved finance letter containing the fund encumbrance and reversion date information will be mailed to you with your copy of the executed agreement.

Your prompt action is requested. If you have questions, please contact your District Local Assistance Engineer.

Sincerely,

for JOHN HOOLE, Chief
Office of Project Implementation - South
Division of Local Assistance

Enclosure

c: DLA AE Project Files
(05) DLAE - Garin Schneider

PROGRAM SUPPLEMENT NO. N005
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 05-5391R

Adv Project ID 0512000242
Date: March 26, 2013
Location: 05-SLO-0-MOBY
Project Number: CASB12RP-5391(013
E.A. Number:
Locode: 5391

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 06/06/10 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. approved by the Administering Agency on (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:

Morro Bay from Hwy 1 to Morro Rock

TYPE OF WORK: Bike/Pedestrian Structure **LENGTH:** 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds		
	L97E	$220,000.00	LOCAL		OTHER
$275,000.00			$55,000.00		$0.00

CITY OF MORRO BAY

By Rob Livick
Title Rob Livick, PE/PLS Director/City Engineer
Date 4-15-2013
Attest Jamie Boat

STATE OF CALIFORNIA
Department of Transportation

By _____
Chief, Office of Project Implementation
Division of Local Assistance

Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer _____ **Date** 3/28/13 $220,000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

STATE OF CALIFORNIA. DEPARTMENT OF TRANSPORTATION

PROGRAM SUPPLMENT AND CERTIFICATION FORM

PSCF (REV. 01/2010)

TO: **STATE CONTROLLER'S OFFICE**
Claims Audits
3301 "C" Street, Rm 404
Sacramento, CA 95816

DATE PREPARED: **26-Mar-13**

PROJECT NUMBER: **0512000242**

REQUISITION NUMBER / CONTRACT NUMBER: **051300000267**

FROM:
Department of Transportation

SUBJECT:
Encumbrance Document

VENDOR / LOCAL AGENCY:
City of Morro Bay

CONTRACT AMOUNT:
$220,000.00

PROCUREMENT TYPE:
Local Assistance

CHAPTER	STATUTES	ITEM	YEAR	PEC / PECT	TASK / SUBTASK	AMOUNT
21	2012	2660-102-0890	2012-13	2030010/600	2620/0420	$220,000.00

ADA Noti For individuals with sensory disabilities, this document is available in alternate formats. For information, call (915) 654-6410 of TDD (916) -3880 or write Records and Forms Management, 1120 N. Street, MS-89, Sacramento, CA 95814.

SPECIAL COVENANTS OR REMARKS

1. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).

2. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

   ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

3. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.

4. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

   Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

5. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumberances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if

SPECIAL COVENANTS OR REMARKS

PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

6. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

7. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Excluded Parties List System (EPLS).

AGENDA NO:	**B-1**
MEETING DATE:	**05/14/2013**

Staff Report

TO: **Honorable Mayor and City Council** **DATE: April 30, 2013**

FROM: **Susan Slayton, Administrative Services Director/City Treasurer**

SUBJECT: **Resolution No. 28-13 Continuing the Program and Levying the Assessments for the 2013/14 Fiscal Year for the Morro Bay Tourism Business Improvement District (MBTBID)**

RECOMMENDATION

Staff recommends that the City Council hold a public hearing, record testimony for/against the continuation of the MBTBID, and adopt Resolution No. 28-13 levying the assessments.

ALTERNATIVES

Based on the testimony received during the Public Hearing, City Council may either:
1) adopt the Resolution; or 2) reject the Resolution, and direct staff accordingly.

FISCAL IMPACT

Estimated revenue for 2013/14 is $550,000 in assessment and a potential of $160,593 ($102,168 Visitors Center plus $58,425 former Community Promotions Committee (CPC)) from the City, all dedicated to marketing.

SUMMARY

This is the final step in the reaffirmation of the MBTBID, which results in the authorization of the 3% assessments, as required by State law. Staff requests that the City Council hold the public hearing to receive testimony for and/or against the continuation of the MBTBID, and then adopt Resolution No. 28-13.

BACKGROUND

The Morro Bay Tourism Business Improvement District (MBTBID) was established by Ordinance #546, dated April 27, 2009. It is an improvement district composed of hotel businesses that are self-assessing 3% of the rent charged by the operator per occupied room per night for all transient occupancies. This improvement district is established under the State of California Streets and Highway Code Section 36520-36537. Annual reaffirmation of the improvement district is required.

Prepared By: _____	**Dept Review:**_____
City Manager Review: _____	
City Attorney Review: _____	

At the City Council's April 9 and 23, 2013 meetings, staff presented the annual reports and draft budget for the MBTBID. The draft budget provided by the Morro Bay Tourism Bureau included $216,850 in City support. The City's proposed budget provided to the Council on April 26th includes a potential City contribution to the MBTBID of $160,593, which is $102,168 for the Visitors Center and $58,425 for marketing (represents 50% of the former CPC funding).

On April 23rd, the City Council held a public hearing, declaring its intention to continue the MBTBID program and levy the assessments. No testimony, either for or against, was presented, and Council adopted Resolution No. 24-13, declaring the intention to continue the program and assessments for the 2013/14 fiscal year for the MBTBID. Also at that meeting, the date of May 14, 2013 was set as the final public hearing, during which members of the public may speak for or against the continuation of the MBTBID program and assessment.

DISCUSSION

This is the final step in the required annual affirmation of the MBTBID program and authorization of the 3% assessment levy. The first two steps were the approval of the reports on April 9, 2013, and the setting of the first public hearing. The second step was the public hearing that was held on April 23, 2013, where the City Council adopted Resolution No. 24-13, the intent to continue the activities and levy the assessments. Letters were mailed to all hoteliers on May 1, 2013, notifying them of tonight's public hearing.

Based on the testimony presented at this public hearing, the City Council will make the decision whether or not to continue the program and levy the assessments. If the Council decides to continue the program and levy the assessments, the Council will adopt Resolution No. 28-13. If the Council decides against the program and assessments, Council will need to state that for the record and direct staff accordingly.

RESOLUTION NO. 28-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, CONTINUING THE PROGRAM AND LEVYING THE ASSESSMENTS FOR THE 2013/14 FISCAL YEAR FOR THE MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT (MBTBID)

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, the Parking and Business Improvement Area Law of 1989, Section 36500 et seq., of the California Streets and Highway Code authorizes cities to establish and review business improvement areas of the purpose of promoting tourism; and

WHEREAS, on April 13, 2009, the City Council held a public hearing and first reading of Ordinance 546 to establish the Morro Bay Tourism Business Improvement District (MBTBID), and approved Ordinance 546 at its April 27, 2009 meeting; and

WHEREAS, the advisory board has requested the renewal of the TBID for the 2013/14 fiscal year to continue its activities; and

WHEREAS, all other findings of Ordinance 546 to establish the TBID remain unchanged; and

WHEREAS, on April 9 and 23, 2013, staff presented the annual report for the fiscal year 2011/12 (the third year of the TBID), the adopted budget for 2012/13, and the budget plan for 2013/14, all of which are attached to this Resolution as Exhibit A; and

WHEREAS, the annual report and budget plan generally describe the activities to be marketing activities, which attract and extend overnight stays in Morro Bay hotels, support for the Visitors Center, whose outreach to potential visitors is key; and

WHEREAS, it is the intention of the City Council to levy and collect 3% assessments from the hoteliers within the TBID for the 2013/14 fiscal year; and

WHEREAS, the City Council conducted a public meeting on April 23, 2013, to affirm the annual report and budgets along with its intent to levy the 3% assessments, and set the public hearing date to confirm the program and levy the assessments as May 14, 2013, at 7:00 p.m. (or soon thereafter as possible), said hearing to be held in the Morro Bay Veterans Memorial Hall located at 209 Surf Street, Morro Bay, California, in accordance with the California Streets and Highway Code Sections 36524 and 36525; and

WHEREAS, on May 1, 2013, letter were sent to all affected businesses, notifying them of the public hearing scheduled for May 14, 2013; and

WHEREAS, on May 14, 2013, the City Council conducted a public hearing regarding the renewal of the TBID for the 2013/14 fiscal year, at which meeting affected businesses had the opportunity to protest the TBID renewal, with the following results:

FOR:

AGAINST:

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Morro Bay as follows:

1. That the above recitations are true and correct, and incorporated herein by reference.

2. That the City Council, having affirmed the annual report and budgets on April 9th and 23rd, 2013 at regular meetings, declares the renewal of the Morro Bay Tourism Business Improvement District for the 2013/14 fiscal year, and instructs the hoteliers to levy and collect 3% assessments for overnight stays of 30 days or less.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 14th day of May, 2013, by the following vote:

AYES:

NOES:

ABSENT:

_____
JAMIE L. IRONS, Mayor

_____
JAMIE BOUCHER, City Clerk

AGENDA NO: B-2

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 1, 2013**

FROM: **Joe Woods, Recreation and Parks Director**

SUBJECT: **Resolution Approving the Engineers Report and Declaring the Intent to Levy the Annual Assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District**

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 26-13 declaring the intent to levy the annual assessment for the maintenance of the North Point Natural Area and approving the Engineers Report.

ALTERNATIVES

Staff does not recommend any alternatives to the recommendation.

FISCAL IMPACT

Based on the Engineers Report, which estimates the annual costs of maintaining the North Point Natural Area for the upcoming fiscal year, the fiscal impact is estimated at $5,645. These costs will be offset by the collection of an assessment for the same amount from the parcel owners in the North Point Subdivision.

SUMMARY

On April 9, 2013, the City Council adopted Resolution No. 22-13, which initiated the proceedings to levy the annual assessment to fund the maintenance of the North Point Natural Area. Additionally, staff was directed to have an Engineer's Report prepared, detailing the estimated annual assessment for the parcel owners for fiscal year 2013/14. Upon adoption of Resolution No. 26-13, the next and final step in the annual levy of assessment process is the protest hearing/public hearing after which the City Council actually orders the levy of assessment.

BACKGROUND

As part of the annual assessment process, staff is required to provide an Engineers Report, which is an estimate of costs for maintenance of the North Point Natural Area. The cost estimates are based on the maintenance standards currently adhered to in the existing parks within Morro Bay and included in the Flat Rate Manual for Parks Maintenance, as well as maintenance costs from the current fiscal year. The estimate for the maintenance of the North Point Natural Area is $5,645 or $564.50 per parcel for fiscal year 2013/14.

North Point

Prepared By: CE **Dept. Review:** JW

City Manager Review: _____

City Attorney Review: _____

As with the Cloisters Landscaping and Lighting Maintenance Assessment district, personnel costs as well as supplies and services have risen significantly in the last several years. However, due to the small acreage, natural landscaping and little irrigation in the North Point Natural Area the assessment amount collected is currently adequate to cover the costs of maintenance.

DISCUSSION

The process for the annual levy of assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District requires the City Council to receive the Engineers Report, approve and/or modify the report and adopt a Resolution of Intention. The Resolution of Intention gives notice of the time, date and place for a public hearing by the City Council on the issue of the levy of assessment. The protest hearing/public hearing has been set for June 25, 2013 at the Veteran's Memorial Building. Upon adoption, a summary of the Resolution of Intention shall be published in the newspaper as a legal notice of public hearing, at which point all interested parties are afforded the opportunity to be heard either through written or oral communication. In addition, the City sends public notices via first class mail to all property owners on record in the Assessment District. Upon completion of the protest hearing/public hearing on June 25, 2013, the City Council may adopt the resolution ordering the levy of the annual assessment.

RESOLUTION NO. 26-13

A RESOLUTION OF THE CITY COUNCIL DECLARING THE CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THE MAINTENANCE OF THE NORTH POINT NATURAL AREA

T H E C I T Y C O U N C I L
City of Morro Bay, California

WHEREAS, all property owners of the North Point subdivision requested the City of Morro Bay form a maintenance assessment district to fund the maintenance of the North Point Natural Area; and

WHEREAS, the Landscaping and Lighting Act of 1972 (the "Act") enables the City to form assessment districts for the purpose of maintaining public improvements; and

WHEREAS, pursuant to Section 22623 of the Act, the Engineer has filed in the Office of the City Clerk, and submitted for review to the City Council, a report entitled "Engineers Report North Point Natural Area Landscaping and Lighting Maintenance Assessment", dated May 8, 2013, prepared in accordance with Article 4 of the Act, commencing with Section 22565; and

WHEREAS, pursuant to Section 22608.2 of the Act, the subdivider(s) were required by City Ordinance to install improvements for which an assessment district was required in order to assure continued and uninterrupted maintenance of the North Point Natural Area; and

WHEREAS, pursuant to the intent of Article XIII, Section 4, of the California Constitution, the property owners have elected to form the North Point Natural Area Landscaping and Lighting Maintenance Assessment District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay that it is the intent of the Council to order the annual levy and collection of assessments for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District generally located as shown in Exhibit "A" attached hereto at a public hearing to be held June 25, 2013 at 6:00 p.m. in the Veteran's Memorial Building, 209 Surf Street, Morro Bay, CA.

BE IT FURTHER RESOLVED by the City Council the improvements to be maintained at the North Point Natural Area are specified in the Engineer's Report dated May 8, 2013 which is hereby approved.

BE IT FINALLY RESOLVED by the City Council the assessment upon assessable lots within the district is proposed to total $5,645 or $564.50 per assessable parcel for fiscal year 2013/14.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held this 14th of May, 2013 by the following roll call vote:

AYES:

NOES:

ABSENT:

_____
JAMIE L. IRONS, MAYOR

ATTEST:

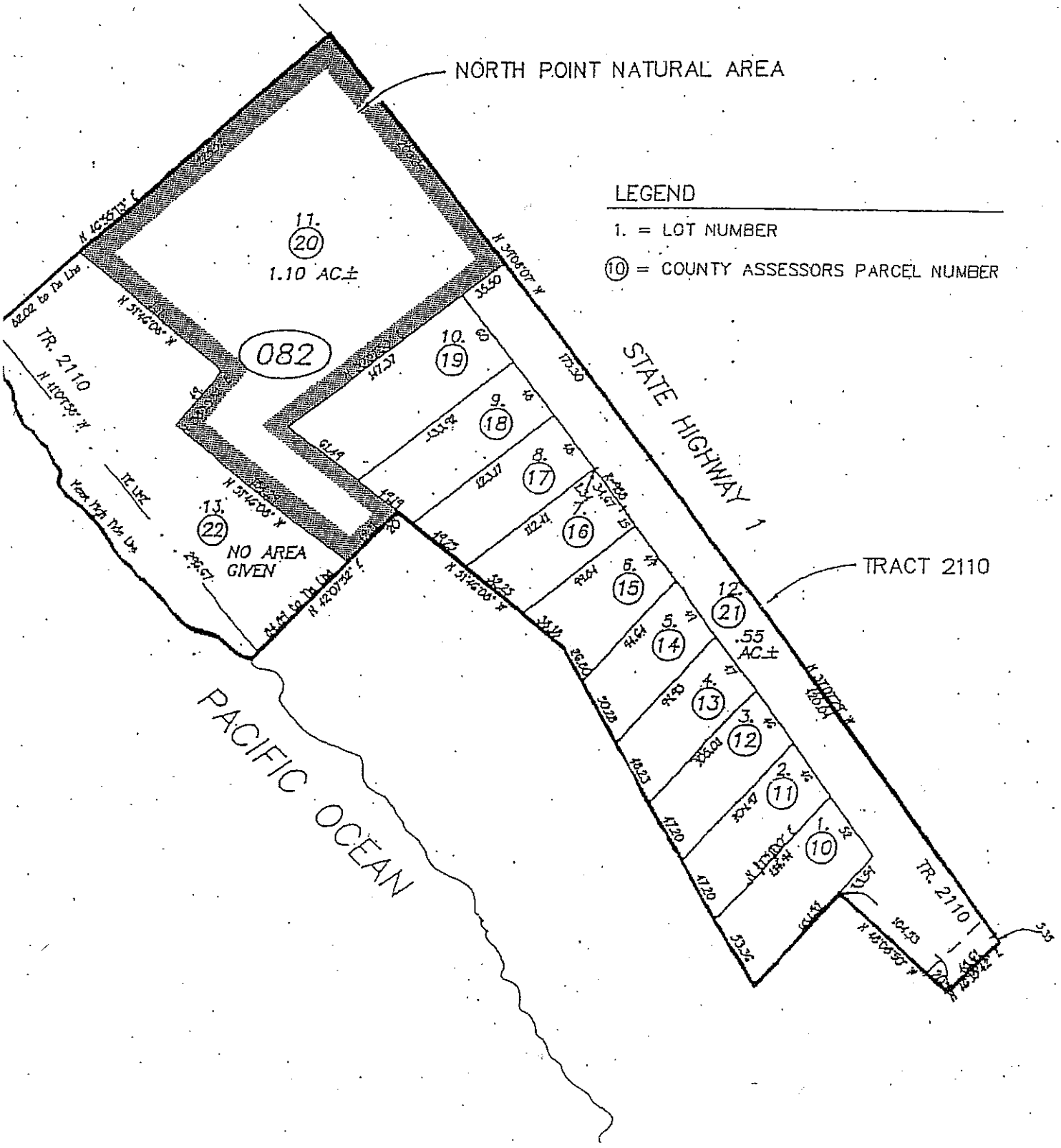
_____
JAMIE BOUCHER, CITY CLERK

EXHIBIT 'A'

CITY OF MORRO BAY

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

ASSESSMENT DIAGRAM



CITY OF MORRO BAY

NORTH POINT NATURAL AREA
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

ENGINEER'S REPORT

May 8, 2013

ASSESSMENT ENGINEER'S AFFIDAVIT
NORTH POINT NATURAL AREA
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

City of Morro Bay
San Luis Obispo County, State of California

This Report describes the proposed plans and specifications, method of apportionment, budgets and special benefit assessments to be levied on lots, parcels and subdivisions of land within the North Point Natural Area Landscaping and Lighting Maintenance Assessment District for fiscal year 2013/2014, as the same existed at the time of the passage of the Resolution of Intention and meets the minimum requirements as specified in section 22565 et seq of the California Streets and Highways Code; and was prepared by, or under the direction of the following Professional Engineer in accordance with the provisions of Section 6700 of the California Business and Professions Code.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 12th day of May, 2013.

_____

Rob Livick, PE/PLS – Public Services Director/City Engineer

CITY OF MORRO BAY

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT ENGINEER'S REPORT

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3.	Maintenance Costs	1
4.	Apportionment of Assessment	2
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	Maintenance Task List	Attachment A
	Detailed Cost Analysis	Attachment B

CITY OF MORRO BAY
NORTH POINT NATURAL AREA
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

ENGINEER'S REPORT

1. Project Description

As a condition of approval for Tract No. 2110, the North Point subdivision, the developers were required to offer to the City for dedication Lot 11 of the subdivision for park purposes, and to construct improvements on Lot 11 including a paved parking area, a stairway providing access to the beach, benches, landscaping and irrigation, lighting, and other improvements. The subdivision was also conditioned to provide maintenance of the park by establishing an assessment district. Lot 11 of Tract No. 2110 is identified as the North Point Natural Area.

For a detailed description of the improvements, refer to the plans and specifications on file in the office of the City Engineer.

The owners of the ten residential lots within the North Point subdivision have requested that the City form a maintenance assessment district to fund the maintenance of the North Point Natural Area.

II. Maintenance Tasks

A list of maintenance tasks required to maintain the North Point Natural Area in acceptable condition for public use was developed by the City Recreation and Parks Department based on maintenance standards established for existing parks within the City and is included in this report as Attachment A.

III. Maintenance Costs

The estimated annual cost of maintaining the North Point Natural Area was developed by the Recreation and Parks Department based on the tasks required and the City's Flat Rate Manual for Parks Maintenance. The annual cost of maintenance for the 2013/14 fiscal year is estimated to be $5,645.00. The detailed cost estimate is included in this report as Attachment B.

IV. Apportionment of Assessment

The total assessment for the District is apportioned to each of the ten residential lots equally. Lot 11, the North Point Natural Area; Lot 12, a private street; and Lot 13, an open space parcel to be granted to the State of California; are not assessed. Individual assessments are listed in the following table:

Parcel/Assessment Table

Lot Number	County Assessor's Parcel Number	Annual Assessment
1	065-082-10	$564.50
2	065-082-11	$564.50
3	065-082-12	$564.50
4	065-082-13	$564.50
5	065-082-14	$564.50
6	065-082-15	$564.50
7	065-082-16	$564.50
8	065-082-17	$564.50
9	065-082-18	$564.50
10	065-082-19	$564.50
11	065-082-20	$ 0.00
12	065-082-21	$ 0.00
13	065-082-22	$ 0.00

Attachment A

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT MAINTENANCE TASKS MAY 2013

Routine Maintenance Tasks

Review for vandalism/repair
Pick-up - paper
trash
cigarette butts
Empty - trash cans
Clean - benches
Check - fencing
beach access stairway
bike rack
lights
planting hillside, erosion

Weekly or as needed

Blow paths, parking lot

Monthly or as needed

Check trees
Check/repair sprinkler system
Trim trees and bushes as needed
Critical parts inspections

Annually or as needed

Paint beach access stairway, public access signage
New plantings (replacement)
General safety inspection
Annual tree pruning
Remove graffiti
Mow open space
Pest/gopher control
Trim and spray paths
Repair public access signage

Attachment B

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT
MAY 2013

NAME: North Point Natural Area Landscaping and Lighting Maintenance Assessment District

DIAGRAM: Attached

PLANS AND SPECIFICATIONS: For a detailed description of the improvements, refer to the plans and specifications on file in the office of the City Engineer. No bonds or notes will be issued for this Maintenance Assessment District.

ESTIMATED COST OF MAINTENANCE: The following outlines the estimated budget for the maintenance of the North Point Natural Area for fiscal year 2012/13.

Personnel Services Includes all daily and routine tasks as well as non-routine maintenance and repair costs.	**$4,800.00**
Supplies Includes trash liners, round-up and all other supplies in daily tasks as well as non-routine repair and maintenance.	**$ 200.00**
Services Includes utilities, engineering, insurance and structural repair to stairway and other structures.	**$ 645.00**
Total Assessment Estimate:	**$5,645.00**
Per Parcel Yearly Assessment $5,645.00/10 parcels	**$ 564.50**

s.ad.northpoint.staff reports.nrthpt.engrpt13

AGENDA NO: B-3

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 8, 2013**

FROM: **Joe Woods, Recreation and Parks Director**

SUBJECT: **Resolution Approving the Engineers Report and Declaring the Intent to Levy the Annual Assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District**

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 27-13 declaring the intent to levy the annual assessment for the maintenance of the Cloisters Park and Open Space and approving the Engineers Report.

FISCAL IMPACT

Based on the Engineers Report, which estimates the annual costs of maintaining the Cloisters Park and Open Space for the upcoming year, the fiscal impact is estimated at $148,944. These costs will be offset by the collection of an assessment for the same amount from the parcel owners in the Cloisters Subdivision.

ALTERNATIVES

Staff does not recommend any alternatives to the recommendation.

SUMMARY

On April 9, 2013, the City Council adopted Resolution No. 23-13, which initiated the proceedings to levy the annual assessment to fund the maintenance of the Cloisters Park and Open Space. Additionally, staff was directed to have an Engineer's Report prepared, detailing the estimated annual assessment for the parcel owners for fiscal year 2013/14. Staff intends to continue to outsource certain maintenance tasks within the District, which may redistribute the expenditure estimates. Upon adoption of Resolution No. 27-13, the next and final step in the annual levy of assessment process is the protest hearing/public hearing after which the City Council actually orders the levy of assessment.

BACKGROUND

Tract 1996, known as the Cloisters development, is a 124 lot subdivision bounded by State Highway One at the east, Atascadero State Beach at the west, Morro Bay High School at the south, and Azure, Coral, and San Jacinto Streets at the north.

Prior to development, the Cloisters was a privately owned 80-plus acre expanse of open land that

Prepared By: ***JMW*** **Dept Review:** ***JMW***

City Manager Review: _____

City Attorney Review: _____

was historically used for lateral and vertical access and contained a large area of sensitive sand dunes abutting the eastern edge of Atascadero State Beach. Also, prior to development, the Cloisters was the subject of various land development proposals including an RV park, a 390-unit condominium development, a 466-unit single family residential development, a 455-unit mixed residential development, and a 213-unit residential development. None of these proposals were approved.

It was well known that any development at the Cloisters was going to require a balance between continuation of lateral and vertical access within and through the property, while at the same time conserving the sensitive plant and wildlife resources present.

Zoning on most of the Cloisters site is Planned Development, Single-Family Residential with the sand dunes and wetlands zoned Environmentally Sensitive Habitat. The purpose of the Planned Development (PD) overlay zone is to provide for detailed and substantial analysis of development on parcels, which because of location, size or public ownership, warrant special review. This overlay zone is also intended to allow for the modification of or exemption from the development standards of the primary zone which would otherwise apply if such action would result in better design or other public benefit.

On September 23, 1996 the City Council passed Resolution No. 69-96 which accepted the final map for Tract 1996 known as the Cloisters Subdivision, consisting of 124 lots. Lots 1 through 120 were for single-family residential purposes, Lots 121, 122 were set aside for the 34-acre park and open space, Lot 124 was dedicated for a fire station and Lot 123 was offered to the state.

The findings and conditions of approval for the project were numerous. For example, the City Council made findings that the Cloisters project could cause significant environmental impacts relating to land use, visual/aesthetics, affordable housing, traffic generation, air quality noise, geology, drainage and water quality, ecological resources, and public services; but that these impacts can be mitigated by the recommended conditions. In addition, the City Council made further findings that the Cloisters project was in compliance with the specific policies of the GP/LUP and Zoning Ordinance with respect to protection of views, environmentally sensitive resources, public access, circulation, hazards and other requirements so long as the environmental impacts were mitigated. Finally, the City Council made further findings that the Cloisters project complies with MBMC with respect to optional subdivision design and related improvements, and that the optional design is justified in order to contribute to a better community environment through the dedication of extensive public areas, restoration of the ESH area, provision of scenic easements, provision of larger than usual lots adjacent to such areas, and maintenance of a consistent lot layout pattern adjacent to existing development on the north side of Azure Street.

In order to mitigate the environmental impacts of the project, and to provide a greater than public benefit as required in a PD overlay zone, the conditions of approval for the project required the applicant to form an assessment district for the maintenance of the public park, bicycle pathway, right of way landscaping, coastal accessways, ESH restoration areas and any other improved common areas to be privately held or dedicated to the City. The public park area, as well as all open space improvements and the assessment district were part of many detailed discussions during each

City and Coastal Commission hearings. Without this Condition of Approval the project would not have been approved and there would not be a Cloisters Development and plaintiff's homes would not exist.

The assessment district formation proceedings began in August, 1996, with the all of the Owners of the real property within the proposed district consenting in writing to the formation of the district pursuant to the Landscape and Lighting Act of 1972. The assessment district formation proceedings concluded with the final public hearing for formation on September 23, 1996, which levied the annual assessment of $148,944 for the maintenance of the thirty-four (34) acres of park and open space.

In preparing the various purchase and sale documents for each individual lot, including the Conditions, Covenants, and Restrictions, the developer was especially careful to call out the existence of the assessment district and to make certain that the existence of assessment district would not come as a surprise to anyone who purchases one of these lots. The Developer assured the City that "THERE WILL BE NO SURPRISES TO PROSPECTIVE OWNERS ABOUT THE ASSESSMENTS OR THEIR AMOUNTS."

In drafting all the project documents, the City and the developer reinforced the special benefits for the residents of the Cloisters Project with the public amenities and easements. Indeed, the Cloisters lots directly benefit from the public park, bicycle pathway, right of way landscaping, coastal accessways, ESH restoration areas and coastal accessways. The huge extent of the Cloisters open space, allow the Cloisters residents use of the public park, public restrooms, as well as the play equipment, coastal accessways, and other improvements which will benefit them to a substantial degree. There was also created and reserved in favor of each owner in the Cloisters Development easements for view, open space, scenic, passive recreation and coastal access across the entirety of Lots 121, 122 and 123, which shall not be developed with any improvements or structures unless necessary and proper for the restoration and maintenance of the Environmentally Sensitive Habitat Area.

Each year since its formation, the City has used the same assessment rates and methodology and assessed the Cloisters homeowners $148,944 for the continued maintenance and operation of the public park, bicycle pathway, right of way landscaping, coastal accessways, ESH restoration areas and coastal accessways as required by the conditions of approval and pursuant to the Landscape and Lighting Act of 1972. Unfortunately for the City, the assessment district does not a have a cost of living increase, so each year it cannot assess more than $148,944 even though the costs to maintain these areas has consistently gone up over the years.

Over the years there have been many Cloisters residents that support the assessment district, as it is viewed as insurance against future degradation of the unique "Cloisters environment" and that phasing out the assessment would, in the end, be a bad deal for residents/homeowners of the Cloisters and possibly attract "troublemakers".

CONCLUSION

The process for the annual levy of assessment for the Cloisters Landscaping and Lighting

Maintenance Assessment District requires the City Council to receive the Engineer's Report, approve and/or modify the report and adopt a Resolution of Intention. The Resolution of Intention gives notice of the time, date and place for a public hearing by the City Council on the issue of the levy of assessment. The protest hearing/public hearing has been set for June 25, 2013 at 7:00 p.m. at the Veteran's Memorial Building. Upon adoption, a summary of the Resolution of Intention shall be published in the newspaper as a legal notice of public hearing, at which time all interested parties are afforded the opportunity to be heard either through written or oral communication. In addition, the City sends public notices via first class mail to all property owners on record in the Assessment District. Upon completion of the protest hearing/public hearing on June 25, 2013, the City Council may adopt the resolution ordering the levy of the annual assessment.

RESOLUTION NO. 27-13

A RESOLUTION OF THE CITY COUNCIL DECLARING THE CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THE MAINTENANCE OF THE CLOISTERS PARK AND OPEN SPACE

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, all property owners of the Cloisters subdivision requested the City of Morro Bay form a maintenance assessment district to fund the maintenance of the Cloisters Park and Open Space; and

WHEREAS, the Landscaping and Lighting Act of 1972 (the "Act") enables the City to form assessment districts for the purpose of maintaining public improvements; and

WHEREAS, pursuant to Section 22623 of the Act, the Engineer has filed in the Office of the City Clerk, and submitted for review to the City Council, a report entitled "Engineers Report - Cloisters Landscaping and Lighting Maintenance Assessment District", dated May 8, 2013, prepared in accordance with Article 4 of the Act, commencing with Section 22565; and

WHEREAS, pursuant to Section 22608.2 of the Act, the subdivider(s) were required by City Ordinance to install improvements for which an assessment district was required in order to assure continued and uninterrupted maintenance of the Cloisters Park and Open Space; and

WHEREAS, pursuant to the intent of Article XIII, Section 4, of the California Constitution, the property owners have elected to form the Cloisters Landscaping and Lighting Maintenance Assessment District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay that it is the intent of the Council to order the annual levy and collection of assessments for the Cloisters Landscaping and Lighting Maintenance Assessment District generally located as shown in Exhibit "A" attached hereto at a public hearing to be held June 25, 2013 at 7:00 p.m. in the Veteran's Memorial Building, 209 Surf Street, Morro Bay, CA.

BE IT FURTHER RESOLVED by the City Council the improvements to be maintained at the Cloisters Park and Open Space are specified in the Engineer's Report dated May 8, 2013, which is hereby approved.

BE IT FINALLY RESOLVED by the City Council the assessment upon assessable lots within the district is proposed to total $148,944 or $1,241.20 per assessable parcel for Fiscal Year 2013/14.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held this 14th day of May, 2013 by the following roll call vote:

AYES:

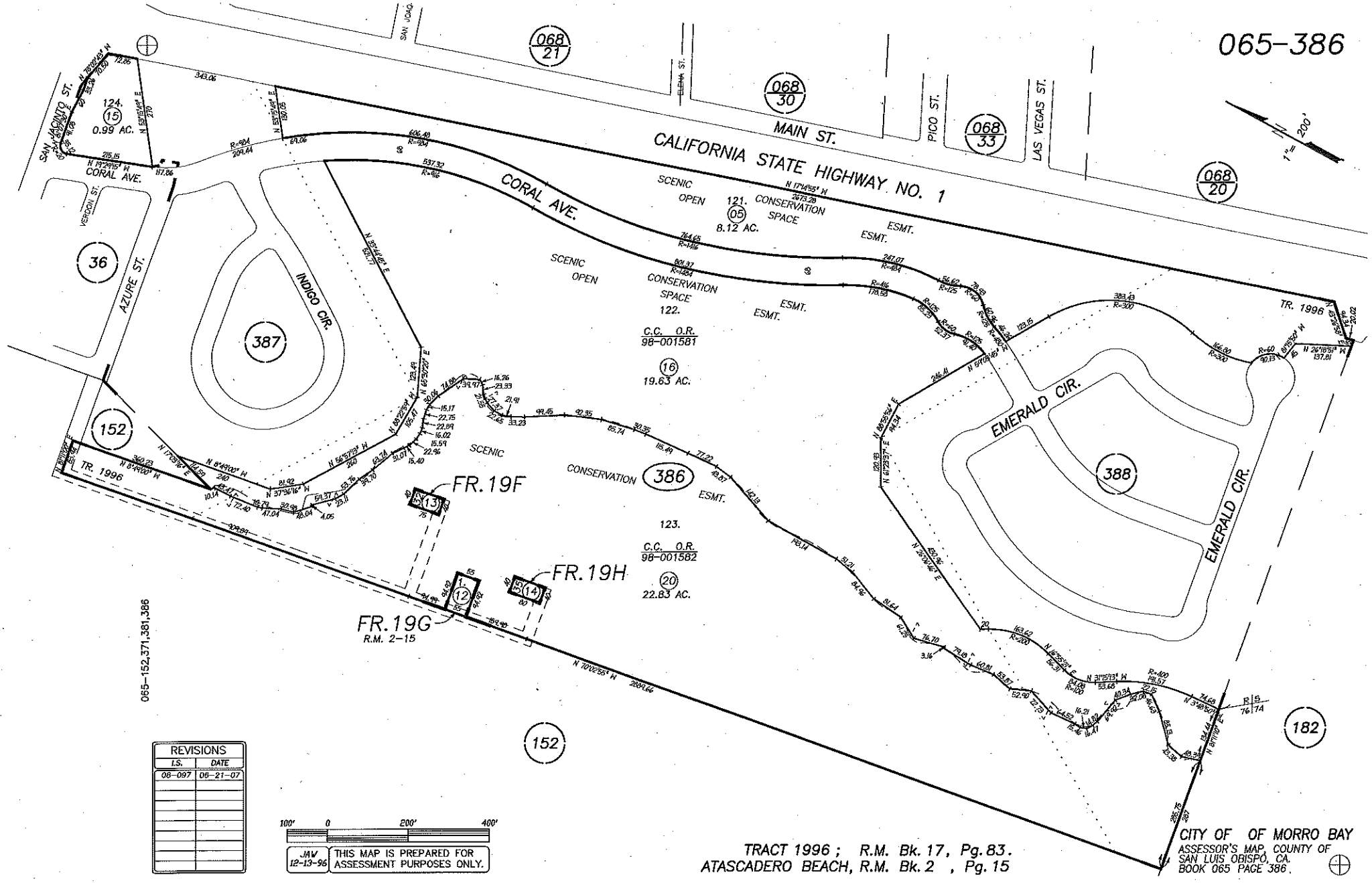
NOES:

ABSENT:

_____
JAMIE L. IRONS, MAYOR

ATTEST:

_____
JAMIE BOUCHER, CITY CLERK



REVISIONS	
I.S.	DATE
08-097	06-21-07

TRACT 1996 ; R.M. Bk. 17, Pg. 83.
ATASCADERO BEACH, R.M. Bk. 2 , Pg. 15

CITY OF MORRO BAY

CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

ENGINEER'S REPORT

May 8, 2013

ASSESSMENT ENGINEER'S AFFIDAVIT
CLOISTERS LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

City of Morro Bay
San Luis Obispo County, State of California

This Report describes the proposed plans and specifications, method of apportionment, budgets and special benefit assessments to be levied on lots, parcels and subdivisions of land within the Cloisters Landscaping and Lighting Maintenance Assessment District for fiscal year 2013/2014, as the same existed at the time of the passage of the Resolution of Intention and meets the minimum requirements as specified in section 22565 et seq of the California Streets and Highways Code; and was prepared by, or under the direction of the following Professional Engineer in accordance with the provisions of Section 6700 of the California Business and Professions Code.

The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 12th day of May, 2013.

_____

Rob Livick, PE/PLS – Public Services Director/City Engineer

CITY OF MORRO BAY

CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

ENGINEER'S REPORT

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IV.	Maintenance Tasks	4
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	Detailed Cost Analysis	Attachment B
	Estimated Budget Details	Attachment C

CITY OF MORRO BAY
CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT

ENGINEER'S REPORT

I. Project Description

Tract 1996, known as the Cloisters development, is a 124 lot subdivision bounded by State Highway One at the east, Atascadero State Beach at the west, Morro Bay High School at the south, and Azure, Coral, and San Jacinto Streets at the north (the "Cloisters").

The Cloisters, prior to development, was a privately owned 80-plus acre expanse of open land. Prior to development the property was historically used for lateral and vertical access and contained a large area of sensitive sand dunes abutting the eastern edge of Atascadero State Beach. Prior to development, the Cloisters was the subject of various land development proposals including an RV park, a 390-unit condominium development, a 466-unit single family residential development, a 455-unit mixed residential development, and a 213-unit residential development. The City of Morro Bay (the "City") approved none of these development proposals.

It was well known that any development at the Cloisters was going to require a balance between continuation of lateral and vertical access within and through the property, while at the same time conserving the sensitive plant and wildlife resources present. In addition, the negative impacts of development on the site would have to be sufficiently offset by public resources and public amenities from the site.

Zoning on most of the Cloisters site is Planned Development, Single-Family Residential with the sand dunes and wetlands zoned Environmentally Sensitive Habitat (ESH). The purpose of the Planned Development (PD) overlay zone is to provide for detailed and substantial analysis of development on parcels, which because of location, size or public ownership, warrant special review. This overlay zone is also intended to allow for the modification of or exemption from the development standards of the primary zone which would otherwise apply if such action would result in better design or other public benefit.

On September 23, 1996 the City Council passed Resolution No. 69-96 which accepted the final map for Tract 1996 known as the Cloisters Subdivision, consisting of 124 lots. Lots 1 through 120 were for single-family residential purposes. Lots 121, 122 were for the 34-acre park and open space and Lot 124 was dedicated for a fire station and Lot 123 was offered to the state.

The findings and conditions of approval for the project were numerous. For example, the

City Council made findings that the Cloisters project could cause significant environmental impacts relating to land use, visual/aesthetics, affordable housing, traffic generation, air quality noise, geology, drainage and water quality, ecological resources, and public services; but that these impacts can be mitigated by the recommended conditions. In addition, the City Council made further findings that the Cloisters project was in compliance with the specific policies of the GP/LUP and zoning ordinance with respect to protection of views, environmentally sensitive resources, public access, circulation, hazards and other requirements so long as the environmental impacts were mitigated. Finally, the City Council made further findings that the Cloisters project complies with MBMC with respect to optional subdivision design and related improvements, and that the optional design is justified in order to contribute to a better community environment through the dedication of extensive public areas, restoration of the ESH area, provision of scenic easements, and provision of larger than usual lots adjacent to such areas, and maintenance of a consistent lot layout pattern adjacent to existing development on the north side of Azure Street.

In order to mitigate the environmental impacts of the project, and to provide a greater public benefit as required in a PD overlay zone, the conditions of approval for the project required the applicant to form an assessment district for the maintenance of the public park, bicycle pathway, right of way landscaping, coastal accessways, ESH restoration areas and any other improved common areas to be privately held or dedicated to the City. The public park area, as well as all open space improvements and the assessment district were part of many detailed discussions during each City and Coastal Commission hearings. Without this Condition of Approval and the creation of the ongoing assessment district, the project would not have been approved and there would not be a Cloisters Development.

The assessment district formation proceedings began in August 1996, when all of the owners of the real property within the proposed district consented in writing to the formation of the Cloisters Landscaping and Lighting Maintenance Assessment District (the "District") pursuant to the Landscaping and Lighting Act of 1972 (the "Act"). The assessment district formation proceedings concluded with the final public hearing for formation on September 23, 1996, which levied the annual assessment of $148,944 (the "Assessment") for the maintenance of the thirty-four (34) acres of public resource lands including open space and natural lands, wetland area and pond used for drainage mitigation for homes constructed in Cloisters, median landscaping, street trees, a neighborhood park and recreation area, fencing and other public improvements.

In preparing the various purchase and sale documents for each individual lot, including the Conditions, Covenants, and Restrictions, the owners and developer were especially careful to call out the existence of the assessment district and to make certain that the existence of assessment district was disclosed to anyone who purchased one of these lots. In drafting all the project documents, the City and the developer reinforced the special benefits for the residents of the Cloisters Project from the public amenities and easements maintained by the Assessments. Moreover, the City and the developer clearly understood that the creation and continuation of the Assessments was necessary for the approval of residential development within the Cloisters Project.

II. Improvements

The work and improvements to be undertaken for the Cloisters Landscaping and Lighting Maintenance Assessment District, and the costs thereof paid from the levy of the annual assessments (the "Improvements"), are generally described as follows:

Installation, maintenance and servicing of public improvements, including but not limited to, turf, ground cover, shrubs, and trees, other landscaping, irrigation systems, fencing, signage, trails, walkways, recreation facilities lighting, restroom facilities, parking and all necessary appurtenances, and labor, materials, supplies, utilities and equipment. The public resources maintained and improved by the assessments from the District are further summarized as follows:

4 acres of park land
24.4 acres of open space meadow and natural land
5.5 acres of wetland
1.6 acres of medians, street trees and public right-of-ways

Within those areas, the following improvements are maintained and improved by the assessments:

Parking lot
Play equipment and sand lot
Trash cans
Demonstration garden
Turf
Decomposed granite paths
Habitat fencing
Observation pier
Scrub/meadow plantings
Hydro-seeded planting areas
ESHA fencing and keep out signs
Thickly planted medians
Street trees
Gabion channels
Asphalt path system
Coastal access ways
Play area surfacing
Drinking fountains
Restroom
Picnic tables
Bike rack
Benches
Concrete walks
Wetland plantings
Willows

Interpretive exhibits
Trees &shrubs along the sound wall
Directional signs
Monuments with lights
Sound wall
6' and 3' solid fence
Wetland area and pond
Bridges
Light bollards
Drainage systems
Barbeques
Irrigation (spray and drip)

For a detailed description of the improvements, refer to the plans and specifications on file in the office of the City Engineer.

III. Method of Assessment

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements; and the methodology used to apportion the total assessment to properties within the District.

The Assessment is an annual assessment pursuant to the Act, which was established prior to the effective date for Proposition 218 and which meets the conditions in Article XIIID Section 5 of the California Constitution. Therefore, the Assessment is exempt from the requirements for new or increased assessments imposed by Article XIIID.

The proceeds from the District are being used to fund the maintenance and upkeep of public resources within the Cloisters development project for the special benefit of the properties located within this project. In absence of the Assessments, such improvements would not be provided and the properties within the District would be negatively impacted by the demise and deterioration of the landscaping, median improvements, street trees, turf areas, open space lands, drainage areas, fencing, pathways and other improvements maintained by the Assessments and located within the District. Therefore, the continued maintenance and upkeep of these important improvements is a distinct and special benefit to properties within the District.

Easements were also created and reserved in favor of each owner in the Cloisters Development for view, open space, scenic, passive recreation and coastal access across the entirety of LOTS 121, 122 and 123, which shall not be developed with any improvements or structures unless necessary and proper for the restoration and maintenance of the Environmentally Sensitive Habitat Area. This is another distinct and special benefit conferred on property within the District.

Moreover, these improvements, and their continued maintenance, were an original requirement for the creation of the residential single family lots within Cloisters and the subsequent development of residential housing in the project.[1] Without the Assessments, these residential lots would not have been approved and created. Consequently, the creation of the residential lots approved for residential development is the primary special benefit from the Assessments. This special benefit is conferred exclusively on property within the District and is not a general benefit to the public at large.

IV. Maintenance Tasks

A list of maintenance tasks required to maintain the Cloisters Park and Open Space in acceptable condition for public use was developed by the City Recreation and Parks Department based on maintenance standards established for existing parks within the City and is included in this report as Attachment A.

V. Maintenance Costs

1 . It should be noted that the Assessments were unanimously approved prior to Proposition 218 by the owners of all property within the District.

The estimated annual cost of maintaining the Cloisters Park and Open Space was developed by the Recreation and Parks Department based on the tasks required and the City's Flat Rate Manual for Parks Maintenance. The annual cost of maintenance for the 2013/14 fiscal year is estimated to be $148,944. The cost estimate is included in this report as Attachment B. Staff has been directed to outsource the maintenance for the District which may affect the distributions of expenditures.

VI. Apportionment of Assessment

The total assessment for the District is apportioned to each of the one hundred and twenty residential lots equally. Lots 121 and 122 (Parcel 1) Cloisters Park and Open Space, Lot 124 (dedicated for a fire station) and Lot 123 (now Parcel 2) was offered to the State: are not assessed. Individual assessments are listed in the following table:

Parcel/Assessment Table

Lot Number	County Assessor's Parcel Number	Annual Assessment
1	065-387-001	$1,241.20
2	065-387-002	$1,241.20
3	065-387-003	$1,241.20
4	065-387-004	$1,241.20
5	065-387-005	$1,241.20
6	065-387-006	$1,241.20
7	065-387-007	$1,241.20
8	065-387-008	$1,241.20
9	065-387-009	$1,241.20
10	065-387-010	$1,241.20
11	065-387-011	$1,241.20
12	065-387-012	$1,241.20
13	065-387-013	$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
14	065-387-014	$1,241.20
15	065-387-015	$1,241.20
16	065-387-016	$1,241.20
17	065-387-017	$1,241.20
18	065-387-018	$1,241.20
19	065-387-019	$1,241.20
20	065-387-053	$1,241.20
21	065-387-054	$1,241.20
22	065-387-055	$1,241.20
23	065-387-023	$1,241.20
24	065-387-024	$1,241.20
25	065-387-025	$1,241.20
26	065-387-026	$1,241.20
27	065-387-027	$1,241.20
28	065-387-028	$1,241.20
29	065-387-029	$1,241.20
30	065-387-030	$1,241.20
31	065-387-031	$1,241.20
32	065-387-032	$1,241.20
33	065-387-033	$1,241.20
34	065-387-034	$1,241.20
35	065-387-035	$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
36	065-387-036	$1,241.20
37	065-387-037	$1,241.20
38	065-387-038	$1,241.20
39	065-387-039	$1,241.20
40	065-387-040	$1,241.20
41	065-387-041	$1,241.20
42	065-387-042	$1,241.20
43	065-387-043	$1,241.20
44	065-387-044	$1,241.20
45	065-387-045	$1,241.20
46	065-388-001	$1,241.20
47	065-388-002	$1,241.20
48	065-388-003	$1,241.20
49	065-388-004	$1,241.20
50	065-388-005	$1,241.20
51	065-388-006	$1,241.20
52	065-388-007	$1,241.20
53	065-388-008	$1,241.20
54	065-388-009	$1,241.20
55	065-388-010	$1,241.20
56	065-388-011	$1,241.20
57	065-388-012	$1,241.20
58	065-388-013	$1,241.20
59	065-388-014	$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
60	065-388-015	$1,241.20
61	065-388-016	$1,241.20
62	065-388-017	$1,241.20
63	065-388-018	$1,241.20
64	065-388-019	$1,241.20
65	065-388-020	$1,241.20
66	065-388-021	$1,241.20
67	065-388-022	$1,241.20
68	065-388-023	$1,241.20
69	065-388-024	$1,241.20
70	065-388-025	$1,241.20
71	065-388-026	$1,241.20
72	065-388-027	$1,241.20
73	065-388-028	$1,241.20
74	065-388-029	$1,241.20
75	065-388-030	$1,241.20
76	065-388-031	$1,241.20
77	065-388-032	$1,241.20
78	065-388-033	$1,241.20
79	065-388-034	$1,241.20
80	065-388-035	$1,241.20
81	065-388-036	$1,241.20
82	065-388-037	$1,241.20
83	065-388-038	$1,241.20
84	065-388-039	$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
85	065-388-040	$1,241.20
86	065-388-041	$1,241.20
87	065-388-042	$1,241.20
88	065-388-043	$1,241.20
89	065-388-044	$1,241.20
90	065-388-045	$1,241.20
91	065-388-046	$1,241.20
92	065-388-047	$1,241.20
93	065-388-048	$1,241.20
94	065-388-049	$1,241.20
95	065-388-050	$1,241.20
96	065-388-051	$1,241.20
97	065-388-052	$1,241.20
98	065-388-053	$1,241.20
99	065-388-054	$1,241.20
100	065-388-055	$1,241.20
101	065-388-056	$1,241.20
102	065-388-057	$1,241.20
103	065-388-058	$1,241.20
104	065-388-059	$1,241.20
105	065-388-060	$1,241.20
106	065-388-061	$1,241.20
107	065-388-062	$1,241.20
108	065-388-063	$1,241.20
109	065-388-064	$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
110	065-388-065	$1,241.20
111	065-388-066	$1,241.20
112	065-388-067	$1,241.20
113	065-388-068	$1,241.20
114	065-388-069	$1,241.20
115	065-388-070	$1,241.20
116	065-388-071	$1,241.20
117	065-388-072	$1,241.20
118	065-388-073	$1,241.20
119	065-388-074	$1,241.20
120	065-388-075	$1,241.20
121	065-386-005	0
122 Parcel 1	065-386-016	0
123 Parcel 2	065-386-017 065-386-018 065-386-019 065-386-012 065-386-013 065-386-014 065-386-010	0
124	065-386-015	0

Attachment A

CLOISTERS PARK AND OPEN SPACE MAINTENANCE TASKS

ROUTINE MAINTENANCE TASKS

Review for vandalism/repair
Outdoor

Pick-up	♦	trash
	♦	paper
	♦	cigarette butts
Empty	♦	6 trash cans
Clean	♦	7 tables
	♦	2 drinking fountains
Check	♦	5 interpretive panels
	♦	2 barbeques
	♦	bike paths
	♦	walkways
	♦	2 bridges
	♦	2 coastal access ways
	♦	1 observation pier
	♦	1 bike rack
	♦	2 play apparatus
	♦	25 light bollards
	♦	play area surface
	♦	1 demonstration garden
Clean	♦	3 toilets
	♦	1 urinal
	♦	2 sinks
	♦	restroom floors/walls
	♦	18 benches
	♦	restock restrooms
	♦	

WEEKLY OR AS NEEDED

Mow turf
Edge turf
Remove weeds from demonstration garden, medians, planters
Trim turf around trees, posts and other hard to reach areas
Check and replace failed lamps
Blow all walkways, observation deck and parking lot

Attachment A
CLOISTERS PARK AND OPEN SPACE
MAINTENANCE TASKS
Page two

BI-WEEKLY OR AS NEEDED

- Rake/redistribute gravel under picnic tables and benches
- Empty barbeques of ashes
- Litter pick-up open space area

MONTHLY OR AS NEEDED

- Check new trees and plantings
- Check/repair sprinkler system
- Trim trees and bushes as needed
- Critical parts inspection
- New plantings

BI-ANNUALLY OR AS NEEDED

- Fertilize turf/planter areas
- Paint restrooms, structures, signs, etc.
- Seed and aerate turf areas

ANNUALLY OR AS NEEDED

- General safety inspection
- Annual tree pruning

AS NEEDED

- Remove graffiti
- Pest/gopher control
- Trim and spray paths
- Mow open space area
- Wetland observation/maintenance

TECHNICAL SPECIFICATIONS
FOR

Landscape Maintenance
Cloisters Landscaping and Lighting Maintenance Assessment District

LITTER CONTROL

Litter is to be picked up as encountered during scheduled visits to each designated area. Particular care must be given to the removal of fecal matter from highly traveled and highly visible areas.

Trash removal from garbage cans as specified on the Project Area Map. Cans are to be dumped per the distributed seasonal frequency schedule.

All debris removed from the work site at the end of each work day.

WALKWAYS/ HARDSCAPE/PARKING LOT

Walkways and median hardscape and parking lots will be cleaned per the seasonal frequency schedule. All foreign objects, trash and weeds are to be removed from surfaces. Trash, clippings and foreign objects will be removed from the site.

A blow pack may used to clean walkways and median hardscape between 8:00 a.m. till 4:00 p.m., Monday through Friday only. All litter gathered by a blow pack must be picked up and removed from the site.

Walkways and median hardscape shall be kept clear of all shrubs and ground cover. Prune shrubs and ground cover as necessary to maintain safety.

IRRIGATION

All irrigation schedules shall comply with City watering restrictions, Irrigation shall be programmed to maintain proper plant growth in all areas.

Proper maintenance and/or replacement of all irrigation systems and their component parts is required. This includes, but is not limited to, valve boxes and lids, gate valves, quick couplers, mainlines and laterals, all fittings and riser assemblies, hose bibs, sprinkler heads and emitters, wiring, backflow devices, remote control valves, irrigation controllers and enclosures.

Automatic controllers will be programmed for seasonal water requirements. Each automatic system will be checked monthly for proper operation..

Where automatic sprinkler systems do not exist, manual watering all plant material is required.

Irrigation system requires monitoring of water usage at or below a three year running historical average.

PEST CONTROL

Control and elimination of weeds, insects, rodents and diseases affecting all vegetation using material and methods that are non-injurious to the plants as well as citizens and pets is required.

BIKE PATHS AND PEDESTRIAN WALKWAY MAINTENANCE

The path and/or walkway will be inspected on a daily basis, to ensure it is in safe condition. Inspections will include checking the condition of path and/or walkway surface, for erosion and drainage problems in the path and/or walkway corridor, for required clearances (vegetation encroachment or fallen trees), and for condition and proper function of path and/or walkway furnishings and amenities including signs, gates, bollards, fencing, benches, etc. Inspections after storm events are recommended to check for erosion, drainage problems and fallen trees or debris blocking the trail surface. The removal of invasive species from much of the path and/or walkway will assist in the restoration of native habitats, the diversifying of plant species present along the trail, and the improvement of the health, vigor and longevity of existing vegetation.

The grass shoulder adjacent to the path and/or walkway shall be kept to a maximum height of 4” throughout the growing season.

Erosion of the path and/or walkway surface, shoulders, base and sub-base courses can create hazardous conditions for trail users and compromise the structural integrity of the path and/or walkway.

Signs are critical to the safe and convenient functioning of the path and/or walkway and must be kept graffiti free and free of obstructions, such as vegetation.

Site furnishings and signs are typically constructed of wood or metal. They should be inspected weekly to check for graffiti, splintering, chipped paint or general deterioration or damage.

A weekly schedule of litter and trash pickup shall be developed to keep the path and/or walkway clean. Path and/or walkway users should be encouraged through appropriate signage to clean up after themselves and to pick up litter they find as they use the trail. Dog litter shall be removed daily.

RIGHT OF WAY PLANTERS/ MEDIAN STRIP MAINTENANCE

Edging and pruning is to be done per the seasonal frequency schedule. Plant growth shall not encroach onto sidewalk, roadway or other hardscape, along fences and walls. Chemical application is not an acceptable method for ground cover edging.

All ground cover shall be maintained in a weed free condition.

Ground cover fertilizer shall be a complete slow release fertilizer equal to a ratio of 15-15, 15 evenly broadcast at the minimum rate of five (5) pounds per one thousand (1,000) square feet of ground cover area, per application.

Bark mulch will be maintained in shrub beds as per the task frequency schedule. Bark mulch to be refreshed seasonally and/or as needed.

IRRIGATED LANDSCAPE AREA MAINTENANCE

All plants and shrubbery shall be pruned to encourage healthy growth habits for shape and appearance according to accepted industry standard. Pruning shall be done according to the natural growth of each individual species of plant to maintain viability by cutting out dead, diseased or injured wood and to control growth when an unshapely shrub may result. Shrubbery adjacent to walkways and roadways must be kept pruned, avoiding safety hazards in traveled areas.

Irrigated landscape beds shall be maintained in a weed free condition. Shrub beds shall be raked free of all debris, weeds and leaves and maintained in a neat condition during each work session.

Bark mulch will be maintained in shrub beds as per the task frequency schedule. Mulch to be refreshed seasonally and/or as needed.

Shrubs and shrub beds shall be fertilized per the seasonal task frequency schedule.

Shrub fertilizer shall be a complete slow release fertilizer equal to a ratio of 25-5-5 evenly broadcast at the minimum rate of five (5) pounds per one thousand (1,000) square feet of ground cover area, per application.

All fence lines, curbs, gutters, asphalt paths, parking lots, signs and other structures shall be free of all weeds.

TREE BED/ WALK-ON BARK AREA MAINTENANCE

All ground cover shall be maintained in a weed free condition.

Bark mulch will be maintained in shrub beds as per the task frequency schedule. Contractor to refreshed bark mulch seasonally and/or as needed.

TREE MAINTENANCE

All tree pruning activities shall be performed only by trained, experienced personnel. Supervision shall be by a Western Chapter International Society of Arboriculture Certified Arborist complying with WCISA Pruning Standards or ANSI 300 specifications.

All trees shall be pruned to provide pedestrian and vehicular clearance.

All tree wells are to be kept clear of trash, suckers and weeds. No structural changes are to be made.

All trees must be supported sufficiently. This includes, but is not limited to minor repairs consisting of replacing or repairing ties, refastening boards and, braces and removal of nursery stakes. All staking and ties shall be done in a way to avoid tripping hazards. Tree stakes or ties shall be removed promptly once their function has been completed.

TURF MAINTENANCE

Mowing operations shall be performed in a workmanlike manner that ensures a smooth appearance without scalping or allowing excessive cuttings to remain.

Turf shall be mowed with a reel type mower equipped with rollers or a rotary type mower. All equipment shall be adjusted to the proper cutting height and shall be adequately sharpened.

Mowing height shall be three inches (3”) for all turf areas. Mowing height may vary for special events and conditions as determined by the City of Morro Bay. Any and all litter and trash must be removed before the mowing operation. Walkways shall be cleaned immediately following each mowing operation.

All turf areas will be mowed per the seasonal task frequency schedule. This is generally split into the warm season- April through October, and the cool season- November through March. Mowing will be scheduled to occur Monday through Friday.

All turf edges, including but not limited to sidewalks, driveways, curbs, shrub beds, ground cover beds, tree basins and open space areas shall be edged to a neat and uniform line; all grass invasion must be eliminated. All turf edges shall be trimmed and limited around sprinklers, valve boxes, meter boxes, backflow devices, park equipment and other obstacles.

Weed-eater type string trimmers may be used for edging. Use of string type trimmers requires caution near trees and plants.

When a power edger with a rigid blade is used, the edging of turf shall be completed as one operation in a manner that avoids damage to concrete sidewalks and borders and results in a well-defined, V-shaped edge that extends into the soil.

Chemical application for edging may be used in and around areas such as planter, areas adjacent to building, trees, fence lines, sprinkler heads, etc. Prior to application of any chemical, all areas shall be trimmed to the property height.

All turf shall be fertilized per seasonal task frequency schedule. Turf fertilizer shall be a complete fertilizer, evenly broadcast at the minimum rate of one (1) pound actual available nitrogen per one-thousand (1,000) square feet of turf area, per application. Applications shall be as follows; 16-8-8 applied in May; 22-3-9 (slow release) applied in January.

Turf areas shall be aerated per the seasonal task frequency schedule.

Turf areas shall be maintained in a weed free condition.

WEED CONTROL- MISCELLANEOUS OPEN SPACE AREAS/ DETENTION BASINS

Designated open space, non-irrigated areas and detention basins are to be mowed or weed-whipped seasonally (approximately three to four times per year

All noxious weeds are to be removed and discarded.

All fence lines, light standard bases, tree wells, sidewalks, curbs, gutters, asphalt berms, parking lots, signs and other structures shall be free of all weeds.

WETLANDS

Designated Wetland maintenance must be coordinated with City of Morro Bay Maintenance Staff and within the State Fish and Game guidelines as stated on current maintenance permit.

RESTROOM

Restroom sanitation is the process of cleaning and sanitizing restrooms to keep them safe and in proper working order. Cleaning and sanitizing is required daily.

Service and refill all dispensers to include soap, paper towel, toilet tissue; and empty sanitary napkin and waste receptacles. Ensure all dispensers are in good working order and properly cleaned.

Clean and disinfect toilets, urinal and wash basins. Liquid bowl cleaner shall be used as needed to prevent stains and lime buildup.

Floors shall be swept daily and pressure washed as needed.

Attachment B

CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT
MAY 2013

NAME: Cloisters Landscaping and Lighting Maintenance Assessment District

DIAGRAM: Attached

PLANS AND SPECIFICATIONS: Attached. No bonds or notes will be issued for this Maintenance Assessment District.

ESTIMATED COST OF MAINTENANCE: The following outlines the estimated budget for the maintenance of the Cloisters Park and Open Space for fiscal year 2013/14.

Personnel Services Includes all daily and routine tasks as well as non-routine maintenance and repair costs. Contracted/In-House	**$ 92,000**
Supplies Includes all supplies used in daily tasks as well as non-routine repair and maintenance.	**$ 9,000**
Services Includes utilities, engineering, insurance and structural repair.	**$ 36,000**
Deferred Maintenance Accumulated funds to be directed at capital projects, Permits, and other one-time expenses	**$ 11,944**
Total Assessment Estimate:	**$148,944**
Per Parcel Yearly Assessment $148,944/120 parcels	**$ 1,241.20**

Attachment C

CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT ESTIMATED BUDGET DETAILS

May 14, 2013

CLOISTERS DISTRICT ESTIMATED BUDGET DETAILS

FISCAL YEAR 13/14

Contract Maintenance	Estimated	Actual
Routine and Periodic	$83,000	$1
Monument Planting x3	$4,350	$0
Additional Work	$4,000	$0
Total	**$91,350**	**$1**

Utilities	Estimated	
Utilities		$1
Water	$20,000	
Electricity	$2,000	
Trash	$3,000	
Insurance	$4,400	$0
Total	**$29,400**	**$1**

CMB Maintenance	Estimated	
Non-Routine tasks	$6,000	$1
Routine	$1,650	
Total	**$7,650**	**$1**

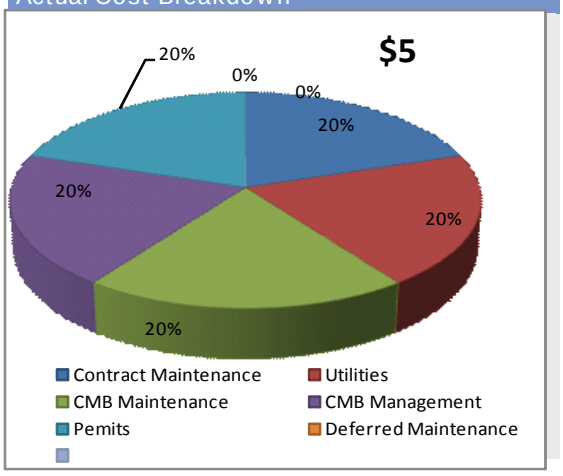
CMB Management	Estimated	
Operational	$4,000	$1
Management	$1,000	
Engineering	$500	
Notices & Publications	$700	
Total	**$6,200**	**$1**

Pemits	Estimated	
Fish and Game annual	$25	$1
Biological Services	$2,000	$0
Backflow Inspection	$250	$0
Total	**$2,275**	**$1**

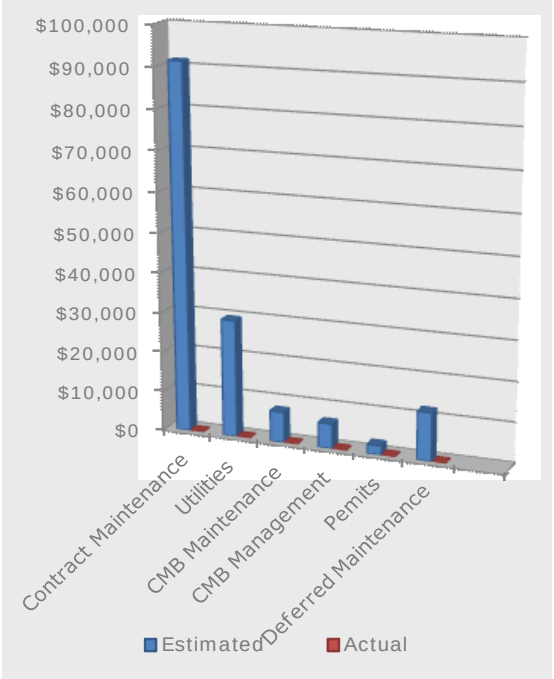
Deferred Maintenance	Estimated	
Capital Projects	$11,719	$1
Fish and Game Permit 5yr	$350	
Other		
Total	**$12,069**	**$0**

Total Expenses	Estimated	
	$148,944	**$5**

Actual Cost Breakdown



Estimated vs. Actual



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AGENDA NO: B-4

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 5, 2013**

FROM: **Rob Livick, PE/PLS - Public Services Director/City Engineer**

SUBJECT: **Public Hearing to Receive Public Comments, and Provide Further Direction to Staff and Applicant Regarding a Request for an Abandonment (E00-103) and Coastal Development Permit (CP0-391) to Allow the Abandonment of a Portion of the Public Right of Way (ROW) not Used for Public Street Purposes Using the Procedures Provided by the California Streets and Highways Code, Section 8300 et seq. The Abandonment is Located Westerly of the Existing Back of Curb of Toro Lane, between Yerba Buena and North Point Subdivision. (Greg Frye, 3420 Toro Lane, Applicant)**

RECOMMENDATION

Staff recommends City Council receive public comment regarding the proposed abandonment and provide direction to staff based on the listed alternatives.

ALTERNATIVES

1. Direct staff to work with the applicant to refine the abandonment and bring forward the "Resolution of Intention" for City Council action.
2. Continue the item to receive additional public comment.
3. Table the abandonment and terminate the abandonment proceedings.

FISCAL IMPACT

Toro Lane is perhaps the only segment of City ROW that is owned by the City in fee and constitutes a parcel of real property. Being that it is owned in fee, if abandoned, the City can choose to sell a portion or the entire piece of property. Prior to any sale or negotiations for sale with any potential buyer, the City would need to determine the fair market value for the property. Additionally, once the abandonment is complete and property sold, this portion of Toro Lane no longer requires City resources for maintenance activities, i.e. weed abatement. Furthermore, once the ROW is abandoned and sold, the benefiting properties may be subject to increased property taxes, thus increasing the amount of revenue to the City.

Prepared By: ___RL___ **Dept Review:**___RL_

City Manager Review: _____

City Attorney Review: _____

BACKGROUND

On March 12, 2013 the City Council was presented with the "Resolution of Intention" for the partial abandonment of Toro Lane based on Planning Commission recommendation. Discussion at both the March 12th City Council meeting and the previous Planning Commission meeting included public comment and correspondence reflecting that the area proposed for abandonment should be preserved for the development of parking as there is a need for additional parking to serve beach access as well as for the future Morro Bay – Cayucos Bike Path. It is the professional opinion of staff that the development of a parking lot is not feasible without extensive grading within the excess ROW due to the parcel configuration and topography. The portion of the proposed abandonment area that is relatively flat is the narrowest portion of the area, being less than 20-feet in width, which is less than the required parking space length. The wider portion of the proposed abandonment contains slopes ranging from 10 to 25-percent which would result in significant fill in the area as well as presenting obstacles in meeting accessibility requirements.

In City Council's deliberations regarding the abandonment, some Councilmembers were in favor of needing additional public input as well as a better analysis of the parking issues in the area; others were in favor of approving the "Resolution of Intention" for the final abandonment and proceeding to the Public Hearing where these issues could be addressed.

Ultimately, the City Council did not adopt Resolution of Intention 18-13, but directed the applicant and staff to come forward at a Public Hearing to work out details of the development and/or partnership and/or acquisition of the property to include exploring and evaluating scenarios of existing and maximized parking opportunities.

DISCUSSION

Staff has prepared a concept plan that shows the potential for the development of a ten space parking area using a portion of the ROW that was proposed for abandonment along with a portion of the neighboring applicant's property. This area is in the flattest portion of the ROW adjacent to the paved street. The area would be large enough for parking and the loading and unloading of bicycles and other recreational equipment. This proposal uses approximately 2,500 square feet of the ROW and 1,600 square feet of the applicant's property. The probable cost for designing and constructing the parking area has been estimated at approximately $36,000.

After subtracting the area for parking, this would leave approximately 5,500 square feet of ROW adjacent to the applicant's property that could be abandoned and disposed of as Council desires. The 5,500 square foot remaining portion is encumbered by a reservation of a 15-foot wide public pedestrian and utility easement, a Caltrans drainage easement, environmentally sensitive habitat and the associated buffer. This yields the applicant at most, approximately 2,400 square feet of unencumbered area. While not suitable for development on its own, when combined with the adjoining parcel, does have some value as a setback area.

Although the applicant did not request abandonment north of the easterly prolongation of the northerly property line for his parcel, staff recommends continuing the abandonment north to the boundary of Tract 2110 (North Point). This would allow the property owner north of the

applicant to “buy out” of a Special Encroachment agreement that allows significant private improvements to remain in the public ROW at the pleasure of the City. The gross area for this portion of the Toro Lane abandonment is approximately 5,500 square feet. The net area of abandonment, when subtracting the area similar encumbrances previously described, is approximately 2,500 square feet.

An additional issue that surfaced during the abandonment discussions and previous hearings for Toro Lane is the disposition of a 7.58 foot wide portion of the previously abandoned Torro Drive that was not abandoned during the proceedings in 1983. It appears that this strip was reserved for pedestrian access to the bluff top or to the beach if at some future time a stairway was constructed. From staff's research of City records, it appears that abandonment and reservation of the 7.58 foot wide strip came out of a litigation settlement agreement with an adjoining property owner over the public rights to Torro Drive. The reservation of the strip did not require the construction of any improvements and as far as staff can tell is available for public use.

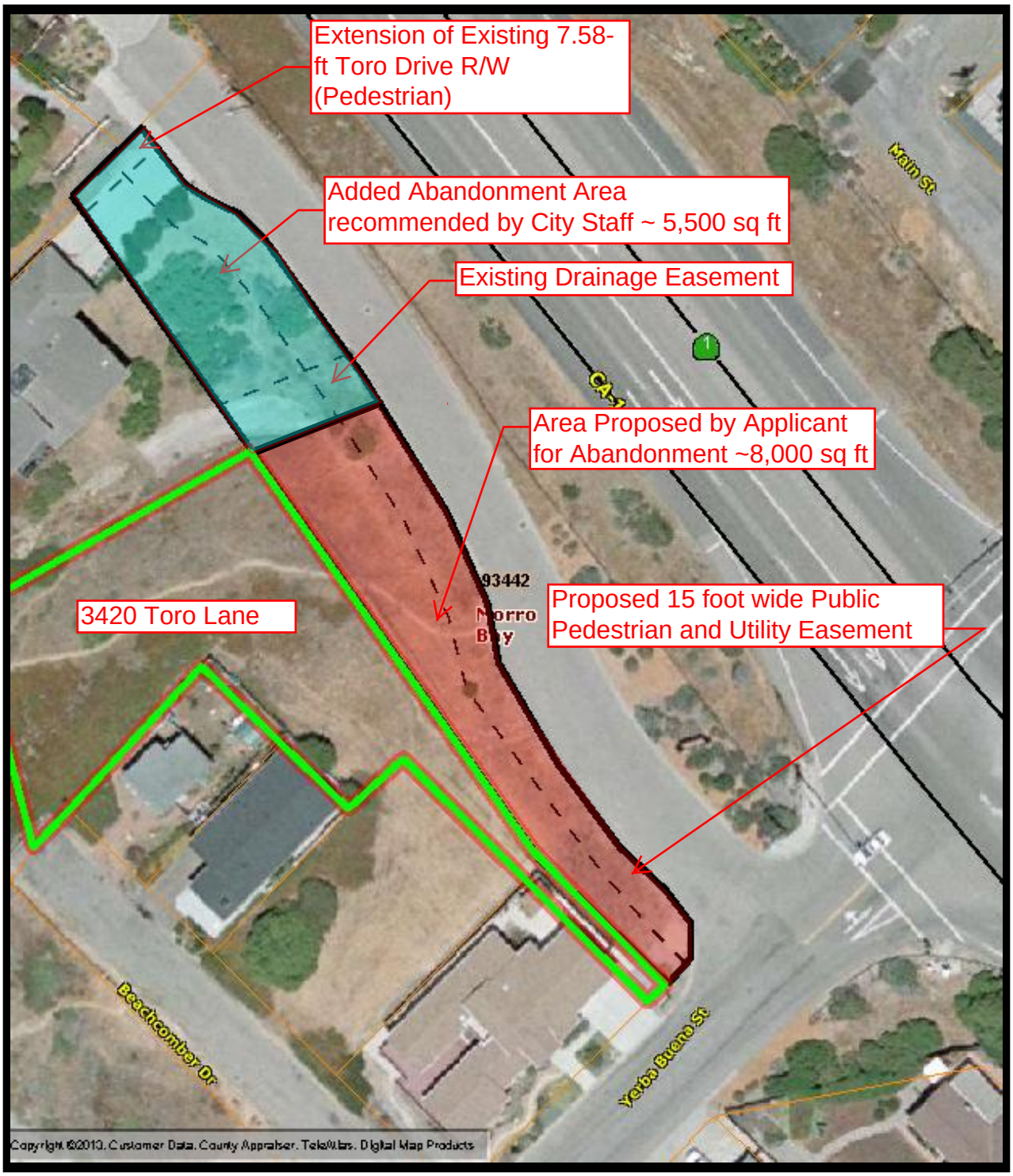
CONCLUSION

This item has been brought back at Council’s request to receive additional public input on the abandonment proposal. At face value, the proposal is found to be consistent with the California Streets and Highways Code, the City’s General Plan/Local Coastal Plan and the California Coastal Act. Based on the additional public input received this evening, it is requested that Council provide direction to staff on how to proceed with the abandonment.

ATTACHMENTS

1. Proposed Abandonment Site Map
2. Information from the project representative received February 22, 2013.
3. Conceptual Parking Plan
4. Torro Drive Abandonment Exhibit from Resolution 73-83, Recorded September 7, 1994

Attachment 1



DIGITAL MAP PRODUCTS

Proposed Toro Lane Partial Abandonment
E00-103 (Frye)

N

60 ft

CityGIS

Sale of the abandoned property at 3420 Toro lane

City council members, thank you for allowing me to meet with most of you over the past few weeks. Please take a moment to review my thoughts on the matter of the abandonment of the surplus city land.

Below are what I feel are the pro's for the abandonment:

1. Divestment of land that has been unused and unmaintained for well over 50 years, from the time Hwy 1 was improved.

2. Maintenance and liability of this land is transferred to the new owner(s) from the city. Beautification via landscaping will add value to the community.

3. Generate immediate revenue by the sale

4. Generate future revenue from additional property taxes, enhanced by development of the property.

5. Future uses remain available by the easements set by the city. (parking, bike staging area, etc)

6. Four property owner's benefit form the sale (Frye, Nakata, St. Clair and Coomer) while the city keeps options open via the easement. (We plan to sell the property adjacent to our 2 southerly neighbors and have a preliminary agreement regarding this.)

City council members, please reflect on the following questions as you make a decision on the sale of the surplus land.(abandonment area)

1. What are the actual and feasible future uses for this surplus property? Do these uses fit within the ambiance of the neighborhood?

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Administration

2. What portions of the surplus land are usable? Evaluate slope and ESH setbacks. (see the topographical maps attached)

3. What will be the cost to the city to build out the proposals ?(specifically parking)

4. Is the easement adequate for the proposed future uses ? (parking)

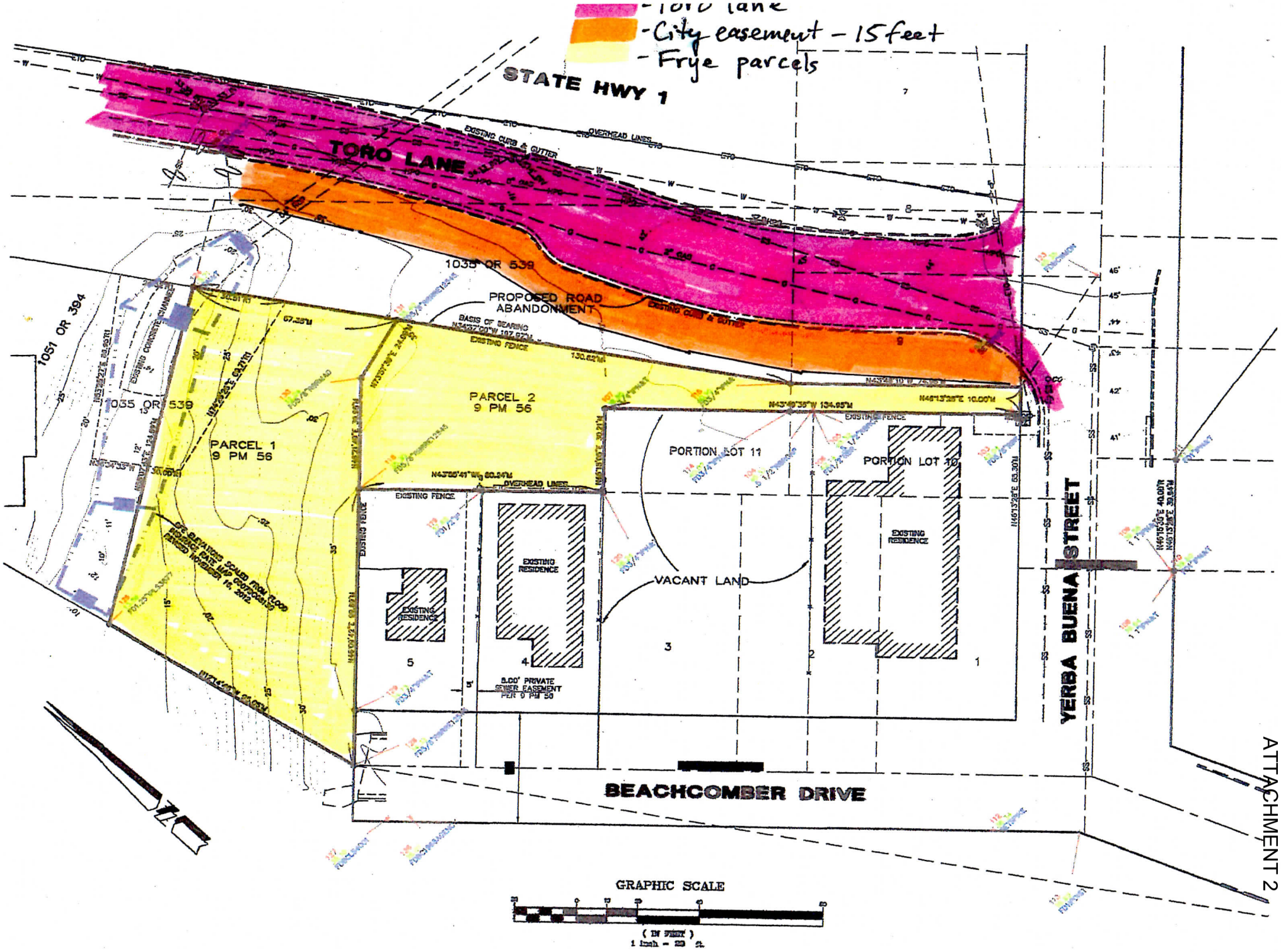
5. Can you sell the land with it's easement and still allow for proposed future uses?

I have considered all of these items and feel that the sale offers a mutually beneficial agreement.

One more item to consider, once we build our residence, we will have no interest in this property. We would have no interest in additional costs, maintenance, liability or additional property taxes. Our interest is simply to build further back on parcel 1and once we build there is no reason to purchase the adjacent land.
Furthermore, if the city chooses to hold this land, it is our expectation that the city council and those concerned citizens would push forward with the plans to use this land for parking or another use. It would be a shame to let it remain in it's current condition for the foreseeable future.

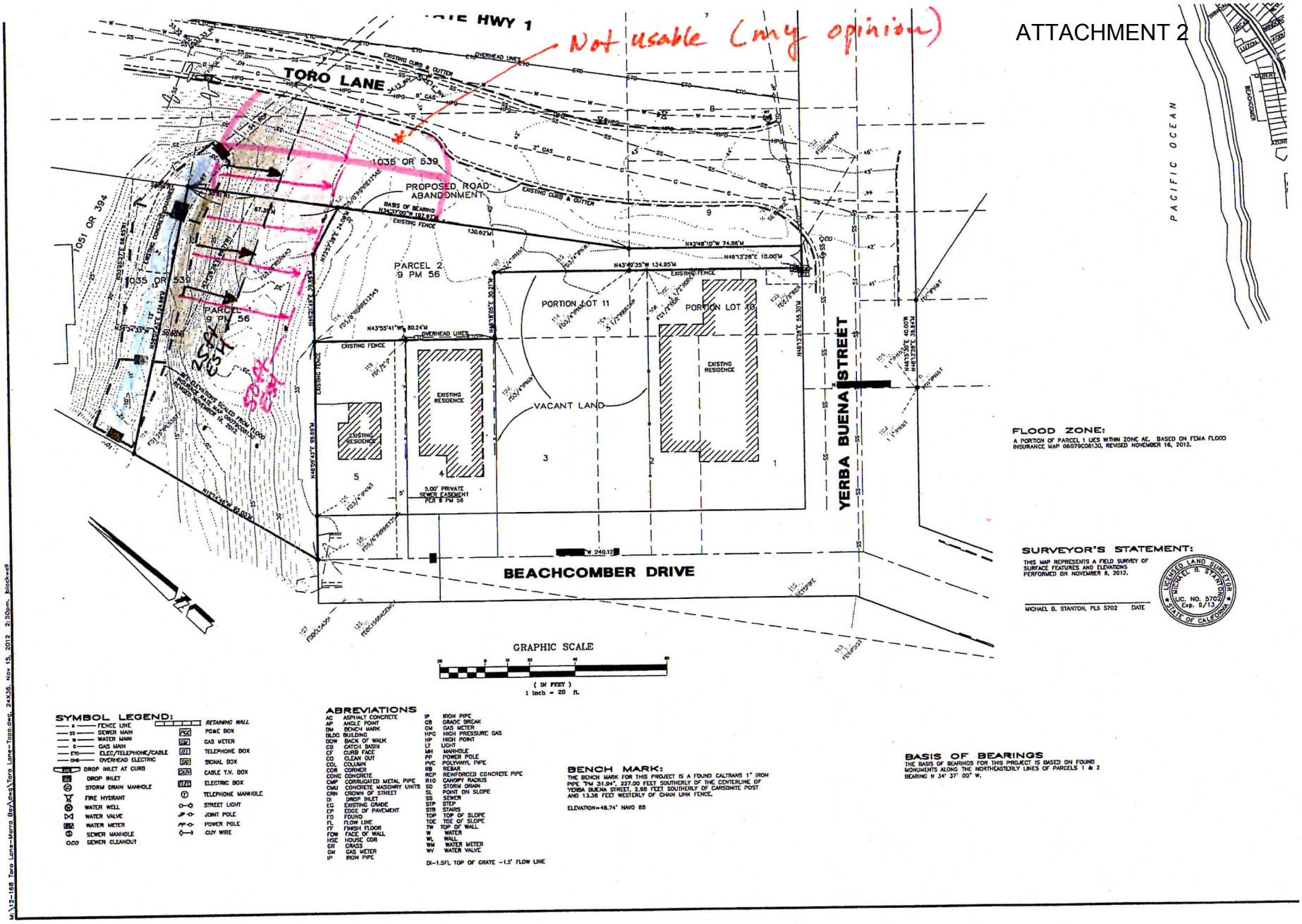
Thank you ,

Greg Frye



ATTACHMENT 2

ATTACHMENT 2

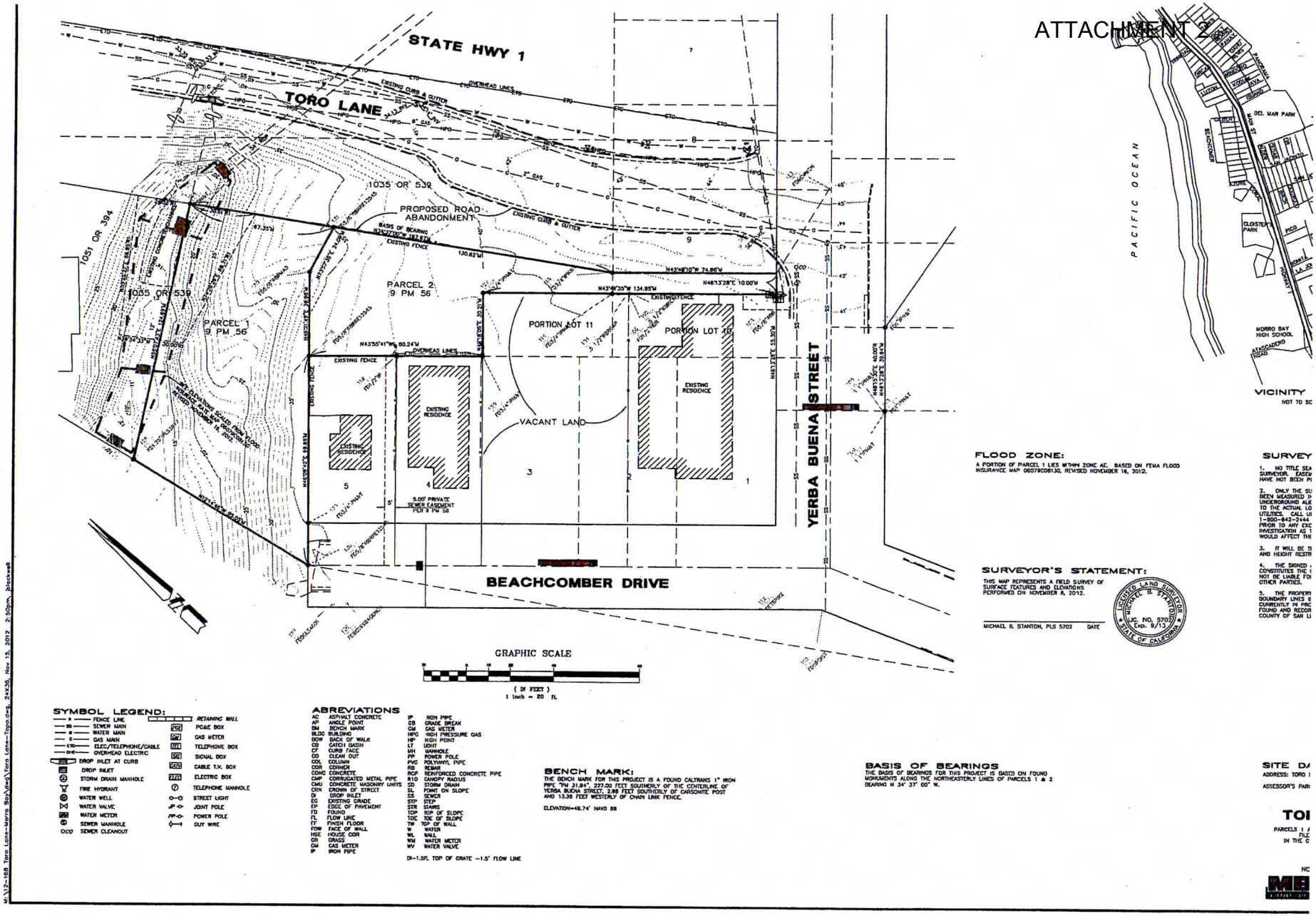


Drainage ditch -

Approx 25 ft ESH setbacks

Approx 50 ft ESH setbacks

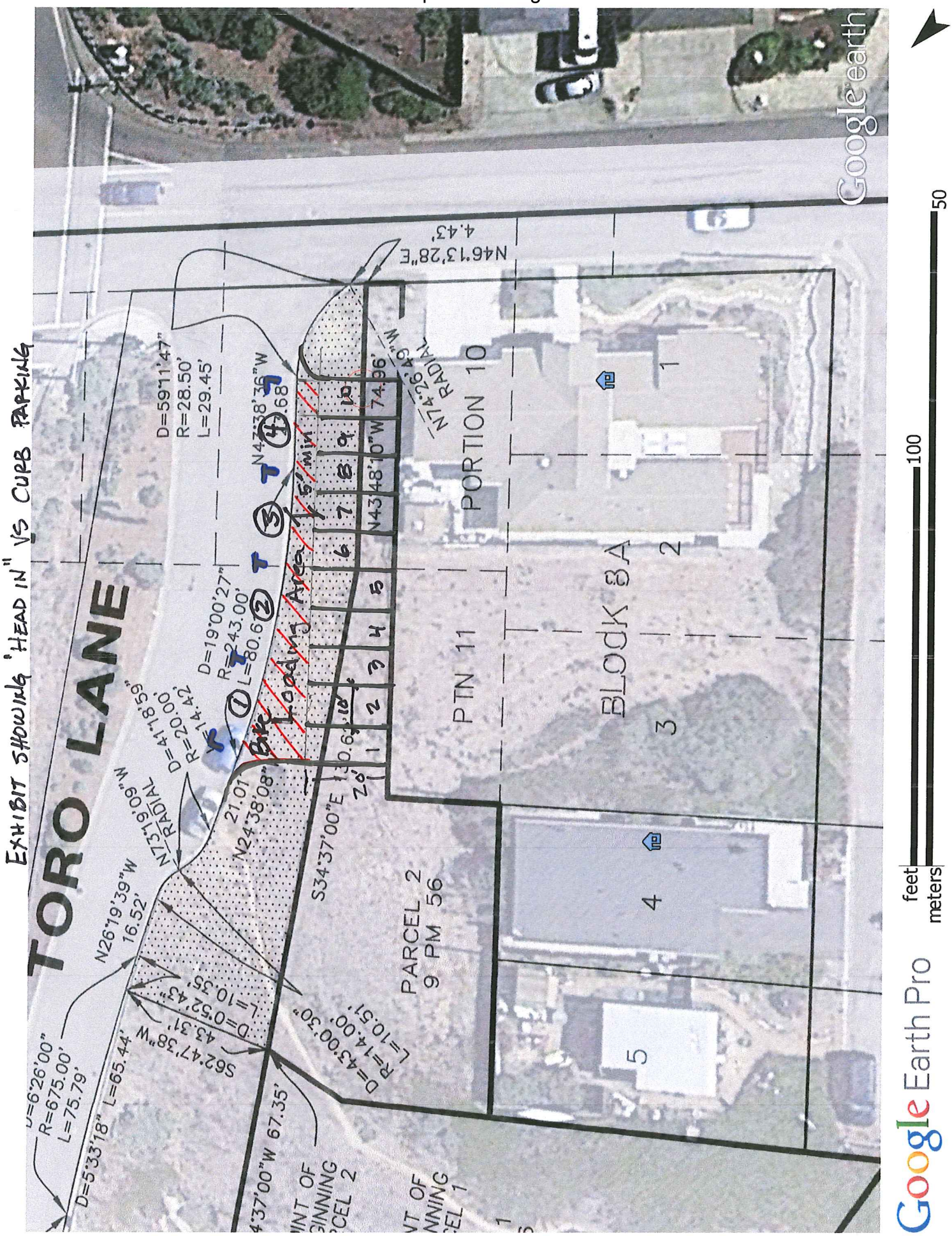
ATTACHMENT 2

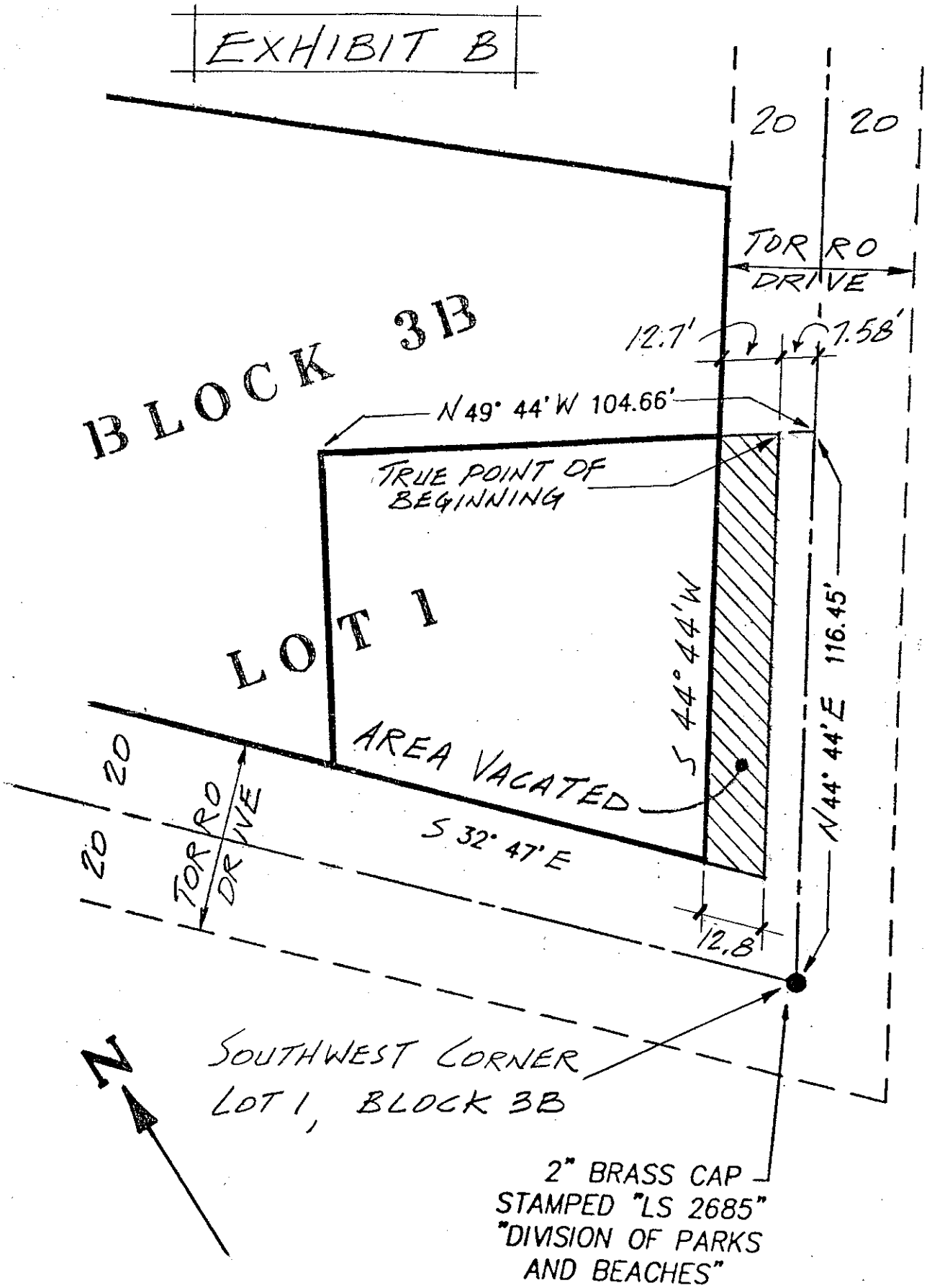


Please note the degree of slope adjacent to Parcel 1 and 2 and Toro lane. This helps determine usable land at least for the city.

Toro Lane
Conceptual Parking Plan

Attachment 3





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AGENDA NO: D-1
MEETING DATE: 5/14/2013

Staff Report

TO: **Mayor and City Council** **DATE: 05/05/13**

FROM: **Andrea K. Lueker, City Manager**

SUBJECT: **Consideration of Allowing the County of San Luis Obispo to use the Facility at 535 Harbor Street for an Interim Library during the Morro Bay Library Remodel**

RECOMMENDATION

Staff recommends the City Council authorize the County of San Luis Obispo to utilize the facility located at 535 Harbor Street (the building that formerly housed the Transit office) as a temporary library facility during the remodel of the Morro Bay Library. Staff further recommends the City Council review the provided alternatives with staff recommending Alternative 3. Should the City Council agree to this use, staff will enter into an agreement with the County of San Luis Obispo outlining the terms and conditions of the use.

ALTERNATIVES

Alternative 1 – The City of Morro Bay prohibit the County of San Luis Obispo from utilizing the facility located at 535 Harbor Street as a temporary Library Facility during the remodel of the Morro Bay Library.

Alternative 2 – The City of Morro Bay allow the County of San Luis Obispo to utilize the facility located at 535 Harbor Street as a temporary Library Facility during the remodel of the Morro Bay Library with the following conditions:

a. The County of San Luis Obispo pays no monthly per sq. ft. charge for the facility
b. Utilities are paid by the City of Morro Bay
c. Custodial duties are provided by the County of San Luis Obispo
d. All Tenant Improvements must be approved by the City of Morro Bay with all costs borne by the County of San Luis Obispo

Alternative 3 - The City of Morro Bay allows the County of San Luis Obispo to utilize the facility located at 535 Harbor Street as a temporary Library Facility during the remodel of the Morro Bay Library with the following conditions:

a. The County of San Luis Obispo pays no monthly per sq. ft. charge for the facility

Prepared By: _____	**Dept Review:_____**
City Manager Review: _____	
City Attorney Review: _____	

b. Utilities are paid by the County of San Luis Obispo
c. Custodial duties are provided by the County of San Luis Obispo
d. All Tenant Improvements must be approved by the City of Morro Bay with all costs borne by the County of San Luis Obispo

Alternative 4 - The City of Morro Bay allow the County of San Luis Obispo to utilize the facility located at 535 Harbor Street as a temporary Library Facility during the remodel of the Morro Bay Library with the following conditions:

a. The County of San Luis Obispo pay $1.00 - $1.50 (or other agreed upon rate) per sq. ft./month for building use
b. Utilities are paid by the County of San Luis Obispo
c. Custodial duties are provided by the County of San Luis Obispo
d. All Tenant Improvements must be approved by the City of Morro Bay with all costs borne by the County of San Luis Obispo

FISCAL IMPACT

The fiscal impact of allowing (or not) this use will vary based on the Alternative the City Council selects. The following are monthly estimates of the fiscal impact associated with each Alternative:
Alternative 1 – no fiscal impact to the City of Morro Bay
Alternative 2 - $25 - 75/month cost to the City for utilities
Alternative 3 – no fiscal impact to the City of Morro Bay
Alternative 4 – Revenue of $682 - $1,023/month based on $1.00 - $1.50/sq. ft. charge

SUMMARY

The Morro Bay Friends of the Library are in the process of fundraising for a remodel of the Morro Bay Library building. Once the funds are collected, the remodel will necessitate closure of the library for a period of approximately 6 months. The County of San Luis Obispo has expressed interest in providing a minimal level of public library service during those months and has inquired about use of the building located at 535 Harbor Street for such a purpose.

BACKGROUND

The history of the Morro Bay Library is very interesting and staff provides this brief review:

9/1984 City leases property at 625 Harbor to Friends of the Library for the purpose of construction, maintaining and operating a public library. The term of the lease was 50 years.

7/1985 The Friends of the Library sub-lease the building and property to the County in order for the County to operate the library. The term of the lease was 25 years.

1985/86 Construction of the library commenced through Friends of the Library using many volunteer efforts, donations and contracts with local construction firms.

3/1987 Certificate of Occupancy issued for the Library.

5/1987 The City Council, by Resolution No. 57-87, accepts ownership of the Library Building from Friends of the Morro Bay Library. The City also accepts the Assignment of the Sublease with the County and accepts Surrender of the original lease to the Friends, reassuming full ownership and control of the property. The City releases remaining Conditions Placed upon the Permit of Occupancy for the Library. As a result, the only remaining agreement is the sublease between the City of Morro Bay and the County of San Luis Obispo which expired July 8, 2010.

5/2008 Friends of the Library contacted the City regarding setting up a meeting for negotiations for a new lease. The City contacted David Edge, County CAO to request an initial proposal from the County.

7/2008 County and City begin negotiations and came to agreement on a new 25 year lease between the County of San Luis Obispo and the City of Morro Bay.

For many years, the Morro Bay Friends of the Library have engaged in fundraising efforts to make improvements to the Morro Bay Library. More recently, those fundraising efforts have intensified with the Friends having raised over $300,000 towards their goal of $500,000. The remodel project will result in the Library becoming one integrated space which will provide for a more efficient use of the entire interior as well as be better suited for staffing purposes. Upgrades to plumbing, electrical and mechanical systems will be done as well as improvements to the restrooms made. The architect renderings can be viewed on the Morro Bay Friends of the Library website http://mbfol.org/remodel/.

Not wanting to close down for such a significant amount of time, the Morro Bay Friends of the Library have held preliminary discussions with the City to discuss potential locations in order to conduct a minimal level of library service during the construction period, estimated to be from September 1, 2013 through June 30, 2014. As a result of those discussions, the County's Library Director Brian Reynolds, has sent the City of Morro Bay a letter requesting use of the facility located at 535 Harbor Street during this time period (see attached letter).

DISCUSSION

As stated above, the County of San Luis Obispo has requested, in a letter dated March 23, 2013, use of the City-owned facility at 535 Harbor Street, beginning on September 1, 2013 through June 30, 2014 for use as a temporary library facility during the construction/remodel of the Morro Bay Library.

The facility was most recently used as the Morro Bay Transit office; prior to that, the building was remodeled and used as a Teen Center and even prior to that, as City offices. During the 2012 Goal Setting process the City Council adopted Goal 3 "Improve and Maintain Infrastructure", under which an objective was listed "move transit and utilize that space". As a result, in December 2012, the Transit Office was moved to the Morro Bay Community Center, sharing an office with Meals on

Wheels. During the time the Transit Office occupied 535 Harbor, the back ¼ of the building was used as secured storage for the Information Systems Technician. The back portion of the building is secured from the office and restroom areas and will continue to be used for the Information Systems Technician's IT purposes, rendering it unavailable for other uses.

Most recently, the building has been used as office space for the City's auditor to complete work on both the Harbor Lease Audit and the Transient Occupancy Tax Audit. Those projects will be completed by July 2013 at which point the building will be available.

At this time, there are no future uses slated for the facility and staff recommends allowing the use of the building for interim library purposes. Prior to the Transit Office being relocated, but in anticipation of the move, staff had internal discussions focused on the future use of this facility, the outcome of which included additional meeting space for City needs, use by the Mayor and City Council for meetings and/or possible rental opportunities for small use groups. Following the County of San Luis Obispo's use, staff will likely come back before the City Council to determine their preferences for the long-term use of this facility.

Both Library staff and Friends of the Library members have toured the available office space and believe it a good fit for interim library services. The only concern staff has at this time is the schedule of the remodel. Currently, the Friends of the Library are still fundraising in their efforts to reach their goal of $500,000. Also, they are continuing to firm up questions with the County of San Luis Obispo regarding project control and management. Should the project be unfortunately delayed for some reason, staff does have some concerns about keeping the facility unused and vacant. With that expressed, staff recommends the City Council approve Alternative 3 with the timeframe stated in the letter, September 1, 2013 through June 30, 2014 and request the County of San Luis Obispo keep the City of Morro Bay informed of their timeframe and any delays that may occur.

CONCLUSION

The City of Morro Bay understands and agrees with the importance of local library services and supports the request from the County of San Luis Obispo for use of the city-owned facility located at 535 Harbor Street for interim library services.

San Luis Obispo City-County Library

P.O. Box 8107, San Luis Obispo, CA 93403-8107
995 Palm Street (805) 781-5991
Library Administration (805) 781-5784

March 23, 2013

Andrea Lueker

City Manager, City of Morro Bay

595 Harbor Street

Morro Bay, CA 93442

Dear Andrea:

This is a formal request to use the City Transit Center Building as a temporary library facility during the remodel of the Morro Bay Library. The remodel is expected to take about six months although the exact start date of the remodel (moving equipment/furniture, demolition, etc.) is as yet unknown. However, it is our intent to provide at least a minimal level of public library service during the remodel and , as such, the Transit Center will be a good choice.

Please consider our request to reserve the Transit Center between September 1, 2013, and June 30, 2014. Thank you.

Sincerely,

Brian A. Reynolds

Library Director

Cc: Geoff O'Quest, County Admin.

Robert Davis, Friends of the Library

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MAR 28 2013

Administration

AGENDA NO: D-2

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 7, 2013**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**

SUBJECT: **Review of the Master Fee Schedule as it Relates to Minor Use Permit Fees for the Business Proposed for 1700 Park Avenue. (Tross Mobile Automotive and R/V Repair Business)**

RECOMMENDATION

Staff recommends the City Council require the payment of the fees for the processing of a Minor Use Permit for the relocation of a mobile automotive repair business at 1700 Park Avenue.

ALTERNATIVES

As an alternative to the fees set in the Master Fee Schedule City Council could:

1. Waive all or a portion of the fees if Council finds that the relocation of the business is a benefit to the entire community that outweighs the costs of providing the permit and does not constitute a "grant of special privilege"; or
2. Direct staff to track their time on this project and charge the applicant based on time and materials for the processing of this permit.

FISCAL IMPACT

The fiscal impact of fee waivers would vary considerably depending upon the caseload and types of permit fees waived and would result in a loss of revenue to the general fund. In general, fees recoup somewhere between 50 and 80 percent of the costs incurred in the processing of permits. In this particular request the loss in revenue would amount to $698.00.

BACKGROUND/DISCUSSION

On March 25, 2013 the City received a request from Stephen Tross to waive the Minor Use Permit fee for the relocation of his business, TROSS MOBILE AUTO & RV SERVICE, to 1700 Park Street in Morro Bay. This property is zoned M-1/PD/I and is across the street from a C-VS/PD (Commercial – Visitor Serving) zone. The M-1 use requires a minor use permit when located within

Prepared By: ___RL___ **Dept Review:**___RL_

City Manager Review: _____

City Attorney Review: _____

300' of other non M-1 zone districts pursuant to Zoning Ordinance Section 17.24.140.

A Use Permit is not required if there is a continuation of a business or the same type of business at a location and there has not been a gap in operations of over six months. The City has no record of a Use Permit for the property and no business has been at this location with benefit of a business license in well over six months, therefore a Use Permit is required as stipulated in the code section listed above.

The City's Master Fee Schedule requires a fee of $529.00 for the processing of a Minor Use Permit. In addition to the Minor Use Permit Fee there are environmental and noticing fees that total an additional $169 to the Minor Use Permit fee.

The current fee and fee structure for a Minor Use Permit (and other fees) was adopted by City Council Resolution 62-04. The setting of these fees was based on a "Public Services Cost Study", prepared by Revenue & Cost Specialists, LLC, in April 2004. Additionally through the public hearing process, the City Council reduced the Minor Use Permit fee and similar planning fees in order to reflect community values, i.e. there is community benefit from development and redevelopment.

In establishing any fees, the fee must not exceed the cost of providing the regulation, product or cost and do not constitute "proceeds of taxes." Based on the 2004 Cost of Services Study, the fees do not exceed the cost of providing the service.

CONCLUSION

The requirement of a Minor Use Permit is clear in the City's Zoning Code for this proposed use in the zoning district when in proximity to a different zoning district. Additionally, City Council set these fees as a way to partially recover the costs required to process the permits while still recognizing that development benefits the community and the waiving of fees could constitute a "grant of special privilege" not afforded to other businesses in the community. Therefore, staff does not recommend waiving the permit fee for this or any future required permits.

ATTACHMENTS

1. Fee waiver request dated March 25, 2013

To: Ms. A. Luker

March 25th - 2013

< Fee Waver Request > of $530.00

I Have Been Trying To open a shop in Morro Bay however The city wants To charge me for a one Time use permit fee of 530.00 To Do So. I Am Asking That This fee Be waved. The city Has no Address on file for This Building or its Location. I Have showed The Fire Dept, and city planers on a Map where This Bulding is Located, The Bulding was a Repair shop in The 1980's As where Morro Bay GarBage co. Did The Repairs and welding on There Trucks, There Has Been no Bissness There for years Due To The Collasps of The Economy and it was Here Before There was a Visitors Center Across The street. This Bulding is Zoned for what I want To Do with it (Auto Repair) There for I Feel That There should Be no fee on This. I All Ready Have A Bissness Lience, I Just want To change The Address on it To 1700 Park St. M.B. Jamie Irons and Noha Smuckler Know About This Mater. and Ask me To write a letter To The city To Request a fee waver, will you please Help me Get This waved, Thank you

RECEIVED
City of Morro Bay
MAR 26 2013
Administration

Sincerely

Stephen Tross

Tross Mobile Auto & R/V Service
441-3147

AGENDA NO: D-3

MEETING DATE: 5/14/13

Staff Report

TO: **Honorable Mayor and City Council** **DATE: 4/17/2013**

FROM: **Andrea K. Lueker, City Manager**

SUBJECT: **Water Reclamation Facility (WRF) Project Status and Discussion**

RECOMMENDATION
Discuss in open session, the progress to date on the Water Reclamation Facility (WRF) and provide direction to staff as necessary.

ALTERNATIVES
Not applicable at this time.

FISCAL IMPACT
Not applicable at this time.

SUMMARY
Staff provides this report as a bi-weekly update to the progress made to date on the new WRF project.

BACKGROUND
With the denial of the permit for the WWTP project in its current location, the City has embarked on a process for a WRF. This staff report provides a review of what has occurred to date as well as provides the City Council an opportunity for open discussion on the WRF project.

DISCUSSION
Below is a brief review of dates, status and accomplishments on the WRF facility project. Note the bolded information has been added since your last review on 4/23/13.

Date	Action
01/03/13	Special City Council meeting – City Adopted Resolution No. 07-13 recommending denial of the WWTP project.
01/08/13	WWTP Project denied by the California Coastal Commission (CCC).
01/08/13	January JPA not held due to CCC meeting.
01/24/13	City Staff, Morro Bay JPA Sub-Committee, Cayucos SD representatives, staff

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

	and attorney meet and discuss strategy and moving forward.
02/14/13	February JPA meeting held, "Discussion and Consideration of Next Steps for the WWTP Upgrade Project" was on the agenda and discussed.
02/26/13	City Council meeting - draft schedule/project timeline presented to City Council.
	City Council directed staff to prepare an RFP for a project manager.
03/11/13	City Council goal session, WRF established as Essential City Goal.
03/14/13	City Council goal session, WRF established as Essential City Goal.
03/14/13	**March JPA meeting held, "Status Report on the Discussion with RWQCB Staff Renewal Process for the WWTP NPDES Permit No. CA0047881" and "Verbal Report by the City and District on the Progress of the future WWTP" were on the agenda and discussed.**
03/18/13	RFP issued.
03/26/13	City Council meeting - City Council approves citizens to serve on the RFP selection committee.
03/27/13	Announcement placed on City website, etc. regarding citizen selection committee application period.
04/05/13	Citizen selection committee deadline.
04/09/13	City Council meeting - appointment of 5 citizens for the RFP selection committee at City Council meeting.
04/10/13	Addendum to RFP issued, re: selection committee
04/11/13	**April JPA meeting held, "Verbal Report by the City and District on the Progress of the future WWTP" and Discussion and Approval to Terminate the Consultant Services Agreements with Delzeit; Dudek, McCabe and Company; and Montgomery Watson Harza (MWH)" were on the agenda and discussed.**
04/15/13	RFP due.
04/16/13	Study Session on WRF facility announced for April 29, 2013
04/23/13	City Council meeting –reaffirmation of 5 members of citizen selection committee.
04/25/13	**Quarterly Meeting with California Coastal Commission staff, WRF discussion and status report on the meeting agenda.**
04/25/13	**Initial meeting with Selection Committee for the RFP for Planning Services for the WRF.**
04/29/13	**WRF Study Session at Veteran's Hall.**
05/02/13	**Interviews to recommend the individual/team for the WRF project manage**
<u>Future Items</u>	
05/09/13	**May JPA meeting held, "Verbal Report by the City and District on the Progress of the future WWTP" was on the agenda and discussed.**
05/14/13	**City Council meeting – Proposed approval of John F. Rickenbach, Consulting as the Preliminary Planning Consultant for the WRF project**

<u>CONCLUSION</u>

City Council, since the denial of the WWTP permit in January has made measured and deliberate progress on the WRF project, as outlined above.

AGENDA NO: D-4A

MEETING DATE: May 14, 2013

Staff Report Addenda

TO: **Honorable Mayor and City Council** **DATE: May 13, 2013**

FROM: **Rob Livick, PE/PLS - Public Services Director/City Engineer**

SUBJECT: **Addendum to Item D-4 Authorize Public Services Director to Finalize the Contract for the Planning Consultant for the NEW WRF and Approve the Draft "Scope Of Work";**

Unfortunately, Staff misinterpreted the cost estimate prepared by John F. Rickenbach consulting for the estimate of fees in the preliminary planning proposal revised scope of work. A revised estimate of fees is attached along with changes in the proposed recommendation and conclusions contained in the staff report.

RECOMENDATION

Authorize finalizing the contract for the Planning Consultant and approve the draft Scope of Work. for a fee not to exceed $117,256, with a 10-percent contingency of $11,725 for optional listed tasks.

CONCLUSION

Staff recommends that the City Council, authorize staff to negotiate a final scope of services, schedule and fee and execute a contract with John F. Rickenbach Consulting for the preparation of substantial issues studies for a fee not to exceed $117,256, with a 10-percent contingency of $11,725 for optional listed tasks.

ATTACHMENTS

1. Revised Fee Estimate (Final Draft)

Prepared By: ___RL___ **Dept Review:**___RL_

City Manager Review: _____

City Attorney Review: _____

New Water Reclamation Facility Planning Services

Cost Estimate - May 10, 2013

Baseline Tasks	Cost	Labor Hours	John F. Rickenbach Consulting Team							
			John Rickenbach *Proj. Manager* $135/hour	Mike Nunley *Engineering* $150/hour	MKN Staff *Engineering* $135/hour	MKN Staff *Drafting* $60/hour	Kevin Merk *Coastal/Env.* $125/hour	Debbie Rudd *Public Outreach* $160/hour	RRM Staff *Graphics* $90/hour	RRM Staff *Clerical* $40/hour
Labor Hours										
1. Project Initiation (Kickoff Meeting, Document Review)	$4,560	32	12	12			4	4		
1.1 Analysis of Biosolids Treatment Alternatives and Presentation	$9,840	78		34	28	16				
1.2 Analysis of Treatment/Effluent Alternatives and Presentation	$11,460	90		44	28	18				
2. Community Outreach Strategy	$960	6						6		
3. Stakeholder Interviews/Focus Groups	$2,560	16						16		
3.1 Coastal Commission Meeting (includes prep; assumes local meeting)	$3,900	30	8				4	10	8	
4. Public Workshop #1 (includes preparation time) *(also see Optional Tasks)*	$5,260	39	8	8			4	11	8	
5. Identify Community Goals	$1,020	7	4					3		
6. Analysis of Existing Studies	$10,400	75	48	12			8	7		
7. Prepare First Draft Options Report (including analysis of 2 new sites)	$18,850	143	50	28	24		12	10	16	3
8. Public Workshop #2 (includes preparation time) *(also see Optional Tasks)*	$5,260	39	8	8			4	11	8	
9. Presentation #1 to the City Council (includes prep time)	$3,405	25	6	6			3	6	4	
10. Prepare Second Draft Options Report	$4,860	39	16	4			4	5	8	2
11. Presentation #2 to the City Council (includes prep time)*(also see Optional Tasks)*	$3,405	25	6	6			3	6	4	
12. Prepare Final Options Report	$4,980	38	12	8	8			4	4	2
13. Meetings with City Staff (5 throughout process besides Kickoff Meeting)	$4,740	33	15	6			3	9		
Quality Control/Internal Review of Documents	$4,320	32	32							
Project Management/Coordination	$6,480	48	48							
Subtotal Labor:	**$106,260**	795	273	176	88	34	49	108	60	7

Additional Costs	
Supplies, Travel and Miscellaneous Expenses	$500
Subconsultant Expenses	$1,800
Production of CDs and Digital File Documentation	$300
General & Administrative (Subconsultant Management)	$8,396
Subtotal Additional Costs:	**$10,996**

Total Cost By Consultant	
Rickenbach	$46,051
RRM	$23,160
Nunley	$41,920
Merk	$6,125
TOTAL	**$117,256**

TOTAL LABOR + ADDITIONAL COSTS (Baseline Tasks)	**$117,256**
10% Contingency (for Optional Tasks described below)	**$11,725**

Optional Tasks	Cost	Labor Hours	John F. Rickenbach Consulting Team							
			John Rickenbach *Proj. Manager* $135/hour	Mike Nunley *Engineering* $150/hour	MKN Staff *Engineering* $135/hour	MKN Staff *Drafting* $60/hour	Kevin Merk *Coastal/Env.* $125/hour	Debbie Rudd *Public Outreach* $160/hour	RRM Staff *Graphics* $90/hour	RRM Staff *Clerical* $40/hour
Labor Hours (optional tasks)										
4.1 Public Workshop #1: Hand Held Remote Full Survey	$1,040	10						2	8	
4.2 Public Workshop #1: Online Survey	$2,900	24	4					8	12	
8.1 Additional Workshops (cost per workshop)	$3,200	23	8					11	4	
11.1 Additional City Council Presentations (cost per presentation)	$2,130	16	6					6	4	
13.1 Additional Meetings with City Staff (cost per meeting)	$1,335	9	3	3				3		

AGENDA NO: D-4

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 10, 2013**

FROM: **Rob Livick, PE/PLS - Public Services Director/City Engineer**

SUBJECT: **Authorize Public Services Director to Finalize the Contract for the Planning Consultant for the NEW WRF and Approve the Draft "Scope Of Work"**

RECOMMENDATION

Authorize finalizing the contract for the Planning Consultant and approve the draft Scope of Work for a fee not to exceed $106,260, with a contingency of $10,996 for optional listed tasks.

ALTERNATIVES

1. Adopt Staff Recommendation.
2. Provide direction to staff to revise the draft scope of work and associated fee.
3. Reject the proposal and provide further direction to staff.

FISCAL IMPACT

A budget estimate of a "not to exceed" amount of $106,260, with a contingency of $10,996 for optional listed tasks is recommended. An update on actual expenditures will be provided on a monthly basis to the Council.

BACKGROUND AND DISCUSSION

On January 10, 2013 the California Coastal Commission (CCC) voted to deny the Coastal Development Permit (CDP) for construction of an upgraded wastewater treatment plant at its existing location. In summary, the basis for denial included: Local Coastal Plan - Zoning inconsistency, failure to avoid coastal hazards, failure to include a sizable reclaimed water component, and the project is located within an LCP-designated sensitive view area.

With the denial of the upgrade project, Council directed staff to prepare a Request for Proposal to select a "Project Planning Consultant" that would assist the community in meeting its goals for the

Prepared By: RL Dept Review: RL

City Manager Review:

City Attorney Review:

development of a NEW Water Reclamation Facility. This process is an opportunity for the community to reevaluate some of the assumptions and decisions made during the development of the previous upgrade project. The RFP was issued on March 18, 2013, advertised on the City's Website and announced at local professional organizations including the American Society of Civil Engineers and Professional Planner meetings. Additionally, Staff called local firms with the expertise required and let them know directly. The RFP listed the following goals for the project planning consultant to address:

- Treatment technology - Addressing energy use, water quality and siting requirements
- Type of disposal - Addressing ocean outfall, land application, subsurface disposal and stream discharge
- Ownership/operation - Addressing Private and Public options
- Level of reclamation - Addressing urban uses, rural agricultural uses and groundwater recharge
- Biosolids Options - Composting onsite and hauling options
- Siting Criteria - Given the other factors, what criteria is important to the community in siting the NEW WRF?
- Scheduling - Given the other factors, provide a schedule for the siting, permitting, design and construction of the NEW WRF

This preliminary phase of the NEW WRF will be an evolving process, as the alternatives analysis for the project goals are conducted. Some of the various alternatives have not yet been well developed at this time. As a result, the flexibility to expand or reduce the services as the project unfolds will be important. Each site and other community goals will have specific issues that will be identified, analyzed and vetted through the public outreach process.

The RFP asked that the prospective consultants provide the following information:

1. *Scope of Services:*
    a. *Describe in sufficient detail to identify the major elements of the services that are to be provided by the consultant, including overall project management of this phase of the project.*
    b. *Please include two public workshop presentations and two presentations to the City Council.*
    c. *Developing the list of community desired and feasible options are part of the consultant's work scope.*
    d. *Provide a first and second draft of the Options report, based on the community input and your analysis, to staff and after approval of the reports by the staff, two drafts will be presented to the City Council for their consideration.*
2. *Project Team: Identify the project team and specify the responsible project manager and key individuals.*
3. *Qualifications: Provide the qualifications of the key individuals on the project team.*
4. *Schedule: Describe major work task items assuming that the City Council approves the consultant selection at the April meeting.*
5. *Fee: Please submit a rough cost estimate. The consultant selection will not be based upon the fee. However, it is necessary to request the fee for budget estimating and decision making purposes. The City does not have budget estimate for this study. The contract fee will be based upon a "time and materials" basis with a not-to-exceed limit.*

Proposals were submitted on April 15, 2013 by the following teams:

- John Hollenbeck Consulting, Atascadero
- John F. Rickenbach Consulting, Atascadero
- Ripley Pacific Company LLP, Pleasanton
- Richard Sadowski, Morro Bay

Following a City Council request for Citizen Volunteers; the City Council, at the April 9, 2013 meeting (and reaffirmed on April 23, 2013), selected Don Boatman, Stephen Shively, Donald Smith, Paul Donnelly and Valerie Levulett to serve as citizen members to participate on the Selection Committee for Consultation Services for the Water Reclamation Facility. On April 25, 2013 the proposals were evaluated by the "selection committee" that included the citizen members listed above, Mayor Jamie Irons, Councilmember Christine Johnson and staff members Rob Livick, Bruce Keogh, and Rick Sauerwein. Additionally, City Manager Andrea Lueker and City Attorney Robert Schultz observed the process. The proposals were evaluated according to industry standard procedures, including the following categories:

- Approach to Work
- Relevant Project Experience
- Project Team
- Responsiveness to the RFP
- Ability to Conform to City Contract

After this initial evaluation of the proposals, the committee recommended that the City interview the top three proposers: John Hollenbeck Consulting, John F. Rickenbach Consulting and Ripley Pacific Company LLP. Unfortunately the forth proposer was unanimously deemed non-responsive to the RFP.

All of the prospective consultants were invited to the Study Session on April 29, 2013, so that they might gain a better understanding of the scope that the community desires and more background regarding the project.

On May 2, 2013 interviews were held by the selection committee, which was divided into teams of five members each. The teams consisted of Council, staff and citizen members. Each interview team questioned the proposers for an hour. The selection committee teams also evaluated the consultants' ability to provide the facilitation necessary to solicit public participation during the process and effectively communicate with the City Council, Community and the California Coastal Commission. At the end of the day, the interview teams gathered together to discuss the results. The decision was unanimous; John F. Rickenbach was the most qualified team that proposed for the preliminary planning of the NEW WRF.

Following the selection committee's recommendation, staff contacted John F. Rickenbach consulting and requested that he revise his original scope of work based upon what he heard at the April 29th workshop and during the interview process. Mr. Rickenbach provided a revised scope and fee for

the City Council's consideration. The scope includes a more robust engineering presence for the more technical goals, evaluation of two additional sites, a modified CMC site, along with additional public outreach and engagement.

CONCLUSION

Staff recommends that the City Council authorize staff to negotiate a final scope of services, schedule and fee, and execute a contract with John F. Rickenbach Consulting for the preparation of substantial issues studies for a fee not to exceed $106,260, with a contingency of $10,996 for optional listed tasks.

ATTACHMENTS

1. Scope of Services (Final Draft)
2. John F. Rickenbach Consulting Proposal
3. John Hollenbeck Consulting Proposal
4. Ripley Pacific, LLC Proposal
5. Richard Sadowski Proposal
6. Committee Scoring of Proposals

A. SCOPE OF SERVICES

The intent of this work program is to take input from the community and then guide them through a series of decisions regarding the features and siting of the new Water Reclamation Facility (WRF). Among the decisions that the community through the City Council needs to make include:

- ***Treatment technology.*** *Approach to energy use, water quality and siting requirements*
- ***Type of disposal.*** *Ocean outfall, land application, subsurface disposal and stream discharge;*
- ***Ownership/operation.*** *Consideration of Private and Public options;*
- ***Level of Reclamation.*** *Urban uses, rural agricultural uses and groundwater recharge;*
- ***Biosolids Options.*** *Composting onsite and hauling options;*
- ***Siting Criteria.*** *What criteria are important to the community in siting the new WRF? And*
- ***Scheduling.*** *Given the other factors, what is a realistic schedule for the siting, permitting, design and construction of the new WRF?*

The current effort described in this scope of work will not definitively answer all these questions. However, it will provide a fresh unbiased analysis of existing screening studies and related reports, based on a high degree of direct community input, for the purpose of guiding the City Council toward making an informed decision regarding which site to pursue in greater detail, as well as the appropriate technologies to apply, for the long-term well-being of the community as a whole.

The John F. Rickenbach Consulting team proposes the following work program, which includes these broad tasks:

- ***Task 1:*** *Project Initiation*
- ***Task 1.1:*** *Identification of Biosolids Alternatives*
- ***Task 1.2:*** *Identification of Treatment Alternatives*
- ***Task 2:*** *Community Outreach Strategy*
- ***Task 3:*** *Stakeholder Interviews/Focus Groups*
- ***Task 3.1:*** *Coastal Commission Meeting*
- ***Task 4:*** *Workshop #1 (also includes optional subtasks)*
- ***Task 5:*** *Identify Community Goals*
- ***Task 6:*** *Analysis of Existing Studies*
- ***Task 7:*** *Prepare First Draft Options Report*
- ***Task 8:*** *Workshop #2 (also includes optional subtasks)*
- ***Task 9:*** *City Council Presentation #1*
- ***Task 10:*** *Prepare Second Draft Options Report*
- ***Task 11:*** *City Council Presentation #2 (also includes optional subtasks)*
- ***Task 12:*** *Prepare Final Options Report*
- ***Task 13:*** *Meetings with City Staff (ongoing throughout process)*

Some of these tasks also include subtasks that the City may wish to consider, generally to address a more robust public outreach process or more detailed discussion of engineering and related technical issues. Each of these task and optional subtask is described in greater detail below:

Task 1. Project Initiation. Team leaders will attend a kickoff meeting with City staff, the purpose of which will be to confirm the study objectives, refine our proposed study approach as needed, and gather any key existing documentation that is not already available online. We will confirm the key products and schedule associated with the effort, and establish communication protocols among City staff, the consultants, and the community in general. The kickoff meeting will also provide an opportunity to strategize and discuss the workshops, stakeholders, and outreach methods.

It may be useful to expand this meeting into a site tour with City staff and/or Council representatives. The tour will focus on potential sites under consideration.

Deliverables: *Attend kickoff meeting; confirm study goals; gain a better preliminary understanding of community goals through a site tour. This meeting will be attended by John Rickenbach, Debbie Rudd and Mike Nunley.*

Task 1.1. Identification of Biosolids Alternatives. At a federal, state, and local level land application of biosolids is becoming more challenging. The City has operated a successful composting operation for many years. Mike Nunley of MKN will prepare an overview and summary of possible biosolids treatment and processing alternatives for consideration by City staff. This analysis will be based on a review of existing studies and documentation. One of the project goals appears to be minimization of energy impact and considering alternative biosolids processing technologies could improve opportunities for energy recovery. It is assumed the following approaches would be discussed and described in a qualitative manner for consideration by the Project Team and City staff. MKN will provide a brief discussion of regulatory trends related to biosolids and alternative equipment or technologies will be briefly described for each approach identified below:

- Composting
- Thickening and anaerobic digestion with dewatering and offsite hauling
    - With/without energy recovery (combined heat/power generation)
    - With/without fats oil & grease (FOG) receiving and processing
- Direct energy recovery without anaerobic digestion:

Technologies by MaxWest, NexTerra, and others will be briefly described since these emerging technologies can maximize energy recovery. It is useful for the City to understand emerging technologies in biosolids processing since it can affect the long-term planning effort.

Deliverables: *MKN will prepare a draft technical memorandum and meet with the Project Team to discuss comments. MKN will then prepare a final technical memorandum and educational presentation for the public and City Council with respect to biosolids issues.*

Task 1.2. Identification of Treatment Alternatives. It is recommended that the final treatment technology be selected during the future facility master planning process. Mike Nunley of MKN will provide a narrative overview of treatment technologies that could be considered for the most likely reuse goals and anticipated effluent disposal limits. A discussion of the most critical regulatory concerns associated with each proposed disposal opportunity will be prepared and will incorporate the analysis from prior studies to the extent practicable. The information presented in prior reports for project layout and cost will also be used to the extent practicable. These treatment technologies would likely include:

- Screening and grit removal
- Secondary or biological treatment processes:

  - Oxidation ditch technology
  - Wave oxidation
  - Conventional activated sludge
  - Membrane bioreactor (MBR) , which is a combined secondary treatment and filtration Process
- Tertiary Treatment (for those alternatives other than MBR)
  - Filtration
    - Disk filters
    - Membrane filtration
  - Disinfection
    - Ultraviolet disinfection
    - Chlorination
    - Chloramination

Flow diagrams will be prepared for each of the major treatment alternatives. Photos and an approximate footprint will be provided based on prior studies.

Deliverables: MKN will prepare a draft technical memorandum and meet with the Project Team to discuss comments. MKN will then prepare a final technical memorandum and educational presentation for the public and City Council with respect to treatment technologies.

Task 2. Community Outreach Strategy. Our team, led by Debbie Rudd of RRM in this case, will work with City staff and/or Council representative to develop, refine and customize the community outreach program. This will include advertisement strategies, format for each workshop, workshop exercises, and outreach to the stakeholders. The outreach strategy will build from previous outreach efforts and incorporate methods that have been successful in the past. This outreach process will need to be transparent and inclusive. The outreach strategy memo will outline this process and make sure that the decision makers and stakeholders agree on the approach and strategy before the outreach begins. This process may be revised to accommodate the outcome of this strategy task.

Deliverable: Community outreach strategy memorandum, meeting with Council representative/staff summarizing future outreach efforts

Task 3. Stakeholder Interviews/Focus Groups. The consultant team will conduct one day of 30 to 60-minute interviews with property and business owners, interest groups, neighborhood representatives, agricultural representatives, decision makers, regulatory agency representatives, and others to help explore and understand the issues important to the community facing this site selection. The intent is to gain a diverse perspective about the project, from both public and private entities. The stakeholder group will be identified with the assistance of City staff. The City would coordinate meeting location and set up. This task allows for additional stakeholder coordination throughout the process.

Deliverables: Meeting attendance, follow-up stakeholder meetings

Task 3.1. Coastal Commission Meeting. Debbie Rudd and John Rickenbach will prepare for and attend a Coastal Commission meeting. This meeting would be to update the Commission on project progress and receive initial feedback. Our budget assumes that the meeting would be held at a location within San Luis Obispo County.

Task 4. Workshop #1. Debbie Rudd will join John Rickenbach in facilitating the first of two interactive workshops that will focus on identifying and prioritizing issues as well as educating the community on options. Mike Nunley would also attend this workshop. Our goal will be to design the workshops to engage participants in a fun and interactive way that will allow the community and stakeholders an opportunity to discuss issues, priorities, and solutions that resonate with the community priorities. Exercises may involve forms of polling participants through the use of tape dots, report cards, and hand-held remote control voting devices or similar methods. This outreach effort needs to be completely open and transparent to garner consensus on a solution that is truly a community-based solution. RRM will provide graphic support, materials for workshop (e.g., nametags, sign-in sheets, agendas, aerial photos maps).

Deliverables: *Preparation for and co-facilitation of the workshop. City staff to coordinate meeting logistics, notification, microphones, refreshments, and advertisement.*

Optional Task 4.1. Hand Held Remote Full Survey. As an optional task, RRM will prepare a modest preference survey using the hand held remote technology at one (1) of the two (2) workshops. As an optional task, RRM can prepare a full survey (30 – 45 questions) with graphics and photos.

Optional Task 4.2. On-Line Survey. As an optional task, RRM and John Rickenbach can prepare questions for an on-line survey to supplement the outreach efforts. We understand that many people cannot make it to community meetings and workshops, but will take the time to take on line surveys. This task would take an estimated 12 hours to create and post the survey instrument, plus 12 hours to develop the questions, edit and summarize the results.

Task 5. Identify Community Goals. Based on input from the community workshop and stakeholder interviews, our team will work with City staff to identify goals for determining the appropriate site for the new WRF. We will also consider the concerns previously expressed by members of the community through the Rough Screening and Fine Screening process, including those of various agencies, organizations and individuals.

For example, from public input received on the existing documentation, we can already clearly see a pattern of concerns, including (but not limited to) the following:

- *Visual Impacts*
- *Flooding potential at the site*
- *Appropriateness of the facility with respect to adjacent land uses*
- *Risk from tsunami, sea level rise, and other coastal hazards*
- *Impacts to biological resources*
- *Water quality and runoff*
- *Traffic*
- *Noise*
- *Odors*
- *Consistency with Local Coastal Program (LCP) policies*
- *Appropriateness of proposed facility design and technology*
- *Cost (both monetary and environmental)*

We will compare these to more recent workshop input to help refine the key issues to focus on within the Options Report. Relative to the cost issue, we will identify the community's perception of what is of most concern to them (Capital costs? Annual operating costs? Rates paid by property owners?) and use this information appropriately in the Options Report as part of the analysis.

Task 6. Data Gathering/Analysis of Existing Studies and New Sites. Our team, led by John Rickenbach, will analyze the existing studies previously prepared, including the Rough Screening Analysis, Fine Screening Analysis, and supporting technical studies. The purpose will be to critically evaluate the conclusions of those studies, based on the issues identified not only in the reports, but in comparison with the community goals as summarized in the previous task. Based on community input and City staff input gained through the stakeholder interviews and first workshop, our team will also identify new sites not considered in previous studies for analysis. Our scope assumes analyzing up to two new sites, as well as a modified concept at the existing CMC site, wherein the existing treatment plant at that location could be expanded into a regional facility. If more than two sites are identified through the first community workshop, we will work with staff to determine an appropriate course of action relative to how to address these additional sites.

With respect to the existing studies, some of the comments received on the project thus far expressed concern that the various criteria were not applied consistently to all sites, and had they been, the conclusions about which sites were best may have been different. Our analysis will critically investigate this point, with fresh unbiased eyes.

With respect to the previous studies, we are well aware that the existing WWTP site is no longer an option for the new WRF, so we will begin our analysis within this context.

Conclusions of the Rough Screening Analysis. The purpose of this report was to narrow the sites down to three for further consideration using a variety of birds-eye level screening factors. Many comments expressed the concern that the "fatal flaw" analysis in that report prematurely eliminated certain sites, or may have otherwise been inconsistently applied to all sites. In addition, the ranking of key criteria may not have been consistent with many of the expressed community goals. We will critically investigate these points, and determine whether any sites that were previously eliminated should be studied in further detail. If so, this would become one of the recommendations of our Options Report. To the extent possible, we will qualitatively analyze such sites in the Options Report, to the extent the schedule and budget allow, at least to provide a meaningful comparison of possible sites. One possibility here may be the CMC site (Site 12), which in spite of some constraints, was found to have the second highest overall score relative to the consistency criteria applied in the report, and yet was eliminated from further consideration because of the apparent high cost of constructing at that site. Our report will critically evaluate this conclusion.

Conclusions of the Fine Screening Analysis. This report analyzed three sites in detail: 1) the existing treatment plant site (Site 1); 2) the Chevron site (now combined as Sites 5 and 15); and the Righetti site (Site 16). Based on input previously received, we can now eliminate the existing treatment plant site, and focus on the other two. We will look closely at these two sites, plus any others from the Rough Screening Analysis that we believe warrant further investigation.

The weighting of key criteria will be crucial. The Fine Screening Analysis put 40% of the weight on issues related to LCP consistency and environmental factors, with the other 60% split evenly between project implementation issues and economic considerations. Based on many of the comments that were

received through the process, there was concern that these factors were not weighted appropriately based on the actual priorities of the community. We will investigate this concern, and factor this into our independent analysis of the data. For example, the idea that development at the existing site was the easiest to do from a project management and land acquisition standpoint, and that it would cost less, weighed heavily in the previous conclusion that the existing site was best overall. However, it is clear from input received through the process that these factors would have received considerably less weight in what many believed would have been a more objective analysis. If so, the conclusions may have been different.

As part of this analysis, Mike Nunley, PE, will critically investigate the engineering and cost conclusions described in two the screening reports. For example, he will investigate the conclusions relative to the various treatment technologies applied from both a cost and feasibility standpoint, to determine if the previous conclusions were valid. He will also look at the cost assumptions for the construction and operation of the facilities at the different sites, again with the purpose of providing an experienced and unbiased engineering perspective to guide future decisions with respect to the ultimate site for the new facility. Based on this new analysis, City staff will better be able to able to produce a rough estimate of how this might affect rates.

Mike Nunley will also review existing studies and identify any data "gaps" or additional information required to analyze the sites in question. He will review the following studies:

- Rough Screening Analysis
- Final Screening Analysis
- Recycled Water Feasibility Study
- Facilities Master Plan
- Morro Valley and Chorro Valley Nitrate Studies

Mike Nunley will then prepare a scoping memorandum summarizing the following:

- Sites
- Likely recycling or effluent disposal methods for each site
- List of project elements that would be required to convey, treat, and dispose/reuse wastewater at each site. It is assumed that either composting or dewatering/hauling will be pursued since the space required for these facilities is more than required for some other processing alternatives.
- Discussion of increasingly stringent regulatory criteria relative to the disposal of effluent, and how implementing these evolving rules could affect project cost.

The purpose of the scoping memorandum is to identify project elements and alternatives that will be analyzed and allow the City and Project Team to complete the Draft Options Report.

Kevin Merk will look closely at coastal polices and permitting assumptions made in the previous reports, as well as environmental resource considerations, particularly with regard to biological resources, at the various sites. His input will also be key in preparing the Options Report.

Deliverable: *Our team will meet with City staff to go over our preliminary conclusions and gain their input before completing the draft of the Options Report (Task 7). Mike Nunley will prepare a technical scoping memorandum that focuses on various*

effluent disposal methods and the appropriateness of various technologies at the various sites.

Task 7. Prepare First Draft Options Report. Our team, led by John Rickenbach, will prepare a First Draft Options Report, which summarizes the results of the investigations from the previous tasks. To this end, he will coordinate the analysis with each of the other three team members. Debbie Rudd, for example, will assist John with developing appropriate solutions and document review. RRM will also provide clerical and graphics support as needed. This report will draw planning level conclusions that can be used as the basis for more detailed analysis in the future. The intent of the report is to be as transparent and understandable as possible. All assumptions included in the report will be clearly cited to allow the community and decision makers to understand how the conclusions were drawn. Although the format of the document has not yet been determined, we propose an outline that includes the following components:

1. Summarize and Reprioritize Key Community Based Planning Goals. The report will describe the key issues and community goals, and prioritize them more in alignment with what the community has said;

2. Modify the Previous Analysis. We will modify the previous analysis as appropriate, based on the input from our team experts with respect to community based planning goals, environmental issue, and engineering and cost considerations. This section will be the heart of the report, and will describe in broad narrative terms the issues of concern relative to each site. At the City's choosing, we can either organize this section by issue, then examine each site relative to the issue; or we can organize this by site, then examine each issue accordingly. Because this is a comparative study, we recommend that this be organized by issue area, so the document can more easily compare each site side by side, and thus have greater utility relative to its intended purpose. We expect that the analysis of each issue will include a few paragraphs, or whatever is needed to convey the overall concerns in as succinct a manner as possible. In some ways, this section will be analogous to an Alternatives discussion within an Environmental Impact Report, and will likely exhibit a similar level of detail;

3. Create a Summary Matrix. Our report will include a matrix that summarizes this updated analysis, and recalculates the results of the analysis based on the modified weighting of factors. The intent is to keep the matrix visually simple (possibly with color-coding), to allow for an easy comparison of the issues relative to each site. This would likely focus on the key findings, with bullets highlighting key findings; and

4. Present a Narrative Summary of Conclusions. The report will include a summary of the conclusions relative to the possible sites under investigation, with a recommendation for the community and City Council to consider for further action in the process. This summary may be easily adapted to a possible staff report for the City Council.

In all, we anticipate that the entire study will be brief. It will be as long as needed to draw the necessary conclusions, but sufficiently brief to be user-friendly. To the extent possible, the study will use matrices, tables, and graphics to convey the needed information.

A key consideration in this report is that it will address up to two sites (to be determined) that were not addressed in the original Rough or Fine Screening Analyses. Thus, original work will be needed to

address those sites, in a manner similar to that described in the Rough Screening Analysis, such that the public and decision makers can gain a clear understanding about the environmental, engineering, cost and regulatory considerations associated with these sites.

The first consideration will be to determine whether these sites have any fatal flaws that would preclude them from further consideration. Based on the existing Rough Screening Report, these criteria include:

- Would development on the site unavoidably impact prime farmland or actively farmed land within the coastal zone?
- Does the site have Environmental Sensitive Habitat Areas (ESHA), as defined by the City or County LCP or the Coastal Act, which cannot be avoided?
- Would the potential development enveloped on the site be within the 100-year flood hazard zone (or other inundation zone), as delineated on the City or County LCPs or shown on the FEMA Flood Insurance Rate Maps?

If a site does not have a fatal flaw, further investigation will be warranted. Generally speaking, each site will be evaluated based on the following criteria set forth in the Rough Screening Analysis:

1. Environmental Policy Applicability
    - *Biological Resources/ESHA*
    - *Water Quality*
    - *Coastal Priority Land Uses*
    - *Coastal Dependent Development*
    - *Flood Plain*
    - *Shoreline Development/Coastal Hazards*
    - *Public Access/Recreation*
    - *Visual Resources*
    - *Agriculture*
    - *Cultural Resources*
    - *Sustainable Use of Public Resources*
    - *Land Use Compatibility (Air, Noise, Traffic)*
    - *Energy Consumption/GHG Emissions*

2. Logistics/Site Constraints
    - *Zoning*
    - *Site Accessibility*
    - *Site Availability*
    - *Implementation Potential*
    - *Additional Site Requirements (hazardous waste clean up, slope/grading concerns)*

3. Engineering and Economic Considerations
    - *Treatment Plant Process*
    - *Wastewater Conveyance Infrastructure*
    - *Wastewater Conveyance Operation*
    - *Effluent Disposal*
    - *Recycled Water Feasibility*
    - *Site Development*
    - *Economic Development Feasibility*

With respect to the engineering and cost issues, Mike Nunley of MKN will prepare a draft memorandum that will inform the Options Report. The remaining issues will be investigated primarily by John Rickenbach and Kevin Merk, with support from RRM Design Group. These environmental, regulatory and logistical findings will be folded directly into the Options Report without a technical memorandum.

Deliverable: *Our team will deliver one (1) electronic copy of the First Draft Options Report for City staff review. Once reviewed, we will provide a digital copy of the document (including graphics) that is ready for reproduction. The City will print and distribute as many copies as it determines to be necessary.*

Task 8. Workshop #2. RRM will join John Rickenbach in conducting a second interactive public workshop, the purpose of which will be to present the findings of the First Draft Options Report. Mike Nunley and Kevin Merk will also participate in this workshop. Our intent is to gain further input from the public, and course-correct to the extent needed for the Second Draft Options Report. We will use many of the same outreach techniques described for the first report.

Deliverables: *Preparation for and co-facilitation of the workshop. City staff to coordinate meeting logistics, notification, microphones, refreshments, and advertisement.*

Optional Task 8.1 Additional Workshop #2. As an optional task, RRM will join John Rickenbach to conduct additional workshops as desired, if additional community input is determined to be needed. These workshops will be similar in approach to the first two workshops.

Task 9. City Council Presentations #1. We will present the results of the First Draft Options Report for City Council consideration and input. Together with previous public input from Workshop #1, we will have the needed input to prepare a Second Draft of the report.

Deliverable: *Key team members will a City Council meeting, present the First Draft Report in PowerPoint format, and be available to answer questions and receive input.*

Task 10. Prepare Second Draft Options Report. Based on input received from Workshop #2 (Task 8) and the first City Council meeting (Task 9), John Rickenbach will take the lead in revising the First Draft Options Report. Debbie Rudd will collaborate with John in developing solutions, and reviewing the document. RRM will provide clerical and graphics support as needed. Changes may include modified weighting of criteria, updating of information, or other issues that may materially affect the outcome of the report. The Draft technical memorandum prepared by MKN may also be modified as a result of this input. We will discuss and confirm these changes with staff before creating a final Draft Report that can be considered by City Council.

Deliverable: *Our team will deliver one (1) electronic copy of the Second Draft Options Report for City staff review. Once reviewed, we will provide a digital copy of the document (including graphics) that is ready for reproduction. The City will print and distribute as many copies as it determines to be necessary.*

Task 11. City Council Presentation #2. Our team will present the results of the Second Draft Options Report for City Council consideration. Our scope assumes that John Rickenbach, Debbie Rudd, and Mike

Nunley will attend the meeting. We anticipate that there may be some minor changes to the document needed as a result of their action. John Rickenbach will take the lead in the PowerPoint presentation for the meetings. RRM will collaborate, review and comment on PowerPoint presentation, and prepare graphics, as needed for the presentation.

Deliverable: *Key team members will attend a second City Council meetings, present the Second Draft Report in PowerPoint format, and be available to answer questions and receive input as needed.*

Optional Task 11.1 Additional City Council Presentations. As an optional task, RRM will join John Rickenbach to make additional presentations before the City Council as desired. These presentations will be similar in approach to the first two described above.

Task 12. Prepare Final Options Report. Based on City Council input, we will make minor modifications to finalize the Options Report. John Rickenbach will take the lead in the final draft of the Options Report, based on input from all other team members, including a technical memorandum from Mike Nunley. Debbie will collaborate with John on translating Council feedback into report. RRM will prepare graphics or clerical support as needed for the report.

Deliverable: *Our team will deliver one (1) electronic copy of the Final Options Report to be posted by the City on its website. The City will print and distribute as many copies as it determines to be necessary.*

Task 13. Meetings with City Staff. Through the course of the program, we expect to meet with City staff on several occasions. Our scope of work assumes at six (6) meetings with staff through the course of the project, including the Kickoff Meeting, which is covered in Task 1.

Optional Task 13.1 Additional Meetings. As an optional task, key team members will attend additional meetings with City staff throughout the course of the process. We assume three hours per meeting for budget purposes.

B. SCOPE AND COST ASSUMPTIONS

Our proposed scope of work and related cost estimate are based on the following assumptions:

1. John Rickenbach will be the Project Manager and primary point of contact. For the times that John is unavailable (such as during a vacation), Debbie Rudd will be the Deputy Project Manager. Debbie is the secondary point of contact.
2. The Options Report will be based primarily on existing information from the Rough and Fine Screening Studies, as well as related technical studies, except as noted below.
3. The report will not consider the existing Wastewater Treatment Plant site as a possible location for the new WRF.
4. Our scope assumes our team will provide new analysis for up to two new sites, which will be chosen based on community and staff input. The new analysis will be based on the criteria set forth in the Rough Screening Analysis. For the remaining sites, the analysis will refine existing information, and apply a modified weighting scheme to the evaluation criteria based on input gained from the public and City Council.
5. We assume that the existing analysis for Site 12 (CMC site) many need to be modified somewhat because a modified concept may be considered at this location. Instead of a new treatment facility, the modified concept would be an expansion of the existing facility to act as a regional facility.
6. Our scope includes two workshops and two City Council presentations. Additional workshops or presentations are possible based on the fees included under the Optional Tasks portion of the accompanying spreadsheet.
7. Our scope assumes attendance at up to 6 meetings with staff, including the kickoff meeting. Our scope generally assumes 3 hours per person per meeting. Additional meetings are possible at the rates shown under Optional Tasks.
8. We assume that a meeting with the Coastal Commission to discuss this project will occur at a location somewhere within San Luis Obispo County, at the prescribed level of effort set forth in the accompanying spreadsheet.
9. The level of effort that will be applied to complete the above tasks is commensurate with what is included the attached spreadsheet.
10. If unforeseen project complexities arise during the course of the project outside of our scope of work (including, but not limited to: community input desiring the analysis of additional sites not included in our scope; additional hours needed in the review and revision of draft documents; or additional time needed for meetings and coordination), we will notify the City as early as possible to determine how best to address these issues. If all parties agree, we will request additional funding to address items not in the original scope of work.
11. We can re-allocate portions of the budget to different tasks if City staff determines that the time is better allocated to such tasks.
12. City staff will handle all printing, noticing, advertising, distribution, and website posting associated with project documentation.

C. SCHEDULE

Our team proposes to adhere to an aggressive but realistic schedule. It is crucial that we provide enough time up front for public input, and the synthesis of that input into our report. Thus, to some degree it will depend on the timing of the initial outreach efforts and public workshop, but we will be working concurrently to the extent possible on critically evaluating the existing studies, which is at the core of this assignment. It will also depend to some extent on the timing of the City Council meetings at which our information will be presented. That said, we believe that the First Draft Options Report could be completed within 12 weeks of the Kickoff Meeting. Depending on the subsequent review of the document and the timing of workshops and City Council meetings, the entire process could be realistically completed within about 4 to 5 months. The following describes our estimated schedule.

Kickoff Meeting: We assume the City will coordinate a project kickoff meeting within one week of all parties signing the contract. This meeting will include City staff, and key members of the consulting team.

Outreach Strategy/Stakeholder Interviews: Within three weeks of the kickoff meeting, our team will conduct stakeholder interviews to gain specific input on the process.

Workshop #1: Within four weeks of the kickoff meeting, our team will conduct the first public workshop, which is intended to gain input crucial to the preparation of the Options Report.

Identify Community Goals/Analysis of Existing Studies: This effort will start immediately after the kickoff meeting, but will be guided through the public outreach process. Following Workshop #1, we will have the needed information to complete the core of our analysis. It is estimated that this effort will be completed within 4 weeks of conducting the workshop, and about 8 weeks from the Kickoff Meeting.

Complete First Draft Options Report: Based on all efforts in the previous tasks, this report will be completed and submitted to the City for review within 12 weeks of the Kickoff Meeting. We expect to receive comments from City staff within a week of submitting the report, and it will be ready for distribution within a week of City review. Thus, the report can be published and circulated within 14 weeks of the Kickoff Meeting.

Workshop #2: A second Workshop will be conducted within two weeks of completion of the First Draft Report, or an estimated 16 weeks after the Kickoff Meeting.

City Council Presentation #1: The report will be presented to the City Council as soon as possible after the second workshop, or about 17 weeks after the Kickoff Meeting.

Complete Second Draft Options Report: Within two weeks of the first City Council meeting, we will revise the study and complete a Second Draft of the Options Report. This would be 19 weeks after the Kickoff Meeting.

City Council Presentation #2: The Second Draft report will be presented to the City Council at the meeting following the previous Council meeting, or 2 weeks afterward. This is an estimated 20 weeks

after the Kickoff Meeting. We will finalize the document shortly thereafter based on input from the second City Council meeting.

The ability to meet this schedule depends on the availability of all data needed to complete the study, prompt City staff response times to draft documents, and that no unanticipated issues arise during the process that are beyond the consulting team's control.

D. COST ESTIMATE

The consulting team will conduct the study in accordance with our scope of services for an estimated not-to-exceed fee of **$117,256**. This does not include the optional tasks as described in our scope of work. This includes project management, technical work, and subconsultant costs associated with the assignment. It also reflects our Project Manager John Rickenbach's billing rate of $135 per hour, and other team members' rates consistent with what are shown on the accompanying spreadsheet.

This baseline proposal includes attendance at a project kickoff meeting, 2 public workshops, 2 City Council meetings, and up to 5 additional meetings with City staff through the process. It also assumes a meeting in front of the Coastal Commission. We also assume informal consultation with staff via email and on the phone throughout the process. Our scope assumes that the City and consultant team would meet prior to each milestone and upon conclusion of City review of administrative draft products. Public hearings would be attended at time and materials billing rates.

We intend to invoice the City on a time-and-materials basis, not to exceed the total fee shown above.

The proposed scope of services and associated costs are fully negotiable to meet the needs of the City. Additional work not included within our proposed work program will be completed only upon written City authorization on a time-and-materials basis. This offer for services is valid for 60 days. Questions regarding the proposal and accompanying cost estimate may be directed to John Rickenbach at 805/610-1109, or at JFRickenbach@aol.com.

New Water Reclamation Facility Planning Services

Cost Estimate - May 10, 2013

Baseline Tasks	Cost	Labor Hours	John F. Rickenbach Consulting Team							
			John Rickenbach *Proj. Manager* $135/hour	Mike Nunley *Engineering* $150/hour	MKN Staff *Engineering* $135/hour	MKN Staff *Drafting* $60/hour	Kevin Merk *Coastal/Env.* $125/hour	Debbie Rudd *Public Outreach* $160/hour	RRM Staff *Graphics* $90/hour	RRM Staff *Clerical* $40/hour
Labor Hours										
1. Project Initiation (Kickoff Meeting, Document Review)	$4,560	32	12	12			4	4		
1.1 Analysis of Biosolids Treatment Alternatives and Presentation	$9,840	78		34	28	16				
1.2 Analysis of Treatment/Effluent Alternatives and Presentation	$11,460	90		44	28	18				
2. Community Outreach Strategy	$960	6						6		
3. Stakeholder Interviews/Focus Groups	$2,560	16						16		
3.1 Coastal Commission Meeting (includes prep; assumes local meeting)	$3,900	30	8				4	10	8	
4. Public Workshop #1 (includes preparation time) *(also see Optional Tasks)*	$5,260	39	8	8			4	11	8	
5. Identify Community Goals	$1,020	7	4					3		
6. Analysis of Existing Studies	$10,400	75	48	12			8	7		
7. Prepare First Draft Options Report (including analysis of 2 new sites)	$18,850	143	50	28	24		12	10	16	3
8. Public Workshop #2 (includes preparation time) *(also see Optional Tasks)*	$5,260	39	8	8			4	11	8	
9. Presentation #1 to the City Council (includes prep time)	$3,405	25	6	6			3	6	4	
10. Prepare Second Draft Options Report	$4,860	39	16	4			4	5	8	2
11. Presentation #2 to the City Council (includes prep time)*(also see Optional Tasks)*	$3,405	25	6	6			3	6	4	
12. Prepare Final Options Report	$4,980	38	12	8	8			4	4	2
13. Meetings with City Staff (5 throughout process besides Kickoff Meeting)	$4,740	33	15	6			3	9		
Quality Control/Internal Review of Documents	$4,320	32	32							
Project Management/Coordination	$6,480	48	48							
Subtotal Labor:	**$106,260**	795	273	176	88	34	49	108	60	7

Additional Costs	
Supplies, Travel and Miscellaneous Expenses	$500
Subconsultant Expenses	$1,800
Production of CDs and Digital File Documentation	$300
General & Administrative (Subconsultant Management)	$8,396
Subtotal Additional Costs:	**$10,996**
TOTAL LABOR + ADDITIONAL COSTS (Baseline Tasks)	**$117,256**

Total Cost By Consultant	
Rickenbach	$46,051
RRM	$23,160
Nunley	$41,920
Merk	$6,125
TOTAL	**$117,256**

Optional Tasks	Cost	Labor Hours	John F. Rickenbach Consulting Team							
			John Rickenbach *Proj. Manager* $135/hour	Mike Nunley *Engineering* $150/hour	MKN Staff *Engineering* $135/hour	MKN Staff *Drafting* $60/hour	Kevin Merk *Coastal/Env.* $125/hour	Debbie Rudd *Public Outreach* $160/hour	RRM Staff *Graphics* $90/hour	RRM Staff *Clerical* $40/hour
Labor Hours (optional tasks)										
4.1 Public Workshop #1: Hand Held Remote Full Survey	$1,040	10						2	8	
4.2 Public Workshop #1: Online Survey	$2,900	24	4					8	12	
8.1 Additional Workshops (cost per workshop)	$3,200	23	8					11	4	
11.1 Additional City Council Presentations (cost per presentation)	$2,130	16	6					6	4	
13.1 Additional Meetings with City Staff (cost per meeting)	$1,335	9	3	3				3		

John F. Rickenbach Consulting
7675 Bella Vista Road
Atascadero, California 93422

805/610-1109
JFRickenbach@aol.com

Transmittal

Date: **April 15, 2013**

To: **Rob Livick, PE – Director/City Engineer**

From: **John Rickenbach, AICP, Principal Planner**

Subject: **Proposal to Provide Planning Services for the New Water Reclamation Facility**

Rob:

Enclosed please find ten (10) copies of John F. Rickenbach Consulting's proposal to provide planning services for the Morro Bay **New Water Reclamation Facility (WRF) Project.** We appreciate your consideration for this assignment, and welcome the opportunity to meet with you to discuss any aspect of this proposal. If you have any questions or require any additional information, please do not hesitate to contact me at (805) 610-1109.

All the best—

John

ATTACHMENT 2

Proposal to Provide Planning Services for

The New Water Reclamation Facility Project

Submitted to:
City of Morro Bay
Department of Public Services

April 15, 2013

John F. Rickenbach Consulting
7675 Bella Vista Road
Atascadero, California 93422

John F. Rickenbach Consulting
7675 Bella Vista Road
Atascadero, California 93422

805/610-1109
JFRickenbach@aol.com

April 15, 2013

Rob Livick, PE/PLS – Director/City Engineer
City of Morro Bay
Department of Public Services
955 Shasta Avenue
Morro Bay, CA 93422

Subject: Proposal to Provide Planning Services for the Morro Bay New Water Reclamation Facility

Dear Mr. Livick:

John F. Rickenbach Consulting is very pleased to submit this proposal to provide planning services for the Morro Bay **New Water Reclamation Facility (WRF) Project**. We have put together a team of highly skilled and locally-based planners, public outreach experts, engineers and environmental scientists to lead a process that will serve decision-makers and the community in general. Our team follows the core principle that the best decisions are made through community based planning.

Project Manager John Rickenbach leads a team that includes the following hand-picked experts:

- **Debbie Rudd, of RRM Design Group** – Public Outreach Coordination
- **Mike Nunley, of Michael K. Nunley Associates** – Engineering Analysis
- **Kevin Merk, of Kevin Merk Associates** – Environmental and Coastal Regulatory Analysis

Throughout our careers, our team has successfully worked together on a range of projects in the Central Coast region, particularly within the coastal zone, which will greatly enhance the efficiency of our project management effort on this assignment. We'd like you to meet the team.

Project Manager **John Rickenbach** has over 24 years of experience managing some of the most complex and controversial projects in the region, requiring a special understanding of how to engage and listen to both the public and decision makers. In his career, he has prepared many long-range planning documents, including General Plans, complex programmatic CEQA documents, constraints studies, and conducted many public outreach programs in support of these efforts. At one time, he was the contract Planning Director for the City of Guadalupe, where creative thinking and his skills at bringing together divergent points of view were put to good use. This experience will be important in this assignment, which must convey complex technical information in a readily understandable manner.

Debbie Rudd, our team's Public Outreach Coordinator, has a passion for community based planning and has been conducting community outreach efforts for over 20 years with RRM Design Group. Many of these efforts have been in California waterfront communities, which require an understanding of the Coastal Commission priorities and process, as well as an understanding of the issues and challenges that coastal communities are faced with today. Debbie approaches each effort with an open mind and truly listens to the community concerns and ideas. Her ability to earn the trust of the stakeholders and the decision-makers has been key to successful consensus building and project outcomes.

Mike Nunley and **Kevin Merk** are experts in their respective fields of engineering and environmental resource management. Mike has statewide engineer expertise with water and wastewater facilities, including those serving Morro Bay, for which he has already performed some technical studies. Kevin is the recognized local expert in biological resource regulatory permitting, and translating Coastal Commission and community concerns into practical community-based solutions.

We know you have many qualified choices, but we believe our team offers some very tangible advantages that would be difficult for other firms to match. While these are described in depth in our proposal, it's worth highlighting some of them here.

- **A Fresh, Unbiased and Efficient Project Approach.** We do not approach this with a pre-conceived outcome in mind. Fundamentally, we view the success of this program in our ability to listen to the community, communicate information effectively, and to produce that information in an efficient timeframe. While the technical information is very important, the key to success will be our planning and communication skills. These will be needed to produce the clear presentation of information that puts the City in the best position to move forward with a project that achieves its long-term operational and water quality goals. The key to this lies in our understanding of the regulatory framework and our ability to present our findings in a transparent and open manner.

- **Experienced Project Management.** We cannot overemphasize the importance of effective project management in addressing the most common pitfall of any project—keeping it on schedule and within budget. It's all about effective communication and project tracking, and John Rickenbach has been managing complex and controversial projects throughout his career. The project will be managed locally, from our Atascadero office, so we will have easy access to the Morro Bay community, City staff and the study sites.

- **A Team of Local Experts.** Our team of experts was chosen carefully, for their specific knowledge of the community, the key issues, regulatory framework, but mostly because they understand the need to listen to the community to ensure an optimal outcome. RRM Design Group's Debbie Rudd in particular is key to the effort as the Public Outreach Coordinator, because of her proven expertise in engaging citizens and helping translate their concerns into action. All four key team members have an average of about 20 years experience each, and for most have their careers been based locally in San Luis Obispo County. We know and love the Central Coast region, and want to see the best planning outcomes for what we consider to be our community too.

- **We Enjoy What We Do.** We love our work; it's that simple. That's what motivates us to make the extra effort, dig deep, and listen carefully. We pride ourselves on our collaborative skills, our writing expertise, and the ability to think critically and translate that to clear analysis and presentations. It's what we do for a living, and why we've been able to sustain our careers for as long as we have. And we really want to apply those skills to this challenging assignment.

We are excited about this project, for many reasons. Frankly, local projects of importance to our community such as this are where we want to focus our business, and that all starts with building on our existing relationships with staff and the greater community whose input is crucial to a successful planning process. We want to do a great job for you, and based on our experience, we are extremely confident of leading a process that all parties—key agencies and the community alike—can feel was fair and thorough.

If you have questions about our proposal, please feel free to contact John Rickenbach at 610-1109, or at JFRickenbach@aol.com.

Sincerely,
JOHN F. RICKENBACH CONSULTING

John Rickenbach, AICP
Principal Planner

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- *Qualifications Materials*
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- *Subconsultant Listing*
- *Statement of Past Contract Disqualifications*
- *Certificate of Insurance*

INTRODUCTION

John F. Rickenbach Consulting is pleased to submit this proposal in response to the City of Morro Bay's Request for Proposals (RFP) to provide planning services related to the new Water Reclamation Facility (WRF) project. Specifically, the services are intended to engage the community and facilitate a dialog to gain allow the City Council to move forward with further study of a preferred new WRF site. This will be based on technical information already generated in connection with screening analyses and input from various workshops previously received toward this effort. We welcome the opportunity, and look forward to the challenge of completing this important assignment.

Our proposal includes a scope of services, qualifications, and cost estimate, as specified in the RFP. This conceptual scope was developed based on our understanding the nature of the required tasks and goals associated this assignment, and may be modified as needed to better need the City's needs. The qualifications of our firm and subcontractors, as well as professional references, are also included in this proposal.

BACKGROUND

At the January 10, 2013 California Coastal Commission (CCC) meeting, the CCC voted to deny the Coastal Development Permit (CDP) for construction of an upgraded wastewater treatment plant at its existing location. In summary, the basis for denial included inconsistency with the Local Coastal Plan's zoning provisions, failure to avoid coastal hazards, failure to include a sizable reclaimed water component and the project is located within an LCP-designated sensitive view area.

Denial of the CDP means the City and the Cayucos Sanitary District will need to pursue alternative locations for siting of a new Water Reclamation Facility (WRF).

COMMUNITY GOALS

The intent of this work program is to take input from the community and then guide them through a series of decisions regarding the features and siting of the new WRF. Among the decisions that the community through the City Council needs to make include:

- ***Treatment technology.*** *Approach to energy use, water quality and siting requirements;*
- ***Type of disposal.*** *Ocean outfall, land application, subsurface disposal and stream discharge;*
- ***Ownership/operation.*** *Consideration of Private and Public options;*
- ***Level of Reclamation.*** *Urban uses, rural agricultural uses and groundwater recharge;*
- ***Biosolids Options.*** *Composting onsite and hauling options;*
- ***Siting Criteria.*** *What criteria are important to the community in siting the new WRF? and*
- ***Scheduling.*** *Given the other factors, what is a realistic schedule for the siting, permitting, design and construction of the new WRF?*

The current effort described in this proposal will not definitively answer all these questions. However, it will provide a fresh unbiased analysis of existing screening studies and related reports, based on a high degree of direct community input, for the purpose of guiding the City Council toward making an informed decision regarding which site to pursue in greater detail, as well as the appropriate technologies to apply, for the long-term well-being of the community as a whole.

A. SCOPE OF SERVICES

Our team proposes the following work program, which includes these broad tasks:

- ***Task 1:*** *Project Initiation*
- ***Task 2:*** *Community Outreach Strategy*
- ***Task 3:*** *Key Stakeholder Interviews/Focus Groups*
- ***Task 4:*** *Workshop #1*
- ***Task 5:*** *Identify Community Goals*
- ***Task 6:*** *Analysis of Existing Studies*
- ***Task 7:*** *Prepare First Draft Options Report*
- ***Task 8:*** *Workshop #2*
- ***Task 9:*** *City Council Presentotion #1*
- ***Task 10:*** *Prepare Second Draft Options Report*
- ***Task 11:*** *City Council Presentation #2*
- ***Task 12:*** *Prepare Final Options Report*
- ***Task 13:*** *Meetings with City Staff (ongoing throughout process)*

Each of these tasks is described in greater detail below:

Task 1. Project Initiation. Team leaders will attend a kickoff meeting with City staff, the purpose of which will be to confirm the study objectives, refine our proposed study approach as needed, and gather any key existing documentation that is not already available online. We will confirm the key products and schedule associated with the effort, and establish communication protocols among City staff, the consultants, and the community in general. The kickoff meeting will also provide an opportunity to strategize and discuss the workshops, key stakeholders, and outreach methods.

It may be useful to expand this meeting into a site tour with City staff and/or Council representatives. The tour will focus on potential sites under consideration.

Deliverables: Attend kickoff meeting; confirm study goals; gain a better preliminary understanding of community goals through a site tour.

Task 2. Community Outreach Strategy. Our team, led by Debbie Rudd of RRM in this case, will work with City staff and/or Council representative to develop, refine and customize the community outreach program. This will include advertisement strategies, format for each workshop, workshop exercises, and outreach to the key stakeholders. The outreach strategy will build from previous outreach efforts and incorporate methods that have been successful in the past. This outreach process will need to be transparent and inclusive. The outreach strategy memo will outline this process and make sure that the decision makers and key stakeholders agree on the approach and strategy before the outreach begins. This process may be revised to accommodate the outcome of this strategy task.

Deliverable: Community outreach strategy memorandum, meeting with Council representative/staff summorizing future outreach efforts

Task 3. Key Stakeholder Interviews/Focus Groups. The consultant team will conduct one day of 30 to 60-minute interviews with key property and business owners, interest groups and neighborhood

representatives, decision makers, and others to help explore and understand the issues important to the community facing this site selection. The City would coordinate meeting location and set up. This task allows for additional stakeholder coordination throughout the process.

Deliverables: Meeting attendance, follow-up stakeholder meetings

Task 4. Workshop #1. Debbie Rudd will join John Rickenbach in facilitating the first of two interactive workshops that will focus on identifying and prioritizing issues as well as educating the community on options. Our goal will be to design the workshops to engage participants in a fun and interactive way that will allow the community and stakeholders an opportunity to discuss issues, priorities, and solutions that resonate with the community priorities. Exercises may involve forms of polling participants through the use of tape dots, report cards, and hand-held remote control voting devices or similar methods. This outreach effort needs to be completely open and transparent to garner consensus on a solution that is truly a community-based solution. RRM will provide graphic support, materials for workshop (e.g., nametags, sign-in sheets, agendas, aerial photos maps).

Deliverables: Preparation for and co-facilitation of the workshop. City staff to coordinate meeting logistics, notification, microphones, refreshments, and advertisement.

Task 5. Identify Community Goals. Based on input from the community workshop and stakeholder interviews, our team will work with City staff to identify goals for determining the appropriate site for the new WRF. We will also consider the concerns previously expressed by members of the community through the Rough Screening and Fine Screening process, including those of various agencies, organizations and individuals.

For example, from public input received on the existing documentation, we can already clearly see a pattern of concerns, including (but not limited to) the following:

- *Visuol Impacts*
- *Flooding potential at the site*
- *Appropriateness of the facility with respect to adjacent land uses*
- *Risk from tsunami, sea level rise, and other coastal hazards*
- *Impacts to biological resources*
- *Water quality and runoff*
- *Consistency with Local Coastal Program (LCP) policies*
- *Appropriateness of proposed facility design and technology*
- *Cost (both monetary and environmental)*

We will compare these to more recent workshop input to help refine the key issues to focus on within the Options Report.

Task 6. Analysis of Existing Studies. Our team, led by John Rickenbach, will analyze the existing studies previously prepared, including the rough screening analysis, fine screening analysis, and supporting technical studies. The purpose will be to critically evaluate the conclusions of those studies, based on the issues identified not only in the reports, but in comparison with the community goals as summarized in the previous task.
For example, some of the comments received on the project thus far expressed concern that the various criteria were not applied consistently to all sites, and had they been, the conclusions about which sites

were best may have been different. Our analysis will critically investigate this point, with fresh unbiased eyes.

With respect to the previous studies, we are well aware that the existing WWTP site is no longer an option for the new WRF, so we will begin our analysis within this context.

Conclusions of the Rough Screening Analysis. The purpose of this report was to narrow the sites down to three for further consideration using a variety of birds-eye level screening factors. Many comments expressed the concern that the "fatal flaw" analysis in that report prematurely eliminated certain sites, or may have otherwise been inconsistently applied to all sites. In addition, the ranking of key criteria may not have been consistent with many of the expressed community goals. We will critically investigate these points, and determine whether any sites that were previously eliminated should be studied in further detail. If so, this would become one of the recommendations of our Options Report. To the extent possible, we will qualitatively analyze such sites in the Options Report, to the extent the schedule and budget allow, at least to provide a meaningful comparison of possible sites. One possibility here may be the CMC site (Site 12), which in spite of some constraints, was found to have the second highest overall score relative to the consistency criteria applied in the report, and yet was eliminated from further consideration because of the apparent high cost of constructing at that site. Our report will critically evaluate this conclusion.

Conclusions of the Fine Screening Analysis. This report analyzed three sites in detail: 1) the existing treatment plant site (Site 1); 2) the Chevron site (now combined as Sites 5 and 15); and the Righetti site (Site 16). Based on input previously received, we can now eliminate the existing treatment plant site, and focus on the other two. We will look closely at these two sites, plus any others from the Rough Screening Analysis that we believe warrant further investigation.

The weighting of key criteria will be crucial. The Fine Screening Analysis put 40% of the weight on issues related to LCP consistency and environmental factors, with the other 60% split evenly between project implementation issues and economic considerations. Based on many of the comments that were received through the process, there was concern that these factors were not weighted appropriately based on the actual priorities of the community. We will investigate this concern, and factor this into our independent analysis of the data. For example, the idea that development at the existing site was the easiest to do from a project management and land acquisition standpoint, and that it would cost less, weighed heavily in the previous conclusion that the existing site was best overall. However, it is clear from input received through the process that these factors would have received considerably less weight in what many believed would have been a more objective analysis. If so, the conclusions may have been different.

As part of this analysis, Mike Nunley, PE, will critically investigate the engineering and cost conclusions described in two the screening reports. For example, he will investigate the conclusions relative to the various treatment technologies applied from both a cost and feasibility standpoint, to determine if the previous conclusions were valid. He will also look at the cost assumptions for the construction and operation of the facilities at the different sites, again with the purpose of providing an experienced and unbiased engineering perspective to guide future decisions with respect to the ultimate site for the new facility.

Kevin Merk will look closely at coastal polices and permitting assumptions made in the previous reports, as well as environmental resource considerations, particularly with regard to biological resources, at the various sites. His input will also be key in preparing the Options Report.

Deliverable: *Our team will meet with City staff to go over our preliminary conclusions and gain their input before completing the draft of the Options Report (Task 7).*

Task 7. Prepare First Draft Options Report. Our team, led by John Rickenbach, will prepare a First Draft Options Report, which summarizes the results of the investigations from the previous tasks. To this end, he will coordinate the analysis with each of the other three team members. Although the format of the document has not yet been determined, we propose an outline that includes the following components:

1. Summarize and Reprioritize Key Community Based Planning Goals. The report will describe the key issues and community goals, and prioritize them more in alignment with what the community has said;

2. Modify the Previous Analysis. We will modify the previous analysis as appropriate, based on the input from our team experts with respect to community based planning goals, environmental issue, and engineering and cost considerations. This section will be the heart of the report, and will describe in broad narrative terms the issues of concern relative to each site. At the City's choosing, we can either organize this section by issue, then examine each site relative to the issue; or we can organize this by site, then examine each issue accordingly. Because this is a comparative study, we recommend that this be organized by issue area, so the document can more easily compare each site side by side, and thus have greater utility relative to its intended purpose. We expect that the analysis of each issue will include a few paragraphs, or whatever is needed to convey the overall concerns in as succinct a manner as possible. In some ways, this section will be analogous to an Alternatives discussion within an Environmental Impact Report, and will likely exhibit a similar level of detail;

3. Create a Summary Matrix. Our report will include a matrix that summarizes this updated analysis, and recalculates the results of the analysis based on the modified weighting of factors. The intent is to keep the matrix visually simple (possibly with color-coding), to allow for an easy comparison of the issues relative to each site. This would likely focus on the key findings, with bullets highlighting key findings; and

4. Present a Narrative Summary of Conclusions. The report will include a summary of the conclusions relative to the possible sites under investigation, with a recommendation for the community and City Council to consider for further action in the process. This summary may be easily adapted to a possible staff report for the City Council.

In all, we anticipate that the entire study will be brief. It will be as long as needed to draw the necessary conclusions, but sufficiently brief to be user-friendly. To the extent possible, the study will use matrices, tables, and graphics to convey the needed information.

Deliverable: *Our team will deliver one (1) electronic copy of the First Draft Options Report for City staff review. We will print as many as requested, but for budget purposes have assumed 10 copies at 50 pages each, with multiple color pages.*

Task 8. Workshop #2. Our team will conduct a second public workshop, the purpose of which will be to present the findings of the First Draft Options Report. Our intent is to gain further input from the public, and course-correct to the extent needed for the Second Draft Options Report. We will use many of the same outreach techniques described for the first report.

Deliverables: *Preparation for and co-facilitation of the workshop. City staff to coordinate meeting logistics, notification, microphones, refreshments, and advertisement.*

Task 9. City Council Presentations #1. We will present the results of the First Draft Options Report for City Council consideration and input. Together with previous public input from Workshop #1, we will have the needed input to prepare a Second Draft of the report.

Deliverable: *Key team members will a City Council meeting, present the First Draft Report in PowerPoint format, and be available to answer questions and receive input as needed.*

Task 10. Prepare Second Draft Options Report. Based on input received from Workshop #2 (Task 8) and the first City Council meeting (Task 9), we will revise the First Draft Options Report. Changes may include modified weighting of criteria, updating of information, or other issues that may materially affect the outcome of the report. We will discuss and confirm these changes with staff before creating a final Draft Report that can be considered by City Council.

Deliverable: *Our team will deliver one (1) electronic copy of the Second Draft Options Report for City staff review. We will print as many as requested, but for budget purposes assume 10 copies at 50 pages each, with multiple color pages.*

Task 11. City Council Presentation #2. We will present the results of the Second Draft Options Report for City Council consideration. We anticipate that there may be some minor changes to the document needed as a result of their action.

Deliverable: *Key team members will attend a second City Council meetings, present the Second Draft Report in PowerPoint format, and be available to answer questions and receive input as needed.*

Task 12. Prepare Final Options Report. Based on City Council input, we will make minor modifications to finalize the Options Report.

Deliverable: *Our team will deliver one (1) electronic copy of the Final Options Report to be posted by the City on its website. As an optional task, we can print as many as needed and handle the website posting.*

Task 13. Meetings with City Staff. Through the course of the program, we expect to meet with City staff on several occasions. Our scope of work assumes at six (6) meetings with staff through the course of the project, including the Kickoff Meeting, which is covered in Task 1.

B. PROJECT TEAM

The consultant team will be managed locally by **John F. Rickenbach Consulting**, with John Rickenbach as Project Manager. He will be assisted by Debbie Rudd of RRM Design Group, Michael K. Nunley & Associates and Kevin Merk Associates in this effort. All firms are locally based in San Luis Obispo County, and all firms bring principal-level staff to this assignment. John will also be responsible for quality control and the overall work program. Key staff and their roles are summarized below and described in more detail in the Qualifications section of this proposal. Resumes for the key staff are included in the Appendix.

John Rickenbach, AICP, will serve as Principal in Charge and Project Manager for this assignment. In this role, he will direct the day-to-day work program, including the subconsultants needed to complete the work program. He will also have the primary responsibility for preparing the Options Report, and play a key role in the public outreach process. Ultimately, he will present the findings of the report to the City Council. With over 24 years working within the Central Coast region, John has unparalleled experience for similar kinds of studies, including constraints studies, as well as controversial projects requiring exceptional communication skills. He also has a clear understanding of the regulatory framework of local, state, and federal agencies, and how they interact when a project requires permitting from multiple jurisdictions, especially within the Central Coast region.

John is a land use planner by training, and an acknowledged expert in the application of CEQA as well as other state and federal environmental laws. He specializes in comparative site analysis. He combines this technical background with excellent communication skills, which have been honed managing comprehensive and controversial projects such as the Paso Robles General Plan Update, which won an award of merit from the American Planning Association. He also has managed difficult site studies for other municipal long-range planning efforts, including the ongoing Spanish Springs Specific Plan in Pismo Beach. He has applied his creative problem-solving skills to various diverse constraints studies, including a land suitability analysis for the City of Santa Maria's Sphere of Influence and Annexation Study, alternate bicycle trail routes between Templeton and Atascadero, and various sites considered for a minor league baseball stadium in Ventura County.

John authored an APA award-winning report entitled *Conventional vs. Neo-Traditional Development: A Comparative Analysis*, regarding a development on the urban fringe of the City of Santa Maria.

Debbie Rudd of RRM Design Group will serve as the Public Outreach Coordinator for this assignment. Debbie has a passion for community based planning and has been conducting community outreach efforts for over 20 years of experience. Many of these efforts have been in California waterfront communities which require an understanding of the Coastal Commission priorities and process, as well as an understanding of the issues and challenges that coastal communities are faced with today. The outreach efforts have included an array of techniques and methods to interactively involve community stakeholders in identifying the issues and cultivating solutions. Debbie approaches each effort with an open mind and truly listens to the community concerns and ideas. Her ability to earn the trust of the stakeholders and the decision makers has been key to successful consensus building and project outcomes.

Debbie and her team at RRM Design Group customize their approach for each community, drawing from many of the following techniques and tools:

- Key stakeholder interviews
- Surveys and questionnaires
- Community workshops
- Design charrettes
- Steering committees
- Visual surveys with remote control voting
- Tape dot exercises
- Magnet game boards
- Project web page
- Project newsletters

Debbie and her group also have a good working relationship with the California Coastal Commission (CCC) and have successfully processed multiple projects through the CCC.

Michael Nunley, PE, will provide technical support for the effort, synthesizing existing analysis related to treatment technologies and methods, for the purpose of presenting this information in the Options Report for the public and decision makers. He will assist John Rickenbach as needed in workshops or public outreach efforts related to this project. Mike has more than 17 years of experience in water resources engineering. His expertise includes management, planning, and design of water, wastewater, recycled water, and drainage facilities in California, Hawaii, Guam, Washington, North Carolina, Virginia, South Carolina, Tennessee, and Georgia.

Kevin Merk will also assist in this effort, providing technical expertise related to some of the land evaluation criteria as it relates to coastal and environmental resource regulatory issues. His input will be folded into the Options Report. A seasoned biologist, Kevin is an expert in coastal issues, and fundamentally understands the environmental resource permitting process related to large industrial facilities, especially in the coastal zone. His input in this process will be invaluable. Kevin is a plant ecologist and restoration specialist with nearly 20 years of experience, with expertise in quantitative vegetation analysis, habitat evaluation procedures, surveys for legally-protected plant species, methodologies for restoring native plant communities and biotechnical erosion control in California. Through the permitting process, he often has to reconcile competing goals among agencies, landowners and other stakeholders. In this context, he has a knack for working with stakeholders with widely different goals, helping all parties gain a mutual understanding of each others' concerns, and developing an optimal outcome that protects resources while achieving project goals. Kevin has also conducted multi-parameter wetlands assessments and monitored construction activities to insure compliance with resource agency requirements and Storm Water Pollution Prevention Plans.

C. QUALIFICATIONS

John Rickenbach and his team have a very broad background on a variety of project types, both locally and throughout the state, over the course of their careers. In order to provide a contextual framework relevant to the current project effort, we have organized these into several categories, and provide examples of projects within each category. The projects are organized as follows:

- *Policy Planning and Public Outreach*
- *Constraints Studies*
- *Projects in the Coastal Zone*
- *Public Utilities and Infrastructure Projects*

We believe this diverse and unique combination of services is the exact fit that is needed to successfully accomplish the goals of the project. Our team's representative project experience is described in great detail below.

Policy Planning and Public Outreach

***John Rickenbach, AICP** has specific technical expertise is in long-range planning, including General Plans, Specific Plans, and other programmatic policy documents. Through this experience, he has conducted numerous public outreach programs, and has managed some of the most complex and controversial long-range planning programs in the region. **Debbie Rudd of RRM Design Group** has similar experience, and has led many major public outreach efforts on a variety of long-range planning efforts. Together, they lead a team that brings considerable experience in a variety of specific tasks, including:*

- *Public Agency Municipal Planning Assistance*
- *Policy Analysis and Interpretation*
- *Interagency Coordination and Facilitation*
- *Public Outreach Programs*
- *General Plans, Specific Plans and Master Plans*

The following represents our team's broad municipal, policy planning, and public outreach experience:

Spanish Springs Specific Plan Processing
City of Pismo Beach

John Rickenbach is currently processing the City of Pismo Beach's Spanish Springs Specific Plan, acting as the City's Project manager for the assignment. This project controversial project requires coordination between the City, County and LAFCo, since much of the planning area is currently outside the City limits and its Sphere of Influence. Over a 3-year period, John has helped coordinate a considerable amount of public input, workshops and meetings, between community groups, property owners and elected officials. The project also requires coordination with Caltrans, Union Pacific Railroad, and various resources agencies, including the Department of Fish and Game and Regional Water Quality Control Board.

City of Guadalupe Contract Planning Director
City of Guadalupe

While with another firm, John Rickenbach acted as contract Planning Director for the City of Guadalupe. His primary functions included: 1) coordinating with the development community, regulatory agencies, City staff, elected officials, and the community in general to ensure that plans and projects address the broad issues of concern to all; 2) preparing and presenting recommendations to the Planning Commission and City Council to allow those bodies to make decisions on projects; and 3) providing technical expertise. John was instrumental in helping the City to acquire and utilize Clean Air and Climate Protection software to help the City calculate and track emissions and reductions of greenhouse gases. In his role as Planning Director, John also sat on the Santa Barbara County Association of Governments (SBCAG) Technical Planning Advisory Committee (TPAC), which was a regional land use planning advisory body, consisting of representatives from each city within the county, as well as the county itself and APCD. In this role, he provided key input at a regional level with regard to strategies related to implementing long-range housing and climate action planning requirements.

City of Paso Robles General Plan Update and EIR
City of Paso Robles

While at another firm, John Rickenbach managed a comprehensive update of the City of Paso Robles' General Plan, including all seven state mandated elements, as well as the City's Parks and Recreation Element. David Wolff and Jason Kirschenstein also conducted a biological resource assessment and survey work for the project, while at another firm. The two-year process included the creation, distribution, and analysis of a public survey, followed up by a series of public workshops. Based on this input, several alternative land use patterns were developed. John combined his planning and environmental expertise to coordinate the entire effort, minimizing the use of subcontractors, and ensuring a smooth and efficient blending of baseline data, policy development, and public participation. The City of Paso Robles was awarded an "Award of Merit" by the Central Coast Section of the American Planning Association for its work on this regionally important project.

Port San Luis Master Plan
Port San Luis Harbor District

RRM Design Group's Debbie Rudd conducted public workshops, consensus building between multiple agencies, San Luis Obispo County, Coastal Commission, Port San Luis Harbor District, and the neighboring community to prepare a Master Plan for Port of San Luis and the community of Avila Beach. RRM provided a facilities needs assessment, a focused user survey, public workshops, a coastal access and implementation plan (with a new policy chapter inserted into the Local Coastal Plan), and schematic design with an evaluation of existing resources and services on the heavily used commercial fishing pier, Harford Pier. Debbie worked closely with the Santa Cruz Coastal Commission staff in preparing the submittal and response to staff modifications.

Avila Beach Front Street Enhancement Plan
Multiple Agencies

RRM Design Group's Debbie Rudd acted as the project manager and designer responsible for bringing multiple agencies and community groups to consensus on the design and rebuilding of the Avila Beach

community. Working with the very active and vocal community group, the Front Street Enhancement Committee, as well as the various agencies, all with different objectives and issues was the primary hurdle at the beginning of the project and the key to success in the end. The plan includes a plaza area, a seawall, a memorial overlook deck, a neighborhood park, a lifeguard/first aid station, an amphitheater, public art, streetscape, beach access, and public restrooms.

Orcutt Area Specific Plan Processing Services and EIR
City of San Luis Obispo

John assisted the City of San Luis Obispo in processing the Orcutt Area Specific Plan. Over a two-year period, he conducted workshops, and worked with staff and consultants to guide the planning process, including a revision of the Orcutt Area Specific Plan. The controversial process ultimately resulted in the preparation of an Environmental Impact Report for the Specific Plan, with extensive public participation. The project has facilitated a high level of exposure to regulatory and political issues facing the City, and has required us to coordinate with the various City departments on an on-going basis.

Constraints Studies

***John Rickenbach** and his team have prepared numerous site constraints studies on a variety of projects, ranging from minor league baseball stadiums, municipal expansion areas, industrial facilities, and trail corridors. From a planning perspective, we understand the broad issues that need to be addressed in such studies, from physical, environmental, and economic. Combined with our excellent public outreach skills, we are able to successfully communicate our findings in such a way to allow the public and decision makers to move forward in a collaborative manner, seeking optimal outcomes for sometimes difficult planning choices.*

Examples of our team's experience are highlighted below:

East-West Ranch Management Plan
Cambria Community Services District

RRM Design Group prepared the East-West Ranch Management Plan, which guided the preservation and recreational use of a large and prominent parcel within the Coastal Zone. Working closely with RRM, John Rickenbach and Kevin Merk prepared an environmental constraints analysis and CEQA documentation for the East-West Ranch Management Plan, which guides the long-term use of this large and valuable open space parcel along the Pacific coast in the community of Cambria. Specifically, evaluation included the biological, land use, and cultural resource constraints of the site, and recommended management techniques to preserve the key resources while allowing public access. The Management Plan responds to a multi-agency effort to preserve the site for public access, and included a 2-year public participation effort.

Avenue of Flags Corridor Study
City of Buellton

John Rickenbach recently managed a comprehensive constraints study to assist the City of Buellton in evaluating potential realignment options for the Avenue of Flags as part of its ongoing Visioning Process. The purpose of this study is to recommend a new configuration for that roadway, which will provide important direction for a future specific plan centered on this area, integrating trails and open space

into the context of a revitalized downtown core. It describes three possible alternatives under consideration, identifies the key issues within the study area, and assesses the severity of the constraints associated with each alignment. Finally, it identifies the alignment considered to present the fewest constraints with respect to these issues. The report includes a comprehensive summary table at its conclusion.

Templeton-Atascadero Bikeway Connector Trail Constraints Report
County of San Luis Obispo

While with another firm, John oversaw the completion of a bikeway constraints study for San Luis Obispo County, which addressed the area between Templeton and Atascadero. The study examined a variety of environmental, engineering, and cost issues, ultimately identifying "preferred" trail segments that would present the fewest constraints to development. In 2005, the project won an award for Outstanding Environmental Resource Document from the Association of Environmental Professionals.

Sphere of Influence Study, Constraints Analysis, Specific Plans, and EIR
City of Santa Maria

John Rickenbach was the project manager for comprehensive study of Santa Maria's future Sphere of Influence, which addressed land availability and development forecasts within that city over a 20-year horizon. As part of this study, a citywide land inventory was developed to establish land requirements to accommodate future use demands. The future expansion of the City was determined in part by a constraints analysis describing the relative issues with each of 10 potential expansion areas surrounding the City. Ultimately, about half of these areas were selected, and were eventually annexed to the City.

John also was the primary author of Specific Plans for five target areas totaling 2,600 acres. Each of the plans addressed neighborhood land use and circulation needs while responding to physical and environmental characteristics, thereby ensuring a compatible relationship with adjacent urban neighborhoods. John then managed the preparation of an environmental impact report addressing the full range of impacts. The project won the 1994 Award for Comprehensive Planning Excellence from the American Planning Association's Central Coast Section.

Tri-Cities Minor League Baseball Stadium Constraints Study
Cities of Ventura, Oxnard and Camarillo

John Rickenbach prepared a constraints study that examined the relative merits of 9 potential sites to locate a minor league baseball stadium in Ventura County. In addition to examining a range of environmental and planning issues, the study also had to consider interjurisdictional issues, including financing issues, since the stadium was environed as a regional facility. Ultimately, three sites in each city were considered, and the analysis allowed decision-makers in each city the ability make long-range policy decisions with regard to possible public financing of this venture.

Projects in the Coastal Zone

Our team has long experience working on projects within the Coastal Zone, and thus is familiar with not only the regulatory framework, but also the sometimes challenging process needed to ensure the success of projects in this area. Many of these projects are industrial in nature, or involve public utilities, but our broad experience also includes residential entitlements. In many cases, our team members supported public outreach efforts for projects in the coastal zone. Representative projects include:

Initial Study/Environmental Clearance for the Moss Landing Marine Laboratories (MLML) Ocean Pier Replacement Project, Moss Landing, California
California State University Moss Landing Marine Laboratory

While with another firm, John Rickenbach managed the CEQA processing for the California State University (CSU) Moss Landing Marine Laboratories (MLML) Moss Landing Ocean Pier Replacement Project. The IS/MND involved preparation of a physical and programmatic description of the proposed project and evaluation of the project against CSU thresholds, supplemented by standards applicable within Monterey County and information in the *CEQA Guidelines*. Key issues to be addressed include: biological resources, geology and soils, land use and planning, transportation/traffic, utilities, and cultural resources.

Hilton Garden Inn CEQA Compliance and Regulatory Permitting
City of Grover Beach

While at another firm, John Rickenbach was the Principal in Charge of managing the CEQA compliance and regulatory permitting phases of a hotel project within the Coastal appeals zone for the City of Grover Beach. He worked closely with Kevin Merk on this project, who was instrumental in acting as a liaison between the City and the California Coastal Commission (CCC), to whom the project was appealed, since a portion of the project within a riparian area under the CCC's jurisdiction raised concerns related to potential effects on downstream water quality. The City and consulting team worked closely with the CCC to address that agency's key concerns in the final project design, including mitigation for biological and water quality impacts related to erosion.

Avila Pier Marine Research Facility IS/MND
California State University San Luis Obispo/Unocal Corporation

While with another firm, John Rickenbach oversaw the preparation of an Initial Study and Negative Declaration for the proposed reuse of the Avila Beach Unocal Oil Pier. This project involved a regional collaboration of several California State University (CSU) campuses with CSU San Luis Obispo developing plans to apply the latest techniques in marine instrumentation, computer modeling, 3D visualization, and the Internet to assess the long-term effects of natural (e.g., El Niño, and La Niña) and unnatural (e.g., human-induced habitat destruction, pollution, and pathogens) perturbations on marine and estuarine environments.

Avila Tank Farm SB 18 Cultural Resource Consultation
Unocal/Chevron Corporation

John Rickenbach assisted Chevron's public outreach efforts with Chumash tribal representatives, through educational workshops. Much of the effort centered on informing tribal representatives of

their rights under state law with regard to the protection of cultural resources. The effort also including educating these groups about the complex regulatory framework that projects must negotiate when they are in multiple jurisdictions, including the Coastal Zone, local land use authority, and a variety of state and federal resource regulatory agencies.

Biological Assessments, Monitoring and Permitting Activities
Various Clients

Kevin Merk has performed a wide variety of biological assessments, monitoring activities and regulatory permitting for many projects in the coastal zone. In many cases, he has presented his findings to, and worked closely with, agency staff to develop solutions to issues of special concern to the Coastal Commission. A representative sample of some of his coastal projects include:

- Pismo Coast Village RV Resort Expansion
- Birch Street Development, Cayucos, CA, SLO Land Corp
- Jones Property, Harmony, CA
- Pebble Beach Lot Development Program, Pebble Beach Company
- Salinas Road Interchange, North Monterey County, Caltrans
- Mid-State Bank Tree Assessment, Cambria
- Santa Rosa Creek Trail Development, Cambria Community Services District
- Jackson Ranch After the Fact Permit Acquisition, Cambria
- Pecho Valley Road Property, Los Osos, CA - Morro Montana Company
- Walker Residence Morro Shoulderband Snail Habitat Assessment, Los Osos, CA
- Russell Residence Habitat Restoration Plan (Morro Manzanita), Los Osos, CA
- De Bruyn Residence Habitat Restoration Plan (Morro Manzanita), Los Osos
- Pismo Lake Ecological Reserve Botanical Inventory, San Luis Coastal RCD
- San Buenaventura State Beach Habitat Restoration Monitoring, CA State Parks, Ventura
- Harmony Headlands State Park Biological Inventory, CA State Parks
- North of Playa Habitat Conservation Plan, Sand City, Monterey County

Public Utilities and Infrastructure Projects

Our team has conducted analysis for a variety of public utilities and major infrastructure projects, including for wastewater treatment plants. Thus, our staff is knowledge with key issues facing the approval of such facilities, and the regulatory process that must be followed in their entitlement. Our full service environmental compliance efforts have run the gamut from upfront canstraints studies through post-approval long-term biological monitoring. Please refer to the SOQ appendix for additional project experience, particularly of our subconsultant Michael Nunley.

Santa Maria Wastewater Treatment Plant Expansion EIR
City of Santa Maria

While with another firm, John Rickenbach managed an EIR for the City of Santa Maria's Wastewater Treatment Plant Expansion project. The project involved the annexation of 252 acres to be used for treated wastewater percolation and groundwater recharge ponds, pipelines, service roads, a Police Impound Yard, a Humane Society Animal Shelter, and a City Corporation Yard. The intent of the project was to expand the Wastewater Treatment Plant to accommodate the existing community and expected growth, provide adequate sewage treatment capabilities, provide functionally efficient and cost-

effective wastewater treatment to serve the community, consolidate public and community facilities in one location to improve services, and link two non-contiguous portions of the City of Santa Maria. The EIR analyzed the following issues: aesthetics, agricultural resources, biological resources, geology/soils, and air quality.

Chevron Estero Marine Terminal Source Removal EIR
County of San Luis Obispo

John Rickenbach managed an EIR addressing the removal of hydrocarbon contaminated soil at the Chevron/Estero Marine Terminal, immediately north of the City of Morro Bay. The purpose of the project is to improve ground water quality by removing separate-phase petroleum hydrocarbons from three designated plume areas at the facility. The proposed project implements the requirements of the Regional Water Quality Control Board, Central Coast Region (RWQCB), and is intended to comply with State Water Resources Control Board (SWRCB) Order No. 2002-0002. Specifically, the project involves excavation and on-site treatment of soil petroleum contaminated hydrocarbons, along with site preparation to accomplish the project objectives. Due to the project's location, immediately adjacent to Toro Creek, installation of a sheetpile wall is needed to protect sensitive biological resources. Key issues examined in the EIR include biological and cultural resources, noise, traffic and air quality.

Santa Maria Regional Landfill Site Facility Permit Second Supplemental EIR
City of Santa Maria

Team members helped prepare a Supplemental EIR for the Santa Maria Regional Landfill Site Facility Permit Project, which involved moving existing facilities to accommodate waste disposal in the lined landfill future area, increasing the height of the active landfill area (with hydrocarbon-impacted soils), and implementing waste diversion operations. Key issues that were analyzed in the EIR include: geology, water resources, air quality, land use, safety, traffic, biology, noise, visual resources, and public service.

D. SCHEDULE

Our team proposes to adhere to an aggressive but realistic schedule. It is crucial that we provide enough time up front for public input, and the synthesis of that input into our report. Thus, to some degree it will depend on the timing of the initial outreach efforts and public workshop, but we will be working concurrently to the extent possible on critically evaluating the existing studies, which is at the core of this assignment. It will also depend to some extent on the timing of the City Council meetings at which our information will be presented. That said, we believe that the First Draft Options Report will be completed within 8 weeks of the Kickoff Meeting. Depending on the subsequent review of the document and the timing of workshops and City Council meetings, the entire process could be realistically completed within about 4 months. The following describes our estimated schedule.

Kickoff Meeting: We assume the City will coordinate a project kickoff meeting within one week of the notice of contract award. This meeting will include City staff, and key members of the consulting team.

Outreach Strategy/Key Stakeholder Interviews: Within three weeks of the kickoff meeting, our team will conduct key stakeholder interviews to gain specific input on the process.

Workshop #1: Within four weeks of the kickoff meeting, our team will conduct the first public workshop, which is intended to gain input crucial to the preparation of the Options Report.

Identify Community Goals/Analysis of Existing Studies: This effort will start immediately after the kickoff meeting, but will be guided through the public outreach process. Following Workshop #1, we will have the needed information to complete the core of our analysis. It is estimated that this effort will be completed within 3 weeks of conducting the workshop, and about 7 weeks from the Kickoff Meeting.

Complete First Draft Options Report: Based on all efforts in the previous tasks, this report will be completed and submitted to the City for review within 8 weeks of the Kickoff Meeting. We expect to received comments from City staff within a week of submitting the report, and it will be ready for distribution within a week of City review. Thus, the report can be published and circulated within 10 weeks of the Kickoff Meeting.

Workshop #2: A second Workshop will be conducted within one week of completion of the First Draft Report, or an estimated 11 weeks after the Kickoff Meeting.

City Council Presentation #1: The report will be presented to the City Council as soon as possible after the second workshop, or about 12 weeks after the Kickoff Meeting.

Complete Second Draft Options Report: Within one weeks of the first City Council meeting, we will revise the study and complete a Second Draft of the Options Report. This would be 13 weeks after the Kickoff Meeting.

City Council Presentation #2: The Second Draft report will be presented to the City Council at the meeting following the previous Council meeting, or 2 weeks afterward. This is 14 weeks after the Kickoff Meeting. We will finalize the document shortly thereafter based on input from the second City Council meeting.

The ability to meet this schedule depends on the availability of all data needed to complete the study, prompt City staff response times to draft documents, and that no unanticipated issues arise during the process that are beyond the consulting team's control.

E. COST ESTIMATE

The consulting team will conduct the study in accordance with our scope of services for an estimated not-to-exceed fee of **$53,437**. This includes project management, technical work, and subconsultant costs associated with the assignment. It also reflects our Project Manager John Rickenbach's billing rate of $135 per hour, and other team members' rates consistent with what are shown on the accompanying spreadsheet.

In our experience, we believe that excellent project management is the key to bringing in a job on time and within budget. Our cost estimate allocates 15% of John Rickenbach's labor budget to project management, and another 10% to quality control, which we believe is necessary for an assignment of this nature.

This proposal includes attendance at a project kickoff meeting, 2 public workshops, 2 City Council meetings, and up to 5 additional meetings with City staff through the process. We also assume informal consultation with staff via email and on the phone throughout the process. We have assumed that the City and consultant team would meet prior to each milestone and upon conclusion of City review of administrative draft products. Public hearings would be attended at time and materials billing rates.

We intend to invoice the City on a time-and-materials basis, not to exceed the total fee shown above.

The proposed scope of services and associated costs are fully negotiable to meet the needs of the City. Additional work not included within our proposed work program will be completed only upon written City authorization on a time-and-materials basis. This offer for services is valid for 60 days. Questions regarding the proposal and accompanying cost estimate may be directed to John Rickenbach at 805/610-1109, or at JFRickenbach@aol.com.

City of Morro Bay
New Water Reclamation Facility Planning Services
Cost Estimate - April 15, 2013

Tasks	Cost	Labor Hours	John F. Rickenbach Consulting Team					
			John Rickenbach *Proj. Manager* $135/hour	Debbie Rudd *Public Outreach* $160/hour	Mike Nunley *Engineering* $150/hour	Kevin Merk *Coastal/Env.* $125/hour	Graphics RRM Design $40/hour	Clerical RRM $40/hour
Labor Hours								
1. Project Initiation (Kickoff, Document Review, Scope Refinement)	$1,780	12	4	4	4			
2. Community Outreach Strategy	$960	6		6				
3. Key Stakeholder Interviews/Focus Groups	$2,560	16		16				
4. Public Workshop #1 (includes preparation time)	$4,960	40	12	12	4	4	4	4
5. Identify Community Goals	$1,180	8	4	4				
6. Analysis of Existing Studies	$9,960	72	48	8	8	8		
7. Prepare First Draft Options Report	$3,560	32	24				8	
8. Public Workshop #2 (includes preparation time)	$3,270	28	10	10			4	4
9. Presentation #1 to the City Council (includes prep time)	$2,710	22	6	4	4	4	4	
10. Prepare Second Draft Options Report	$2,320	20	16				4	
11. Presentation #2 to the City Council (includes prep time)	$1,610	14	6	4			4	
12. Prepare Final Options Report	$1,400	10	8	2				
13. Meetings with City Staff (5 throughout process besides Kickoff Meeting)	$4,260	30	15	6	6	3		
Quality Control/Internal Review of Documents	$3,340	24	20	4				
Project Management/Coordination	$5,600	40	32	8				
Subtotal Labor:	**$49,470**	362	201	84	22	19	28	8
Additional Costs								
Supplies, Travel and Miscellaneous Expenses	$300							
Subconsultant Expenses	$200							
Printing: First Draft Report (10 copies), Second Draft Report (10 copies), CDs	$1,000							
General & Administrative (Subconsultant Management)	$2,467							
Subtotal Additional Costs:	**$3,967**							
TOTAL LABOR + ADDITIONAL COSTS	**$53,437**							

ATTACHMENT 2

F. ACKNOWLEDGEMENT OF CONTRACT PROVISIONS

We have reviewed the City's Consultant Services Agreement and other requirements described in the Request for Proposals and would accept the terms and provisions that have been set forth.

G. STATEMENT OF PAST DISQUALIFICATIONS

Our firm has not been disqualified or removed from past contracts. Please refer to the required signed form in the appendix to this proposal.

H. REFERENCES

As specified in the Request For Proposals, please see the appendix for professional references, written on the required forms included in the RFP packet.

Appendix

- *Resumes of Key Staff*
- *Qualifications Materials*
- *References*
- *Subconsultant Listing*
- *Statement of Past Contract Disqualifications*
- *Certificate of Insurance*

JOHN F. RICKENBACH, AICP
7675 Bella Vista Road
Atascadero, CA 93422
805/610-1109
JFRickenbach@aol.com

John Rickenbach is an environmental and planning consultant with over 24 years of broad-ranging experience serving both the public and private sectors.

His experience includes preparing and overseeing a wide range of technical studies, particularly general plans and specific plans, CEQA and NEPA documents, transportation plans, and a variety of constraint studies. He has a strong background in applying GIS technology and database management to many of these projects. In addition, his expertise includes the creative application of the environmental and public participation processes to guide long-range planning efforts, including complicated annexation studies. Mr. Rickenbach also has high-level public sector planning experience, most notably as the contract planning director for the City of Guadalupe.

KEY CAPABILITIES and EXPERTISE

- **Planning and Public Outreach.** Mr. Rickenbach has prepared a wide range of planning studies, including specific plans, general plans, constraints analyses, and CEQA/NEPA documents. His particular expertise is planning within rural communities, and for cities in the process of urbanizing. He is an expert at coordinating public input to produce planning documents based on consensus, and has successfully developed plans for communities with differing needs. In many of these long-range planning efforts, he led many successful public outreach programs.
- **CEQA and NEPA Expertise.** Mr. Rickenbach is an expert in the application of state and federal environmental laws, particularly the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA). He has prepared has prepared a wide range of CEQA and NEPA documents for a very wide range of projects, from long-range programmatic planning efforts, to industrial facilities, commercial projects, and residential subdivisions. He has provided expert legal testimony in court cases involving CEQA issues, and regularly provides training at regional and statewide workshops, both for practicing professionals and students.
- **Public Sector Contract Planning.** As a consultant, Mr. Rickenbach developed a successful contract planning service for several public agencies, and applied his expertise to a variety of roles, including that of a contract planning director, staff assistance to process projects, and preparing CEQA studies and staff reports. He has also represented cities to LAFCo boards during complex annexation processes, and has served on a Technical Planning Advisory Committee for a regional planning agency.
- **GIS Planning Applications.** Mr. Rickenbach is technically skilled in a variety of GIS applications, and has successfully used his GIS skills for projects such as general plan updates, groundwater quality studies, transportation studies, and oil pipeline corridor analyses.
- **Award-Winning Special Studies.** Mr. Rickenbach is an authority regarding the concepts surrounding neo-traditional town development. He co-authored an award-winning study that compared the costs and benefits of standard suburban development to the principles of neo-traditional planning, an approach that emphasizes site planning to improve the functionality of development. He also prepared a corridor constraints study that was recognized with a statewide award by the American Planning Association.

EDUCATION, REGISTRATIONS AND AFFILIATIONS

B.S., Physical Geography, University of California, Davis, 1985
M.C.R.P., City and Regional Planning, California Polytechnic State University, San Luis Obispo, 1991
American Institute of Certified Planners
American Planning Association

REPRESENTATIVE PROJECT EXPERIENCE

Municipal Contract Planning

- Contract Planning Director, City of Guadalupe (2006-2009)
- Spanish Springs Specific Plan Processing, City of Pismo Beach (2009-present)
- Los Robles Del Mar Specific Plan Processing, City of Pismo Beach (2001-2012)
- Orcutt Area Specific Plan Processing, City of San Luis Obispo (2000-2003)
- Pismo Preserve Project Processing, City of Pismo Beach
- Technical Planning Advisory Committee member, Santa Barbara County Association of Governments
- On-Call CEQA and Planning Support, Monterey County

Other Long-Range Planning/ CEQA and NEPA Studies

- Avenue of Flags Corridor Study, City of Buellton
- Sphere of Influence and Concurrent Annexation Study and EIR, City of Santa Maria
- Dalidio Marketplace Commercial Annexation Project EIR, City of San Luis Ohispo
- Report Comparing Conventional and Neo-Traditional Development, City of Santa Maria
- Santa Barbara County 2003-2008 Housing Element Rezone EIR, Santa Barbara County

Transportation Planning Studies

- Regional Transportation Plan EIRs, Santa Cruz, Kings, San Benito, San Luis Obispo, Santa Barbara Counties
- Pedestrian and Bicycle Master Plan, City of Marina
- Templeton-Atascadero Bicycle Trail Constraints Analysis, San Luis Obispo County
- U.S. Highway 101 Corridor Constraints Study, SLOCOG
- Fulkerth/SR 99 PEAR and CEQA Studies, City of Turlock and Caltrans
- Union Valley Parkway Extension/Interchange Project EIR/EA, City of Santa Maria
- Santa Clara River Bike Trail EIR, City of Santa Clarita

General Plans, Specific Plans and related CEQA Studies

- General Plan Update and EIR, Cities of Paso Robles, San Luis Obispo, Buellton and Lompoc
- Kings County General Plan Update EIR
- Housing Element Update, City of Solvang
- Housing Element, City of Guadalupe
- Mahoney Ranch, Blosser Southeast and Southwest Specific Plans, City of Santa Maria
- Chandler Ranch Area Specific Plan and EIR, City of Paso Robles
- Downtown Specific Plan EIR, City of Santa Maria
- Marina Downtown Specific Plan and EIR, City of Marina
- Downtown Projecr EIR, City of Grover Beach
- Scotts Valley Town Center Specific Plan EIR
- River Oaks Specific Plan – Environmenral and Demographic Studies

Rural and Agricultural CEQA Studies

- Biddle Ranch Agricultural Cluster Subdivision EIR, San Luis Obispo County
- Paso Rohles Agricultural Cluster Subdivision EIR, San Luis Obispo County
- Santa Margarita Ranch Future Development Program EIR, San Luis Obispo County
- Rabbit Ridge Winery CEQA Monitoring, San Luis Obispo County

School District Studies

- Twin Rivers Unified School District New High School SEIR
- Monterey Peninsula Unified School District High School EIR
- Inglewood Unified School District, CEQA and NEPA Processing
- Marysville Joint Unified School District IS/MND
- Ceres Unified School District High School EIR

Other Special Studies

- North County Hydrogeologic Study, GIS Land Use Analysis, Monterey County
- Communitywide Preferences Survey, City of Paso Robles
- Tri-Cities Minor League Stadium Constraints Study, Cities of Ventura, Oxnard and Camarillo

AWARDS

Innovative Project Award, Templeton-Atascadero Corridor Constraints Study, State AEP, 2005
Comprehensive Planning Award, City of Paso Robles General Plan, APA Central Coast, 2004
Technology Award, City of Santa Paula GIS Database, APA Central Coast Chapter, 1995
Comprehensive Planning, Award Santa Maria Sphere of Influence Study, APA Central Coast, 1994
Education Project Award, Report on Neo-Traditional Town Development, APA Central Coast, 1993

PUBLICATIONS

"Monsoon in the Americas: Opportunities and Challenges", *Geography Compass*, 2009 (co-author, in conjunction with East Carolina University)
"The E-Ticket to Historic Preservation", *APA Cal Planner*, 1998

TEACHING and TRAINING EXPERIENCE

Cal Poly State University San Luis Obispo, Guest Lecturer, *General Planning and CEQA Classes*
East Carolina University, Guest Lecturer, *Climate and Water Resource Issues in the Western United States*
Association of Environmental Professionals, CEQA Workshop Lecturer and Panelist
Association of Environmental Professionals, Lecturer: Greenhouse Gas Issues, AB 32, SB 97 and SB 375
Curriculum Advisor to Cal Poly City and Regional Planning Department

DEBBIE LAGOMARCINO-RUDD, AICP, LEED AP *public outreach specialist*

Education
Bachelor of Science, Interior Architecture/Space Planning, Kansas State University, Manhattan, KS

Affiliations
American Planning Association (APA)

American Institute of Certified Planners (AICP)

Slovene National Benefit Saciety

LEED-ND Corresponding Cammittee

Economic Vitality Commission - Building, Design & Construction Cluster Co-Chair

Certifications
American Institute of Certified Planners (AICP)

Leadership in Energy and Efficient Design Accredited Professional (LEED AP)

Presentations
"Career Path Planning and Beyond," September 2011, CCAPA Conference, Santa Barbora, CA

"The Planner's Guide to Implementing Green Principles," October 2007, CCAPA Conference, San Jose, CA

"Improving Public Perception of Redevelopment through Education and Awareness," CRA Conference, March 2007, Long Beach, CA

"When Your Waterfront is a Brownfield," October 2002, California APA Conference, San Diego, CA

Debbie is a principal with RRM Design Group who brings over 20 years of California waterfront experience, taking projects from the early visioning and policy stages through construction. Debbie is well-versed in Coastal Commission process, sustainable design principles and implementing them on the California coastline. She excels in public outreach, identifying public concerns and preferences and translating them into well supported plans that can be easily understood by the public and implemented by the City and/or District. Debbie brings a fresh unbiased approach to this project and to the community outreach process.

Related Project Experience
Port San Luis Master Plan, Avila Beach, CA
As the Project Manager, Debbie's responsibilities included public workshops, consensus building between multiple agencies, the County, Coastal Commission, Port San Luis Harbor District, and the neighboring community to prepare a Master Plan for Port of San Luis and the community of Avila Beach. RRM provided a facilities needs assessment, a focused user survey, public workshops, a coastal access and implementation plan (with a new policy chapter inserted into the Local Coastal Plan), and schematic design with an evaluation of existing resources and services on the heavily used commercial fishing pier, Harford Pier. Debbie worked closely with the Santa Cruz Coastal Commission staff in preparing the submittal and response to staff modifications.

Avila Beach Front Street Enhancement Plan, Avila Beach, CA
Debbie acted as the project manager and designer responsible for bringing multiple agencies and community groups to consensus on the design and rebuilding of the Avila Beach community. Working with the very active and vocal community group, the Front Street Enhancement Committee, as well as the various agencies, all with different objectives and issues was the primary hurdle at the beginning of the project and the key to success in the end. The plan includes a plaza area, a seawall, a memorial overlook deck, a neighborhood park, a lifeguard/first aid station, an amphitheater, public art, streetscape, beach access, and public restrooms.

Additional Related Project Experience
- Capitola Master Plan, Capitola, CA
- Fort Bragg Georgia-Pacific Mill Site Specific Plan, Fort Bragg, CA
- Huntington Beach Downtown Specific Plan, Huntington Beach, CA
- Jennifer Street Bridge Optoinal Location Anaylsis, San Luis Obispo, CA
- Monterey North Fremont Specific Plan Outreach Program, Monterey, CA
- Pismo Beach Promenade IV, Pismo Beach, CA
- Pismo Beach Waterfront Urban Design Plan, Pismo Beach, CA
- Port San Luis Coastal Gateway Interpretive Exhibits, Avila Beach, CA
- Port San Luis Coastal Gateway Project, Avila Beach, CA
- Port San Luis Master Plan and LCP Amendment, San Luis Obispo, CA
- Shell Beach Gateway Vision Poster, Shell Beach, CA
- Venice Beach Oceanfront Walk, Venice Beach, CA

Michael K. Nunley, PE

Michael K. Nunley & Associates, Inc.
PO BOX 1604
Arroyo Grande, CA 93421
mnunley@mknassociates.us
(805) 574-3202

Education

MS, Civil and Environmental Engineering, University of California at Berkeley, 2002
BS, Civil Engineering, Virginia Polytechnic Institute & State University, 1995

Licenses/Registrations

PE/2001/CA, Registration No: 61801 (Civil)

Professional Associations

California Water Environment Association
Water Environment Federation
American Consulting Engineers Council
Environment and Water Resources Institute
American Society of Civil Engineers
American Public Works Association

Mr. Nunley has more than 17 years of experience in water resources engineering. His expertise includes management, planning, and design of water, wastewater, recycled water, and drainage facilities in California, Hawaii, Guam, Washington, North Carolina, Virginia, South Carolina, Tennessee, and Georgia.

Project Experience

Spokane Water Reuse Program, City of Spokane, WA Served as technical leader to develop work plan and approach for a Recycled Water Master Plan and conceptual design of reuse program elements to serve golf courses and other users in the vicinity of the Riverside Park Water Reclamation Facility. Project would deliver 5-10 MGD of recycled water.

Chairman of Supplemental Water Alternatives Evaluation Committee, Nipomo Community Services District, Nipomo, California. As consultant to the District, manage the evaluation of various supplemental water alternatives by a committee of volunteers from various technical backgrounds and from community at large. Coordinate and facilitate meetings, guide evaluation process, and manage schedule for completion of the evaluation by the volunteers. Alternatives include water from the City of Santa Maria, State Water, seawater, surface water, local groundwater, and recycled wastewater from municipal and industrial users. Provide technical support for cost opinion development, hydraulic analysis, and other components as needed.

Preliminary Screening Evaluation of Southland WWTF Effluent Disposal and Reuse Alternatives, Nipomo Community Services District, Nipomo, California. Served as project manager to develop planning-level costs for various effluent disposal and reuse methods for the

District's Southland Wastewater Treatment Facility. Alternatives included surface percolation, subsurface infiltration, agricultural reuse, golf course irrigation, and landscape irrigation. Evaluated costs for treatment, storage, and distribution and presented findings to the public at a workshop and at District Board meetings.

Recycled Water Master Plan, City of Paso Robles, California. Served as technical advisor for master planning effort including evaluation of groundwater recharge and direct reuse opportunities; development of transmission, storage, and pumping systems; and analysis of percolation capacity at multiple sites.

Honouliuli Wastewater Treatment Facility Evaluation, City and County of Honolulu, HI. Served as task manager to evaluate treatment plant upgrades for the 40-MGD (130-MGD wet weather flows) wastewater treatment facility as part of the Honouliuli Wastewater Facilities Evaluation, which was performed to address an order from USEPA to evaluate options for discontinuing discharge of primary-treated effluent to the Pacific Ocean. Developed cost opinions to upgrade facility for expanded reuse of plant effluent.

Agana Wastewater Treatment Facility (sub to Veolia Water Guam), Guam Waterworks Agency, Guam. Served as technical director for development of interim improvements to enhance grit removal, sludge transfer, and maintenance access for this 20-MGD facility in response to an EPA order.

Wastewater Expansion Study, City of Gonzales, California (sub to Mark Thomas & Company). Performed evaluation of capital costs and potential phasing to upgrade City wastewater treatment and major trunk main facilities in order to serve buildout of the City's industrial park under multiple flow scenarios. Compared cost for centralized 4.5-6.0 MGD City treatment facility to costs for individual treatment/reuse by customers and regional, "industrial-only" facility. Evaluated potential cost per acre under various cost allocation methods. Analyzed schedule and phasing scheme to accommodate future growth and included costs to meet future Title 22 requirements for reuse of plant effluent.

Southland Wastewater Treatment Facility Master Plan, Nipomo Community Services District, Nipomo, California. Served as project manager for master plan to address current and future needs at a 0.9-mgd aerated pond system, which currently discharges into on-site percolation ponds. The project included review of historical plant performance; projection of future demands through 2030; analysis of current and future process capacity (treatment plant and approximately one mile of upstream trunk sewer); identification of future water quality goals (for groundwater reclamation, irrigation usage, and continued on-site discharge); and development of a detailed capital improvements program with implementation schedule and project cost opinions.

Los Olivos Wastewater Preliminary Engineering Report, County of Santa Barbara, California. Served as project manager while at a prior firm and as Technical Advisor through Michael K. Nunley & Associates, Inc., to develop a draft engineering report with alternatives for collecting, treating, and disposing or reusing wastewater from the Los Olivos community in Santa Barbara. Report addressed phasing, schedule, and capital and O&M costs.

Wastewater Master Plan, King City, California. Served as principal-in-charge for preparation of a comprehensive master plan for the city's wastewater collection system and wastewater treatment plant facility. The project included an analysis of the individual wastewater treatment plant pond performance, monitoring of water quality at the plant, SewerCAD modeling of the

collection system, development of demand loading rates and project sewage flows, and preparation of a comprehensive capital improvements program to meet the anticipated growth in and around the city.

Adaptive Integrated Water Resources Plan, City of El Paso de Robles, California. Served as program manager for the development of comprehensive list of capital improvement projects to manage the city's water, wastewater, and reclaimed water through 2026. Program components included a recycled water study update, water master plan, sewer master plan, pretreatment program report, and water source evaluation. Work included evaluation of treatment alternatives to treat Nacimiento water and city groundwater for potable use. Water treatment technologies evaluated included desalination, conventional treatment, and microfiltration. AECOM evaluated opportunities for groundwater recharge, reclamation for irrigation usage, and continuance of current discharge practices.

Nacimiento Water Supply Project, Preliminary Engineering Phase, San Luis Obispo County, California. Served as project engineer to provide engineering support to the County Flood Control and Water Conservation District during development of the environmental impact report, cost opinions, delivery contracts, and formation of the Nacimiento Water Project Commission. The project delivers over 9800 acre-feet per year of water from Nacimiento Reservoir to agencies through San Luis Obispo County, along a 50-mile transmission corridor. Project includes three pumping facilities, three reservoir sites, a multiport lake intake, and pipeline ranging from 12" to 36" in diameter.

Nipomo Community Services District Supplemental Water Project, Nipomo CSD, California. Served as project manager for the preliminary, concept, and final design of a $20M waterline connection from the Nipomo CSD distribution system to the City of Santa Maria's system. Components included 2800 lf HDD under the Santa Maria River, 3,000 acre feet per year (AFY) pump station, 0.5 MG reservoir, conversion of four wellhead chlorination systems to chloramination, and over 4 miles of 12" waterlines including pressure reducing valve stations and appurtenances.

Evaluation of Supplemental Water Alternatives, Nipomo CSD, California. Served as project manager for the investigation of a number of potential supplemental water supplies including State Water, Oso Flaco Lake, Nacimiento Water Supply Project, seawater/brackish water desalination, and others; evaluated each with respect to quantity, quality, reliability, environmental impacts, regulatory constraints, and relative cost.

Water Master Plan, Los Osos Community Services District, California. Served as project engineer to perform analysis of pending draft and future regulations that would affect the district's water system, and provided recommendations for meeting those requirements.

Price Canyon Constraints Analysis (sub to Firma Consultants), City of Pismo Beach, California. Served as project manager to perform a water, wastewater, and drainage constraints analysis for a planned annexation of 1,700 acres including golf courses, vineyards, hotels, and residential developments.

General Plan Update (sub to Rincon Consultants), City of Lompoc, California. Served as project manager to perform water, wastewater, and drainage utility analysis for the 2009 general plan update.

Santa Ynez Valley Community Plan Environmental Impact Report (sub to Rincon

Consultants), County of Santa Barbara, California. Served as project manager to perform water and wastewater analysis components of the EIR for the Community Plan, which included the unincorporated areas in the Santa Ynez Valley of the County.

2012 City Water Treatment Plant Improvements, City of Morro Bay, California. Performed project management, design, and currently performing construction administration of calcium carbonate buffering system, clean-in-place system expansion, new motor control center and transformer, new electrical distribution, and product water pump upgrades to increase instantaneous plant capacity from 900 gpm to 1350 gpm. This will allow the City to ultimately treat both seawater and brackish groundwater at the same facility.

Desalination Feasibility Study: Process Analysis and Treatment Plant Evaluation (sub to Wallace Group), Cities of Arroyo Grande, Grover Beach, and Pismo Beach, California. Served as project manager; performed treatment process analysis and developed cost opinions for a 1,600 to 2,300 acre-feet per year seawater desalination facility for clients including the city of Arroyo Grande, city of Grover Beach, and Oceano Community Services District.

Desalination Work Plan, Nipomo Community Services District, California. Served as project manager for development of a work plan and cost opinions for beach wells, a seawater or brackish water desalination plant, brine discharge, and system connections to deliver 3,000 to 6,300 acre-feet per year of water to the Nipomo Community Services District.

Kevin Merk Associates, LLC

KEVIN B. MERK
Principal Biologist

Kevin Merk is the founding principal of Kevin Merk Associates, LLC. With nearly 20 years of environmental consulting experience, Kevin has directed, managed, and conducted hundreds of natural resource and environmental studies throughout California. Mr. Merk has a diverse background in the biological sciences with expertise in plant taxonomy, quantitative vegetation analysis, habitat classification/evaluation procedures, surveys for special status species, habitat restoration and biotechnical erosion control. His work experience includes general biological and species-specific surveys, U.S. Army Corps of Engineers and California Coastal Commission wetland delineations, as well as permit acquisition and regulatory compliance. He has prepared, implemented and monitored habitat mitigation/restoration projects throughout California. Mr. Merk is a well-versed regulatory specialist that provides a balance between rigorous scientific documentation, environmental regulatory requirements and project development goals and objectives. Prior to founding Kevin Merk Associates, Mr. Merk was a program manager for an environmental consulting firm in the Central Coast region.

TECHNICAL CAPABILITIES

- Mr. Merk has an in-depth knowledge of the California flora and protocols for surveying rare, threatened and endangered plant species.
- He has conducted floristic surveys and mapped vegetation communities for private, state and local government clients including California State Parks, California State University System, Fort Ord Reuse Authority, Cities and Counties of Monterey, San Luis Obispo, and Santa Barbara, and Cities of Arroyo Grande, Lompoc, Sand City, Santa Maria and Scotts Valley.
- Mr. Merk has also conducted rare wildlife surveys throughout California for species such as the California tiger salamander, California red-legged frog, western spadefoot toad, legless lizard, horned lizard, burrowing owl and other raptors and nesting birds.
- Mr. Merk has conducted multi-parameter wetland delineations throughout the state including within the Coastal Zone, and is an expert in environmental regulation compliance (e.g., Endangered Species Act, Clean Water Act, Coastal Development Act, California Department of Fish and Game Code, Porter-Cologne Act).

EDUCATION, CERTIFICATIONS, REGISTRATIONS

B.A. Biology (Plant Sciences), University of California, Santa Cruz
40 Hour OSHA HAZWOPER Training and 8 eight-hour annual refresher courses
Hydrogeomorphic Approach to Functional Assessment of Riverine Waters/Wetlands in the South Coast Region of Santa Barbara County
Biology and Handling Trainings for California red-legged frog, California tiger salamander, and Santa Cruz long-toed salamander
U.S. Army Corps of Engineers Wetland Delineation Training
California Native Plant Society
California Botanical Society
California Invasive Plant Council
Society for Ecological Restoration

EMPLOYMENT HISTORY

Kevin Merk Associates, LLC (2011 through present)
Rincon Consultants, Inc. (2000-2011)
Zander Associates (1995 through 2000)
University of California, Santa Cruz Natural Resource Assessment Group (1993-1995)

REPRESENTATIVE PROJECT EXPERIENCE

Biological Resources

- Coastal Christian School Biological Resources Assessment, mapped/classified vegetation, conducted rare plant and California red-legged frog surveys, delineated USACE wetlands, and supported architect/design team during planning and CEQA review process, San Luis Obispo County.
- More Mesa Biological Resources Inventory, conducted rare plant surveys, mapped vegetation communities and delineated USACE and Coastal Commission wetlands, Santa Barbara County
- May Family Trust Biological Resources Assessment, mapped/classified vegetation, conducted rare plant surveys, delineated USACE wetlands, and assisted design team during planning and CEQA review process, San Luis Obispo County.
- Harmony Ranch Biological Resources Assessment, mapped/classified vegetation, conducted rare plant and California red-legged frog surveys, delineated USACE and Coastal Commission wetlands, and assisted design team during development planning process, San Luis Obispo County

CEQA and NEPA Compliance Documents

- Keysite 3 EIR Biological Resources Section, Santa Barbara County
- Rancho Maria Estates EIR Biological Resources Section, Santa Barbara County
- Biddle Ranch Agricultural Cluster Subdivision EIR, San Luis Obispo County
- Chevron Estero Marine Terminal Source Removal Project EIR, San Luis Obispo County
- Nipomo Community Health Centers EA, San Luis Obispo County
- Ahmanson Ranch General Plan Amendment and Specific Plan EIR, Ventura County

Regulatory Compliance and Construction Monitoring

- Cherry Creek Residential Development, conducted USACE wetland delineation, prepared USACE, CDFG, and RWQCB permit applications, City of Arroyo Grande
- Bach Hotel, conducted USACE wetland delineation, prepared USACE, CDFG, and RWQCB permit applications, City of Buellton
- Highway 46 East Improvement Project, Senior Biologist overseeing environmental permit compliance during construction, Caltrans District 5 through Papich Construction
- Union Valley Parkway, prepared EIR/EA, BA, ESA Section 7 Consultation, Designated Biologist overseeing environmental permit compliance during construction, Caltrans/City of Santa Maria Local Assistance Project
- Salinas Road Interchange, Senior Biologist overseeing environmental permit compliance during construction, Caltrans District 5 through DeSilva Gates Construction
- Cross Creek Bridge Replacement, prepared and implemented riparian habitat restoration plan, monitored construction to comply with Coastal Development Permit, Malibu, Los Angeles County
- Surfer's Point Shoreline Retreat Project, prepared Coastal Dune Habitat Restoration Plan in support of Coastal Development Permit acquisition, City of Ventura

RRM DESIGN GROUP

Central Coast Offices
3765 South Higuera Street, Suite 102
San Luis Obispo, CA 93401
P: (805) 543-1794 | F: (805) 543-4609

1862 South Broadway, Suite 101
Santa Maria, CA 93454
P: (805) 349-7788 | F: (805) 354-7050

Orange County Office
232 Avenida Fabricante, Suite 112
San Clemente, CA 92672
P: (949) 361-7950 | F: (949) 361-7955

Field Offices
Fresno
Palm Desert
El Segundo
San Diego

Firm Size
Total staff of 72

Personnel by Discipline
9 California Licensed Architects
7 California Licensed Civil Engineers
7 California Licensed Landscape Architects
4 Certified Planners
2 Licensed Surveyors
15 LEED® Accredited Professionals
1 Congress for New Urbanism Accredited Professional
15 Architecture Designers
2 Engineering Designers
11 Planning and Landscape Architecture Designers
1 Survey Technician
13 Administrative and Secretarial
1 Construction Services

"RRM's mission and passion is Creating Environments People Enjoy.®"

From new community facilities and revitalized urban areas to parks, trails and open space; civic and public safety, to our own offices; our designs and our culture embody sustainability, collaboration, innovation and execution.

RRM is comprised of planners, architects, landscape architects, civil engineers and surveyors. The multi-disciplinary approach we utilize sets our firm apart from others in that we have all of the core disciplines needed to design and build most anything within our company.

Principals of the Firm
Debbie Lagomarcino Rudd, AICP, LEED AP
Erik P. Justesen, ASLA, LEED AP
Jeff Ferber, ASLA
Jerry Michael, PE, LS
John Wilbanks, AICP, CNU-A
Leonard Grant, AIA
Mike Sherrod, ASLA, LEED AP
Tim Walters
Victor Montgomery, AIA, NCARB

COMMUNITY OUTREACH

getting citizens engaged and invested in a project's outcome

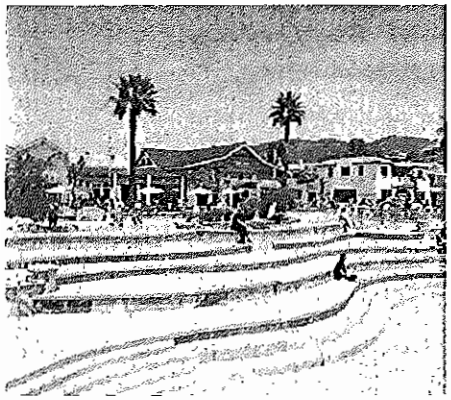
RRM Design Group is committed to engaging the public in community-based planning and design processes by listening to their desires through forums such as workshops, town halls and community meetings. RRM derails conflict early on by identifying the key stakeholders and then working to enlist their support. RRM is excellent at working out differences and accommodating opinions. Conflict delays can stop a project, but RRM will continue to resolve any conflicts and keep the project on track, while never taking leave of our client's point-of-view.

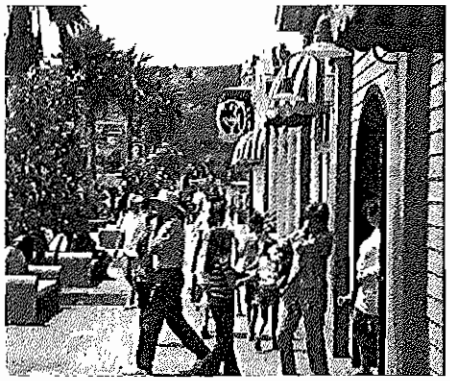
RRM listens and strives to understand the needs of a community. We educate, facilitate goal setting, explore visions and ideas, manage expectations, and translate community-based ideas into design concepts and implement the solutions. We collaborate to advance a project, working out neighborhood differences by respecting vesting interests. Finally, we thrive in challenging political climates and have a knack for finding fresh solutions and crafting consensus where few thought it possible before.

Techniques
- Design charrettes
- Fun and interactive workshops
- Multilingual outreach
- Key stakeholder interviews
- Team tour
- Steering committees
- Task force facilitation

Tools
- Camera survey
- Walking tours
- Project newsletters
- Project web page design
- Questionnaire/survey implementation
- Visual surveys

AVILA BEACH FRONT STREET ENHANCEMENT PLAN *avila beach, ca*

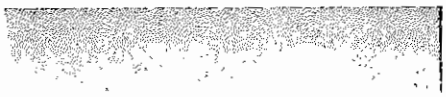


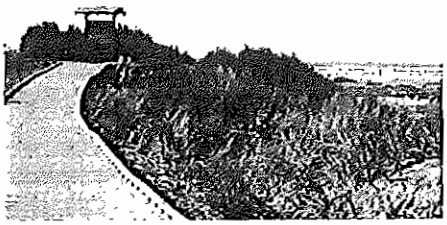


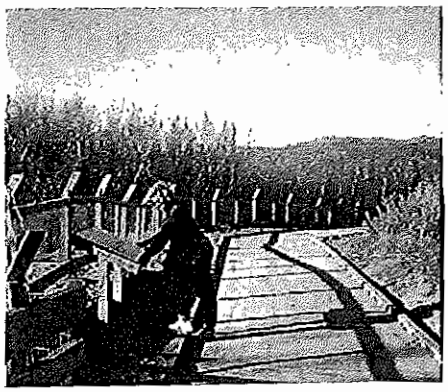
Through a community-driven process, RRM Design Group provided the Coastal Development Plans (conceptual design through complete construction) for the rebuilding of downtown Avila Beach, a waterfront community that suffered from significant subsurface contamination. Working with the very active and vocal community group, the Front Street Enhancement Committee, as well as the various agencies, all with different objectives and issues was the primary hurdle at the beginning of the project and the key to success in the end. The Town's remediation process required demolition; Coastal Commission, County, and stakeholder consensus; and cost effective scheduling. The Plan includes a plaza area, a seawall, a memorial overlook deck, a neighborhood park, a lifeguard building, an amphitheater, public art, streetscape, beach access, and public restrooms. RRM worked with Coastal Commission staff on issues ranging from stormwaer runoff to protection of seals and bluff resources.

MORRO DUNES TRAILS AT THE CLOISTERS

morro bay, ca



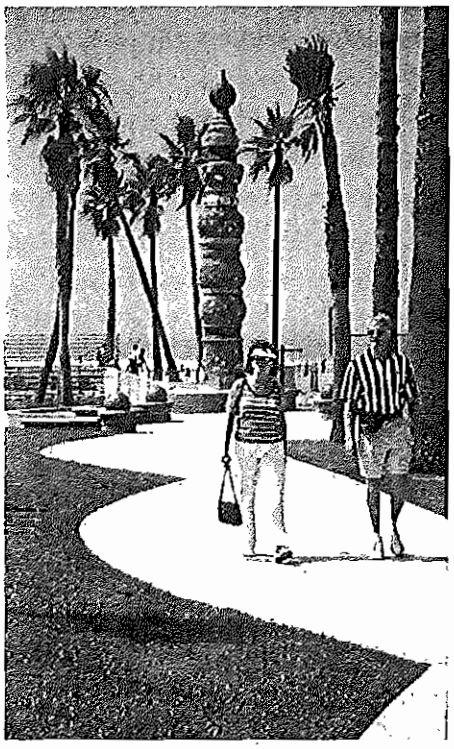




RRM Design Group prepared an award-winning, comprehensive trail system for the City of Morro Bay on California's Central Coast. The system includes multi-purpose trails in conjunction with the 84 acre, 120 lot Cloisters coastal subdivision for which RRM provided the Master Plan and construction documents. The comprehensive, coastal access trail system navigates environmentally sensitive coastal dunes and wetlands, using innovative solutions such as raised boardwalks (made of recycled materials) to allow water flow in natural flood areas; interpretive educational exhibits; habitat fences; and extensive dune restoration, revegetation, and monitoring focused on eradicating invasive species and restoring native species. The trail also connects to group and individual picnic areas, informal grass play areas, a play area for children, surrounding wetlands, a beach overlook, beachside neighborhoods, and the Morro Bay Class I Citywide bike system. RRM coordinated all approvals and permits through the City, the California Department of Parks and Recreation, the California Regional Water Quality Control Board, the California Department of Fish and Game, and the California Coastal Commission. For its innovations, RRM Design Group received two Gold Nugget Awards: the Award of Merit and the Grand Award for Best Site Plan of 100 acres or less.

VENICE BEACH OCEANFRONT WALK

los angeles, ca



RRM Design Group provided the planning, public outreach and construction documents for the award-winning renovation of the 1.7-mile Venice Beach Oceanfront Walk, the busiest public park in Los Angeles and the second most visited place in California. The project required extensive public outreach, including a series of interactive public meetings, workshops, newsletters, and written and camera surveys, working with passionate community groups and City agencies. Within this divided community, RRM was able to precipitate a consensus by using design solutions that maintained the City's flair. The design itself proved vandal-resistant, safe, low-maintenance, innovative, artistic and attractive. The plan refurbished six restrooms, added four new restrooms and provided the conceptual design plans for plazas, performance areas, recreational facilities, basketball courts, paths (bike, skate and pedestrian), public art, gateway monuments, street furniture and children's play areas. The City of Los Angeles and the California Coastal Commission unanimously adopted the Venice Beach plans, and RRM's work won a statewide American Planning Association Award of Excellence.

PORT SAN LUIS MASTER PLAN

avila beach, ca

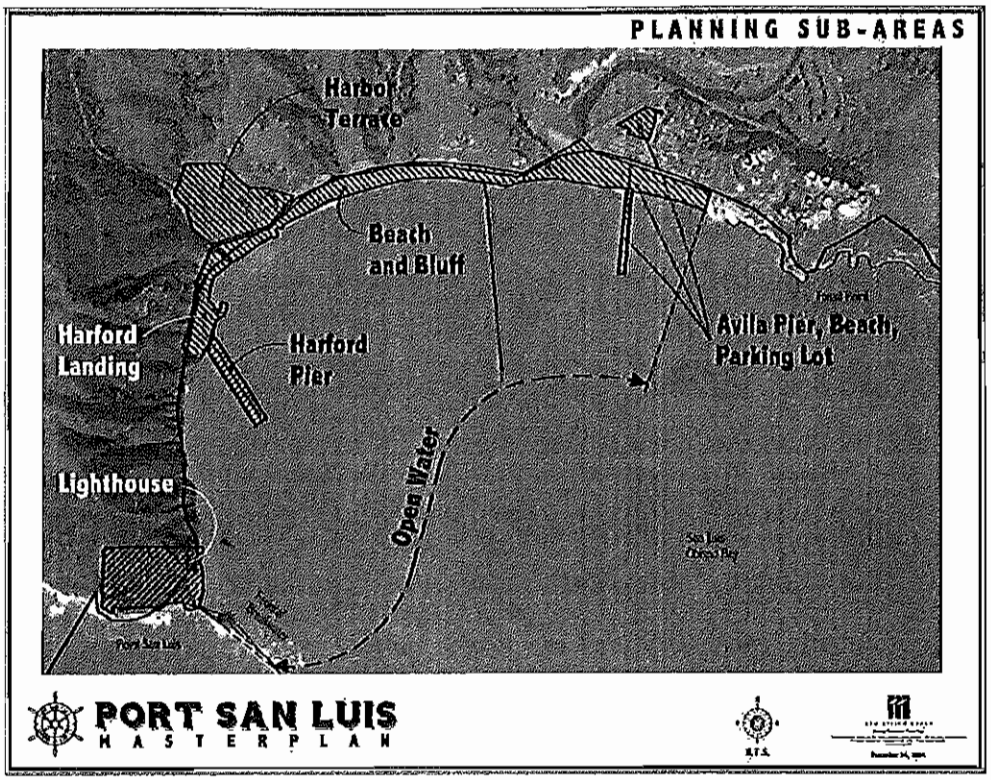
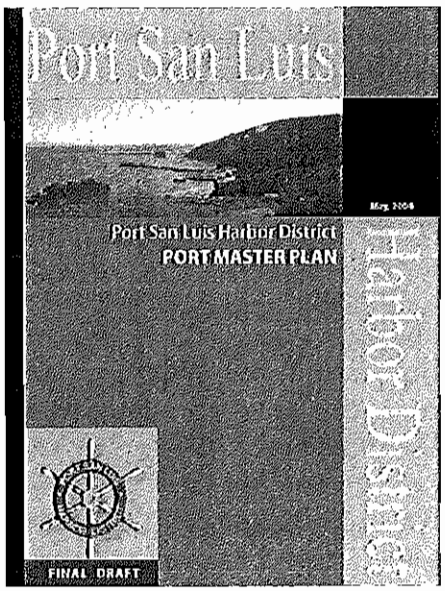


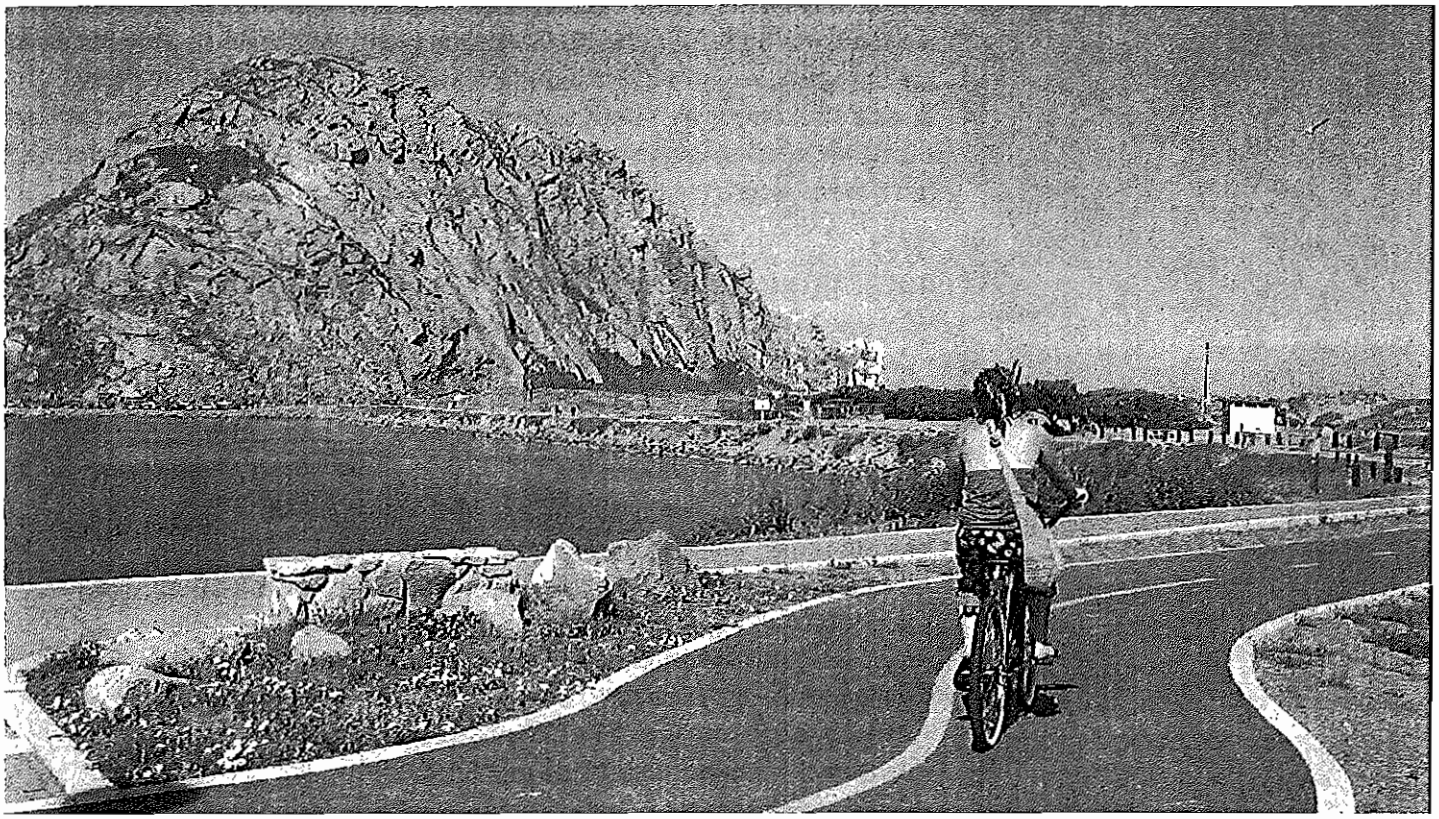
FIGURE 3

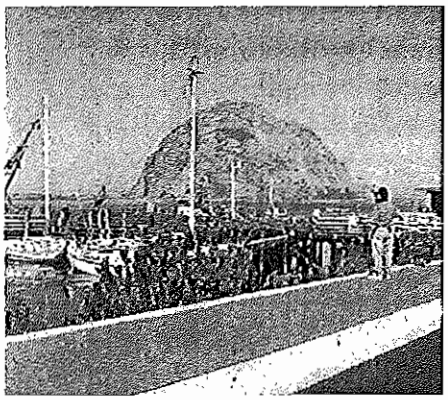


With a series of Coastal Conservancy grants, RRM Design Group assisted the Port of San Luis and the community of Avila Beach in preparing the Port Master Plan for the Port San Luis Harbor District. RRM provided a facilities needs assessment, a focused user survey, public workshops, a coastal access and implementation plan (with a new policy chapter inserted into the Local Coastal Plan), and schematic design with an evaluation of existing resources and services on the heavily used commercial fishing pier, Harford Pier. RRM also devised the Pier and landing area plan, satisfying State and County mandates that require the Harbor District to evaluate its resources and demonstrate adequate services and parking availability for high-priority coastal dependent uses. The Plan was approved by the Coastal Commission in November 2006

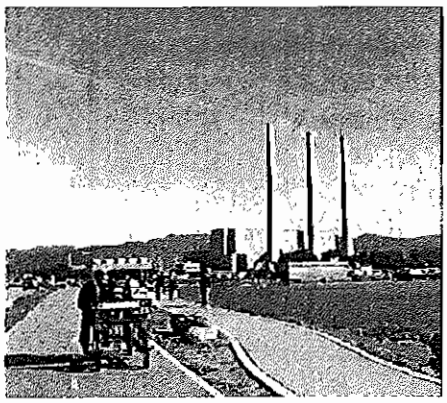
MORRO BAY HARBORWALK

morro bay, ca

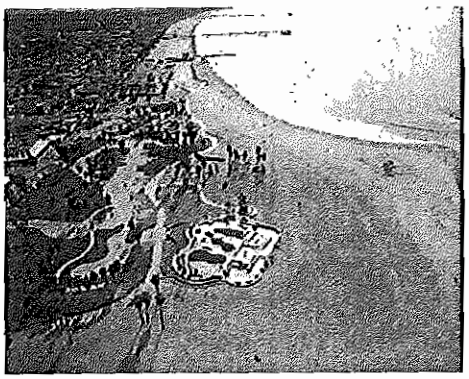


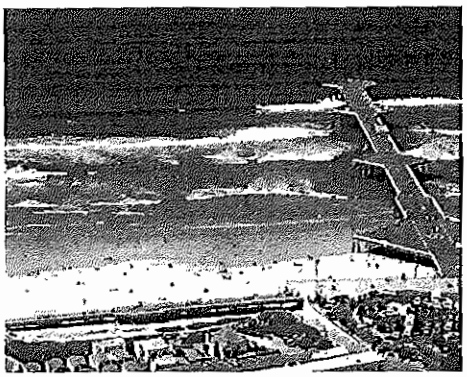


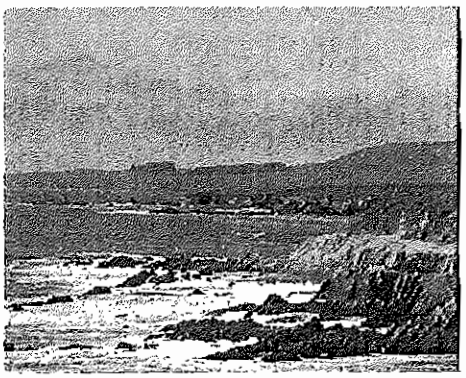
The City of Morro Bay retained RRM Design Group to prepare construction plans, specifications, detailed engineering cost estimates (PS&E), and associated tasks and documents for the construction of pedestrian and bicycle facilities along Morro Bay harbor, with related roadway relocations and tasks from Beach Street to the area of Morro Rock. The boardwalk and bike trail connect Morro Bay's popular Embarcadero area to the heavily visited Morro Rock and Morro Strand State Beach. The pedestrian improvements provide a scenic and safe route without unwanted automobile conflicts.



COASTAL COMMISSION EXPERTISE







RRM Design Group has developed an expertise in Coastal projects and the Coastal Commission permit process. We have developed an extensive body of experience in designing and successfully implementing a wide variety of Coastal Zone projects, many of which include working closely with the Santa Cruz Coastal Staff office. We have a team of planners, engineers, landscape architects and architects that understand the Coastal Commission's hot points and what it takes to respond effectively to a Coastal appeal.

california coastal commission experience

- Crescent City Harbor Master Plan, Crescent City, CA
- Cloisters Master Plan, Morro Bay, CA
- Cloisters Dune and Wetlands Restoration Project, Morro Bay, CA
- Venice Beach Oceanfront Walk, Venice Beach, CA
- Cypress Cove Inn, Cambria, CA
- Ventura River Estuary Enhancement Plan, Ventura, CA
- Morro Dunes Trails at The Cloisters, Morro Bay, CA
- Hearst Ranch Conservation Easement & Coastal Trail Plan, San Luis Obispo County, CA
- Monterey Catellus Parcels Master Plan, Monterey, CA
- Avila Beach Park, Avila Beach, CA
- Rancho Guadalupe Beach Park, Santa Barbara County, CA
- Broadway Brommer Bike Trail, Santa Cruz, CA
- Twin Lakes Beachfront, Santa Cruz, CA
- Venice Beach Skate Park, Venice Beach, CA
- Port San Luis Master Plan and LCP Amendment, Port San Luis, CA
- Fort Bragg Mill Site Re-Use Plan, Fort Bragg, CA
- Pismo Beach Promenade, Pismo Beach, CA
- Pismo Beach Waterfront Master Plan
- Ballona Creek and Trail Focused Special Study, Culver City, CA
- Morro Bay Harborwalk, Morro Bay, CA
- Oceanside Beach Restrooms, Oceanside, CA
- East-West Ranch, Cambria, CA
- Surfer's Point, Ventura, CA
- San Buenaventura State Beach Facilities, Ventura, CA
- Mid State Bank, Cambria, CA
- Hermosa Beach Pier Avenue Street Improvements, Hermosa Beach, CA
- Morro Bay State Sanctuary Scenic Trail, Santa Cruz, CA
- Redondo Beach Pier and Boardwalk, Redondo Beach, CA
- Burton Chace Park, Alhambra, CA
- Marina Beach Strategic Plan, Marina del Rey, CA
- Marina del Rey Urban Design Guidelines, Marina del Rey, CA
- Shelter Island Boat Ramp Feasibility Study, San Diego, CA
- Huntington Beach Downtown Specific Plan, Huntington Beach, CA
- Fort Bragg Specific Plan, Fort Bragg, CA

REFERENCES

Number of years engaged in providing the services included within the scope of the consultant services under the present business name: 3.5 – 24 years of experience

Describe fully the last three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the consultant services. Attach additional pages if required. The City reserve the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Client's Name	City of Pismo Beach
Contact Individual	Jon Biggs, Community Dev. Director
Telephone & FAX number	805 / 773-7089
Street Address	760 Mattie Road
City, State, Zip Code	Pismo Beach, CA 93449
Description of services provided including contract amount, when provided and project outcome	Planning Management on Spanish Springs Specific Plan, $70,000. Ongoing

Reference No. 2

Client's Name	City of Buellton
Contact Individual	Marc Bierdzinski, Planning Director
Telephone & FAX number	805 / 688-7474
Street Address	P.O. Box 1819
City, State, Zip Code	Buellton, CA 93427

Description of services provided including contract amount, when provided and project outcome	Avenue of Flags Constraints Analysis. $30,000; 2012. Successfully Completed

Reference No. 3

Client's Name	Pacific Gas and Electric Co.
Contact Individual	Kris Vardas, Senior Manager
Telephone & FAX number	805/546-3836
Street Address	4325 S. Higuera Street
City, State, Zip Code	San Luis Obispo, CA 93401
Description of services provided including contract amount, when provided and project outcome	Diablo Canyon Repeater Station CEQA Review. $15,000; 2011. Completed successfully.

PROPOSAL SUBMITTAL FORM – SUBCONSULTANT LISTING

Describe briefly the work scope of each sub-consultant. Attach additional pages if required.

Sub-consultant

Company Name	RRM Design Group
Contact Individual	Debbie Rudd
Telephone & FAX number	805 / 543-1794 DLRudd@rrmdesign.com
Street Address	3765 S. Higuera Street, Suite 102
City, State, Zip Code	San Luis Obispo, CA 93401
Description of services to be provided.	Community Outreach Support. See attached scope of work.

Sub-consultant

Company Name	Michael K. Nunley and Associates
Contact Individual	Mike Nunley
Telephone & FAX number	805 / 574-3202 mnunley@mkaassociates.com
Street Address	P.O. Box 1604
City, State, Zip Code	Arroyo Grande, CA 93421
Description of services to be provided	Engineering analysis support See attached scope of work.

PROPOSAL SUBMITTAL FORM – SUBCONSULTANT LISTING

Describe briefly the work scope of each sub-consultant. Attach additional pages if required.

Sub-consultant

Company Name	Kevin Merk Associates
Contact Individual	Kevin Merk
Telephone & FAX number	805/748.5837 kmerk@kevinmerkassociates.com
Street Address	P.O. Box 318
City, State, Zip Code	San Luis Obispo, CA 93406
Description of services to be provided.	Resource Regulatory Analysis. See attached scope of services.

Sub-consultant

Company Name	
Contact Individual	
Telephone & FAX number	
Street Address	
City, State, Zip Code	
Description of services to be provided	

STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

The consultant shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

- ***Do you have any disqualification as described in the above paragraph to declare?***

Yes ☐ No ☒

- ***If Yes, explain the circumstances.***

Executed on April 15, 2013 at Atascadero, CA under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

Signature of Authorized Consultant Representative

Client#: 624003 JOHNRICK9 ATTACHMENT 2

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 03/29/2013

HIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS ERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES ELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED EPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

MPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to e terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the ertificate holder in lieu of such endorsement(s).

DUCER b International IB Int'l Insurance Services Inc. 60 Professional Parkway nta Maria, CA 93455	CONTACT NAME: Kimbelry Ross PHONE (A/C, No, Ext): 805-361-1008 FAX (A/C, No): 805-832-6233 E-MAIL ADDRESS: kimberly.ross@hubinternational.com
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A : Rockhill Insurance — 28053
UREO John F. Rickenbach Consulting 7675 Bella Vista Road Atascadero, CA 93422	INSURER B :
	INSURER C :
	INSURER D :
	INSURER E :
	INSURER F :

VERAGES CERTIFICATE NUMBER: REVISION NUMBER:

HIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD NDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS ERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, XCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

R	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY	X		ENVP00208000	03/27/2013	03/27/2014	EACH OCCURRENCE	$1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$50,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$5,000
	X BI/PD Ded:2,500						PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$2,000,000
	POLICY X PRO-JECT LOC							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED / RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					WC STATU-TORY LIMITS / OTH-ER	
							E.L. EACH ACCIDENT	$
							E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Professional Liab			ENVP00208000	03/27/2013	03/27/2014	1,000,000	

ESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

eritificate Holder is additional insured with respects to General Liability per form RHIC 6105 06/11 when equested by written contract

ERTIFICATE HOLDER	CANCELLATION
City of Pismo Beach Attn: Elsa Perez 760 Mattie Road Pismo Beach, CA 93449	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE

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ATTACHMENT 3

HOLLENBECK CONSULTING

ESTABLISHED 2012

SPECIALIZING IN PROJECT AND CONSTRUCTION MANAGEMENT, HYDRAULIC STRUCTURES, AND WATER RESOURCES

PROJECT PLANNING SERVICES

for

NEW WATER RECLAMATION FACILITY

Responding to Request for Proposal Issued March 18, 2013

CITY OF MORRO BAY

HC Pursuit No. 902013-003
Proposal Due on April 15, 2013 at 4:30 p.m.
City of Morro Bay
Department of Public Services
955 Shasta Avenue
Morro Bay, CA 93442

ATTACHMENT 3

ATTACHMENT 3

HOLLENBECK CONSULTING *ESTABLISHED 2012*
SPECIALIZING IN PROJECT AND CONSTRUCTION MANAGEMENT, HYDRAULIC STRUCTURES, AND WATER RESOURCES
7343 EL CAMINO REAL #195, ATASCADERO, CA 93422 (805) 458-7268

April 15, 2013
Pursuit File No.: 902013-003

Mr. Rob Livick, Director/City Engineer

City of Morro Bay
Department of Public Services
955 Shasta Avenue
Morro Bay, CA 93442

SUBJECT: Proposal for Design Professional Services, Responding to Request for Proposal for Project Planning Services for the NEW Water Reclamation Facility

Dear Mr. Livick:

Hollenbeck Consulting is pleased to submit 13 copies (3 extra to accommodate the 3 additional citizen review panel members) of our proposal to the City of Morro Bay in response to your Request for Proposal dated March 18, 2013. John Hollenbeck established Hollenbeck Consulting in 2012 to provide professional services to public sector clients needing specializations in project management, construction management, hydraulic structures, and water resources. Public agencies occasionally face the need for planning, designing, and constructing large infrastructure projects with the same staffing levels that operate their day-to-day functions, and these "unusal" infrastructure assignments stress the agency's personnel resources. Hollenbeck Consulting can provide you with the resources necessary to advance your critical infrastructure project forward with a minimal impact to your existing staffing resources.

Mr. Hollenbeck served as the Nacimiento Project Manager for the County of San Luis Obispo Department of Public Works from 2005 to 2012. The County sought the specialized service of a project manager experienced in large complex hydraulic structure projects, and hired Mr. Hollenbeck as an at-will employee to manage the design and construction phases. He managed the $176-million project for an on-time completion and $2-million under budget. He has the experience to organize and manage the City's NEW Water Reclamation Facility. Mr. Hollenbeck utilizes his technical background, his strong work ethic, good judgment and decision making skills, and his effectiveness as a communicator (both written and oral) to provide strong project leadership and build project consensus to advance the progression of critical hydraulic structures like the City's NEW Water Reclamation Facility.

Thank you for the opportunity to submit our proposal, and we look forward to continuing the process at the oral interviews. We look forward to serving the great City of Morro Bay. Please contact us if you have any questions.

Sincerely,

HOLLENBECK CONSULTING
JOHN R. HOLLENBECK, P.E.
A Sole Proprietor

ATTACHMENT 3

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Section 1 – Approach to Work

The City of Morro Bay (City), and its Joint Power Authority (JPA) partner Cayucos Sanitation District (CSD), are at a new dawning for the management and treatment of the communities' wastewater flows, and are embarking upon the development of a NEW Water Reclamation Facility (WRF). The emphasis on "NEW" reflects the City's[1] desire to launch into a new direction of wastewater and water resources management. The WRF is a new hydraulic structure because it can do so many things in a positive way for the community, as in:

- Being designed as a start-of-the-art treatment facility.
- Serving as a long technical-life piece of new infrastructure for the City.
- Development of reclaimed water supply.

Objectives of the Planning Phase

- **Siting of the WRF**
- **Facilitate Community Dialogue of the New WRF**

The proposed work plan (also referred to as scope or scope of work), schedule and budget provided within this section are in accordance with the instructions of the City's Request for Proposal (RFP). The instruction pages from the RFP are presented within Appendix E for reference. Hollenbeck Consulting's approach to this work is based on the following assumptions:

- The City is seeking a project manager with experience managing large complex hydraulic structure projects for public agencies. Any technical expertise will be obtained as the planning phase progresses.
- The wheel does not need to be reinvented – the City has a wealth of past work that can be utilized for a large part of this assignment.
- The fixed cost of the treatment plant is nearly constant and independent of the site evaluated; thus, the conveyance costs (pipeline, pumping and life-cycle costs) are what vary.
- The reclaimed water supply capacity exceeds the demand.
- A systematic approach to organizing conceptual ideas and making decisions as to the direction to proceed is necessary, and furthermore, this approach needs to occur quickly.

UNDERSTANDING OF PROJECT SCOPE

Wealth of Project Documentation

The City has expended much time and resources on the planning and design of the upgrades at the existing wastewater treatment plant to meet the Regional Water Quality Control Board's (Water Board's) objectives to improve the water quality of the effluent discharged through the ocean outfall by upgrading the plant to full secondary treatment and to seek beneficial use of a portion of the effluent through tertiary treatment. The approach Hollenbeck Consulting proposes during the planning phase is to utilize the maximum amount of the past efforts of engineering reports, financial studies, and institutional knowledge of the City staff to meet the planning phase objectives within the shortest possible time. What needs to be accomplished during the planning phase? The answer is subject to input from the City, but likely includes the following:

- Review of integrated water resource management opportunities
- Review of the treatment technology options
- Review of effluent disposal and/or usages

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[1] The Proposal is written as being addressed to the City wholly because the City issued the RFP; however, Hollenbeck Consulting recognizes that the City has a JPA partner in the CSD. Hollenbeck Consulting also understands that the CSD has delegated the selection of the planning services consultant to the City.

- Review of the capacity of reclaimed water
- Review of bio-solids treatment and disposal options
- Review of siting options for the WRF
- Review and identification of project risks
- Review of capital costs
- Review of financing options
- Review of the overall project schedule
- Review of project ownership/operation options
- Development of solicitation documents for specialized professional services

This is a lengthy list of tasks to be addressed during the planning phase, and many factors will affect the outcome of decisions that are needed to advance the project into the CEQA process as well as the Proposition 218 process. In a make-believe world where capital is not a constraint, the development of a WRF with advanced water treatment capabilities and the subsequent distribution infrastructure to deliver the reclaimed water would not require many decisions, and the job would be much easier to locate an appropriate site for the treatment plant. This, however, is not the world we live in. The cost of the entire new infrastructure must have a justification and the maximum of benefit for a project to be deemed justifiable and feasible. A sustainable and affordable WRF is certainly important to the permanent population of Morro Bay. There obviously are costs that are involved to have a WRF that meets the Water Board's requirements, and the requirements of the community, and Hollenbeck Consulting understands the importance of effective management to attain success.

Judgment Factors for making WRF Decisions

- Capital Cost
- Life-Cycle Op. Cost
- Sustainability of WRF
- Affordability of WWT
- Affordability of RW
- RW Customer Base
- Local Coastal Program
- Community Desires
- Governing Authorities
- Environmental Issues
- Eng/Const. Constraints

There are other factors that affect the decision making for the project. Hollenbeck Consulting judges that the City is fortunate to have the wealth of studies that have been produced in the past few years to serve as the foundation for development of goals and objectives of the WRF. One of the first tasks that Hollenbeck Consulting will do is conduct a thorough review of all the past documents (a task already started in order to create this proposal). The deliverables from this review will be the compilation of a list of goals, objectives, siting assessments performed, creating of a summary decision matrix, and preparation of the first workshop to be held with City staff to verify that the planning phase is being launched off in the right direction. A public workshop at that point in time might be beneficial as well (decision on workshop to be determined in cooperation with City staff).

Task 1. Data Collection and Review; Data Compilation; Site Visits; City Staff Interviews; Describe Data Gaps (if any); Summary of Goals, Objectives and Decision Matrix; and Workshop with City Staff.

Thinking Outside the Box – Have All Reclaimed Water Users Been Identified?

How would this question be answered? A review of the available reports indicates that a few of the potential users of the reclaimed water include agricultural, in-city users, groundwater recharge and reuse, and Chorro Creek discharge to maximum Chorro Valley groundwater pumping. Hollenbeck Consulting is uniquely qualified to provide the City with a more regional examination of the potential water use customers because of our local knowledge of water infrastructure that serve the North Coast Region, and our network amongst the water agencies and managers. Through his experience managing the Nacimiento Water Project and his years planning and working on water projects in California, John Hollenbeck has developed a talent to conceptualize water supply solutions on a regional basis. The concept described herein is an "out of the box" concept that was developed during the preparation of this proposal. The concept is based on a water supply need within the community of Los Osos and also a need for supply in the North County. Could the reclaimed water from the WRF be a possible source of that supply? The following bullet points identify the

conceptualization of one alternative for supplying reclaimed water to the community of Los Osos and to the North County.

- Water managers in the region have discussed a pipeline to supply Nacimiento Water or State Water to Los Osos. Pipeline connections from the City of San Luis Obispo area is likely a future water supply solution for Los Osos, and for this conceptual idea, assume the pipe is needed, and that is spans from near the City of San Luis Obispo's water treatment plant (located on Stenner Creek Road) to Los Osos. At this point, the pipeline can be considered to be a raw water pipeline, constructed and owned by others.
  The Whale Rock pipeline, a raw water conveyance, passes near Morro Bay and spans between Whale Rock Reservoir and the City of San Luis Obispo's water treatment plant. Hydraulic capacity of the pipeline is available during times when the City of San Luis Obispo is taking their raw water supply from both the Salinas and Nacimiento Pipelines. Assume that a wheeling agreement could be made with the City (the State Water Code has provisions that allow for water uses to wheel water in an existing conveyance owned by others) then the water from the WRF could be conveyed to Los Osos via the Whale Rock Pipeline. The community of Los Osos would pay for the water they take from the WRF.
- An even larger regional solution exists as the Paso Robles Groundwater Basin (PRGB) struggles with management of the basin which is experiencing declining water levels (the basin's withdrawals are exceeding the basin's safe yield). Nacimiento Water is very likely going to be a part of the solution to the management efforts of the PRGB. The City of San Luis Obispo has 3,380 acre-feet per year entitlement from the Nacimiento Water Project (much greater than the reclaimed water capacity from the WRF), and if the City took delivery of the reclaimed water from the WRF, then potentially they could leave an equal volume of Nacimiento Water in the North County. The North County water users would pay for the water from the WRF in exchange for water being delivered through the Nacimiento Water Project. The water from the WRF would actually be delivered to the City of San Luis Obispo.

John Hollenbeck is uniquely qualified to step back and conceptualize regional users of the reclaimed water by answering the question "Who could the users be?" and then seeing the answer through a perspective regional point-of-view.

This regional solution is broad in thought, and certainly has challenges to overcome (legal efforts, policy efforts, public health efforts, cooperation of many entities, etc.) but what the City needs to realize from this discussion is that such a regional solution is strongly encouraged by the State of California and is often a key component in the judgment of those who issue grants for regional projects. The City has what appears to be a possible surplus of water, and the North County has a dire need for water. The concept of direct delivery of the City's surplus to the North County, or to Los Osos, seems initially insurmountable; however, what Hollenbeck Consulting brings to the City is a local knowledge of the existing infrastructure and potential users. John Hollenbeck has developed a strong business relationship network with the water managers in the County (and beyond) through his management of the Nacimiento Water Project, his employment at the County Public Works Department, and the projects currently performed at Hollenbeck Consulting. The City can leverage Hollenbeck Consulting's network and knowledge to their advantage to identify other users (i.e., paying customers) for their reclaimed water.

Task 2. Develop possible scenarios of regional water customers, explain those to the City and receive City concurrence to discuss those with potential water partners, and then seek to expand the knowledge of these concepts to those parties affected.

Modified Value Engineering – Finding the Best Solution at the Start

Most people in or working around the civil engineering industry have likely heard the phrase "value engineering", but the title "modified value engineering", or MVE, is likely a new concept. The word "modified"

is used because this is not the classical value engineering (VE) study. The classical VE study is conducted once a project has been designed (say at the 30% level of design) in search of cost-savings that the designers might have overlooked. A MVE study occurs during the initial phases of a project before the design begins – as in this planning phase for the WRF. The MVE facilitates an open discussion of alternatives, maximizes the stakeholder's participation, results in synergistic creativity, and develops consensus building around solutions. The MVE approach utilizes a workshop which will facilitate a full understanding of the project, develop ideas to solve the problem, and factor engineering and non-engineering concerns into the final solution. Hollenbeck Consulting has experience in the conceptualization of alternatives, the evaluation of alternatives, and the screening of alternatives to solve hydraulic infrastructure problems. John Hollenbeck has served as a value engineering team member and as a workshop facilitator for value engineering processes.

Modified value engineering is a unique way to evaluate the siting of the WRF.

At the onset of a technical challenge and/or problem, the involved stakeholders usually face the following:

- Defining the problem and establishing criteria that measures success to solving the problem
- The overwhelming task to conceptualize all the possible solutions available that meet the objectives.
- The development of screening criteria, evaluating alternatives, and establishing of priorities.

The City has conducted both a rough and fine screening of site selection, and both assessments chose the existing wastewater treatment plant site. The fine screening study by Dudek identifies the second and third ranked sites as the Righetti property and the Chevron Facility. The basic questions that need to be asked and discussed with the City include:

- Are the existing reports sufficient to make a final site selection?
- Does the City desire another evaluation of the site selection?
- Does the community desire another evaluation of the site selection?
- Is there knowledge from the regulatory community that would deem another evaluation of the site selection?

If the answer to some or all of these questions is yes, then Hollenbeck Consulting propose the utilization of the MVE approach to make that evaluation. The MVE is a unique methodology involving stakeholder groups to actively work as a team to systematically develop solution alternatives, evaluate the alternatives, and create the screening and prioritization of alternatives to find cost-effective and practical solutions and to develop consensus amongst the stakeholders. The approach used is titled "The Modified Value Engineering Process", and it is described below.

Modified Value Engineering Process

Value engineering in its purest form is used to provide an independent review of project or product conceptual design with the goal of enhanced performance or reduced cost (both capital and life-cycle costs). The MVE approach is used at the very start of a project to determine the most promising solution that will meet the project requirements as defined by the MVE team. MVE is successful in consensus building and brings together concerned departments, groups, or individuals for a free and open exchange of the criteria, issues, desires, and opinions related to the topic of interest. The process also allows these parties to participate in the development of alternatives solution, evaluation of alternative, and ranking or selection of the most viable solutions. The end result is a better understanding of the problem, selection of the most promising solutions, and the direction that needs to be pursued.

The "Typical" Modified Value Engineering Process[2]

The use of the word "Typical" in this subtitle is because the process described herein is what is typically done when engaging the full project team of owner and consultants.

The MVE process consists of a three-day (minimum) workshop followed by an alternative finalization phase preformed by the consultant. Experience has shown that participation in the workshop should be limited to no more than 10 to allow full involvement by all (no wallflowers). A facilitator (proposed to be John Hollenbeck) will maintain the workshop on track, encourage idea development, and perform the routine bookkeeping. The three day workshop consists of seven phases that can lead from definition of the problem, through creative brainstorming of solutions, analysis of the alternatives, critical evaluation, and finally ranking and selection of the best alternatives. The seven workshop activities are as follows:

1. Pre-workshop activities – Each team member will obtain and study the background data.
2. Information phase – Orientation and definition of the problem. Review of the available data, relevant engineering, regulatory, and environmental criteria.
3. Creative phase – uninhibited brainstorming of ideas. The main focus during this phase is the quantity of ideas rather than the quality.
4. Analysis phase – First, perform an initial screening to eliminate the obviously infeasible proposals. This is followed by a ranking of the remaining alternatives by their potential.
5. Development phase – Each team member will select alternatives for development. The alternative will be described in detail (including freehand sketches), advantages and disadvantages listed, and a conceptual level cost estimate performed. Several specially designed forms are used to aid in this process.
6. Final evaluation and presentation – The alternatives are reviewed by the group and a final scoring and ranking performed.
7. Report preparation – The facilitator will assemble all the workshop documents and prepare a well-organized summary document.

The follow-up alternative finalization activities would be held over a several week period. The final deliverable would be a preliminary report that details the selected alternative that all concerned individuals/groups can accept. Typically included within the report may be an evaluation of risk factors, constructability, potential for cost change during construction, potential technical problems, schedule and operations impacts, and environmental impacts. Additionally, some alternatives identified during this process are judged good practice but can be difficult to quantify their impact on the objectives of the MVE study, and such alternatives are listed as "design suggestions" to have them documented within the report.

Task 3. Evaluate the need for additional development alternatives to site the WRF. Utilize the MVE Process if additional study is deemed necessary. Deliverable is the MVE Report on the Siting of the WRF. Make presentations to community and the City Council.

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[2] The methodology described herein is what Hollenbeck Consulting has typically experienced when implementing the MVE process; however, the structure is flexible and accommodating to modifications that the City would like to suggest.

WRF Arrangement and Treatment Process

This task will need the services of a wastewater treatment expert or firm to address the treatment plant options available. Much of the previous studies will be useful for this task but new assessments can be made to take advantage that the WRF will be sited at a new location. The analysis shall consider the technology's full life-cycle costs (energy consumption, equipment replacement, etc.) and the quality of the plant's effluent in combination with the construction capital cost and operation and maintenance costs. The three big operation cost factors – labor, power, and chemicals – need to be thoroughly incorporated into the planning of which technology to choose. It also is important to understand who the customers of the reclaimed water are when making treatment process decisions because the customers' water quality needs will likely be different and the desired quality will drive the treatment process.

Convene a panel to transfer knowledge of current local wastewater projects.

Hollenbeck Consulting proposes to assemble a panel of local wastewater managers and designers to conduct a technology transfer workshop to leverage the knowledge of "lessons learned" by these individuals. The proposed panel includes John Waddell from the County, Matt Thompson from the City of Paso Robles, and consultants to be named later[3]. Mr. Waddell is managing the Los Osos Wastewater Project which includes a Water Recycling Facility. This plant, which is under design, will produce tertiary treated water that will be used for groundwater recharge (via leach fields) and irrigation (agricultural and landscape). Mr. Thompson is managing the wastewater treatment plant upgrade which has provisions for future tertiary treatment. Both plants use different treatment processes to attain secondary treatment which is the intent of the panel: to discuss the options evaluated and the basis of decision made for the technologies chosen. These lessons that were learned are valuable and beneficial to the City's endeavor.

Task 4. Hire a wastewater consultant with treatment technology expertise. Convene panel for technology transfer and understanding lessons learned. Technical memoranda on treatment options, effluent disposal options, bio-solid treatment and disposal options, identification of project risks, estimate capital and operating costs, financing options, and utility cost assessment. Make presentations to community and City Council.

General Management

The following describes Hollenbeck Consulting's approach to general management objectives.

Managing Scope, Schedule and Budget (including approach and methodology of managing work tasks)
To measure the success of a team and their project, the focus should be on the performance compared to the scope of work, the budget, and the schedule. John Hollenbeck's theory on budget management is to always stay on schedule. Expenditures generally can occur only so-fast; thus, if the schedule is maintained then the project should naturally stay on budget. Project budgets tend to go over when schedules slip. Many things can cause schedules to slip, but the one that is most challenging to control is what is called "scope creep". Scope creep is performing something out of the scope with the idea that "it should not have that big of an impact to the schedule", whereas that concept rarely works. Instead, scope creep causes projects to take longer, milestones to be missed, and thus, budgets to be exceeded. Managing scope creep is accomplished through the Trend Management Process. Trend Management is a process that involves proactive notification to an owner when changes in the scope of work are being asked or have occurred as the result of unforeseen conditions, and then establishing a revised scope, schedule impact and modification, and budget impact and modification. Owners typically appreciate a proactive management style so that there are no surprises.

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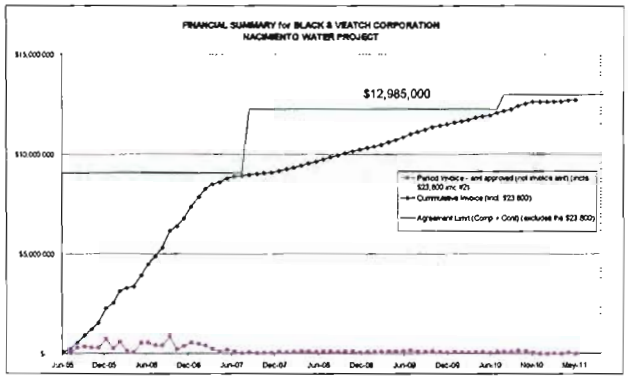
[3] John Hollenbeck has a large network of professionals involved in wastewater design, and can make recommendations based on the City's favorite treatment desires.

A project's scope, schedule, and budget are established at the start before any expenditure is made to the endeavor. The cumulative expenditure curve, known as an S-Curve, can be developed for the scope, schedule and budget. The S-curve shows expenditures on the Y-axis, and time on the X-axis (our apologies for the technical engineering phrases – but it helps in the description!). Expenditures are tracked and compiled within a spreadsheet and compared (plotted) against the predicted project expenditures. On long-duration large projects, this should be done on a monthly time basis. On short term projects, this might have to be accomplished on a weekly basis. A good management technique is to examine these expenditure trends, and when an "over budget" trend is observed, then begin to drill down in to the project and establish the factors that are affecting the budget, and work with the team for solutions to bring the project back on track.



The management of the schedule, and thus the scope of work, is accomplished through the utilization of a Microsoft Project (a scheduling program). Schedule performance is easy to compare and track, and the output is usually easy to read.

Work Plan Contingencies

Hollenbeck Consulting's current approach to the work does not have a specific contingency element because a thorough discussing on the City's expectations is needed to identify what risk factors and contingency mitigation measures should be addressed within the scope of work. A generalized contingency factor is addressed within the discussion on budget, and is provided to respond to the City's request for a fee (refer to page 4 of the RFP). Alternatively, contingencies in the work plan can be managed through the Trend Management Process described above if contingency risk factors are not clearly understood at the time the scope of work is formalized.

Quality Control

Hollenbeck Consulting exercises great care in producing quality deliverables. As a sole proprietor consultant, the ability for a second pair of eyes to read our work product would require hiring a subconsultant, and under certain conditions that may be necessary. Hollenbeck Consulting wishes to discuss the City's expectations regarding our deliverables.

The quality control of deliverables from subconsultants hired by Hollenbeck Consulting will be accomplished by our review and comment back to the author before the deliverable is finalized and issued to the City. Records of these review comments are maintained in the project's files.

City Staff Needs

Hollenbeck Consulting recognizes the limited availability of City staff, and will work to minimize the utilization of the staff. The following areas of need of the City's staff resources have been identified:

- Provide transfer of institutional knowledge
- Attend workshop meetings
- Review of deliverables
- Guidance or assistance in presentations to governing authorities
- Guidance or assistance in development of RFP's for professional services
- Meetings or conversations on an as-needed basis

Experience and Process of Interaction with Governing Authorities

John Hollenbeck, while serving as the County's Nacimiento Project Manager, interacted with two groups of elected officials – the Nacimiento Commission, a body of five elected officials representing the participating agencies in the project, and the Board of Supervisors, a body of five elected officials representing the San Luis Obispo County Flood Control and Water Conservation District. He authored an estimated 125 board agenda items to the Board of Supervisors, and attended hearings primarily on right-of-way matters. He was the lead staff member for the Nacimiento Commission and authored the meeting packets for the Commission which met once ever three months. The Project Manager's report was presented at each of these meetings. The Commission heard items that they took action on and some of which required subsequent Board of Supervisor approval.

Mr. Hollenbeck is quite comfortable interacting with elected officials. His communication skills, both written and orally, are always prepared with the audience in mind, and with regard to governing authorities, the communication style is brevity that involves the details necessary for complete and clear understanding of the issue and the ability to make an informed decision.

Communication and Coordination

Hollenbeck Consulting's communication methods will vary depending on the receiving party. The following describes the methods for communications with the City, consultants, and stakeholder groups.

- City Communication and Coordination: Hollenbeck Consulting proposes to develop a monthly progress report that will communicate the progress status of the planning phase, and will include graphics to give an at-a-glance understanding of the budget and schedule. These communications are structured for posting on the City's website and for sharing with administrators.

  Occasionally Hollenbeck Consulting will ask for a meeting (face-to-face or telephone) to discuss specific items that require City input.

- Consultant Communication and Coordination: The consultants under contract with Hollenbeck Consulting will require coordination to assure they have the items they need to perform their tasks. Communications will include their invoices for processing, their reports on progress which will be incorporated into the progress reporting to the City, and overall management discussions of their efforts. All of their deliverables will receive a quality control review by Hollenbeck Consulting before being issued to the City. The consultant's financial performance will be managed via an existing spreadsheet specifically designed to manage work of consultants.

- Stakeholder Groups: The majority of communication and coordination with stakeholder groups will be through workshop presentations. Dissemination of project-related information will be through the City's website.

ESTIMATED PROJECT SCHEDULE

This section is in response to two schedule requests given in the RFP. The first is described on page 5, and the second is an estimate of the overall project schedule described on page 3.

The planning phase schedule presented in Figure 1[4] assumes that a notice to proceed occurs on June 1, 2013. The summary of the City Council's Workshop Goal No. 1 indicates a desire to have a site selected by December

[4] From June 21 through approximately July 31, John Hollenbeck will be available only part-time. Please ask for additional details if necessary.

2013; therefore, this schedule duration of six months is programmed into the schedule presented in Figure 1. The schedule can be refined once more detailed discussions occur with the City staff.

The overall project schedule presented in Figure 2 is based on Hollenbeck Consulting's experiences as presented below:

- Permitting: 18 months, based on Nacimiento Water Project experiences and following the Los Osos Wastewater Treatment Plant.
- Design: 15 month (includes a Value Engineering study at 30% design), based on Nacimiento Water Project experience. Los Osos Water Recycling Facility design is estimated at 12 months, but the plant was near 30% design at the time the Board of Supervisors switched from Design-Build, to Design-Bid-Build.
- Construction: 30 months (28 months construction and 2 months startup and commissioning), based on expected construction duration for the Los Osos Water Recycling Facility and the duration for the upgrade construction of the Paso Robles Wastewater Treatment Plant

ESTIMATED PROJECT FEE

Table 1 presents the estimated fee for the planning phase. The fee estimate is based on the tasks described above. The estimated time commitment presented in this estimate is about a 75-percent effort between June and December, 2013.

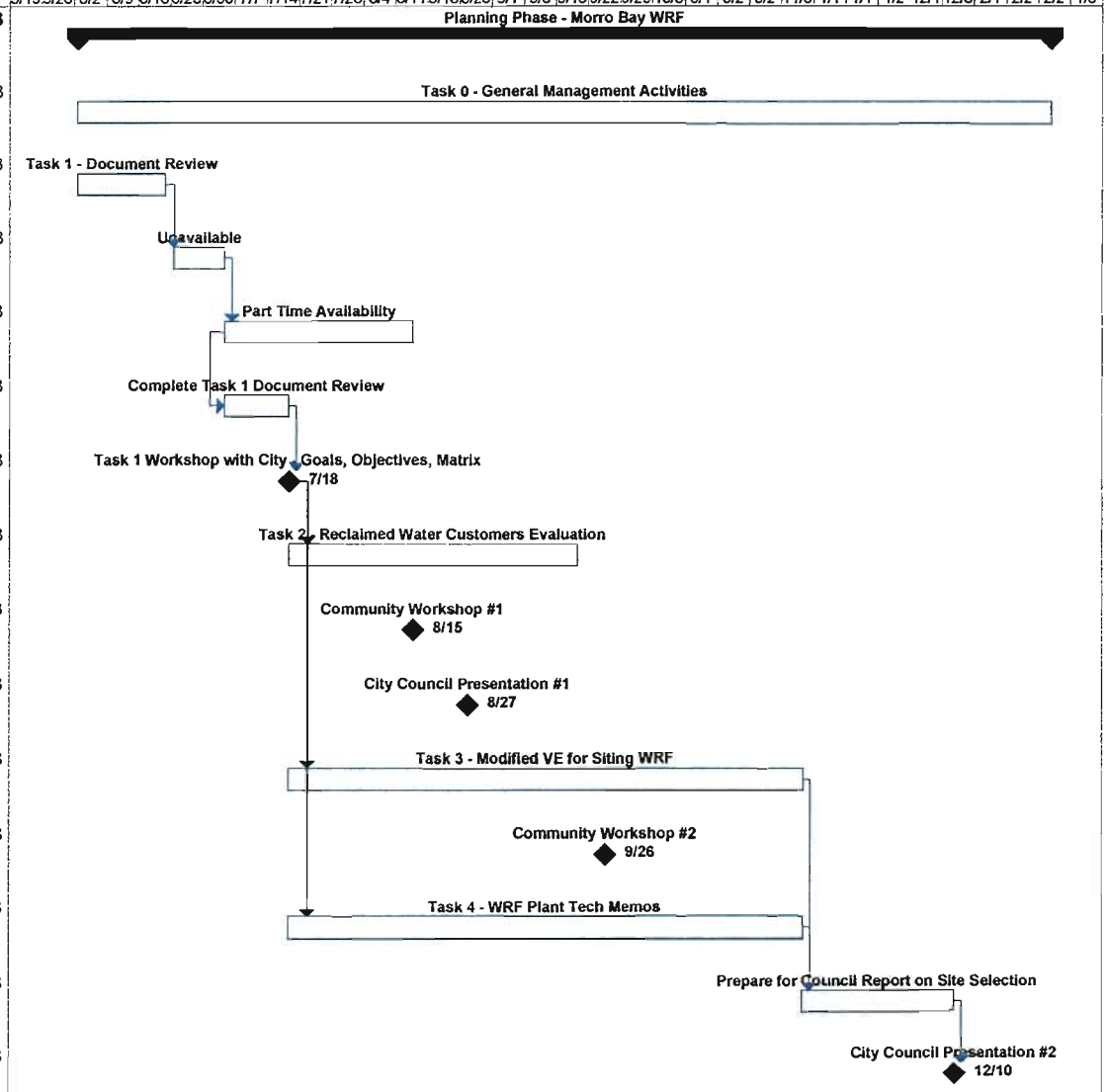
Quotations from subconsultants have not been obtained because when contacted, the subconsultants had various reasons why they were unable to respond. Hollenbeck Consulting contacted Michael K. Nunley Associates, Black & Veatch, Lee & Ro, Dudek, Carollo, Wallace Group, and MWH. Black & Veatch was the only firm interested in providing services to support Hollenbeck Consulting, but could not commit to a scope and fee because of a lack of knowledge about the project or the City. Hollenbeck Consulting has thus estimated a lump cost of $50,000 for the Task 4 subconsultant work. Hollenbeck Consulting is positioned to negotiate with the City for the final scope, schedule and budget for this assignment.

TABLE 1. ESTIMATED FEE FOR PLANNING PHASE

TASK	LABOR HOURS	LABOR COSTS	EXPENSES	TOTAL
Task 0 – General Management	120	$21,000	$4,100	$25,100
Task 1 – Project Data/Ref Docs	120	$21,000	$1,100	$22,100
Task 2 – Recycled Water Customers	120	$21,000	$1,200	$22,200
Task 3 – Siting Assessment	144	$25,200	$9,900	$35,100
Task 4 – WRF Arrangement/Treatment	360	$63,000	$58,000	$121,000
TOTALS	**864**	**$151,200**	**$74,300**	**$225,500**

FIGURE 1. PLANNING PHASE SCHEDULE

ID	Task Name	Start	Finish
1	**Planning Phase - Morro Bay WRF**	**Mon 6/3/13**	**Tue 12/31/13**
2	Task 0 - General Management Activities	Mon 6/3/13	Tue 12/31/13
3	Task 1 - Document Review	Mon 6/3/13	Fri 6/21/13
4	Unavailable	Mon 6/24/13	Thu 7/4/13
5	Part Time Availability	Fri 7/5/13	Wed 8/14/13
6	Complete Task 1 Document Review	Fri 7/5/13	Thu 7/18/13
7	Task 1 Workshop with City - Goals, Objectives, Matrix	Thu 7/18/13	Thu 7/18/13
8	Task 2 - Reclaimed Water Customers Evaluation	Fri 7/19/13	Thu 9/19/13
9	Community Workshop #1	Thu 8/15/13	Thu 8/15/13
10	City Council Presentation #1	Tue 8/27/13	Tue 8/27/13
11	Task 3 - Modified VE for Siting WRF	Fri 7/19/13	Thu 11/7/13
12	Community Workshop #2	Thu 9/26/13	Thu 9/26/13
13	Task 4 - WRF Plant Tech Memos	Fri 7/19/13	Thu 11/7/13
14	Prepare for Council Report on Site Selection	Fri 11/8/13	Tue 12/10/13
15	City Council Presentation #2	Tue 12/10/13	Tue 12/10/13

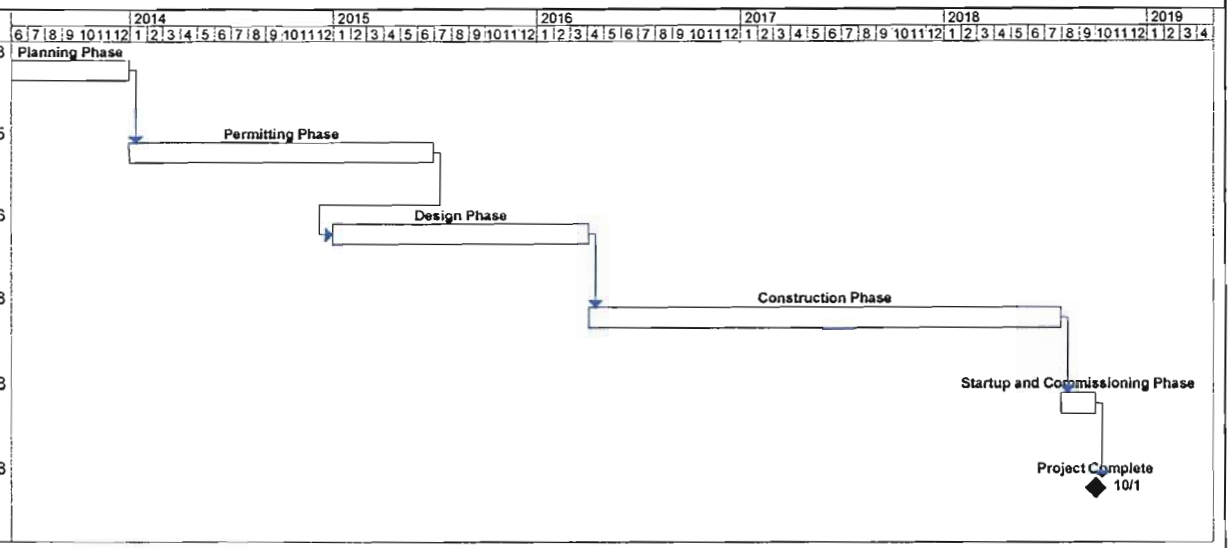


Project: Figure 1 Schedule
Date: Sun 4/14/13

Task | Progress | Summary | External Tasks | Deadline
Split | Milestone | Project Summary | External Milestone

FIGURE 2. PROJECT SCHEDULE

ID	Task Name	Start	Finish
1	Planning Phase	Mon 6/3/13	Tue 12/31/13
2	Permitting Phase	Wed 1/1/14	Tue 6/30/15
3	Design Phase	Thu 1/1/15	Mon 4/4/16
4	Construction Phase	Tue 4/5/16	Tue 7/31/18
5	Startup and Commissioning Phase	Wed 8/1/18	Mon 10/1/18
6	Project Complete	Mon 10/1/18	Mon 10/1/18



Project: Figure 2 Schedule
Date: Sun 4/14/13

Task | Split | Progress | Milestone | Summary | Project Summary | External Tasks | External Milestone | Deadline

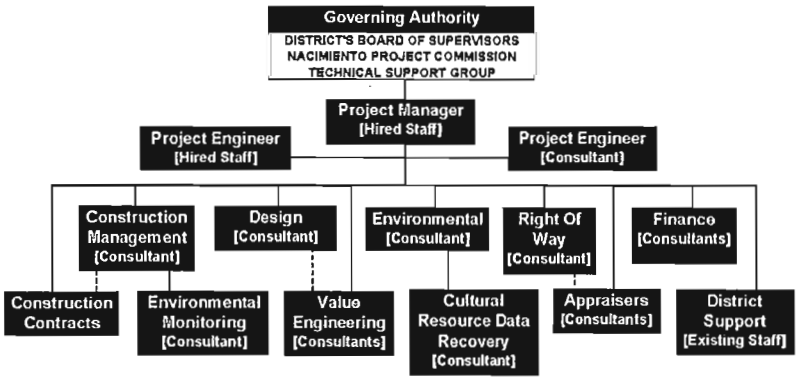
Section 2 – Relevant Project Experience

Mr. Hollenbeck has the right combination of private sector and public sector experience to manage the City's WRF. Refer to Appendix E for a technical paper on "Nacimiento Water Project: How a Small Agency Manages a Mega Pipeline Project – A Success Story". His skills and leadership will benefit the City on the WRF Project.

John Hollenbeck will serve the City as the Project Manager. Mr. Hollenbeck has 27 years of civil engineering experience on heavy-civil hydraulic structure type projects: 20-years in private consulting and 7 years in the public sector. Since moving to California in 1994, he has served public sector clients exclusively, including Metropolitan Water District of Southern California, San Diego County Water Authority, Los Angeles County Department of Public Works, Atascadero Mutual Water Company, the City of San Luis Obispo, and finally the County of San Luis Obispo as an employee of the Public Works Department serving as the Nacimiento Project Manager – the largest public works project undertaken by county government. His experience with large heavy-civil hydraulic structure projects, leadership, attention to detail, communication style, and work ethic all combined to make the Nacimiento Water Project a complete success for the people of San Luis Obispo County. The project was completed on-time and $2-millon below the budgeted amount of $176-million. This experience is relevant to the City's WRF project, and additional discussions are provided below.

Nacimiento Water Project Experiences

Mr. Hollenbeck was an employee of the County, under an at-will contract with the Board of Supervisors. He was hired as the full-time project manager. He was fully charged with the project during the design, bidding, and construction phases, spanning from April 2005 through February 2012. The graphic illustrates the organization structure of the project. Mr. Hollenbeck managed all aspect of the project, which included several professional services contracts. The project was completed by what became affectionately known as "the army of consultants". Hollenbeck Consulting predicts that the City may experience a similar organization chart and a similar formation of an army of consultants to complete the WRF.



The CEQA process was completed before Mr. Hollenbeck was hired. The design phase included a preliminary design phase, and final design phase. The preliminary phase involved development of the baseline construction cost, the baseline construction schedule, and the pipeline size optimization. Also included was the development of several technical memoranda for the project control system, hydraulic design, and the civil-structural-mechanical-electrical design elements. At the conclusion of the draft preliminary design report (the compilation of all the technical memoranda) was a value engineer session. Mr. Hollenbeck hand-picked all the members of the VE team because of his large network of professionals that he has developed over his year of experience. Hand-picked selection of experts in pipelines, mechanical, controls, tunneling, and construction were best served by individual experts as compared to a consultant's team saying they have all the experts. The VE effort cost $63,000, and is predicated to save between $12- and $15-million on the project.

The governing authority was the Nacimiento Commission and the Board of Supervisors. Mr. Hollenbeck made dozens of presentations to the Commission between 2005 and 2012, and many of these commissioners

endorse Mr. Hollenbeck as an effective leader (please refer to reference letters in Appendix A). An estimated 125 agenda items were presented to the Board of Supervisors throughout Mr. Hollenbeck's leadership.

The following summarizes some of the other unique leadership qualities that Mr. Hollenbeck brought to the Nacimiento Water Project – qualities that are directly transferrable to the City's WRF.

- Extensive knowledge and understanding of power consumption given his more than 20 years experience working on hydroelectric projects. This experience lead to Mr. Hollenbeck's decision to recommend an increase in the pipeline diameter for the first nine miles to save on the pumping cost. This decision also reduced the motor size of the first pump station, and has an estimated payback period of 6- to 10-years.

- Effective communicator and frequently invited speaker to community service clubs, including Rotary, Kiwanis, and Lions Clubs – taking the project message to the community. In additional, Mr. Hollenbeck was often sought out by the media for feature articles on the project.

- Participation in the PG&E Program "Savings by Design" which yielded a contribution by PG&E in excess of $350,000 in exchange for energy saving design features incorporated into the project.

- Coordination with the financial team to secure the highest credit rating by demonstrating sound engineering judgment, leadership, and decision making.

- Extensive review of the front-end construction documents to equitably share risk.

- Leadership of an extensive Contractor Outreach program to market the project to construction contractors. The objective was to educate contractors of the project and the fairness of the County's construction documents in an attempt to maximize bidders and increase competition to gain the best bid pricing. The workshops are judged a success as the low bids totaled $12-million under the engineer's estimate.

Other Project Experiences

Mr. Hollenbeck's resume (see Appendix A) highlights projects with management experiences relevant to the City's WRF project. In addition, Mr. Hollenbeck's experiences include:

- Engaged coordination with the operation staff for the initial planning and identification of criteria necessary to meet the future operation needs of a new facility. The operators are who must live with a project once the construction is complete, and Mr. Hollenbeck effectively communicates with the operators to gain their insights and criteria to assure project success.

- Engaged as a participate on several value engineering teams, including: San Vicente Pump Station for San Diego County Water Authority, New Outlet Structure on the Raised San Vicente Dam for the San Diego County Water Authority, and the Wadsworth Pumping Plant and Pressure Control Facility for Diamond Valley Lake for the Metropolitan Water District of Southern California.

- Modified Value Engineering Studies for a raised intake at Morris Dam for the Los Angeles County Department of Public Works, and the Probable Maximum Flood Accommodation Studies for three dams for Wisconsin Power Company.

- Expert in flood hydrology and in hydraulics of both open channel and closed conduits.

- Expert in rotating mechanical equipment (pumps and hydroelectric).

Section 3 – Project Team

John R. Hollenbeck, P.E., Project Manager (Estimated 75% Full Time Equivalent during Planning Phase)
Hollenbeck Consulting | 7343 El Camino Real #195
Atascadero, CA 93422 | (805) 458-7268

Hollenbeck Consulting brings the experience of managing large complex hydraulic structure projects to a public agency that is small and resource-challenged to take on the management of such a large capital project.

Consultants Contacted

Black & Veatch Corp.
Carollo Engineers
Dudek
Lee & Ro
Michael K. Nunley & Assoc.
MWH
Wallace Group

Hollenbeck Consulting coordinated with several consulting firms in preparation for responding to the City's Request for Proposal. One was committed to a team that is proposing on the project (Mr. Nunley) and the others offered reasons for not pursing the endeavor. Black & Veatch indicating an enthusiastic desire to support the project, but deemed their lack of project knowledge and lack of familiarity with the City staff as the reason they would not pursue the work. Consultants with experience and knowledge of the project all indicated they were judged to be disqualified from responding since they had worked on the wastewater project in the past.

As a result, Hollenbeck Consulting is responding to this RFP because of the encouragement received from several individuals, each citing that the City is seeking a strong leader and project manager. The technical expertise needed to complete some of the work during the planning phase services will be acquired as soon as the scope of work is fully established with the City's input. Hollenbeck Consulting is flexible at the choice of subconsultants, and looks forward to discussing this with the City's staff to ascertain their desires and input. At present, Hollenbeck Consulting likely would enter discussions with Black & Veatch if the City had no objection. Black & Veatch is a global leader in wastewater treatment, and have several offices in California. Mr. Jim Clark in the Los Angeles office is a past president of the Water Environment Federation and a near-by resource with Black & Veatch. Locally, they designed the upgrade for the City of Paso's wastewater treatment plant, and they were the designer for the Nacimiento Water Project. Mr. Hollenbeck also worked at Black & Veatch for over 17-years, including 9-years in Los Angeles.

Section 4 – Responsiveness to the RFP

Hollenbeck Consulting believes that the proposal is fully in compliance with all aspects of the City's RFP. The following table is provided for the City's convenience to review and grade that all aspects of the Proposal meets or exceeds the expectations of the reviewer.

ITEM	☑
Submit 10 copies of proposal (13 issued – 3 more to accommodate expanded citizen review panel)	
Cover Letter	
Section 1 – Approach to Work (8 pages discussion and 4 pages figures, maximum) General Management Activities including: ▪ Managing Scope, Schedule and Budget ▪ Work Plan Contingencies ▪ Quality Control ▪ City Staff Needs ▪ Experience and Process of Interaction with Governing Authorities ▪ Communication and Coordination	
Section 2 – Relevant Project Experience	
Section 3 – Project Team	
Section 4 – Responsiveness to the RFP	
Section 5 – Ability to Conform to City Contract	
Section 6 – Submittal Forms ▪ Insurance Certificates ▪ References ▪ Statement of Past Contract Disqualification	
Appendix A – Two Page Resume (additional information provided in the form of reference letters for John Hollenbeck)	
Appendix B – Consultant Services Agreement Review Statement	
Appendix C – Comments Regarding the Consultant Services Agreement	
Appendix D – Consultant's Detailed Scope of Services (as needed) – **None Included**	
Appendix D – Hollenbeck Consulting's 2013 Billing Rate Schedule (Confidential Material)	
Appendix E – Miscellaneous Documents	
Scope of Services (see Section 1)	
Project Team (see Section 3)	
Qualifications (see Section 2)	
Schedule (see Section 1)	
Fee (see Section 1)	

Section 5 – Ability to Conform to City Contract

Hollenbeck Consulting has thoroughly reviewed the City's proposed Consulting Services Agreement and an acknowledgement statement is presented within Appendix B. Our review comments along with suggested modifications are presented within Appendix C. Any article that is not mentioned within Appendix C indicates that Hollenbeck Consulting has no comment on that article.

Section 6 – Submittal Forms

The following forms follow this page:

- Certificate of Insurance.
- References from agencies that have knowledge of John Hollenbeck's management and leadership abilities.
- Statement of Past Contract Disqualification

Regarding the certificate of insurance, the A.M. Best Rating of the two companies that insure Hollenbeck Consulting is absent from the Acord Certificate. The A.M. Best Ratings of these companies are:

- Continental Insurance Company: A – XV
- Beazley Insurance Company, Inc.: A – VIII

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APPENDIX A

Resume and Reference Letters

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Resume

John R. Hollenbeck, P.E.

City of Morro Bay – Project Planning Services for NEW Water Reclamation Facility

HOLLENBECK CONSULTING
7343 EL CAMINO REAL #195
ATASCADERO, CA 93422
JOHNHOLLENBECKPE@GMAIL.COM

Specialization

Water Resources

Management, Planning, Design and Construction of Hydraulic Structures and Civil Infrastructure Projects

CSI Construction Documents

Construction Claims

Liaison with Regulatory Agencies

Hydrologic/Hydraulic Evaluation and Design

Value Engineering

Education

B.S. Civil Engineering, Kansas State University, Manhattan, KS, 1984

M.S. Civil Engineering, Kansas State University, Manhattan, KS, 1986

Professional Registration:

Engineer (PE)

1989 Kansas, No. 11432

1999 California, No. C-59001

Total Years Experience: 27

Employment History:

Hollenbeck Consulting, 2012-present

San Luis Obispo Co., 2005-2012

GEI Consultants, 2003-2005

Black & Veatch Corp., 1986-2003

Professional Associations

ASCE

ASCE Vice President, SLO Branch, 2012-2013

Atascadero Rotary President Elect, 2014-2015

Professional Awards

2011, ASCE, Outstanding Engineer in Government, San Luis Obispo Branch and Los Angeles Section

Introduction

Mr. Hollenbeck is a California and Kansas licensed Civil Engineer with over 27 years' experience in management, planning, design, and construction of hydraulic structures and civil infrastructure projects. He has a strong engineering management and construction methods background. His experience on a variety of hydraulic and civil projects including large raw and potable water pumping plants; raw and potable water pressure control structures, hydroelectric plants; intake structures for both hydroelectric and pumping facilities; large diameter steel pipes, fittings, and tunnel liners; reservoir spillways; discharge channels; watershed hydrology and hydraulic evaluations; and safety inspection of dams and appurtenant structures. He also is experienced in groundwater management and water resource planning and management. Mr. Hollenbeck has also been involved on and facilitated several value engineering teams.

Since locating to California in 1994, Mr. Hollenbeck has served clients from the public works and municipality arena including San Luis Obispo County, Metropolitan Water District of Southern California, Los Angeles County Department of Public Works, Los Angeles City Department of Water and Power, and San Diego County Water Authority. Clients for which he served prior to being located to California include the City of Lake Quivira, Kansas; City Public Service of San Antonio, Texas; City of Denton, Texas; and numerous utility companies in the areas of hydroelectric and dam safety.

Local and Relevant Project Management Projects

Integrated Water Resource Management Plan Update, San Luis Obispo County (subconsultant to GEI Consultants) (ongoing)

Providing local water resources knowledge to the IRWM Plan Update team. Technical Leader for the North Coast Region which includes Los Osos, Morro Bay, Cambria, and San Simeon.

Reconnaissance Level Feasibility Studies, Hydroelectric Energy Recovery at Nacimiento Pipeline Turnout and Reassessment of the Repowering of the Existing Stenner Canyon Hydroelectric Unit on the Salinas Pipeline, both supplying the City of San Luis Obispo Water Treatment Plant (2012-2013)

Feasibility study for the installation of a hydroelectric energy recovery turbine/generator on the water turnout from the Nacimiento Pipeline to the water treatment plant for the City of San Luis Obispo, CA. The hydraulic pressure is presently broken through a series-arrangement of two sleeve valves. This feasibility study evaluates the siting of the unit, estimated capital costs, and economic evaluation.

The Stenner Canyon Hydroelectric unit is an existing horizontal dual-jet Pelton machine connected to the Salinas Pipeline that supplies water to the City's water treatment plant. The new PG&E business tariffs for revenue from hydroelectric generation were incorporated into the existing feasibility studies to reassess the feasibility of repowering the unit which has been idle since 1993.

Nacimiento Water Project, San Luis Obispo County, CA, Energy Evaluation Study for Pumping Plant Peaking (2012)

Developed a spreadsheet program to analyze the "what if before" and "what if after" alternative scenarios for varying pumping conditions during the summer peaking period. The spreadsheet incorporates the hydraulic grade line information, PG&E tariffs, and a one-half hour time step function. The user can see the cost impact from their scenario choices.

Nacimiento Water Project, San Luis Obispo County, CA (2005-2012)

Mr. Hollenbeck served as an at-will employee of San Luis Obispo County, working within the Public Works Department, as the Nacimiento Project Manager for the new $176-million (2007 dollars) raw water conveyance project. He managed the project through the design, bidding, construction, and startup and commissioning phases. Under his leadership the project was completed on-time and $2-million under budget. The project won the Outstanding Civil Engineering Achievement Award for year 2011 with the American Society of Civil Engineers (ASCE) San Luis Obispo Branch and the Los Angeles Section. It won the 2012 Outstanding Water Conveyance Project award from ASCE Region 9, and won a Merit Award from the National ASCE at the 2012 Outstanding Project and Leaders Gala.

Throughout the project, Mr. Hollenbeck was the lead staff for three oversight groups: the Technical Support Group (TSG) comprised of technical staff from each of the five water agencies contracted for participation in the project, the Nacimiento Commission comprised of five elected officials from the water agencies, and the Board of Supervisors comprising of elected officials from the five County districts. Each of these three had various levels of involvement in the project ranging from the smallest of technical detail to the broadest of approval authority over scope, schedule, and budget, and Mr. Hollenbeck's communication skills were responsible for the success of management and coordination of all three groups.

Mr. Hollenbeck procured the professional services of 10 consultants to perform engineering, value engineering, right-of-way, financing, surveying, geotechnical, construction management, and administration. He organized the value engineering team at the 30-percent design level which resulted in projected savings between $12- and $15-million. Mr. Hollenbeck oversaw the development of the construction documents within the CSI format. He worked with County Counsel to produce a set of front end administrative documents to support the management of the five construction contracts having a total construction value of $130-million. During the construction phase Mr. Hollenbeck attended weekly coordination meetings in the field, reviewed and approved all change orders, reviewed potential change orders, participated in mediation to resolve construction claims, organized a dispute review board for one of the construction contracts, provided litigation support to both County Counsel and special outside counsel, provided testimony at depositions, and reviewed and made recommendations on construction claims.

Rancho Penesquitos Pressure Control and Hydroelectric Facility (RPPCHF), San Diego County Water Authority (2002-2003)

Lead Engineer responsible for the 30-percent design of the RPPCHF. The Authority is constructing the Emergency Storage Project to protect their water supply in the event of a major earthquake. The San Vicente Pipeline is a bi-directional pipeline and spans between the Second Aqueduct (Pipeline No. 5) and San Vicente Dam. To control the water in either direction, the RPPCHF was needed. The RPPCHF contains horizontal sleeve valves, and one 4.5 MW horizontal Francis turbine-generator. The SCADA controls are integrated into the Authority's system. Mr. Hollenbeck managed the technical design for the project through the 30-percent. He coordinated with the Authority's operations staff to develop the plant arrangement that meets the hydraulic needs and also meets the long-term needs of the operations staff. He also participated in the value engineering study at the 30-percent completion milestone. The project won the San Diego Section of ASCE Project of the Year award in 2006.

Morris Dam Rehabilitation Project, Los Angeles County Department of Public Works (2000-2003)

Project Manager of this total rehabilitation of the existing equipment and electrical system on this flood control and water conservation project was constructed in the 1930's. The dam is a 245-feet tall concrete gravity dam with a three-bay drum-gate controlled spillway.

The electrical and mechanical systems are original and in needed of replacement. The outlet control valves are needle valves and are water-hydraulic actuated. The new outlet valves will be fixed cone valves electrically actuated. The spillway drum gates leak and needed seal replacement. One gate sticks in a partial up configuration and thus restricts discharge when overtopped. The entire electrical system will be replaced. A new control house will be built at the right abutment near the crest of the dam. A new SCADA system will also be installed.

Project Manager and session facilitator for a modified value engineering study to develop alternatives hydraulic structures to withdrawal water from the lake at elevations higher than the low level outlet pipes. As a result, a cost-effective solution was developed.

ATTACHMENT 3

BOARD OF SUPERVISORS

1055 MONTEREY, ROOM D-430 • SAN LUIS OBISPO, CALIFORNIA 93408-1003 • 805.781.5450

June 14, 2011

FRANK R. MECHAM
SUPERVISOR DISTRICT ONE

To Whom It May Concern:

Please accept this letter of reference and recommendation for Mr. John Hollenbeck.

Over the past five decades, the County of San Luis Obispo has debated the issue of a supplemental water supply. After much study and consideration, a much needed water project was agreed upon by five jurisdictions. The Cities of Paso Robles, Atascadero, San Luis Obispo, the County of San Luis Obispo and Templeton Community Services District came together to fund this long awaited project.

The necessity of hiring a project manager fell to the Nacimiento Water Commission. After reviewing the applicants, Mr. Hollenbeck came away the clear choice. His professionalism and knowledge of all aspects of this major project was evident. He not only brought the $175 million dollar project in ahead of schedule but also brought it in under budget. This was the largest Public Works project in the history of the County.

Having been the former Mayor of Paso Robles and now as the First District Supervisor for San Luis Obispo County, I have been engaged with this project from the start. Mr. Hollenbeck was without question the right man for the job. His engineering and communicative skills as well as his tenacious work ethic established the highest level of confidence by all parties involved.

I can confidently say that Mr. Hollenbeck has been the most highly regarded engineer and project manager I have ever met. In whatever capacity John is assigned you can be confident and assured that you will receive a dedicated and profession approach. I would be more than happy to discuss this recommendation further if necessary.

Respectfully Submitted,

Frank R. Mecham,
Supervisor, First District
San Luis Obispo County

vms

David F. Romero
2057 Skylark Lane
San Luis Obispo, Ca. 93401
March 26, 2011

To Whom It May Concern:

Subject: Reference for John Hollenbeck

I was a member of the Nacimiento Project Commission between 2004 and December 2010, serving as Vice-chair, Chair and Past-chair of the Commission during the construction period of this $176 million project to provide a reliable water supply to communities in northern San Luis Obispo County. I also served as Mayor of the City of San Luis Obispo during 2002-2010.

I was involved with the selection of John Hollenbeck as our project manager beginning April 18, 2005, and as a Commission member worked closely with Mr. Hollenbeck during all phases of the project, including engineering, environmental, permitting, right-of-way, financing, bidding, and construction management during all phases of the job. The project construction was completed in December 2010, on time and approximately $2.5 million under budget.

This was one of the best run projects I have been involved during my 36 years of service as City Engineer/Public Works Director and 16 years on the City Council (8years as Mayor) with the City of San Luis Obispo. Mr. Hollenbeck managed all facets of the work in an outstanding manner, consistently showing excellent judgment, organization and anticipation. He made clear, comprehensive presentations at our many Commission meetings, and was well versed in all facets of the job.

It is indeed unfortunate that our region does not have another major project of equal scope and complication to enable our County to retain Mr. Hollenbeck's exceptional abilities. I am confident Mr. Hollenbeck will provide outstanding service in any project he becomes associated with.

Very truly yours,

David F. Romero

David F. Romero
Nacimiento Project Chair
SLO City Mayor 2002-2010
Cal RCE 10070 Retired

March 29, 2011

SUBJECT: Reference Letter for John R. Hollenbeck, P.E.

To Whom It May Concern:

After a very comprehensive search, I hired John Hollenbeck as the County of San Luis Obispo's Nacimiento Water Project Manager in April, 2005. In my role as the County's Public Works Director, Mr. Hollenbeck reported directly to me until the date of my retirement in January, 2008. Since my retirement, I have continued to closely follow the progress of the Nacimiento Pipeline Construction Project and Mr. Hollenbeck's management of that project.

I understand that since the construction of this project is nearing its very successful completion, and Mr. Hollenbeck's Project Manager position was engaged through a limited term contract specifically for this project, he is now seeking other employment.

In that regard, I am happy to let any prospective employers know how highly I think of his work. The project that he directed was the largest construction project ever undertaken by the San Luis Obispo County Government, and not only involved hundreds of highly technical issues, it was extremely environmentally sensitive. Mr. Hollenbeck's interface between the design and construction management firms, as well as the many environmental agencies, was excellent.

Since the project was being constructed to provide water to various cities and special districts as well as the County, he was required to provide status reports to, and discuss technical alternatives with, key utility managers from each of those agencies. There was never a time when he could not obtain concurrence from those technical committee members.

The project required obtaining $176 million in funding, and Mr. Hollenbeck also provided all required input to the County Finance Managers to aid in those financing efforts.

In summary, John Hollenbeck did an excellent job in his role as the Nacimiento Project Manager. Under his leadership, the complex project was completed on schedule and $2.5 million under budget. I trusted him completely in his role, and he never let me down. I would recommend him for any senior level civil engineering position of significant responsibility. Hiring him would be a very good move on your part.

Sincerely,

Noel King

Noel King
Retired Director of Public Works
County of San Luis Obispo
San Luis Obispo, CA
(805) 543-2481

ATTACHMENT 3

5005 EL CAMINO REAL • P.O. BOX 6075 • ATASCADERO, CA 93423 • (805) 466-2428

Atascadero Mutual Water Company

ESTABLISHED 1913

March 23, 2011

Mr. John Hollenbeck, PE
12100 Cenegal Avenue
Atascadero, CA 93422

Dear John,

This letter is to personally express my appreciation for your five years of dedicated service in leading the design and construction of the Nacimiento Water Project (NWP). It was primarily through your efforts that the largest public improvement project in the history of San Luis Obispo County was constructed on time and under budget.

Throughout design of the NWP, you used your expertise and leveraged the expertise of others to find creative ways to keep project costs in line with preliminary estimates. Due to the robust economy at the time the project was advertised, the bidding climate was not favorable to the project participants. However, you were able to develop an innovative approach of promoting and bidding the project that attracted multiple specialty contractors, which increased competition and reduced project costs. Because of your efforts, reasonable bids were submitted and none of the project participants exercised its option to opt-out of the project allowing it to move forward.

John, it was a great pleasure to work with you over the past five years. I will miss your direct, no nonsense approach to solving problems; your willingness to receive input from others; your ability to get diverse groups with varying interests to constructively work together; and your ability to effectively promote your position. Project managers and engineers like you are a rarity, and I have grown both professionally and personally through our relationship. I wish you all the best in all of your future endeavors. Please feel free to list me as a reference and share my contact information with prospective employers.

Respectfully yours,

John B. Neil, PE
General Manager

David L. Brooks
1740 Sandalwood Lane
Templeton, CA 93465-4513
(805)434-9671

email cdrdave7680@att.net

March 26, 2011

To Whom It May Concern:

As one of five Nacimiento Water Project Commissioners, representing the five project participants, we were charged with overseeing the construction and then operation of a new water distribution system. The project objective was to provide a reliable supplemental water source for a variety of uses within San Luis Obispo County. To do this required approximately 45 miles of pipeline and a multiport intake facility and pump station. Also two intermediate pump stations, three storage tanks, and a SCADA system with a centralized control center.

Under the direction of the San Luis Obispo County Flood Control & Water Conservation District, a Project Manager was recruited and after a complete review of applicants and serious background checks, the most qualified, Mr. John R. Hollenbeck, P.E., was hired in 2005 to manage the Project through several professional service contracts to design, environmental permitting, financial, construction management, right of way, and administration.

This Project became the largest public works ever undertaken by the County with a budget of $176-million. As the Project Manager John Hollenbeck provided unique leadership, directing the bidding and reviewing qualifications of the five successful bidding contractors and then working with each to ensure timely and cooperative scheduling. He was able to overcome many problems, emergencies and bureaucratic red tape and completed the construction of the Project Infrastructure ahead of schedule and under budget.

Each of the many Commission Meetings were well organized and material concisely presented to the Commissioners and Public in attendance. My last year on the Commission, was in 2010 serving in the position of Chairman. It was a pleasure to work with John Hollenbeck as he proved himself to be competent and a professional in his dealings with the Commission, Contractors, Public and News Media.

As the construction phase of this Project is now completed and the operational phase has begun, John Hollenbeck is finishing his employment contract and is seeking to continue his professional career with another challenging endeavor.

From my experience working with him on this large water project, it is my recommendation, without reservation, that he would be an excellent choice for employment in any engineering position for which he might submit his application.

If I may provide any additional information, please contact me at my above address or by telephone, (805) 434-9671.

Sincerely,

David L. Brooks
Former Nacimiento Project
Commissioner & Chairman

April 7, 2011

John E. Moss
5020 Ardilla Ave.
Atascadero, Ca. 93422
(805) 466-7494

SUBJECT: Letter of Reference for Mr. John Hollenbeck, P.E.

I am pleased to provide this letter of reference for Mr. John Hollenbeck, P.E. I have known Mr. Hollenbeck for 6 years both professionally and personally and have found him to be of the highest caliber.

As Director of the Utilities Department for the City of San Luis Obispo, I represented one of several agencies involved in the development of the Nacimiento Pipeline Project. Mr. Hollenbeck came to the Project to serve as Project Manager in April of 2005 and in my opinion was the key individual in ensuring the project's successful completion. Mr. Hollenbeck was charged with leading the design and construction phases of the project, which included public information, engineering, permitting, right of way acquisition financing, bidding, construction management and construction. Mr. Hollenbeck effectively managed a team of consultants from the above disciplines with knowledge and competence through all phases of the project's design and construction.

Mr. Hollenbeck also served as the project lead and management liaison to the Nacimiento Project Commission, made up of political representatives from each of the participating agencies, and the Nacimiento Technical Advisory Committee, consisting of lead staff from each participating agency. In his capacity as Project Manager, Mr. Hollenbeck inspired confidence in the project's feasibility, and facilitated the cooperation between the agencies required to keep the project moving forward. His prior experience and expertise in large water project development and his love and commitment to his work were evident throughout the project and key to the project's successful completion on time and under budget. Suffice it to say that I feel Mr. Hollenbeck to have been the primary individual responsible for the successful completion of this politically and technically challenging project.

I can wholeheartedly attest to Mr. Hollenbeck's ability as an engineer and manager, and to his integrity as an individual. If you are considering Mr. Hollenbeck for employment with your agency I would be pleased to discuss his qualifications, based on my experience with him, at your convenience.

Sincerely,

John E. Moss
City of San Luis Obispo, Utilities Director (retired)

ATTACHMENT 3

City of San Luis Obispo
879 Morro Street • San Luis Obispo, CA 93401

March 28, 2011

Subject: Reference for Mr. John R. Hollenbeck, P.E.

To Whom It May Concern:

I would like to take this opportunity to highlight my working relationship with Mr. John R. Hollenbeck, P.E. relative to the Nacimiento Project in the County of San Luis Obispo. As Deputy Director of Utilities for the City of San Luis Obispo, I have been involved with the Nacimiento Project for the past 18 years from preliminary studies through design and construction. The project involved delivering water to multiple agencies within San Luis Obispo County via 45 miles of conveyance facilities.

I have been involved in numerous large construction projects over my twenty-seven year career and, without a doubt, a water supply project of this magnitude faced many technical as well as political challenges that could have impacted the successful completion of the project.

John Hollenbeck was hired as the Nacimiento Project Manager on April 18, 2005 during the design phase of the project. With Mr. Hollenbeck's extensive background in major water resource projects, he brought a wealth of experience to the project team that resulted in improvements to the overall design as well as reduction of project costs.

The Project bids came in under the engineer's estimate which was a significant political hurdle to overcome since the Project partners had an option to back out of the Project if bids came in higher than estimated. This was one of many political challenges that Mr. Hollenbeck helped the project team navigate through.

The Project budget was established at $176 million dollars, which included five construction contracts, as well as numerous consultant contracts for construction management, environmental oversight, property acquisition, etc. The multi-year construction schedule was originally established for water deliveries to commence by December 2010.

Mr. Hollenbeck's oversight and guidance of the various aspects of the project saw project construction completed near the end of December 2010 and actual water deliveries to the City of San Luis Obispo's Water Treatment Plant began in early January of 2011. The project construction contracts are still not fully closed out but at this point the project is

The City of San Luis Obispo is committed to include the disabled in all of its services, programs and activities.
Telecommunications Device for the Deaf (805) 781-7410

under budget by approximately $2.5 million. This is a testament to Mr. Hollenbeck's involvement as Project Manager.

In closing, there is no doubt that this project would not have been as successful without the leadership shown by Mr. Hollenbeck. He has extremely strong construction management and technical experience but what sets him apart from most engineers is his understanding and experience with the political issues that often impact water resource projects of this magnitude.

I would highly recommend Mr. Hollenbeck for your consideration for projects that require an engineer with his background and experience. I would be happy to provide further input relative to my working relationship with Mr. Hollenbeck on this Project.

Feel free to contact me by email (ghenderson@slocity.org) or phone call (805-781-7237).

Gary has since retired. He can be reached at (805) 773-3802, or at surf-ski@att.net.

Sincerely,

Gary W. Henderson, P.E.
Deputy Director of Utilities – Water

ATTACHMENT 3

County of San Luis Obispo, California

RESOLUTION RECOGNIZING THE DEDICATION OF JOHN R. HOLLENBECK, P.E., FOR LEADERSHIP DURING THE DESIGN AND CONSTRUCTION OF THE NACIMIENTO WATER PROJECT

WHEREAS, in 2004, after nearly five decades of uncertainty, trials and tribulations, and prior considerations, the Board of Supervisors ("Board"), acting on behalf of the San Luis Obispo County Flood Control and Water Conservation District ("District"), certified the Environmental Impact Report for the Nacimiento Water Project ("Project") and executed Water Delivery Entitlement Contracts with the Cities of Paso Robles and San Luis Obispo, the Templeton Community Services District and the Atascadero Mutual Water Company to implement the Project; and

WHEREAS, while embarking on the single-largest locally developed and funded Public Works Project in the County's history, and a vital source of the region's long-term water supply, the District realized its need for a specialized recruitment for a Project Manager; and,

WHEREAS, the District hired, John R. Hollenbeck, P.E., on April 18, 2005, to carry out the challenging task of Project implementation and to develop positive working relationships with the Nacimiento Project Commission and the Participant agencies; and

WHEREAS, John drew together and managed a dedicated team of District staff and professional service consultants—maximizing resources and moving the Project forward; and

WHEREAS, John drove the Project forward through the design phase, overcoming such obstacles as determining the system capacity and finalizing the Project's involved route—wrapping through military land, under riverbeds, and through local communities; and

WHEREAS, in conjunction with the design phase, John and his team worked closely with resource agencies to execute and adhere to all necessary permits, including some of the more complex requirements, such as those associated with the United States Army Corps of Engineers' permit, and Department of the Army's easement rights and restrictions; and

WHEREAS, John advanced the Project through the five exciting and weighty bid openings, and into the construction phase which, led by John's steady eye on major milestones, moved through a host of achievements until its successful completion of startup and testing on January 7, 2011; and

WHEREAS, John provided mentorship throughout the growth of the Project while responding to several challenges, and tragedies that saddened all; and

WHEREAS, John's detailed nature, strong technical background, and teamwork were instrumental in keeping the project on budget and on schedule.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the San Luis Obispo County Flood Control and Water Conservation District, State of California, that we hereby express our utmost appreciation to John R. Hollenbeck, P.E., for his dedication and leadership during the design, construction, and startup of the Nacimiento Water Project.

County Clerk

Supervisor 1st District

Supervisor 2nd District

Supervisor 3rd District

Supervisor 4th District

Supervisor 5th District

APPENDIX B

Consultant Services Agreement Review Statement

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ATTACHMENT 3

HOLLENBECK CONSULTING *ESTABLISHED 2012*
SPECIALIZING IN PROJECT AND CONSTRUCTION MANAGEMENT, HYDRAULIC STRUCTURES, AND WATER RESOURCES
7343 EL CAMINO REAL #195, ATASCADERO, CA 93422 (805) 458-7268

April 12, 2013
Pursuit File No.: 902013-003

City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

SUBJECT: Statement Confirming Review of the Consultant Services Agreement RFP for Project Planning Services for NEW Water Reclamation Facility

Dear Sir or Madam:

Hollenbeck Consulting is providing a proposal to the City for the subject RFP. This letter is provided within Appendix B of said proposal as confirmation that Hollenbeck Consulting has reviewed the proposed Consultant Services Agreement provided as an attachment to the City's RFP. Hollenbeck Consultant is providing any comments to the proposed agreement within Appendix C of our proposal.

Sincerely,

JOHN R. HOLLENBECK
A Sole-Proprietor

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APPENDIX C

Comments Regarding the Consultant Services Agreement

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Appendix C – Agreement Comments

Hollenbeck Consulting requests that the City consider the following comments on the Consultant Services Agreement (Agreement) included with the RFP:

- First Paragraph: Suggest the paragraph be revised as follows:

  This Consultant Services Agreement ("Agreement") is a professional service contract made upon the date of execution, for design professional services as set forth below, by and between John R. Hollenbeck d.b.a. Hollenbeck Consulting, a sole-proprietor design professional (hereinafter referred to as "**CONSULTANT**"), and the **CITY OF MORRO BAY**, a California Municipal Corporation (hereinafter referred to as "**CITY**").

- Paragraph B: Suggest the paragraph be revised as follows:

  CITY desires to engage **CONSULTANT** to perform the services described herein below for the NEW Water Reclamation Facility (hereinafter referred to as "Project"); and

- **Article 2.08 Indemnification:** The language within the proposed Agreement appears to not be a part of the City's standard agreement but may have been taken from another agreement because the use of the word "District" is presented throughout the article. Hollenbeck Consulting would appreciate the City's consideration of the following language in lieu of Article 2.08 presented in the proposed Agreement:

  2.08 Indemnification, Limitation of CONSULTANT'S Liability, Percentage Share of Negligence, and Mutual Waiver

  Any subconsultant agreement in excess of $25,000 entered into by **CONSULTANT** relating to this Agreement shall incorporate all the provisions in this Agreement and shall require the subconsultant to comply with the indemnification requirements contained in this Article.

  (a) Indemnification by **CONSULTANT**: To the fullest extent permitted by California Civil Code Section 2782.8 and any other applicable law, **CONSULTANT** shall indemnify and hold harmless **CITY**, and **CITY'S** officers, directors, members, partners, agents, consultants, and employees from reasonable claims, costs, losses, and damages arising out of or relating to the Project, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, but only to the extent caused by any negligence, recklessness, or willful misconduct of **CONSULTANT** or **CONSULTANT'S** officers, directors, members, partners, agents, employees, or subconsultants.

  (b) Indemnification by **CITY**: To the fullest extent permitted by law, **CITY** shall indemnify and hold harmless **CONSULTANT** and its officers, directors, members, partners, agents, employees, and subconsultants from and against any and all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the Project, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death or to injury to or destruction of tangible property but only to the extent caused by any negligence, recklessness, or willful misconduct of **CITY** or **CITY'S** officers, directors, members, partners, agents, employees, consultants, or others retained by or under contract to the **CITY** with respect to this Agreement or to the Project.

(c) Limitations of **CONSULTANT'S** Liability: This indemnification provision is subject to the limitations as provided by State Statute, and furthermore, the total liability, in the aggregate, of the **CONSULTANT** and **CONSULTANT'S** officers, directors, members, partners, agents, employees, and subconsultants, to the **CITY** and anyone claiming by, through, or under **CITY** for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from, or in any way related to the Project of the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, breach of contract, indemnity obligations, or warranty express or implied of **CONSULTANT** or **CONSULTANT'S** officers, directors, members, partners, agents, employees, or subconsultants, shall not exceed the **CONSULTANT'S** Professional Liability coverage equal to $1,000,000 provided for under this Agreement.

(d) Percentage Share of Negligence: To the fullest extent permitted by law, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damages caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, shall not exceed the percentage share that the party's negligence bears to the total negligence of **CITY**, **CONSULTANT**, and all other negligent entities and individuals.

(e) Mutual Waiver: To the fullest extent permitted by law, **CITY** and **CONSULTANT** waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.

- **Article 10.05 TIME FOR PERFORMANCE:** Hollenbeck Consulting ask that the City consider adding the following to the end of this Article:

(a) Conditions Beyond the Control of the **CONSULTANT**: The **CITY** recognizes that in the course of completing the services under this agreement, the **CONSULTANT** may encounter conditions which are beyond the control of the **CONSULTANT** and which create potential for claims against and additional costs to the **CONSULTANT** which are not covered in fees earned for the design professional services provided. This category includes, but is not limited to the following:

- Changed codes, standards, and/or regulatory requirements during the course of the work.
- Information provided by others which is not accurate or complete.
- Regulatory agencies responsible for issuing permits either delay the issuance of the permit, require additional work prior to consideration of the permit application, or other delays that affect the performance of the design professional services which impact the progression of the Project.
- Conditions that may arise and differ significantly from those existing at the beginning of the Project.

Should any such condition occur during the performance of this Agreement, judged to be beyond the control of the **CONSULTANT**, the **CONSULTANT** will promptly notify the **CITY**, and the parties will renegotiate the Agreement. If terms cannot be agreed to, the parties agree that either party has the right to terminate the Agreement. The **CITY** agrees to compensate the **CONSULTANT** for any time spent and expenses incurred by the **CONSULTANT** in defense of any

such claim with such compensation to be based upon the **CONSULTANT'S** prevailing fee schedule and expense reimbursement policy.

- **Article 10.11 TIME:** Hollenbeck Consulting judges that the provisions of Government Code Section 53069.85 are applicable to construction related endeavors whereas this Agreement is for design professional services associated with the planning of the New Water Reclamation Facility, and that the provision of said code section are not applicable for the proposed design professional services. Hollenbeck Consulting requests that this Article be replaced with the following language:

  Article 10.11 TIME: No work shall be commenced prior to **CONSULTANT'S** receipt of the **CITY'S** Notice to Proceed. **CONSULTANT** shall submit no later than 14 calendar days after issue of the Notice to Proceed a Project schedule that illustrates execution of the scope of work described in Exhibit "A".

  All work shall be completed no later than [enter dated agreed by both parties], provided, however, that extensions of time may be granted in writing by the Contract Manager, which said extensions of time, if any, shall be granted only for reasons attributable to inclement weather, acts of God, or for other cause determined in the sole discretion of the Contract Manager to be good and sufficient cause for such extensions.

- **Exhibit C INSURANCE REQUIREMENTS:** Hollenbeck Consulting requests the following changes:

  - Commercial General Liability Insurance: Hollenbeck Consulting requests that the policy limit be $1,000,000 per occurrence. We currently have a $1-million policy.

  - Business Automobile Coverage: Hollenbeck Consulting requests that the policy limit be $1,000,000 per occurrence. We currently have a $1-million policy.

  - Workers Compensation: Hollenbeck Consulting, which has only one employee and is not required by State law to carry Workers' Compensation Insurance, requests that the language at the bottom of page 33 for Workers Compensation be changed to:

    Workers' Compensation Insurance: In accordance with the provision of Labor Code Section 3700, **CONSULTANT**, if **CONSULTANT** has any employees, is required to be insured against liability for Workers' Compensation or to undertake self-insurance. **CONSULTANT** agrees to comply with such provisions before commencing the performance of the work of this Agreement.

Hollenbeck Consulting's billing rate structure is based on premium costs for insurance coverages described above, and asks that the City consider the reductions in policy limits based on that consideration along with the level of liability risk (which Hollenbeck Consulting judges as low) for the design professional services associated with the planning effort for the New Water Reclamation Facility.

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APPENDIX D

Hollenbeck Consulting's 2013 Billing Rate Schedule (CONFIDENTIAL MATERIAL)

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HOLLENBECK CONSULTING *ESTABLISHED 2012*
SPECIALIZING IN PROJECT AND CONSTRUCTION MANAGEMENT, HYDRAULIC STRUCTURES, AND WATER RESOURCES
7343 EL CAMINO REAL #195, ATASCADERO, CA 93422 (805) 458-7268

CONFIDENTIAL

2013 Billing Rate and Compensation Terms

(Effective through December 31, 2013. Subject to increase thereafter)

Invoicing Terms

Hollenbeck Consulting will invoice the client at the beginning of each month for services provided in the preceding month. Invoices will be sent via U.S. Mail to the client's address and person responsible for receiving and processing the invoice. Hollenbeck Consulting realizes that the client needs time to review and approve invoices, and to make notification if all or part of the invoice is disputed; however, the undisputed portion of any invoice is requested to be paid within 30-days of the date the invoice is received in the client's office.

The invoicing will be based on the following rates for labor and expenses.

Labor Rates

The labor rate for Mr. Hollenbeck is $175 per hour. This rate is in effect through the date given hereinabove, and is subject to increase if the services are extended beyond that date.

Currently Hollenbeck Consulting does not have any other employees. Once employees are hired, this billing rate sheet will be modified and forwarded to the client.

Other Direct Costs (Expenses)

Other direct costs (ODC) will be invoiced as follows:

- A communication fee of three-percent of the total monthly labor costs. The communication fee includes costs for computers and computer support, cell phones, land lines, and internet service providers.
- Non-routine business costs will be invoiced at cost plus 10-percent. Non-routine business costs include subconsultants, mass production of reports by a professional reproduction company, large-format reproductions, burning of CD's or DVD's by a reproduction company, ordering of reference documents to support the project, and other business expenses.
- Routine business costs will not be invoiced, but are assumed within the labor billing rate. Examples of routine business costs are pencils, pens, paper, etc.
- Mileage will be invoiced at the current IRS standard mileage rate for business miles driven (currently $0.565 per mile), and subject to change when changed by the IRS.

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APPENDIX E

Miscellaneous Documents

"How a Small Agency Manages a Mega Pipeline Project – A Success Story", Hollenbeck, J. R. and Trott. T. C., ASCE International Pipelines Conference, 2008.

Request for Proposal, Project Planning Services NEW Water Reclamation Facility (through page 12), City of Morro Bay, March 18, 2013, and Addendum No. 1, April 10, 2013.

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ATTACHMENT 3

HOW A SMALL AGENCY MANAGES A MEGA PIPELINE PROJECT

A SUCCESS STORY

SAN LUIS OBISPO COUNTY

JOHN R. HOLLENBECK, P.E.
THOMAS C. TROTT, P.E.

FLOOD CONTROL & WATER CONSERVATION DISTRICT

PRESENTED AT

ASCE INTERNATIONAL PIPELINES CONFERENCE 2008
ATLANTA, GEORGIA
JULY 25, 2008

Authors

John R. Hollenbeck, P.E.[1], is the Nacimiento Project Manager within the Public Works Department of San Luis Obispo County, California. He is the full-time manager of the project through the design, bidding and construction phases. Mr. Hollenbeck has been engaged in the evaluation, design, and construction management for hydraulic structures since graduating from Kansas State University with a B.S. and a M.S. degree in Civil Engineering in 1984 and 1986, respectively.

Thomas C. Trott, P.E.[2], is the Nacimiento Project Engineer witin the Public Works Department of San Luis Obispo County, California. He works full-time to assisst the management of the Nacimiento Water Project through its design, bidding and construction phases. Mr. Trott recieved his B.S. degree in Civil Engineering in 2003 from California Polytechnic State University, San Luis Obispo. He has experience in design and construction of a variety of facilities including roadways, sewer systems, storm water systems and water supply systems.

[1] in Kansas and California
[2] in California
© American Society of Civil Engineers

How a Small Agency Manages a Mega Pipeline Project – A Success Story

John R. Hollenbeck, P.E. and Thomas C. Trott, P.E.

ABSTRACT

Infrastructure projects designed to meet the growing demands of a water district do not need to be limited in size just because a small public agency manages the district. Case history of the Nacimiento Water Project proves this point.

The Nacimiento Water Project (Project) consists of a sloping multi-port intake facility and pump station, two intermediate pump stations, three storage tanks, control center, and approximately 45 miles of transmission pipeline ranging in diameter from 36-inches to 12-inches, with the goal of delivering 15,750 acre-feet of raw water to communities spread across the county. The $176-million Project is owned, managed, and will be operated by the San Luis Obispo County Flood Control and Water Conservation District (District) located within the central coast of California, and is staffed full-time by only two county employees. Despite limited management resources, the District has produced a pipeline project that will successfully meet the growing water demands of San Luis Obispo County.

This paper discusses the District's undertaking of the Project. Specifically addressed is how the District made this regional Project successful by overcoming existing political obstacles and mending community relationships, recognizing its limitations as a small agency, establishing strategies and setting goals, staffing the Project with an "army" of consultants, attending to the details of design through pipeline optimization and value engineering, and positioning the Project for successful bidding and bond financing.

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How a Small Agency Manages a Mega Pipeline Project – A Success Story

John R. Hollenbeck, P.E. and Thomas C. Trott, P.E.

Project Background

Nacimiento Reservoir

Nacimiento Reservoir is located entirely within San Luis Obispo County, California (County), just south of the Monterey County border. It was built by Monterey County Flood Control and Water Conservation District (now Monterey County Water Resources Agency) in 1957 for the purposes of abating seawater intrusion in the groundwater aquifers of the Salinas River Valley. The reservoir has a storage capacity of 377,900 acre-feet and is owned and operated by Monterey County Water Resources Agency.

District's Water Rights

In 1959, the District entered into an agreement with Monterey County Flood Control and Water Conservation District to secure rights to 17,500 acre-feet of water per year from Nacimiento Reservoir. At the time of this agreement, the District was merely planning for future water demands and had no feasible means of accessing or distributing this entitlement. The District contemplated and proposed means and methods of utilizing this water entitlement at various times over the following 40 years, but none came to fruition. The County experienced a severe drought in the late 1980's and early 1990's which significantly stressed the primary water supply (mainly groundwater) for both municipalities and agricultural businesses. The District began another series of studies in the mid-1990's to distribute Nacimiento water within the County as a supplemental water supply. This time, the participating water agencies realized the time had come for Nacimiento water to be the next affordable water resource within their water portfolio.

Nacimiento Water Project

The District's Board of Supervisors approved the Final Environmental Impact Report for the Project in January 2004. This approval directed District staff to move forward with executing agreements with local agencies, perrnitting, designing, financing, constructing and operating the Project.

The Project is a raw water transmission facility created to deliver 15,750 acre-feet of water per year from Nacimiento Reservoir to various communities within the County. The rest of the District's entitlement (1,750 acre-feet) is left in the Reservoir for lakeside use. The Project generally consists of a multi-port intake structure, three pump stations, three storage tanks, 45 miles of pipeline, four turnouts, a control center, and a Supervisory Control and Data Acquisition (SCADA) and Project control system. Its

estimated cost is $176-million, including design, construction, construction management, environmental permitting, and right-of-way. Four initial participants – City of Paso Robles, Templeton Community Services District, Atascadero Mutual Water Company, and City of San Luis Obispo – executed an agreement with the District to fund the design phase of the Project in August 2005, and a fifth new participant, San Luis Obispo County Service Area 10-A, entered into an agreement in October 2006. All agencies are collectively referred to as Participants.

Measures of Success

Project success is measured by the District's ability to attain and maintain the financial support of communities within the County. Without such support, the Project could not exist. In fact, lack of community financial support is the main reason the Project took nearly a half-century to officially commence. If the District could not present and maintain a financially viable Project to the Participants, the Project would not be built, just as it had not been built in the past. The District had to focus its resources on managing the Project's budget to attain success; thus, the District's priority became the details of the Project's design and bidding phases.

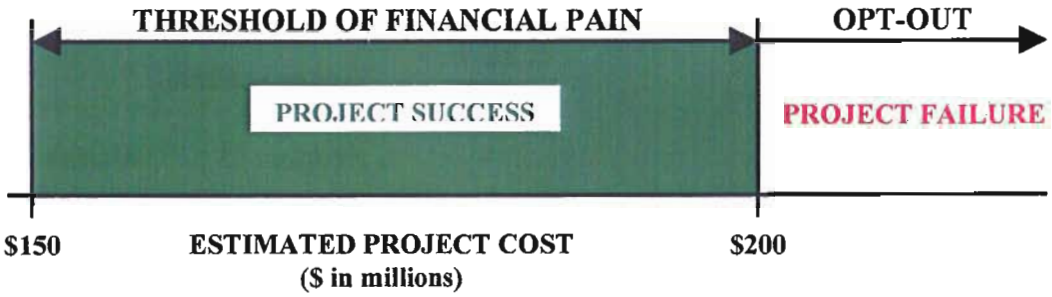
Water Delivery Entitlement Contracts and Opt-Out Period

At the onset of the Project, the District presented the Project to various communities in the County. Most communities evaluated the Project seriously, since the District's Nacimiento water rights had become the next feasible water resource for the County; however, all communities had concerns with the Project's preliminary estimated cost of $150-million. Interested communities wanted assurance that the Project's cost estimate was accurate and that they were not binding themselves to an open-ended budget. As a result, an opt-out period was placed in the Participants water delivery entitlement contracts, which gave participants the option of backing out of their contract within 30 days after 50 percent of the estimated construction value of the Project had been bid. In other words, if contractor bids came in too high, the Participants had the option to back out of their commitment to participate in the Project. This strategy provided a level of comfort to the Participants who executed water entitlement contracts with the District. Any Participant who chose to opt-out would forfeit their initial investment during the design phase. The design phase budget was $18.9-million and included environmental permitting, right-of-way, design, initial construction management review, and District administration.

Threshold of Financial Pain

With the opt-out period in place and a preliminary budget of $150-million, the District's first Project objective was to find out the limits of the Participants' "threshold of financial pain" (see Figure 1). In other words, the District understood the

Figure 1. Threshold of Financial Pain



challenge that a project of this magnitude could be designed, permitted, managed, and completed within a budget of $150-million and needed to know the upper Project cost limit that the Participants would allow before they would decide to opt-out of their water delivery entitlement contracts.

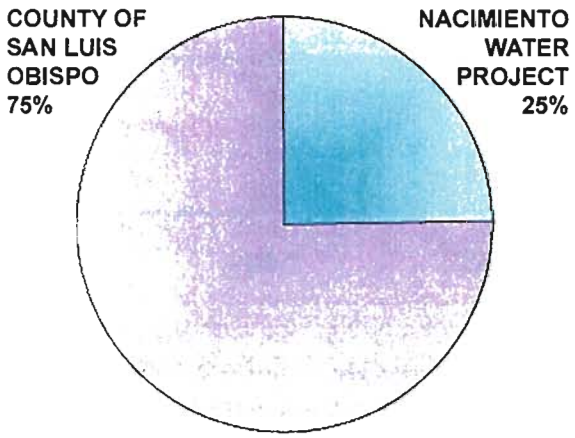
Discussion with the Participants led to a vague conclusion of an upper Project cost limit of $200-million. As long as the District could keep Project costs below $200-million, or within the "threshold of financial pain," the District believed that none of the Participants would opt-out and the Project would move forward to construction. The success of the Project hinged on the District's ability to manage the Project's budget within this threshold of financial pain.

Preliminary Project Planning

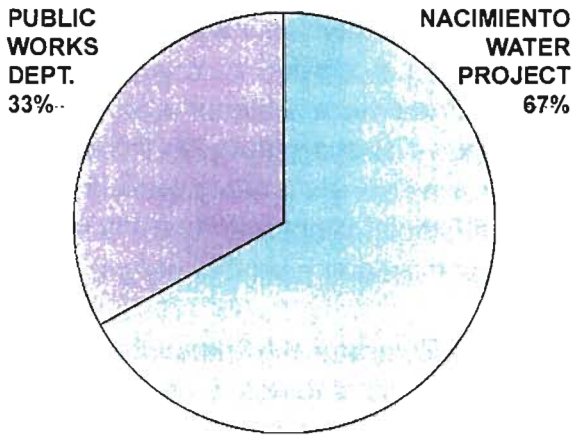
Recognizing the Limitations of the District

The District is a pseudo government organization created by California State legislation in 1945. It is governed by the same County Board of Supervisors acting on behalf of the District and supported by the County's Public Works Department (Public Works). Full-time staff members do not exist at the District. Staff support for the District comes from Public Works' engineering and accounting divisions and from the County Counsel office. Public Works is not staffed to support such a large one-time endeavor such as this Project. The magnitude of Project cost alone is nearly six times greater than any past District project and nearly five times greater than any past County project.

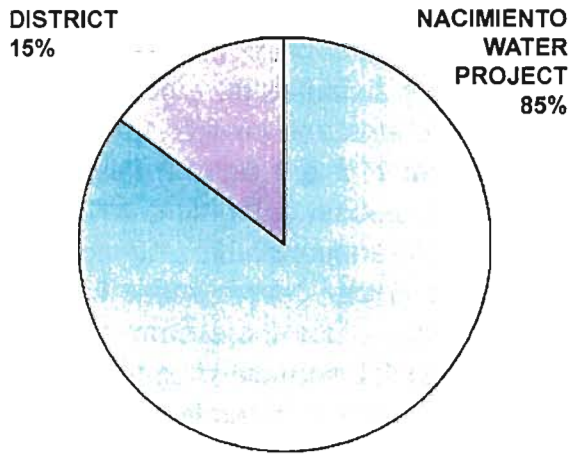
Figure 2 illustrates the financial magnitude of the Project (design and construction phases) compared to the annual internal budgets of the County. The Project makes up 25 percent of the entire annual County budget, including budgets for departments such as public works, sheriff, assessor, public health, regional transit, schools, courts and others. It makes up 67 percent of the annual Public Works budget, including budgets for divisions such as transportation, maintenance, design, utilities, development services, and others. Since the District manages the Project, the financial magnitude of the Project is most accurately conveyed as 85 percent of the District's entire annual budget. Public works realized early-on that the mega Project would have to be staffed and managed differently than



ANNUAL COUNTY BUDGET PERCENTAGE



ANNUAL PUBLIC WORKS BUDGET PERCENTAGE



ANNUAL DISTRICT BUDGET PERCENTAGE

Figure 2.
Project's Internal Financial Comparison

their other capital improvement projects.

Organization

Figure 3 illustrates the Project's organization and more detailed discussion of each component follows.

Nacimiento Project Commission. The first step in setting up a successful project organization structure is to establish a governing body that will guide the development of the project. District projects are normally governed by its Board of Supervisors; however, in order to maintain the comfort level of the Participants throughout the Project and to minimize the chances of opt-out, the District established a governing body that represented both the District and the Participants – the Nacimiento Water Commission (Commission). The Commission's membership consists of one commissioner representing each of the four initial Participants and a member from the District's Board of Supervisors. Duties of the Commission include review and approval of all substantive matters pertaining to construction and operation of the Project, including the annual budget. Any action required by the District's Board of Supervisors was first presented to the Commission for their support.

Nacimiento Project Manager. As Public Works began to strategize about establishing a successful Project organization structure, it immediately recognized the need for an experienced, full-time project manager that could effectively guide the Project into

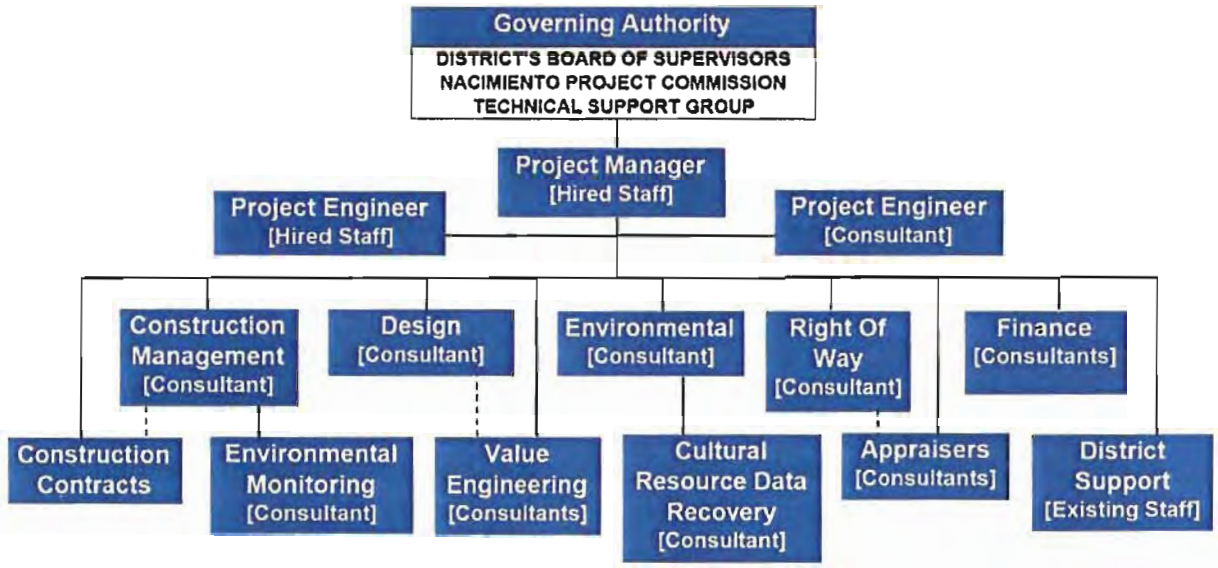


Figure 3. Project Organization Chart

completion while maintaining control of the budget. Public Works recommended to the Commission and the District's Board of Supervisors that the project manager be a contract employee position to assure that the duties being performed would not encounter conflicts with other clients or projects, which can occur when consulting forces are utilized to manage projects. The District, through an ordinance, added the Nacimiento Project Manager to the unclassified civil service system. The District advertised the position seeking an experienced registered civil engineer, or closely related field, and hired the project manager in April 2005. The successful candidate had 20-years experience leading design and managing hydraulic structure projects, and significant experience writing reports and making verbal presentations.

Technical Support Group. Led by the Nacimiento Project Manager, this Project established a Technical Support Group (TSG) that met monthly to review technical Project issues and to propose and prepare policy matters to be presented to the Commission. The TSG was supplemented by senior members of the engineering design team and a hired consultant serving as project engineer. The TSG provided valuable input to decisions made throughout the Project, and served as a link between the District and Commission.

Army of Consultants. The management and leadership structure was completed with the hiring of the Nacimiento Project Manager, and the next step was to assemble the remaining organization, informally known as the "army of consultants." The professional services needed to complete the organization is all available within Public Works;

however, as can be seen in Figure 2, this single Project accounts for 67-percent of the Public Works entire annual budget. Public Works staff are essentially fully allocated to their normal duties and could only provide part-time support; therefore, a team of consultants were hired to provide the following services:

- Management – Project Engineer (half-time) and student interns (part-time)
- Financial Services
- Right-of-Way Acquisition
- Right-of-Way Support (legal, appraisals)
- Engineering
- Environmental Permitting and Compliance
- Construction Management

Consultants working close with the District leadership are an efficient and effective extension of the District's limited staff.

Design Phase

Budget Management through Smart Design

Pipe Downsizing. Throughout the design phase, the District continually evaluated the Project's design in search of ways to save cost and avoid Participant opt-out. As a result, the District discovered ideas that may not have been identified otherwise. One example of this is pipe downsizing. The original Project design contemplated delivery of all reserve capacity (water not yet entitled to any Participant) to the south end of the 45-mile pipeline. Research revealed that there was a much higher probability that a large portion of the reserve capacity would be distributed to communities along the northern stretches of the pipeline. This knowledge initiated the redesign of the Project so that pipe diameter decreased as it proceeded south, saving the Project an estimated $9-million.

Value Engineering. The District assembled a value engineering team to evaluate the Project's design with the purpose of identifying design changes that could save the Project money. The team consisted of engineers, hand-picked by the Nacimimiento Project Manager, possessing experience in hydraulic projects similar to the Project. In order to discover and implement cost-saving design ideas without adding significant cost and time to the design, the District decided that the value engineering team would best serve its purpose at the 30 percent design submittal. The District also instructed its design team to prepare a preliminary design report to communicate design details and strategies to the value engineering team in an effective manner. These District actions helped maximize the success of the value engineering process.

Both the value engineering team and the design team participated in the value engineering session. The session cost the District nearly $66,000 and resulted in the generation of multiple cost-saving design suggestions. Fifty-two individual proposals were formulated during the value engineering session and, of those, four were implemented into the final

design, producing an estimated capital savings between $12- and $15-million.

Positioning the Project for the Most Favorable Bids

Contractor Outreach and Workshops. The District recognized that it could minimize Project costs by ensuring that a high number of contractors bid on the Project (the greater the competition, the lower the bids). To do this, the District developed and conducted a contractor outreach strategy during the Project's design phase. As the first step of this strategy, the District developed a list of general contractors located in the western United States that have performed work similar to that proposed by the Project. Each contractor was contacted and informed of the Project to determine which contractors expressed interest in the Project.

After contacting each contractor, the District held three contractor workshops to outreach to contractors before the District made an official call for bids. These workshops introduced all interested contractors to the Project with the purpose of building and maintaining contractor interest and, thus, increasing the number of contractors that would bid on the Project. In order to maximize contractor attendance, the District made workshop participation available via the internet. The workshops gave contractors an opportunity to provide input and feedback on the Project prior to the completion of design and specifications, allowing the District to implement contractor suggestions that would position the District to receive favorable Project bids.

Front-End Specifications. Bid prices for construction make up the majority of a project's budget. Because costs of construction and materials carry the most weight in these prices, agencies often overlook the price impacts created by the contractual front-end specifications. The amount of risk that the front-end specifications place on the contractor and the lack of clarity within them can also negatively impact bid prices with the contractor adding significant contingency monies to their bid; thus, the District spent significant amounts of time writing the front-end specifications in a manner that would keep bid prices low and ultimately enable the District to attain opt-out success.

Specifically, the District focused on writing the front-end specifications so that the District equitably shared risk with contractors in areas that most agencies tend to shed risk onto the contractor. For example, the District took ownership of differing site conditions, provided allowances for utility conflicts and hazardous materials, and offered a value engineering incentive to share the savings of contractor cost reduction proposals. The District also focused on providing clear requirements and procedures in the front-end specifications, including change order procedures, contractor obligations, and payment procedures. By sharing risk and minimizing vague or unstated requirements and procedures, the District succeeded in minimizing contingencies

within the bids.

Financing Strategy

The Project utilizes a 30-year term financing debt to fund the design and construction phases. Each Participant resolved to reimburse their design phase investment if they did not opt-out. The District hired a financial advisor, bond counsel, and bond underwriter to structure a taxable and non-taxable revenue bond sale to finance the total Project costs and finance costs[1]. Bonds were sold about two weeks after the opt-out date passed.

The rating of the District was judged on the lower rating of the individual agencies; however, the debt was secured through a bond insurance program which results in a AAA bond rating.

Partial funding through grant programs was explored and applications filed, but the Project was not selected through any state or federal programs.

Bidding Phase

Bid Sequencing Strategy

Five construction contracts combine to form the construction framework for the Project. These contracts are:

- Contract 1 – Intake
- Contract 2 – Facilities
- Contract 3 – Pipeline North (22 miles)
- Contract 4 – Pipeline Central (11 miles)
- Contract 5 – Pipeline South (12 miles)

The call for bids went out for Contracts 1, 3, 4, and 5 on May 22, 2007, and the call for bids for Contract 2 was issued on June 12, 2007. The bid strategy focused on the monetary sizing of the bid package and the bid opening time for the three pipeline packages. The time increment between the bid opening days for these packages was one-week, with Contract 3 bidding first, then Contract 4, followed by Contract 5. The strategy predicted that a large construction firm may win Contract 3, and then may likely be successful on the other two pipeline contracts since their mobilization to the County would already be funded. The unsuccessful bidders from Contract 3 would recognize this advantage and would seek more innovative ways to bid the work. The results were that all three pipeline contracts were awarded to three different contractors. Contractor interest was high, with nine bidders on both Contracts 3 and 4 (not all the same bidders), and seven on Contract 5.

The bidding strategy saved the District millions of dollars relative to the estimated bid values.

Opt-Out Success

As bid opening dates drew near, the Project's estimated cost neared $200-

[1] One of the Participating agencies is a taxable mutual water company, while the others are non-taxable governmental agencies.

million, bordering the upper limits of the Participant's "threshold of financial pain." The District expected construction costs, the last unknown variable in total Project costs, to come in at a value of $140.5-million; however, because of the District's preliminary planning, design phase management, and bidding phase strategies, construction bids came in at a total value of $123.8-million (12-percent less than the projected value). These bid prices lowered the total Project cost to $176-million, which is well within the "threshold of financial pain." As a result, none of the Participants decided to opt-out, allowing the District to conquer a feat that it had tried to overcome for nearly 50 years – a successful Project that would deliver its Nacimiento Reservoir water entitlement to the County's communities for future generations.

Conclusions

Several lessons towards a receipt for success have been learned through the implementation of this Project as of February 2008, and they are:

- The small water agency should recognize early that an experienced and full-time project manager should be employed by the agency to lead the endeavor from the beginning (very early in the design phase) through construction and start-up.
- The agency should be prepared to compensate the project manager an appropriate salary that reflects the project manager's past experiences and value brought to the agency.
- Assemble a technical support group consisting of members from the participating stakeholders and the engineering firm. The group will form the nucleus of decision making and policy development
- Hire an engineering firm with a hands-on project manager who is supported by a technically competent and well organized project engineer. These two people are crucial for technical success of a small agency. Be sure this duo has a long and successful working relationship. The engineering consultant should become a trusted advisor that will guide the agency through major decisions throughout the project.
- Track project budget at milestones during the design, for example, at the beginning, 30-, 50-, 75-, and near 100-percent design levels.
- Keep the governing authority updated on the budget trends.
- Conduct value engineering review early in the design process, such as at the 30-percent design milestone.
- Put together a complete financial team to serve as your advisor on debt financing. Their judgment on a bond sale date can benefit an agency with a lower debt interest rate.
- Securing right-of-way on private and public lands can be challenging. A firm with experience in both areas is critical when the project crosses private, state and federal lands.

- State and federal environmental permits require a long lead-time. Hire a firm with the experience in all aspects of these permits, and who can shepherd the permits through the regulatory agencies.
- Hire the construction management firm to participate in constructability review of the design at the near 50-percent design level. The investment in this early review can result in improved design, cost savings, and reduced contingencies carried by the contractors.
- Hire the environmental monitoring firm directly to control the quality of the selected firm, then assign that service to the construction management firm.
- Work with the designer, construction management firm, and legal counsel, to thoroughly review and edit the construction contract's bidding, contracting, and general requirements to be equitable among all parties.
- Conduct contractor outreach far in advance of the bidding. Increasing the interest in public works bidding creates a competitive bidding environment for the agency.
- Review the timing of the project's bid relative to other mega projects bidding in the geographical region. Avoid bidding on the same day, or even week, of those similar projects.

CITY OF MORRO BAY

REQUEST FOR PROPOSALS

PROJECT PLANNING SERVICES

NEW WATER RECLAMATION FACILITY

Issued: March 18, 2013
Due: April 15, 2013

Approved:

Digitally signed by Rob Livick
DN: cn=Rob Livick, o=City of Morro Bay, ou=Public Services, email=rlivick@morro-bay.ca.us, c=US
Date: 2013.03.15 16:26:32 -07'00'

Rob Livick, PE/PLS –Director/City Engineer
Department of Public Services
955 Shasta Avenue
Morro Bay, California 93442

CITY OF MORRO BAY

PROJECT MANAGEMENT SERVICES

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REQUEST FOR PROPOSAL

CITY OF MORRO BAY

WATER RECLAMATION FACILITY

The City of Morro Bay and the Cayucos Sanitary District (MBCSD), operate a wastewater treatment plant under a Joint Powers Agreement. The City of Morro Bay is inviting the submittal of proposals for Project Planning for the re-siting and facilitating a dialog on community values for the NEW Water Reclamation Facility.

BACKGROUND

At the January 10, 2013 California Coastal Commission (CCC) meeting, the CCC voted to deny the Coastal Development Permit (CDP) for construction of an upgraded wastewater treatment plant at its existing location. In summary, the basis for denial included: Local Coastal Plan - Zoning inconsistency, failure to avoid coastal hazards, failure to include a sizable reclaimed water component and the project is located within an LCP-designated sensitive view area.

Denial of the CDP means the City and the Cayucos Sanitary District will be looking at alternative locations for siting of a new wastewater treatment plant.

Information on the status of the WRF project can also be found on the City of Morro Bays website (http://ca-morrobay.civicplus.com/index.aspx?nid=352 or http://morro-bay.ca.us/wwtpupgrade).

GOALS

Guide the community through a series of decisions regarding the features and siting of the NEW Water Reclamation Facility (WRF). Among the decisions that the community through the City Council needs to make include:

- **Treatment technology**
  Addressing energy use, water quality and siting requirements.
- **Type of disposal**
  Addressing ocean outfall, land application, subsurface disposal and streem discharge
- **Ownership/operation**
  Addressing Private and Public options
- **Level of reclamation**
  Addressing urban uses, rural agricultural uses and groundwater recharge
- **Biosolids Options**
  Composting onsite and hauling options
- **Siting Criteria**
  Given the other factors, what criteria is important to the community in siting the NEW WRF?
- **Scheduling**
  Given the other factors, provide a schedule for the siting, permitting, design and construction of the NEW WRF?

CONTENT OF PROPOSAL SUBMITTAL

The following items are requested to be included in the submittal. The submittal need not be lengthy.

1. **Scope of Services:**
   - **a.** Describe in sufficient detail to identify the major elements of the services that are to be provided by the consultant, including overall project management of this phase of the project.
   - **b.** Please include two public workshop presentations and two presentations to the City Council.
   - **c.** Developing the list of community desired and feasible options are part of the consultant's work scope.
   - **d.** Provide a first and second draft of the Options report, based on the community input and your analysis, to staff and after approval of the reports by the staff, two drafts will be presented to the City Council for their consideration.
2. **Project Team:** Identify the project team and specify the responsible project manager and key individuals.
3. **Qualifications:** Provide the qualifications of the key individuals on the project team.
4. **Schedule:** Describe major work task items assuming that the City Council approves the consultant selection at the April meeting. Allowing for contract signing, the start date should be assumed as June 1. There is no specific deadline. However, the MBCSD expects that the schedule will reflect an aggressive commitment.
5. **Fee:** Please submit a rough cost estimate. The consultant selection will not be based upon the fee. However, it is necessary to request the fee for budget estimating and decision making purposes. The MBCSD does not have budget approval for this study. The contract fee will be based upon a "time and materials" basis with a not-to-exceed limit.

PROPOSAL REQUIREMENTS

GENERAL TERMS AND CONDITIONS

1. **Requirement to Meet All Provisions.** Each individual or firm submitting a proposal shall meet all of the terms and conditions of the Request for Proposals (RFP) specifications package. By virtue of its proposal submittal, proposing consultant acknowledges agreement with and acceptance of all provisions of the RFP specifications.

2. **Proposal Submittal.** Each proposal must be submitted on the form(s) provided in the specifications and accompanied by any other required submittals or supplemental materials. Enclose proposal documents in a sealed envelope addressed to the City of Morro Bay Department of Public Services, 955 Shasta Avenue, Morro Bay, California, 93442. In order to guard against

premature opening, clearly label the proposal with the proposal title, name of consultant, and date and time of proposal deadline. The City will not accept FAX submittals.

3. **Insurance Certificate.** Each proposal must include a current certificate of insurance showing:
   a. The insurance carrier and its A.M. Best rating.
   b. Scope of coverage and limits.
   c. Deductibles and self-insured retention.

   The purpose of this submittal is to generally assess the adequacy of the proposing consultant's insurance coverage during proposal evaluation; as discussed under paragraph 10 below, endorsements are not required until contract award.

4. **Proposal Withdrawal and Opening**. A proposing consultant may withdraw its proposal, without prejudice, prior to the time specified for the proposal opening, by submitting a written request to the Director of Public Services for its withdrawal, in which event the proposal will be returned to the consultant unopened. The City will not consider proposals received after the time specified or at any place other than that stated in the "Notice Requesting Proposals." The City will open and declare all proposals in public. Proposing consultants or their representatives are invited to be present at the opening of the proposals.

5. **Submittal of One Proposal Only**. No individual or business entity of any kind shall be allowed to make or file, or to be interested in more than one proposal.

6. **Communications**. All timely requests for information submitted in writing to **Rob Livick, rlivick@morro-bay.ca.us,** will receive a written response from the City. The City does not encourage telephone communications with City staff but will allow them. However, any such oral communication shall not be binding on the City.

CONTRACT AWARD AND EXECUTION

7. **Proposal Retention and Award**. The City reserves the right to retain all proposals for a period of 90 days for examination and comparison. The City also reserve the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, to reject or delete one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations. The special terms and conditions of these specifications include proposal evaluation and contract award criteria.

8. **Competency and Responsibility of Proposing Consultant.** The City reserve full discretion to determine the competence and responsibility, professionally and/or financially, of proposing consultants. Proposing consultants will provide, in a timely manner, all information that the City deems necessary to make such a decision.

9. **Contract Requirement**. The proposing consultant to whom award is made (Consultant) shall negotiate and execute a written contract with the City within thirty (30) calendar days after notice

of the award has been sent by mail to it at the address given in its proposal. The contract shall be made in substantially the form adopted by the City and incorporated in these specifications.

10. **Insurance Requirements**. The Consultant shall provide insurance policies and endorsements of insurance policies in the form, coverages, and amounts specified in the Consultant Services Agreement within 10 (ten) calendar days after notice of contract award as a precondition to contract execution.

11. **Business License**. The Consultant must have a valid City of Morro Bay business license prior to execution of the contract. Additional information regarding the City's business license program is available at the City of Morro Bay City Hall at 595 Harbor Street, Morro Bay, CA, 93442, (805) 772-6200.

CONTRACT PERFORMANCE

12. **Ability to Perform.** The Consultant warrants that it possesses, or has arranged through subcontracts, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all federal, state, county, city, and special district laws, ordinances, and regulations.

13. **Laws to be observed**. The Consultant shall keep itself fully informed of and shall observe and comply with all applicable state and federal laws and county and City of Morro Bay ordinances, regulations and adopted codes during its performance of the work.

14. **Payment of Taxes**. The contract prices shall include full compensation for all taxes that the Consultant is required to pay.

15. **Safety Provisions**. The Consultant shall conform to the rules and regulations pertaining to safety established by OSHA and the California Division of Industrial Safety.

16. **Public and Employee Safety.** Whenever the Consultant's operations create a condition hazardous to the public or City employees, it shall immediately correct such conditions at its expense and without cost to the City.

17. **Consultant Non-Discrimination**. In the performance of this work, the Consultant agrees that it will not engage in, nor permit such subconsultants as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.

18. **Terms and Conditions of Contract:** The City's standard general consultant contract form is attached to this Request for Proposals. The successful consultant will be required to enter into a contract substantially in the form attached and abide by all of its terms and conditions. .

SPECIAL TERMS AND CONDITIONS - REQUEST FOR PROPOSALS

Submission of Proposal

To be considered by the selection committee, the Proposal for Project Planning Services for the City of Morro Bay NEW Water Reclamation Facility project must be submitted by no later than **4:30 p.m. on Monday, April 15, 2013.**

The City-District will not consider proposals received after said time. Submit proposals to the City of Morro Bay Public Services Department in a sealed envelope plainly marked with the proposal title, consultant name and address, and time and date of the proposal submittal deadline.

Ten (10) copies of the proposal should be submitted in a sealed envelope or box. Proposals shall be mailed to: City of Morro Bay, Department of Public Services, 595 Harbor St., Morro Bay, 93442; or hand delivered to the Department at 955 Shasta Avenue, Morro Bay, 93442.

PROPOSAL CONTENT: Your proposal must include the following information:

Proposal Length and Copies

The consultant is encouraged to prepare a straightforward, concise proposal that specifically relates to the project. The following is a list of the maximum number of pages for various components of the proposal.

Letter of Transmittal	1 page
Scope of Services Discussion	8 pages maximum
• Figures and Illustrations	4 pages maximum
• Appendices (no page limit)	

a. Resumes of Key Personnel, limited to two pages each (as needed)

b. The Consultant shall provide a statement that confirms review of the Agreement of Services.

c. Proposers must identify any provisions they disagree with, and changes which they wish to have considered by the City.

d. Consultant's Detailed Scope of Services (as needed*)*

e. Provide hourly rate schedule

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points
Approach to Work	30
Relevant Project Experience	30
Project Team	30
Responsiveness to the RFP	5
Ability to Conform to City Contract	5
Oral Presentation	50
Total	150

The Proposal shall include the following items.

Transmittal Letter

The proposer may use this section to introduce the Proposal and/or to summarize the key provisions of the proposal. The letter of transmittal shall contain the names of the Project Manager(s) that will perform the project. The office location(s) where the work will be performed shall be stated.

Section 1 – Approach to Work (Score 30)

Outline your team's approach to complete the scope of work outlined in the RFP.

This section relates to the project understanding and approach of the requested services. This should include a clear and concise understanding of the requested services based on existing information and the chief issues to be addressed. The consultant should be knowledgeable of standard solutions applicable to project issues as well as being able to offer innovative ideas. It is also important that the consultant demonstrate an ability to synthesize technical information and communicate this information in verbal, written and graphic form.

This section should also outline the approach to the project and how key issues identified in the requested services will be addressed. It should include major tasks to be completed as well as the resources proposed to complete each task, identifying the consultant's ability to ensure expeditious completion of the work.

Section 1 may include:

- Describe the overall approach to the project.
- Provide a general work plan that describes how the consultant will organize and conduct the project by task, as defined in the Scope of Services. Identify any critical milestones for the project.
- Provide a description of the consultant's approach and methodology of managing work tasks and coordination used to accomplish the work in a timely manner. Describe how you would propose to use City staff, if at all, to assist you during the project and indicate the approximate time requirement.
- Provide a description of how the consultant will ensure project progress and quality control.
- Describe how your work plan addresses contingencies that may arise during the project.
- Describe your process/concept for managing scope, schedule, and budget.
- Describe your process and experience interacting with City Councils and District Boards, City Staffs, and the public.
- Describe the proposed management approach, which will cover: communications and coordination approach, methods and techniques among project team members, with the City and outside parties, and quality control and management program.

Section 2 – Relevant Project Experience (Score 30)

Briefly highlight the Project Manager(s) professional work history of relevant projects as it relates to the capabilities to provide the requested services listed in the Scope of Services. Identify any unique approaches or strengths that your firm may have related to this project.

Identify recent experience with planning/engineering services on WRF projects, specifically highlighting experience within the Coastal Zone.

Identify experience with public relations and outreach with a controversial public works project, identify ideas or approaches to communication with Councils, Boards, and the public.

Section 3 – Project Team (Score 30)

With respect to the tasks listed in the Scope of Services, indicate staff organization and describe the specific role of key staff members, including sub-consultants, and how the City will be involved. Indicate the portion of the time key staff will be available to work on the project, and discuss the availability of the project team to complete the project on schedule. Describe major projects where key team members have worked together previously. Emphasize the experience of the specific individuals proposed to do the work. Include resumes for the key team members in the appendix of your proposal. Substitutions of key personnel will only be allowed with written approval of the City.

Section 4 – Responsiveness to the RFP (Score 5)

Completeness of responses in accordance with the RFP instructions; exceptions to or deviations from the RFP requirements.

Section 5 - Ability to Conform to City Contract (Score 5)

Ability to enter a design contract quickly; a copy of the City's standard agreement for consultant services is attached. Proposers are asked to identify in their proposals any language therein which would not be accepted, and suggest in their proposal any changes in that language that would be required prior to entering an agreement with the City.

Section 6 - Submittal Forms

a. Certificate of insurance.
b. At least three references from agencies you have provided similar services for (use form in proposal package).
c. Statement and explanation of any instances regarding past governmental agency bidding or contract disqualifications or removal from a project.
d.

Selection Procedure

The selection procedure is designed to provide each competing consultant a fair and objective assessment of their qualifications. It is intended to allow each consultant the opportunity to have access to the same information on the project and to submit information on its qualifications and approach that will be judged on its merit in terms of how well it meets the City's objectives. No consultant has an acknowledged advantage in this procurement, nor does the City intend during the selection process to confer any advantage to any consultant.

The following procedures will be followed in selecting the PM.

A. Proposals received by the City will be reviewed by a selection committee. The selection committee is made up of members from City Staff (Engineering, Planning and Operations) **and two representatives from the City Council**. The top three consultants may be invited for interviews. The City reserves the right to request clarification of information submitted, and to request additional information of one or more applicants prior to the selection for interviews. Based on the results of the initial review and ranking process, utilizing the stated evaluation criteria, the top consultants may be invited to the City of Morro Bay (at no cost to the City) for interviews.

B. Presentations and interviews will be before the selection committee who will evaluate and score the presentations and proposals. Each interview will last approximately 1 hour. The presentation will be an informal question and answer meeting; no power point presentations are expected or desired. The City will schedule the times and locations for this meeting.

C. Upon completion of all interviews, the selection committee will evaluate and develop an overall ranking of the competing consultants after giving full and fair consideration to each consultant's proposal and presentation, and designate the most qualified consultant for award of contract. The most qualified consultant will have the highest combined score based on the evaluation criteria used to evaluate the proposals for PM services as well as the interview process.

D. The City will notify the first-ranked consultant of its selection shortly after the committee has made its decision. The other consultants will be notified, and if negotiations are not successful with the top-ranked consultant, or if that consultant does not execute a contract agreeable to the City within 30 days of the notification, the City will cease discussions, and begin negotiations with the second highest ranked consultant, etc., until a satisfactory contract is agreed upon; or the City may decide to reject all proposals and re-advertise the RFP.

After an acceptable agreement is negotiated with the City, the agreement will be presented to the Morro Bay City Council for approval and execution by the City. Upon receipt of a properly executed agreement, notification to start services will be issued. It is expected that the consultant will commence services within one week after the agreement is executed.

1. **Contract Award**. Subject to these Request for Proposal requirements, the City will award the contract to the most qualified, responsible, responsive proposing consultant, using the proposal evaluation and selection criteria.
   After an acceptable agreement is negotiated with the City, the agreement will be presented to the Morro Bay City Council and Cayucos Sanitary District Board of Directors for award of contract and execution by the City. The Consultant shall monitor costs throughout the project. Any increase in fees for additional consulting services must be confirmed in writing by the City **prior** to undertaking extra work.

2. **Failure to Accept Contract**. The following will occur if the Consultant whose proposal is accepted fails or refuses to enter into the contract: the City may negotiate with the next most qualified proposing consultant.

3. **Proposal Review and Award Schedule.** The following is an outline of the tentative schedule for proposal review and contract award:

a.	Issue RFP	Friday, March 15, 2013
b.	Receive proposals	Monday, April 15, 2013
c.	Evaluate proposals	Friday, April 19, 2013
d.	Interviews	April 22-26, 2013
e.	Award Contract	Tuesday, May 14, 2013
f.	Start work	Monday, May 20, 2013

4. **Questions.** Direct questions or information requests concerning this project to Bruce Keogh (mbWRF@yahoo.com), Wastewater Division Manager; or Rob Livick (rlivick@morro-bay.ca.us), Public Services Director, City of Morro Bay Public Services Department, 955 Shasta, Morro Bay, CA, 93442, no **later than 4 p.m. on Tuesday, April 10, 2013** and the City will forward all questions and responses to all proposal holders to assure no one consultant gains a competitive advantage or suffers a competitive disadvantage. The Wastewater Division Manager will attempt to respond to questions within three working days of their receipt.

5. **Ownership of Materials.** All original drawings, plan documents, and other materials prepared by or in possession of the Consultant as part of the work or services under these specifications shall become the permanent property of the City. The Consultant shall deliver any or all of these materials and documents to the City upon demand.

6. **Release of Reports and Information.** Any reports, information, data, or other material given to, prepared by or assembled by the Consultant as part of the work or services under these specifications shall be the property of City and shall not be made available to any individual or organization by the Consultant without the prior written approval of the City.

7. **Copies of Reports and Information.** If the City request additional copies of reports, drawings, specifications, or any other material in addition to what the Consultant is required to furnish in limited quantities as part of the work or services under these specifications, the Consultant shall provide such additional copies as are requested, and City shall compensate the Consultant for the costs of duplicating of such copies at the Consultant's direct expense.

8. **Accuracy of Scope of Consultant Services**. The City find the Scope of Consultant Services for this project to be accurate and to contain no affirmative misrepresentation or any concealment of fact. Although the effect of ambiguities or defects in the Scope will be as determined by law, any patent ambiguity or defect shall give rise to a duty of proposing consultant to inquire prior to proposal submittal.

   To the extent that the Scope of Consultant Services constitute performance parameters, the City shall not be liable for costs incurred by the successful proposing consultant to achieve the project's objectives or standards beyond the amounts provided therefore in the proposal.

CITY OF MORRO BAY

REQUEST FOR PROPOSALS

PROJECT PLANNING SERVICES

NEW WATER RECLAMATION FACILITY

Issued: March 18, 2013

Addendum Issued: April 10, 2013

Due: April 15, 2013

Addendum 1

to

REQUEST FOR PROPOSALS (RFP)

PROJECT PLANNING SERVICES

Issued: March 18, 2013

Addendum Issued: April 10, 2013

Due: April 15, 2013

Additions are shown in boldfaced and underlined, **thus**; deletions are crossed out ~~thus~~.

RFP AMENDMENT #1

Summary of change: The City Council on April 9, 2013 selected five (5) citizens to serve on the selection committee. Based upon City Council action, Page 10-11, Selection Procedure, is hereby amended to read as follows:

The following procedure will be followed in selecting the PM:

A. Proposals received by the City will be reviewed by a selection committee. The selection committee is made up of members from City Staff (Engineering, Planning and Operations) ~~and~~ two representatives from the City Council **and five (5) citizens of Morro Bay.**

ATTACHMENT 3

HOLLENBECK CONSULTING
ESTABLISHED 2012
SPECIALIZING IN PROJECT AND CONSTRUCTION MANAGEMENT, HYDRAULIC STRUCTURES, AND WATER RESOURCES
7343 EL CAMINO REAL #195, ATASCADERO, CA 93422 (805) 458-7268

RECEIVED
APR 16 2013
City of Morro Bay
Public Services Department

April 16, 2013
Pursuit File No.: 902013-003

Mr. Rob Livick, Director/City Engineer

City of Morro Bay
Department of Public Services
955 Shasta Avenue
Morro Bay, CA 93442

SUBJECT: Addendum to Proposal for Design Professional Service, Section 6 Enclosures Responding to Request for Proposal for Project Planning Services for the NEW Water Reclamation Facility

Dear Mr. Livick:

Hollenbeck Consulting submitted 13 copies of the subject proposal yesterday, April 15, 2013, and this morning we discovered that the enclosures within Section 6 were inadvertently left out of the document. Please accept those enclosures (attached) and include them with our proposal documents. We understand that this is an irregularity but trust that the City will waive this informality because it does not involve price, time or a change in the scope of work.

Please contact us at (805) 458-7268 if you have any questions.

Sincerely,

HOLLENBECK CONSULTING
JOHN R. HOLLENBECK, P.E.
A Sole Proprietor

Attachments: 13 Copies of Section 6 Enclosures

ATTACHMENT 3

ATTACHMENT 3

HOLLE-2 OP ID: JACK

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/11/13

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
California Meridian Ins.
9700 El Camino Real
Atascadero, CA 93422
Ted A Jacobson

Phone: 805-466-3400
Fax: 805-466-6148

CONTACT NAME: Helen Merrell
PHONE (A/C, No, Ext): 805-466-3400 FAX (A/C, No): 805-466-6148
E-MAIL ADDRESS: helen@californiameridian.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Continental Casualty Co.	20443
INSURER B : Beazley Insurance Co	
INSURER C : Continental Insurance Co.	20443
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Hollenbeck Consulting
7343 El Camino Real #195
Atascadero, CA 93422

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC			5085314337	08/06/12	08/06/13	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
C	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS			5085989752	03/08/13	08/06/13	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE	$
							AGGREGATE	$
								$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					WC STATU-TORY LIMITS OTH-ER	
							E.L. EACH ACCIDENT	$
							E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
B	Professional Liab			V12D6F120101	08/06/12	08/06/13		1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Proof of Insurance

CERTIFICATE HOLDER

City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Ted A Jacobson

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REFERENCES for Hollenbeck Consulting and John R. Hollenbeck

Number of years engaged in providing the services included within the scope of the consultant services under the present business name[1]: 1

Reference No. 1

ITEM	RESPONSE
Client's Name	Atascadero Mutual Water Company (a participating water agency in the Nacimiento Water Project)
Contact Individual	Mr. John Neil, General Manager
e-mail Address	JNeil@amwc.us
Telephone & FAX Number	(805) 461-7217, Ext. 21 / FAX unknown
Street Address	5005 El Camino Real
City, State, Zip Code	Atascadero, CA 93422
Description of services provided including contract amount, when provided and project outcome	Mr. Neil has agreed to serve as a client reference associated with the Nacimiento Water Project (NWP). Mr. Neil is a member of the Technical Support Group (TSG) for the NWP. He participated in the monthly TSG meetings where Mr. Hollenbeck presented project status during the design and construction phases. Mr. Neil also participated in the several workshops during the preliminary design phase when decisions were essential to the timely progression of the project. These workshops were lead jointly by Mr. Hollenbeck and the project's design engineer. No Contract Amount to report. Project Estimate at Start of Design = $200-million. Project Estimate at Bidding = $190-million. Final Project Budget = $176-million Final Project Expenditures = $174-million

Reference No. 2

ITEM	RESPONSE
Client's Name	City of San Luis Obispo (a participating water agency in the Nacimiento Water Project)
Contact Individual	Mr. Wade Horton, Water Utilities Manager
e-mail Address	WHorton@slocity.org
Telephone & FAX Number	(805) 781-7237 / FAX unknown
Street Address	879 Morro Street
City, State, Zip Code	San Luis Obispo, CA 93401
Description of services provided including contract amount, when provided and project outcome	Mr. Horton serves on the aforementioned TSG. He also is the client manager for two small study project performed by Hollenbeck Consulting. Unit T-11 Hydro Reconn. Study: $7,499 – completed on budget. Stenner Cyn Hydro Study: $5,137 – completed under budget

[1] The strict interpretation of the statement is 1-year as Hollenbeck Consulting. Mr. Hollenbeck is also providing California project references associated with projects that he has been engaged while employed by others.

Reference No. 3

ITEM	RESPONSE
Client's Name	San Diego County Water Authority (experience when employed at Black & Veatch)
Contact Individual	Mr. Dave Chamberlain
e-mail Address	DChamberlain@sdcwa.org
Telephone & FAX Number	(858) 522-6751 / FAX (858) 268-7881
Street Address	4677 Overland Avenue
City, State, Zip Code	San Diego, CA 92123
Description of services provided including contract amount, when provided and project outcome	Project engineer for the preliminary design (30-percent) of the Rancho Penesquitos Pressure Control and Hydroelectric Facility. Duties included preparing the Preliminary Design Report for the station. Mr. Hollenbeck coordinate with the client's project manager and the client's operations staff to assure that that plant arrangement would result in lower O&M costs, and would meet the needs of the operation personnel who will work, maintain, and manage this large hydraulic structure project. The project also underwent a value engineering review. The project was the winner of the Project of the Year through the San Diego Section of ASCE. Contract Amount: unknown (left B&V employment before completion of the project)

Reference No. 4

ITEM	RESPONSE
Client's Name	Los Angeles County Dept. of Public Works (experience when employed at Black & Veatch)
Contact Individual	Mr. Keith Lilley
e-mail Address	KLilley@ladpw.org
Telephone & FAX Number	(626) 458-6104 / FAX unknown
Street Address	900 S. Fremont Avenue
City, State, Zip Code	Alhambra, CA 91803
Description of services provided including contract amount, when provided and project outcome	Project manager for the electro-mechanical upgrade of Morris Dam, a 245-feet tall concrete gravity dam on the San Gabriel River near Azusa, CA. Responsible for the project management of the design for modernization of the spillway drum gates, the low level outlets valves, and the electrical system. A new control structure and SCADA system was also installed. Contract Amount: $990,000

STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

The consultant shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

- ***Do you have any disqualification as described in the above paragraph to declare?***

Yes ☐ No ☒

- ***If Yes, explain the circumstances.***

Executed on 12 Apr 2013 at Atascadero, CA under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

Signature of Authorized Consultant Representative

Section 4 – Responsiveness to the RFP

Hollenbeck Consulting believes that the proposal is fully in compliance with all aspects of the City's RFP. The following table is provided for the City's convenience to review and grade that all aspects of the Proposal meets or exceeds the expectations of the reviewer.

ITEM	☑
Submit 10 copies of proposal (13 issued – 3 more to accommodate expanded citizen review panel)	
Cover Letter	
Section 1 – Approach to Work (8 pages discussion and 4 pages figures, maximum) General Management Activities including: ▪ Managing Scope, Schedule and Budget ▪ Work Plan Contingencies ▪ Quality Control ▪ City Staff Needs ▪ Experience and Process of Interaction with Governing Authorities ▪ Communication and Coordination	
Section 2 – Relevant Project Experience	
Section 3 – Project Team	
Section 4 – Responsiveness to the RFP	
Section 5 – Ability to Conform to City Contract	
Section 6 – Submittal Forms ▪ Insurance Certificates ▪ References ▪ Statement of Past Contract Disqualification	
Appendix A – Two Page Resume (additional information provided in the form of reference letters for John Hollenbeck)	
Appendix B – Consultant Services Agreement Review Statement	
Appendix C – Comments Regarding the Consultant Services Agreement	
Appendix D – Consultant's Detailed Scope of Services (as needed) – **None Included**	
Appendix D – Hollenbeck Consulting's 2013 Billing Rate Schedule (Confidential Material)	
Appendix E – Miscellaneous Documents	
Scope of Services (see Section 1)	
Project Team (see Section 3)	
Qualifications (see Section 2)	
Schedule (see Section 1)	
Fee (see Section 1)	

ATTACHMENT 4

CITY OF MORRO BAY
DEPARTMENT OF PUBLIC SERVICES

NEW WATER RECLAMATION FACILITY

Proposal for:
Project Planning Services

Submitted on: April 15, 2013

RIPLEY PACIFIC COMPANY LLP
WATER REUSE INFRASTRUCTURE

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RIPLEY PACIFIC COMPANY LLP

WATER REUSE INFRASTRUCTURE

HAND DELIVERED

April 15, 2013

Mr. Rob Livick, P.E./P.L.S.
Director, Department of Public Services
City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442

Re: New Water Reclamation Facility
Proposal for Project Planning Services
Transmittal – 10 Hardcopies of Proposal

Dear Mr. Livick:

Please find enclosed ten hardcopies of the referenced proposal. Ripley Pacific Company LLP appreciates the opportunity to offer the planning team charged with creating a new vision for wastewater infrastructure serving the MBCSD service areas.

We are committed to water reuse as an integral part of any municipal water resource and wastewater management strategy. The fact that the City of Morro Bay controls both its own water and wastewater services removes the thorniest obstacle to water reuse--institutional (dis)agreements among separate entities that normally control these vital functions in most California cities. Our dedication to and advocacy for water recycling is well-known in the profession. The RPC team's exclusive interest in the planning phase of the project removes any potential conflict of interest or pre-conceived favoritism toward specific concepts, technologies, or methods of project delivery. The only strong leaning of the team is toward maximization of water reuse and minimization of discharges to the environment.

Our team stands ready to respond to any questions that you or your staff may have on the Ripley Pacific Company LLP proposal. We look forward to an invitation to interview with the selection committee April 22-26, 2013. My telephone number is 925-847-2086 and email: dana@ripleypacific.com.

Sincerely yours,

Principal

/dr

Enclosure: 10 hardcopies proposal report

6130 Stoneridge Mall Road, Suite 105, Pleasanton, CA 94588-3208 USA
+1 925-847-2086; ripleypacific.com

ATTACHMENT 4

City of Morro Bay
Department of Public Services

New Water Reclamation Facility

Proposal for:

Project Planning Services

Submitted by:

Ripley Pacific Company LLP

In association with:

Bahman Sheikh Water Reuse Consulting
Kenneth D. Schmidt and Associates
Irrigation and Turfgrass Services

Submitted on:
April 15, 2013

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Appendix

Appendix A	LOWWP Recycled Water Irrigation Phasing Plan
Appendix B	Subconsultant Listing
Appendix C	Ripley Pacific and Subconsultant Reference Contact Information
Appendix D	Resumes of Key Personnel
Appendix E	Misc. Statements: Agreement of Services Confirmation, Contested Provisions of Contract, Past Contract Disqualification
Appendix F	Hourly rate schedule
Appendix G	Insurance Certificate and Agent Statement

List of Attachments (PDF Files on CD Back Cover)

Attachment A:	A1: CDPH Draft Indirect Potable Reuse Regulations, March 2013.
Attachment B:	B1: Los Osos Update Report, 2006 B2: Scotts Valley Dual Use Pipeline, 2012 B3: Coronado On-site Recycled Water, 2005 B4: Tesoro Viejo Water Supply Assessment, 2012
Attachment C:	C1: Bahman Sheikh, PH.D., P.E. full resume
Attachment D:	D1: Madera County Integrated Water Plan, 2008
Attachment E:	E1: Mike Huck USGA article, 2000
Attachment F:	F1: Ripley Pacific Company LLP, MBCSD *New* Water Reclamation Facility, Proposal for Project Planning Services, April 15, 2013.

Introduction

The coastal location of Morro Bay overlooking the iconic Morro Rock, places the community in a beautiful and environmentally sensitive place. Fully cognizant of the beauty and sensitivity of the Morro Bay/Cayucos Sanitary District (MBCSD) combined service areas, Ripley Pacific Company LLP is pleased to submit this proposal in response to the City of Morro Bay's Request for Proposals for Project Planning Services for the *New* Water Reclamation Facility, dated March 18, 2013.

The California Coastal Commission provided MBCSD clear and succinct guidance on January 10, 2013 in their staff report to resolve outstanding wastewater issues that have been under consideration for the last decade. CCC staff summarized their position on this matter as follows:

> *In summary, the development of new wastewater facilities offers an opportunity to the City of Morro Bay, much like the permitted development of a new wastewater facility in Los Osos. This project provides it the opportunity to improve the City's long-term water availability, allowing it to reduce its dependence on expensive, outdated and unreliable water sources. A newly devised plan for a WWTP that incorporated meaningful water reclamation and recycling would help conserve water in situ for habitat protection of sensitive species and bring the project into further compliance with LCP policies that state that water reclamation is the second highest priority for the City*.[1]

The Ripley Pacific (RPC) team is uniquely qualified to address these issues as enumerated by the CCC recognizing that our team was instrumental in relocating treatment facilities away from the center of Los Osos (and away from the coast) in 2006. The RPC team also advanced the 100% beneficial reuse plan that incorporated both urban and agricultural irrigation with zero effluent discharge[2]. Additionally, addressing overdraft and seawater intrusion problems of the Los Osos aquifer by incorporating a beneficial reuse component into the wastewater project was recognized as critically important to this community that relies exclusively on local groundwater.

Applying similar treatment plant site selection analyses (multi-variate, triple-bottom-line alternatives scoring and rating) combined with beneficial effluent reuse expertise, the Ripley Pacific team offers MBCSD an opportunity to develop a wastewater infrastructure and effluent reuse program fully consistent with criteria outlined in the California Coastal Act and the Local Coastal Plan. It will also provide an efficient and cost-effective utility service for present and future generations living, working and recreating in the MBCSD service area. The RPC team recognizes the unique features and inherent constraints involved with infrastructure development in such a beautiful and sensitive location. It is with this sensitivity that RPC proposes to work with City and District staff, elected community leaders, the community at large, local farmers, and local/state regulators to develop a wastewater infrastructure plan that will be a model of sustainability for coastal communities throughout California.

[1] California Coastal Commission, De Novo Hearing staff report, Item #Th23b,p.44, January 10, 2013.
[2] See Appendix A.

Goals and Objectives

The primary goal of the scope of work presented herein is to assist MBCSD in their decision making process that leads to the development of a comprehensive and sustainable wastewater management and water reuse plan. The overall objective is to develop community consensus with a cost efficient and environmentally sound path forward in the design, regulatory review, and implementation of this critical infrastructure. Finally this integrated plan must be completed in a manner that will minimize the financial burden of residential and commercial ratepayers within the MBCSD service area.

Successful outcome of this project will be based on a multitude of decisions that evaluate a variety of factors including but not limited to:

- **Treatment technology** — The current wastewater industry offers a variety of technologies to consider. Each technology option has unique features including life-cycle operational costs, footprint, aesthetics, odor containment and control, energy consumption, effluent quality, and pathogen removal that may favor one over the other. Additionally, a variety of alternative delivery formats are available to potentially minimize construction and operational risk as compared to conventional delivery formats.
- **Types of disposal and/or reuse** — The CCC has expressed a preference for minimizing ocean outfall disposal and maximizing beneficial reuse of effluent. Non-potable uses of effluent including urban and agricultural irrigation will be evaluated and quantified on a seasonal basis, as well as stream discharge and aquifer recharge. The California Department of Public Health (CDPH) has just released the latest version of its draft guidelines on indirect potable reuse (IPR)[3] and the criteria needed to be included in the IPR evaluation.
- **Alternative Ownership/ operations** — Alternative delivery formats may include private ownership and/or operations as an alternative to MBCSD ownership/operations – if there is consensus that the advantages outweigh the risks, and that the costs of outside ownership and/or contracted operation are lower than outright ownership and operation by the MBCSD.
- **Level of reclamation** — Based on preliminary review of potential urban and agricultural reuse opportunities, California Title 22 disinfected tertiary effluent quality for unrestricted irrigation would be the baseline level of treatment. Beyond that, there may be additional treatment requirements for aquifer recharge and/or stream discharge in compliance with existing and pending criteria by CDPH.
- **Biosolids options** — Composting, landfilling, and hauling options will be developed. Biosolids reuse would depend significantly on site constraints and neighboring land uses. This will be one of the criteria in treatment plant site preliminary evaluation and fine screening.

[3] See Attachment A.

- **Siting Criteria** Based on site analysis already completed, and consideration of any new sites, a matrix analysis will quantify scoring criteria that has community consensus. Proximity to reuse sites will likely be a highly weighted factor in this analysis in comparison to previous site analyses.

- **Scheduling** The scope of work presented herein is estimated to take approximately 12 months, however this schedule is dependent on many factors. The RPC team understands that an expedited schedule is the goal of MBCSD, the community at large, the CCC and the Central Coast RWQCB. It is also recognized that the existing Morro Bay sewer plant has nearly reached the end of its useful life, and that time is of the essence is execution of the plan developed in this planning effort.

An additional overriding goal of this project will be the *incorporation of a meaningful water reclamation and recycling component* as a means of conserving local groundwater and/or imported state water to the greatest extent feasible. Reclaimed water is an important new source of water that otherwise would be discharged to the ocean. The recycling component will undoubtedly become a reliable dry year (drought) water supply – an important factor in Morro Bay urban water management planning in the coming decades.

Understanding the Problem

Consistent with the goals and objectives above, the scope of work presented by the Ripley Pacific team opens an opportunity to begin again, and to plan with a clean slate. This provides for a unique chance to plan a wastewater management system that best responds to community preferences, considers the best and most appropriate available technologies, and provides for sustainability and environmental protection. This is a primary goal for the team and translates into the following specific objectives for the project:

- Zero discharge of wastewater / 100% beneficial reuse,
- minimizing energy use,
- minimizing carbon emissions,
- ensuring that effluent quality is not degraded in the wastewater collection system due to controllable factors, and
- Utilizing biosolids for improvement of agricultural soil texture and fertility.

Accomplishment of these objectives begins with a planning process that is cognizant of integrated water resources planning principles. The Ripley Pacific team is not locked into traditional view in which disposal is viewed as the primary objective and reuse a remote possibility unless other ancillary conditions happened to be ideally situated. Neither does the team view this planning process as a prelude to a large design project, leading to an even larger construction management assignment. The philosophy of the team is that the planning phase of the project should stand on its own and only be

concerned with the long-term sustainability of the wastewater management systems without regard to any specific technology, process or other pre-conceived alternative, or subsequent design contracts.

From a broader perspective, this project will be adding a critical component to the Morro Bay urban water management plan (UWMP). Beneficially used recycled water will be a new water supply component within the UWMP—a resource that historically has been lost to the ocean. Whether recycled water is used for turf and landscape irrigation, agricultural irrigation, aquifer recharge, and/or in-lieu recharge – any of these strategies could potentially offset existing or new water demands currently supplied by local groundwater or imported state water. Once the recycled water plan is finalized and implemented, the Morro Bay UWMP will clearly become more robust and resilient in the face of any future water supply shortages.

Scope of Services

The Ripley Pacific team's scope of services is summarized in this section. Thirteen specific tasks are summarized in the following table.

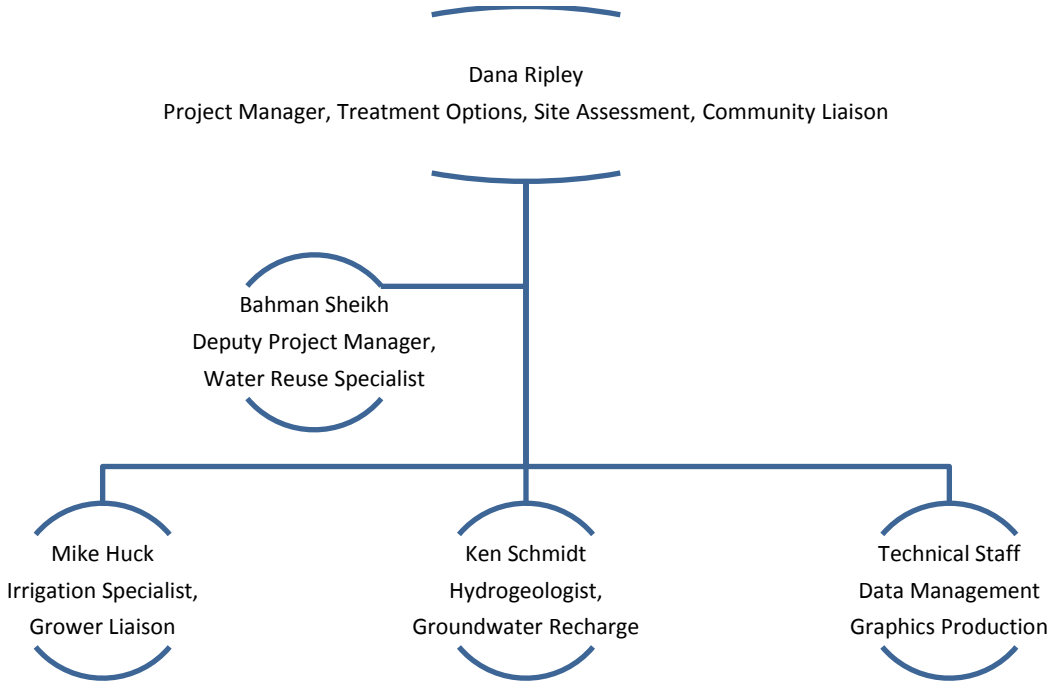
Task	Title	Description
Task #1	Understand existing infrastructure condition	Become familiar with existing water supply, wastewater collection, wastewater treatment, and effluent ocean discharge situation with site visits and review of existing facility plans and reports. Review wastewater flow variability as related to season and precipitation. This will provide foundational information for the team to quantify volumes, capacities and current infrastructure condition.
Task #2	Understand existing aquifer condition	Review available hydrogeologic analyses and reports on aquifer conditions, groundwater quality issues, and recharge potential in light of the draft CDPH IPR criteria leading to a preliminary assessment of agricultural exchange potential for direct and/or in-lieu recharge.
Task #3	Quantify urban/agricultural water reuse and groundwater recharge potential	Determine extent of water reuse study area. Review prior reports, confirm locations, areas, soil conditions and crop type. Determine monthly water demands based on compiled data. Determine seasonal effluent storage requirements if winter flows cannot be used for groundwater recharge or other beneficial uses.
Task #4	Develop conceptual monthly water balance scenarios	Prepare 3 to 5 scenarios based on wastewater flow data and assumed water reuse options ranging from 100% ocean discharge to 100% reuse (zero discharge). Evaluate winter storage and/or partial reliance on outfall pipeline during extreme precipitation events .

Task	Title	Description
Task #5	Develop treatment plant siting criteria and compare sites– rough and fine screening	Review all prior plant site assessment reports and screening efforts. Consider and visit potential new sites as directed (including Williams Bros. site and CMC site). Assess infrastructure requirements for each alternative site and relative costs for pipeline extensions—both for raw wastewater and final effluent/recycled water.
Task #6	Evaluate treatment technologies	Consider alternative treatment technologies based on possibilities and constraints of top three sites; consider comparative capital costs, O&M costs, sludge production, etc, including capital/ operational costs related to proximity to water reuse sites and added treatment costs for advance use such as IPR and/or stream discharge.
Task #7	Evaluate gravity collection/transmission to treatment site	Review NPDES discharge reports and any other data sources to determine extent of inflow/infiltration (I/I) on wastewater flows and peaking factors. Determine if shallow saline groundwater impacts influent salt levels. Determine if exfiltration is an issue by reviewing nitrogen and chloride levels in shallow groundwater, if available. Determine potential use of existing ocean outfall for extreme precipitation event discharges on a permanent basis.
Task #8	Estimate preliminary seasonal storage capacity and explore siting possibilities	Quantify seasonal storage requirements assuming zero discharge and zero IPR as maximum capacity required. Consider phasing options to construct storage capacity in increments over the planning horizon.
Task #9	Analyze recharge capacity and potential siting of recharge wells, basins, or vadose-zone recharge	Investigate hydrogeologic conditions for potential recharge of effluent, particularly in winter months to reduce or eliminate seasonal storage capacity requirements. Determine compliance issues with current draft CDPH IPR regulations.
Task #10	Prepare summary of estimated costs – conveyance, land purchase, treatment, effluent storage, IPR, effluent reuse	Develop clear, concise cost matrix to determine relative cost/value of each option considered for conveyance, treatment, effluent storage, effluent reuse and land acquisition.
Task #11	Conceptual Planning Report – Draft #1	Summarize findings above in report form.
Task #12	Community outreach – Phase 1	Meet with City and District staff, community leaders, agricultural community, town hall meetings.
Task #13	Conceptual Planning Report – Draft #2	Revise Draft #1 to incorporate changes developed through consensus in Task #12.
Task #14	Project Management	Ongoing communication and coordination with City/MBCSD staff, community, and project team.

The Project Team

The Ripley Pacific Company planning team offers the City of Morro Bay the depth and breadth of qualification and experience especially suited for **project planning services** for the City's *new* water reclamation facility. The RPC team is composed of:

- Ripley Pacific Company LLP, Dana Ripley
- Bahman Sheikh, Water Reuse Consultant
- Kenneth D. Schmidt and Associates, Ken Schmidt
- Irrigation & Turfgrass Services, Mike Huck



Resumes of key team personnel above are presented Appendix B.

Team Qualifications

Each member of the team brings an essential specialty service to the Morro Bay project, as graphically represented above, and as further described below.

Ripley Pacific Company LLP

RPC provides niche client services to small communities and development projects needing to manage wastewater and water supply for their current and projected growth. Over the past several decades, RPC has perfected the integrated water management concept for small communities. By conserving, treating, and reusing the wastewater resource and the nutrients inherent in wastewater, clients are able to solve two environmental problems simultaneously: disposal of wastewater effluent to the receiving waters and extraction of water from nature for non-potable uses. Examples of these project reports are included in Attachment B.

Mr. Ripley is an experienced and highly capable project manager. He will assign work elements to team members with clearly defined scopes of work, schedules, and budgets. He will be the direct client contact and will make available each team member as appropriate, for meetings and site visits.

Dana Ripley has been active in the wastewater industry for 30 years and has been an independent consultant on the development of sustainable water and wastewater infrastructure for over 20 years. Mr. Ripley has been an observer of the wastewater issues in Los Osos since 1988 when he was retained to acquire a waste discharge requirement (WDR) permit from the Central Coast RWQCB for the Monarch Grove development.

In 2006 Mr. Ripley assembled the same project team as the one proposed herein for Morro Bay, to develop a wastewater plan update for Los Osos based on a review of deficiencies in plans prepared by previously retained consultants. The Ripley Team's plan was presented to the community and accepted by the LOCSD Board as well as fully validated by the National Water Research Institute in November 2006.

While subsequent consultants did not include some of the specific elements of the Ripley Team's plan, it nevertheless served as a starting point for development of the "final" plan, now under construction. The RPC team's plan differed substantially from prior and the current Los Osos plans prepared by consultants retained by the County and the CSD over the last 23 years. On the technical matters of water conservation, environmental footprint, nutrient management, and sustainability, the alternative plan proposed by the Ripley Team was superior to the wastewater system currently under construction by the County. Half of the water recycling and reuse concepts proposed in the Ripley Team plan have since been adopted by the County in their plan, as it is being implemented now. On the sensitive issue of location, the Ripley Team Plan proposed to relocate treatment and storage facilities east of the community in an agricultural area and not in a central urbanized location.

Bahman Sheikh Water Reuse Consultant

Dr. Sheikh will serve as the project assistant manager supporting Mr. Ripley in technical decision-making as well as serving as the community outreach coordinator. Dr. Sheikh's abbreviated resume is presented in Appendix C and a full version resume is presented in Attachment C.

Bahman Sheikh's 35 years of professional experience is dedicated to water recycling—reclamation of important, vital resources inherent in the community's wastewater. He is globally recognized as a water reuse expert, serving clients in various parts of California and internationally providing consultant services to 21 countries. His most relevant experience for Morro Bay is his contribution to the Los Osos Wastewater Management Plan Update of 2006 as a member of the RPC team. Prior to that, he was involved in the development of the water recycling project in Monterey County that culminated in irrigation of 12,000 acres of vegetables with tertiary-treated recycled water from the Monterey regional treatment plant.

Dr. Sheikh is currently involved in a planning effort for the City of San Francisco's Eastside Water Recycling Project—a six-year effort involving needs assessment, markets for use of recycled water, alternatives evaluation, treatment site assessment, treatment options, conveyance routes and systems, and preliminary design. Another current project involves facilitation among the project proponent and the RWQCB staff to establish the potential for success of a proposed zero-discharge development in a sensitive coastal zone with a strict prohibition on all new discharge permits.

Kenneth D. Schmidt and Associates

Ken Schmidt, Ph.D., R.G. has nearly 40 years' experience in hydrogeologic evaluations primarily in central California. His firm has been involved in the development of over a thousand large capacity municipal and agricultural supply wells and has been involved in groundwater monitoring at over 70 wastewater sites. Dr. Schmidt's prior client list includes Cambria CSD and the City of San Luis Obispo.

Dr. Schmidt and Mr. Ripley have been collaborators on numerous projects in the Central Valley over the last 25 years. The Schmidt/Ripley team has developed the water/sewer plans designed to serve large master-planned communities in Fresno, Madera, Stanislaus and Merced Counties and recently prepared a 4,000 acre-foot per year SB 610 water supply assessment for a project on the northern side of the San Joaquin River downstream of Friant Dam (See Attachment B4). Dr. Schmidt also was co-author of the Madera County Integrated Water Management Plan (See Attachment D) and he prepared the hydrogeologic evaluation of the Los Osos in-lieu recharge included as a part of the Ripley Plan in 2006.

Irrigation & Turfgrass Services

ITS' Mike Huck has over 30-year experience in the turfgrass and landscape industry, is a former agronomist with the United States Golf Association, and is an expert on utilizing recycled water for irrigation. Mr. Huck and Mr. Ripley co-authored an on-site water recycling (OSR) feasibility report for a golf course in San Diego County. That study was funded by the Metropolitan Water District of Southern California which seeks to expand the availability of recycled water to the golf industry. Mr. Huck frequently teams up with Dr. Sheikh in training recycled water site supervisors for various agencies in California.

Mr. Huck will be responsible for evaluation of potential agricultural sites and communicating with landowners and/or farmers regarding the potential use of recycled water for irrigation. Other potential recycled water users to be investigated may include the Morro Bay Golf Course, athletic fields and other large irrigated landscape sites. A sample of golf industry articles written by Mr. Huck are presented in Attachment E.

Project Management

The RPC project management team consists of Dana Ripley as project manager and Bahman Sheikh as deputy project manager. Between them, Dana Ripley and Bahman Sheikh have over 50 years of project management experience, mostly involving planning studies, research, and evaluations of wastewater and water reclamation/recycling projects. Their project management experience includes projects both within the context of major consulting firms with which they have been affiliated, and as independent consultants in more recent years.

Approach

The RPC approach to project management will be tailored to the specific needs of the Morro Bay planning services for the new water reclamation facility. Therefore, the management team will endeavor to provide continuous control of work elements, efficient expenditure of resources, maintenance of schedule, and control of costs. This will require continuous communication with project team members and City staff as well as members of the public interested in monitoring project progress. Transparency and ready communication of work progress will be a hallmark of our approach throughout the performance period.

Work Plan

The RPC team's work plan will follow closely the scope of work shown in this proposal. Each of the 14 tasks described under Scope of Services will terminate at a milestone, with a technical memorandum that will describe the findings and conclusions from that task. These milestone reports will ultimately form the bulk of the drafts of the conceptual planning report that will be the product of this project. If selected, the RPC team will generate a more detailed work plan based on the Scope of Services, and reflecting client requirements and public input.

Project Coordination

Coordination of the work with City staff will be an important duty of the project manager and his deputy so that at no time will there be a significant gap in communication among stakeholders and the project team. Preliminary drafts of work products and data will be shared with individuals from the City and other stakeholders to be designated at the initiation of the project.

Progress and Quality Control

Biweekly project progress conference calls will be set at regularly scheduled time slots (e.g., every second Tuesday of each month at 2:00 PM) to check in, report on progress of the work, list areas that need extra attention, and indicate any potential difficulties that may hamper further progress of the work. As necessary, additional conference calls and personal meetings will be held to discuss critical matters affecting work progress.

Quality assurance and quality control will be the specific responsibility of Dr. Bahman Sheikh, who will review work progress, quality of the data, and readiness to present draft work products to the client. However, because the RPC team is composed of highly experienced professionals, every member of the team will double check and perform quality control on the work of other team members as work

progresses. This interactive process will also ensure complete coordination, smooth transition, and prevention of duplication of effort among the team.

Contingencies

The RPC team will be prepared to change course and adapt if contingencies arise during the performance of the scope of services. This flexibility will be dependent on City staff having the up-to-date awareness of work progress on a continuous basis and being in tune with the project team's status as contingencies arise. We believe that we have anticipated the project requirements, based on our knowledge of the community and the stated background in the RFP. Therefore, we anticipate that contingencies, if they occur, will be of a minor nature, and will be readily resolved with frank and immediate communication with the staff.

Scope, Schedule and Budget

The most important duty of the project manager is ensuring that the project scope is being implemented completely and competently. If work outside the scope is found to be necessary (e.g., sampling, laboratory analysis, field measurements, geotechnical explorations, etc.), the needed tasks will be brought to the attention of the City staff, with a cost estimate and schedule of performance, indicating any potential for the additional work to delay the basic schedule of the project. Tracking the budget and schedule are also key duties of the project management and will be accomplished by maintaining up-to-date records of work progress, resource expenditure, and level of completion of each task. These progress reports will be provided at the monthly coordination conference calls, and more frequently as requested.

Prior Experience with Public and Public Agencies

Members of the RPC team have extensive experience interacting with members of the public, their elected officials, and other stakeholders. For the Los Osos wastewater plan update, the same team proposed herein made several presentations to the public during different stages of project progress, responding to the public's questions and developing a plan that reflected their vision for their community. While the RFP indicates two (2) presentations to the City council, we are prepared to be available for more occasions to interact with the Council and its committees if desired. We would also propose to hold "town-hall" style meetings for the general public to lay out the water recycling plans as they develop in their draft stage in order to maintain and enhance the level of confidence and trust among the public, which are essential to the ultimate success of the plan.

Schedule

The estimated time for completion of the fourteen tasks described above is summarized in the following graphic. If an expedited schedule is requested, this time requirement may be reduced by 1 to 4 months depending on ability to fast-track certain elements by MBCSD and the consultant team.

		Period of Performance, months from NTP												
Task	**Title**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**
1	Understand infrastructure condition	■	■	■										
2	Understand existing aquifer condition	■	■	■										
3	Quantify water reuse potential		■	■	■									
4	Develop conceptual water balance			■	■	■								
5	Develop treatment plant siting			■	■	■	■							
6	Evaluate treatment technologies				■	■	■	■						
7	Evaluate gravity collection/transmission				■	■	■	■						
8	Estimate preliminary seasonal storage						■	■						
9	Analyze recharge capacity						■	■						
10	Prepare summary of estimated costs								■	■				
11	Conceptual Planning Report – Draft #1									■	■			
12	Community outreach – Phase 1	■	■	■	■	■	■	■	■	■	■			
13	Conceptual Planning Report – Draft #2											■	■	
14	Project Management	■	■	■	■	■	■	■	■	■	■	■	■	■

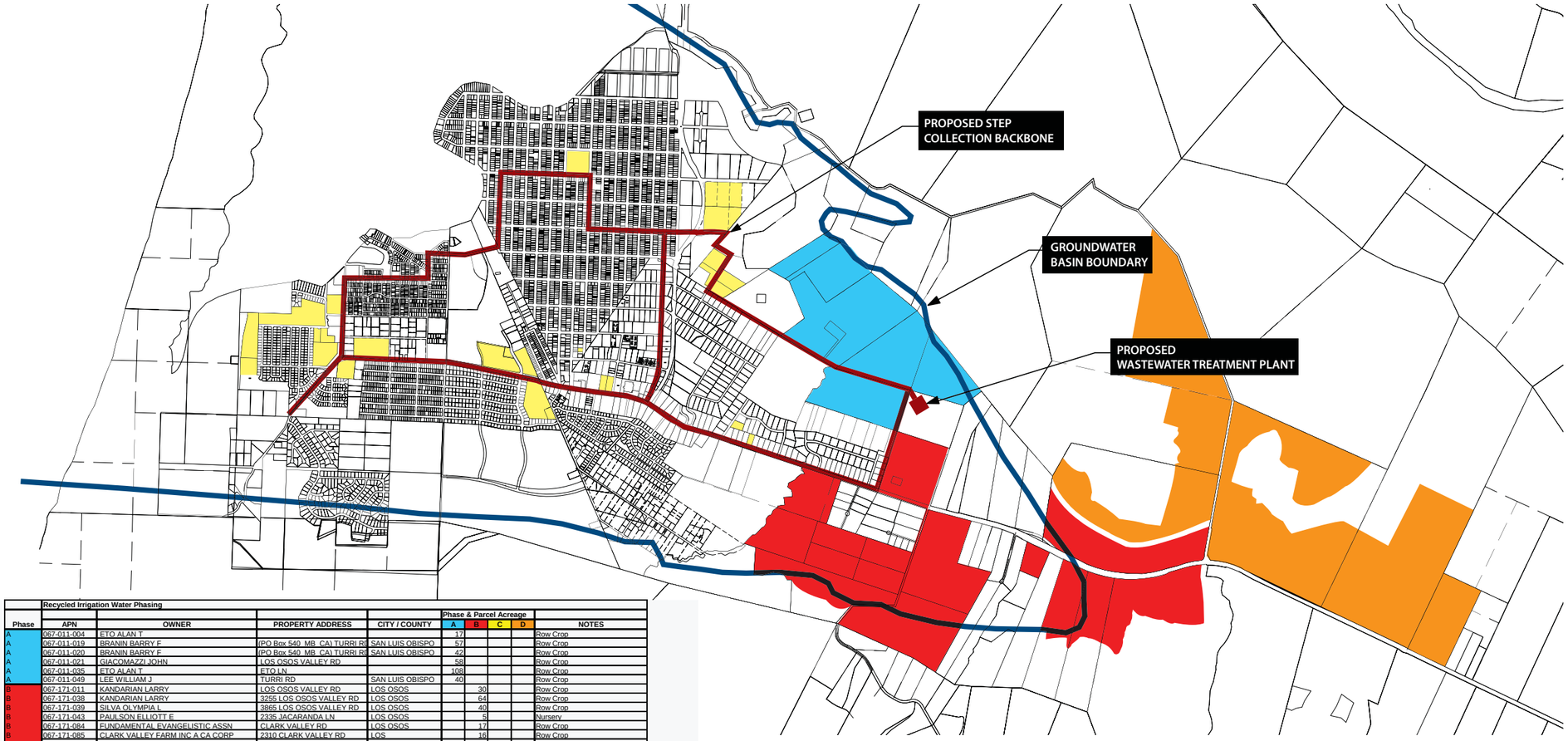
Preliminary Fee Estimate

The preliminary estimate of fees for professional services related to the scope and schedule described above is anticipated to not exceed $600,000 including all expenses. This fee estimate is based on the professional hourly rate schedule presented in Appendix F and expected project duration of 12-13 months as indicated in the graphic above. Spreadsheet detail on professional man-hour estimates for each task by each key personnel is available on request.

Not included in this fee estimate are costs for any geotechnical explorations that may be necessary for evaluation of effluent storage and/or recharge site suitability.

Appendix A

LOWWP Recycled Water Irrigation Phasing Plan



Recycled Irrigation Water Phasing

Phase	APN	OWNER	PROPERTY ADDRESS	CITY / COUNTY	Phase & Parcel Acreage A	B	C	D	NOTES
A	067-011-004	ETO ALAN T			17				Row Crop
A	067-011-019	BRANIN BARRY F	(PO Box 540 MB CA) TURRI RD	SAN LUIS OBISPO	57				Row Crop
A	067-011-020	BRANIN BARRY F	(PO Box 540 MB CA) TURRI RD	SAN LUIS OBISPO	42				Row Crop
A	067-011-021	GIACOMAZZI JOHN	LOS OSOS VALLEY RD		58				Row Crop
A	067-011-035	ETO ALAN T	ETO LN		108				Row Crop
A	067-011-049	LEE WILLIAM J	TURRI RD	SAN LUIS OBISPO	40				Row Crop
B	067-171-011	KANDARIAN LARRY	LOS OSOS VALLEY RD	LOS OSOS		30			Row Crop
B	067-171-038	KANDARIAN LARRY	3255 LOS OSOS VALLEY RD	LOS OSOS		64			Row Crop
B	067-171-039	SILVA OLYMPIA L	3865 LOS OSOS VALLEY RD	LOS OSOS		40			Row Crop
B	067-171-043	PAULSON ELLIOTT E	2335 JACARANDA LN	LOS OSOS		5			Nursery
B	067-171-084	FUNDAMENTAL EVANGELISTIC ASSN	CLARK VALLEY RD	LOS OSOS		17			Row Crop
B	067-171-085	CLARK VALLEY FARM INC A CA CORP	2310 CLARK VALLEY RD	LOS		16			Row Crop
B	074-222-014	LOS OSOS MORTUARY & MEM PARK INC	2260 LOS OSOS VALLEY RD	LOS OS		50			Turf & Landscape
B	074-225-008	BAUMAN SUSY S	(5810 Brookline Lane)	SLO		34			Row Crop
B	074-225-019	GOODWIN LESLIE S	2131 BLUE HERON VIEW LN	LOS OSOS		15			Row Crop
B	074-225-020	KOSTIK WILLIAM D	2130 BLUE HERON VIEW LN	LOS OSOS		10			Turf & Landscape
B	074-225-021	MAY EARL T	2181 BLUE HERON VIEW LN	LOS OSOS		3			Nursery
B	074-225-022	PAPAZIAN ROBERT	BLUE HERON VIEW LN	LOS OSOS		16			Turf & Landscape
B	074-225-039	ETO ALAN T	LOS OSOS VALLEY RD	LOS OSOS		35			Row Crop
C	NA	Los Osos Middle School	In Town	LOS OSOS			9.1		Turf & Landscape
C	NA	Sunnyside Elementary School	In Town	LOS OSOS			4		Turf & Landscape
C	NA	Monarch Grove Elementary School	In Town	LOS OSOS			2.8		Turf & Landscape
C	NA	Baywood Elementary School	In Town	LOS OSOS			2.2		Turf & Landscape
C	NA	Community Park	In Town	LOS OSOS			1.4		Turf & Landscape
C	NA	Tri W Site**	In Town	LOS OSOS			12		Turf & Landscape
C	NA	LO Valley Nursery***	In Town	LOS OSOS			0.1		Turf & Landscape
C	NA	Sheltered Acre Nursery	In Town	LOS OSOS					Turf & Landscape
C	NA	Sea Pines Resort Golf Course****	In Town	LOS OSOS			20		Turf & Landscape
C	NA	Sea Pines Driving Range****	In Town	LOS OSOS			9		Turf & Landscape
C	067-011-050	GLIKBARG MICHAEL M	1614 SAGE AVE	LOS OSOS			2		Nursery
C	067-011-051	GLIKBARG MICHAEL M	1614 SAGE AVE	LOS OSOS			3		Nursery
D	067-031-001	TONINI JOHN C	3517 TURRI RD	SAN LUIS OBISPO				145	Row Crop - Off Basin.
D	067-031-021	ALFORD 1999	3710 TURRI RD	SAN LUIS OBISPO				175	Row Crop - Off Basin
D	067-031-022	GIACOMAZZI JOHN	LOS OSOS RD	SAN LUIS OBISPO				150	Row Crop - Off Basin
D	067-031-032	DELGADO HOLLIE	5666 LOS OSOS VALLEY RD	SAN LUIS OBISPO				40	Row Crop - Off Basin
D	067-041-003	ALFORD 1999	3765 TURRI RD	SAN LUIS OBISPO				115	Row Crop - Off Basin
	TOTALS			Total Acreage	322	335	66	625	
				Estimated Annual Acre Feet By Phase	747 876 1108	777 911 1152	152 178 226	1450 1700 2150	*Cool or Wet Season* *Average Season* *Hot or Dry Season*

LEGEND

- Groundwater Basin Boundary (Source: Cleath, 11/03 Report)
- Proposed STEP Collection Backbone
- Proposed Wastewater Treatment Plant

LOS OSOS

PRELIMINARY RECYCLED WATER IRRIGATION PHASING

072406_RDT
06057_Recycled_Irrigation_Water_Phasing

mid-valley engineering

RIPLEY PACIFIC COMPANY

LOS OSOS COMMUNITY SERVICES DISTRICT
LOS OSOS, CA

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SCALE NTS

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Appendix B

Subconsultant Listing

LIST OF SUBCONSULTANTS

Subconsultant #1

Company Name	Bahman Sheikh Water Reuse Consulting
Contact Individual	Bahman Sheikh, PhD, PE
Telephone & Fax Numbers	(415) 695-1178 FAX: (415) 648-3765
Street Address	3524 22nd Street
City, State, Zip	San Francisco, CA 94114
Description of Services to Provide	Water recycling expertise, facilitation, community outreach and meeting with agricultural community.

Subconsultant #2

Company Name	Kenneth D. Schmidt & Associates
Contact Individual	Ken Schmidt
Telephone & Fax Numbers	Tel: 559-224-4412
Street Address	600 West Shaw Avenue, Suite 250
City, State, Zip	Fresno, CA 93704
Description of Services to Provide	Hydrogeologic evaluations and recommendations for recharge and well production.

Subconsultant #3

Company Name	Irrigation & Turfgrass Services
Contact Individual	Michael T. Huck
Telephone & Fax Numbers	Tel: 949-373-5097 Fax: 949-661-4157
Street Address	27543 Paseo Tamara
City, State, Zip	San Juan Capistrano, CA 92675-5309
Description of Services to Provide	Survey of potential recycled water users though individual "one on one" meetings. Provide assessment of owners, leasehold growers and/or site manager's interest and concerns regarding recycled irrigation water. Explore annual / perennial crops grown to determine general water quality, peak water demand, flow rate, and delivery pressure requirements. Assess each site's degree of difficulty related to pipeline construction due to specific soil conditions, terrain, and/or general accessibility.

Other Subconsultants

Other consultants not listed above may be retained on an as-needed basis for specific tasks.

Appendix C

Ripley Pacific and Subconsultant Reference Contact Information

Reference No. 1

Clients Name	**Los Osos Community Services District**
Contact Individual #1 Telephone and email	Chuck Cesena, former Director and President 805-801-8183, clcesena@charter.net
Contact Individual #2 Telephone and email	Julie Tacker, former Director 805-528-3569, julietacker@charter.net
Contact Individual #3 Telephone and email	Sarah Christie, former Chair, San Luis Obispo County Planning Commission 916-445-6067, Sarah.Christie@coastal.ca.gov
Description of services provided including contract amount when provided and project outcome.	Ripley Pacific contracted in 2006 to update wastewater plan for Los Osos with special emphasis on relocation of the treatment plant from a central location and develop an urban/agricultural effluent reuse plan. The final report (See Attachment B1) was accepted by the LOCSD and validated by NWRI. However, once San Luis Obispo County assumed project control in 2007, the Ripley Plan was rejected in its entirety. The SLO County Planning Commission later reinserted approximately 50% of the 2006 Ripley Plan including the plant relocation and urban/ag reuse portions. The major element that was not reinserted was the pressure collection system, and instead SLO County chose to construct a conventional gravity sewer collection system even though Los Osos is situated on a sand dune with widespread shallow groundwater with high liquefaction potential in a seismic event. Had SLO County elected to proceed with pressure collection in 2007, the cost savings to Los Osos ratepayers (relative to the current project under construction) is anticipated to exceed $100 million. This anticipated cost difference is due largely to inherent difficulties of gravity sewer open trench construction (in loose sandy soils with shallow groundwater) relative to horizontal directional drilling (HDD) that would have been utilized for the pressure collection system. In addition, road damage/restoration and disruption to Chumash burial sites would have been minimized with directional drilling relative to disturbances currently underway with open trench construction. Contract value: $400,000.

Reference No. 2

Clients Name	**Pastiempo Golf Course/City of Scotts Valley**
Contact Individual	Scott Hamby, City of Scotts Valley Wastewater & Environmental Program Manager
Telephone and Email	831-438-0732, shamby@scottsvalley.org
Street Address	700 Lundy Lane
City, State, Zip Code	Scotts Valley, CA 95066
Description of services provided including contract amount when provided and project outcome.	Ripley Pacific was contracted to assess water supply options for this historic golf course completed in 1929. Existing supply is entirely from the City of Santa Cruz potable system. The golf course is situated near the City of Scotts Valley ocean outfall pipeline which conveys secondary effluent to a joint outfall shared with the City of Santa Cruz. A plan was developed that required approval by the California Department of Public Health (CDPH) to upgrade the 7-mile pipeline for conveyance of disinfected tertiary recycled water. An Engineering Report was prepared, and recommendations were accepted by CDPH in November 2012 (See Attachment B2). The RPC team worked closely with the City of Scotts Valley wastewater staff to develop a protocol for disinfecting the pipeline to meet CDPH requirements. This project will save the City of Santa Cruz approximately 45 million gallons per year of potable water and decrease the ocean discharge of an equal amount by the City of Scotts Valley. Dual use of the Scotts Valley outfall had been previously rejected by an earlier consultant in favor of on-site tertiary treatment of secondary effluent scalped from the same outfall at a cost of about $7 million. RPC's dual use concept and ability to obtain CDPH approval for the outfall dual use concept has saved the client approximately $4 million. Contract value: $200,000

Reference No. 3

Clients Name	**Southern California Golf Association**
Contact Individual	Kevin Heaney, Executive Director
Telephone and Email	818-432-4173, kheaney@scga.org
Street Address	3740 Cahuenga Blvd
City, State, Zip Code	Studio City, CA 91604
Description of services provided including contract amount when provided and project outcome.	Ripley Pacific was awarded this contract by competitive bidding of the Metropolitan Water District of Southern California's Innovative Supply Program. The Southern California Golf Association was the applicant, and Ripley Pacific was the contracted consultant. The final report (see Attachment B3) was accepted by MWDSC and is recognized by the SCGA as a template for golf courses seeking alternative water supplies that are too distant from existing water recycling pipelines and/or treatment plants. The City of Coronado is located on an island in San Diego Bay where the sewer collection pipes are often under influence of saline shallow groundwater, which can negatively impact recycled water quality for turf irrigation. Special attention to the location and timing of scalping operations would be required to avoid unacceptably high salt levels in the on-site water reclamation facility. Contract value: $50,000

Ripley Pacific Company: Time Period Under Same Name

Time period company engaged continuously in providing wastewater, water recycling, and water resource consulting services under business name of Ripley Pacific Company: 19 years.

Time period company engaged continuously in providing wastewater, water recycling, and water resource consulting services under business name of Ripley Pacific Company LLP: 1 year.

Reference: Bahman Sheikh Water Reuse Consulting

Clients Name	Monterey Regional Water Pollution Control Agency
Contact Individual	Mr. Bob Holden
Telephone and Fax Number	(831) 645-4634
Street Address	5 Harris Court
City, State, Zip Code	Monterey, CA 93940-5756
Description of services provided including contract amount when provided and project outcome.	Over 30 years of consulting services ranging from pilot research on safety of water recycling to regulatory liaison to increase filter loading rates, and presently assisting the agency in developing a groundwater recharge project for indirect potable reuse of recycled water.

Reference: Kenneth D. Schmidt and Associates

Clients Name	City of Bakersfield
Contact Individual	Art Chianello
Telephone and Fax Number	661 326-3005 661 852-2127
Street Address	1000 Buena Vista Avenue
City, State, Zip Code	Bakersfield, CA 93311
Description of services provided including contract amount when provided and project outcome.	Hydrogeologic services: Evaluated effluent percolation and irrigation at WWTF No. 2 and 3, oversaw new monitor well installation & worked with WDR permit issues.

References: Irrigation and Turfgrass Services

Reference No. 1

Clients Name	Lake Arrowhead Country Club
Contact Individual	Michael Stevens General Manager
Telephone and Fax Number	Tel: 909- 337-2441 ext. 102 Fax: 909-337-9286
Street Address	250 Golf Course Road
City, State, Zip Code	Lake Arrowhead, CA 92352
Description of services provided including contract amount when provided and project outcome.	Recycled water retrofit project manager 2008 – 2010. Developed RFP's for design and construction bids for irrigation system modifications, pump station replacement, golf architectural changes, and lake designs for LACC's retrofit to recycled irrigation water. Coordinated design team's inspections of contractors work, monitored budgets, construction schedules and planting dates, etc. Drafted recycled water user's manual to comply with site specific requirements of the Lahontan RWQB discharge permit. Original contract of $124,000 to manage design through construction was extended on an "as needed" hourly basis when runoff undermined the lake shoreline and required repairs.

Reference No. 2

Clients Name	Coachella Valley Water District
Contact Individual	Olivia Bennett Non-potable Water Operations Manager
Telephone and Fax Number	Tel: 760-398-2662 ext. 3586 Fax: 760-391-9638
Street Address	75-525 Hovley Lane East
City, State, Zip Code	Palm Desert, CA 92260
Description of services provided including contract amount when provided and project outcome.	Surveyed existing non-potable irrigation water (canal & recycled) golf course customers regarding operational & agronomic concerns. Provided a summary report of customer responses with recommendations for changes that could promote greater use of non-potable water. Attended meetings with future non-potable customers to address their concerns. Project began in July 2008 with maximum contract amount of $160/Hr for 1000 hours divided over two fiscal years. Work completed though 2010 totaled $24,240. The non-potable project was placed "on hold" as the economy slowed. Contract was extended to an "on call" basis in 2011 for customer meetings that arise as the economy improves.

Reference No. 3

Clients Name	San Diego County Water Authority
Contact Individual	Maria Mariscal Water Recycling Program Manager
Telephone and Fax Number	Tel: 858-522-6746 Fax: 858-268-7881
Street Address	4677 Overland Avenue
City, State, Zip Code	San Diego, CA 92123
Description of services provided including contract amount when provided and project outcome.	Instructor for recycled water site supervisor training classes. Discussed water recycling treatment processes, backflow prevention devices, operating procedures, local rules, regulations, codes and other regulatory requirements. Classes were scheduled quarterly by the SDCWA. The contract was based on a flat rate fee per class instructed.

Appendix D

Resumes of Key Personnel

RESUME: DANA K. RIPLEY, P.E.
PRINCIPAL, RIPLEY PACIFIC COMPANY LLP

Dana Ripley has over thirty years of experience in the water resource and water reuse fields. He has been responsible for feasibility analysis of water supply, water reuse and wastewater infrastructure alternatives, conceptual planning and design, state and local regulations, and implementation of water supply and water reuse projects located in the western United States. Mr. Ripley has completed water reuse assignments from public sector and private development clients to develop solutions for wastewater collection, treatment and reuse as well as potable water supply. His expertise is in assessment of client short-term and long-term needs, evaluation of effluent disposal and beneficial effluent reuse options, and formulation of wastewater and water recycling management concept plans optimized to clients' needs and acceptable to regulating public agencies.

Mr. Ripley has been owner and principal of the firm of Ripley Pacific Company, LLP since its inception in 1991. Ripley Pacific specializes in the planning, feasibility evaluation, regulatory approvals, and design of water reuse infrastructure in California.

REGISTRATION
California Professional Civil Engineer, #C-59192

DEGREES
M.B.A., University of Santa Clara, 1986
B.S. Biology, University of California at Davis, 1976

PROFESSIONAL AFFILIATIONS
California Water Environment Association
California WateReuse Association

PUBLISHED WATER REUSE SCHEMATIC
Figure 13-15, *Schematic flow diagram of comprehensive water reclamation and reuse plan incorporating STEP systems for low-, medium-, and high density developments*. Included in Tchobanoglous, G. et al., *Water Reuse, Issues, Technologies, and Applications*, McGraw Hill, 2007.

REPRESENTATIVE PROJECTS
<u>Current Project: Tesoro Viejo, Madera County, CA</u>
A 1.2 million gallon per day (mgd) water reclamation system is being planned to serve this master planned community on the northern side of the San Joaquin River. The anticipated service population will be approximately 15,000 and will include 3 million square feet of commercial, retail, and light industrial space. A water recycling system is proposed to reuse tertiary treated effluent for irrigation of all public and private landscaping, sports turf, and for all toilet flushing in the project. A water supply assessment was recently submitted and approved by Madera County that includes recycled water as an integral component of the project's water supply portfolio. Other water supply sources include on-site groundwater and San Joaquin River surface water. Surface water will be used conjunctively with groundwater to assure water neutrality and ensure that groundwater resources are not depleted.

Current Project: Pasatiempo Golf Course Switch to Recycled Water, Santa Cruz County, CA
A water supply assessment is in preparation to provide drought contingency planning for this historic Alister MacKenzie golf course (built in the late 1920's). Existing water supply is from City of Santa Cruz, which has alerted the course of a potential 80% supply cutback in the event of drought. A contingency water supply plan including city water, groundwater, and recycled water is in preparation to provide 100% assurance that the golf course will have sufficient irrigation water during drought periods. The California Department of Public Health (CDPH) has recently issued an approval of the "dual use" of the Scotts Valley ocean outfall pipeline to supply tertiary effluent to the golf course during the irrigation season. The 7-mile ocean outfall pipeline will be upgraded seasonally to convey tertiary recycled water during the irrigation season which will off-load approximately 45 million gallons per year from the City of Santa Cruz potable system. Santa Cruz is facing future water shortages based on numerous factors including state and federal mandated habitat conservation plans for restoring salmonid species in local creeks and river.

Prior Project: Los Osos Community Services District, San Luis Obispo County, CA
A 1.2 mgd wastewater collection and reuse system was planned to serve an existing resident population of approximately 18,000. This highly controversial project has been in various planning stages for over 20 years, and the Ripley Pacific team prepared an integrated wastewater plan that incorporated pressure septic effluent collection, tertiary treatment, seasonal effluent storage, and 100% beneficial reuse for landscape and leafy green agricultural irrigation. The wastewater plan is considered a vital element in the community's water resources plan that is based on a limited groundwater basin and suffers from seawater intrusion caused by historical over-pumping of the aquifer. The "Ripley Plan Update" was validated by the National Water Research Institute in November 2006.

Prior Project: OSR at the Coronado Municipal Golf Course, San Diego County, CA
A 0.4 mgd "scalping" on-site water recycling (OSR) facility has been planned to provide a supplemental water supply for irrigation of a municipal golf course and parks on this island city. A grant application was drafted for the Metropolitan Water District of Southern California Innovative Supply Program on behalf of the Southern California Golf Association to develop a template for on-site water recycling at golf course locations in Southern California. The initially selected site for feasibility evaluation was the Coronado Municipal Golf Course located in San Diego County, California. The project report was reviewed and accepted by the City of Coronado and MWDSC in June 2005, and project implementation is under consideration by city staff.

Prior Project: Monarch Grove at Sea Pines Golf Course, San Luis Obispo County, CA
A 0.03 mgd water reclamation facility was planned to serve a new residential development in the unincorporated community of Los Osos, just south of Morro Bay. This zero-discharge system reclaims imported wastewater for irrigation of an existing golf course. The Monarch Grove project receives water supply credit for displacing existing groundwater demand. An exemption to a 1988 moratorium was granted based on the proposed system's ability to mitigate California RWQCB's concerns related to total nitrogen (N) accumulations in the local groundwater basin. A nitrogen budget was developed that calls for reduced fertilizer N application in an amount equal to the amount of nitrogen delivered in tertiary effluent.

3524 22nd Street, San Francisco, CA 94114 USA•1-415-695-1178•bahman.sheikh@g,mail.com

Bahman Sheikh, PhD, PE

Consulting Specialty and Vision—Water Recycling

Provide professional services in water resources and water recycling to communities worldwide

Professional Accomplishments

Recent Water Recycling and Related Projects

- Malibu zero-discharge development with water reuse: Facilitation with RWQCB and developer
- San Jose and Santa Clara Valley Water Distrct: Facilitation for 40-year agreement on joint operation of advanced treatment of recycled water for water quality improvement
- San Francisco: Planning for recycled water projects in the eastside of the city
- Los Osos: Wastewater Management Plan Updateð member of the Ripley Pacific team
- Marin Municipal Water District: Evaluation of alternative satellite water recycling options
- San Jose, Redwood City, Coachella Valley, San Diego: Training recycled water site supervisors
- Monterey County: food crops irrigation with recycled water, groundwater replenishment project
- Central Contra Costa County Sanitary District: community gardens irrigated with recycled water

International Consulting, 21 Countries Served—Typical Examples:

- **Jordan**: Developed standards for water reuse, evaluated Aqabaôs water resources for the future, consulted on irrigation of crops with high-salinity, high-nitrogen recycled water
- **USAID**: Evaluated pilot wastewater treatment system for water reuse in Israel, Egypt and Palestine
- **India**: Evaluated feasibility of water reuse for irrigation and exchange of river water for potable use in Hyderabad, Nagpur. Developed water conservation and reuse plans for Jaipur, Pune, and Faridabad
- **The World Bank**: Provided expertise on water reuse at a workshop for Middle East and North Africa
- **Egypt**: Recommended revisions to standards and rules for use of reclaimed water for crops irrigation.
- Saudi Arabia: Developed master plan for water recycling in the capital city of Riyadh.

Professional Contributions

- Authored National Training Manual for Site Supervisors and Users of Recycled Water
- Authored Chapters in Major Water Reuse Publications Used in University Classes
- Serves on Research Advisory Board of National Water Research Institute
- Served on Boards of Directors of WateReuse Association and Foundation
- Served as Chair of Public Outreach and Education Committee of WateReuse Association

Water Conservation, Demand Management

- Prepared Rationale for City of Chula Vista for Mandating Water Conserving Features Built into new Home Residential Developments
- Compared Variety of Water Conservation, Reuse and Desalination Alternatives for Marin Municipal Water District
- Evaluated Water Conservation in Agriculture for Jaffna Penninsula, Sri Lanka

Teaching, Training, Mentoring

- Delivered Lectures and Seminars at Several Graduate Programs (e.g., Hokaido University, UC, Davis, UCLA, Occidental College, University of Southern California, Pomona College)
- Trained over 1,000 Recycled Water Site Supervisors in San Jose, San Diego, Redwood City, Coachella Valley, Windsor, and in King County, Washington.
- Mentored Young Professionals in Advancing their Careers in Water-Related Fields

1-415-695-1178• • bahman.sheikh@g,mail.com

Bahman Sheikh, PhD, PE

Employment History

1996 to Date	Independent Consultant	Water Reuse Consultant, San Francisco, CA
1994-1996	Water Resources and Reuse Policy Specialist	West Basin Municipal Water District, Carson, CA
1989-1995	Executive Director, Office of Water Reclamation	City of Los Angeles, Los Angeles, CA
1987-1989	Department Manager, Civil Environmental Engineer	CH2MHILL, Oakland, CA
1970-1987	Project Manager, Department Manager	Engineering-Science*, Inc., Berkeley, CA

*Engineering-Science was acquired/absorbed by Parsons

Education

1967	PhD	University of California, Davis, California
1964	MS	University of California, Davis, California
1957	BSc	American university of Beirut, Beirut, Lebanon

References

References are available on request.

Papers, Reports, Presentations

Bahman Sheikh has over 80 publications, including peer-reviewed journal articles, conference papers published in proceedings of international conferences, and book chapters,. A complete list is available on request. See www.bahmansheikh.com

Awards and Honors

- Resolution of Appreciation in recognition of 30+ years of service from Board of Directors, Monterey Regional Water Pollution control Agency, March 29, 2004.
- Outstanding Service Award, WateReuse Association, 2002
- Presidentôs Award of Appreciation, WateReuse Association, 2002
- Appointed to the Board of Directors of WateReuse Research Foundation, 2001 to 12/2007
- Appointed to the Research Advisory Board of National Water Research Institute, 1995.
- Recognized by City of Los Angeles City Council for ñefforts and accomplishments,ò 1994
- Recognized by City of Los Angeles Board of Public Works for ñvision & commitment,ò 1994
- Elected to Board of Directors, WateReuse Association, 1993, served until 2002.
- Integrated Resource Management Award, Water Policy Conference III, 1993
- Outstanding Service Award, WateReuse Association of California1991

RESUME: KENNETH D SCHMIDT, PH.D
PRINCIPAL, KENNETH D. SCHMIDT AND ASSOCIATES

History and Specialized Services

KDSA was established in Fresno, California in 1972 by Ken Schmidt as a specialized hydrogeologic consulting firm. The firm has been providing clients with expertise in effluent percolation from ponds and recycled water irrigation for the past several decades. Ken Schmidt, principal of the firm, has a B.S. in Geology from Fresno State College and M.S. and PhD. in Hydrology from the University of Arizona. Four registered geologists and California-certified hydrogeologists provide client services. The firm specializes in hydrogeologic evaluations for CEQA compliance, and for Regional Board WDR permits. KDSA has been heavily involved with monitoring the impacts of wastewater effluent management on groundwater quality. KDSA has conducted a number of exploratory programs and pilot recharge projects for groundwater basin recharge. KDSA professionals are experienced with coastal aquifers and saltwater intrusion issues.

Relevant Exemplary Projects

Cambria Community Services District (1980's to1990's}

For two decades, Ken Schmidt was monitoring groundwater conditions in the San Simeon Creek area. He participated in the development of a new well field and an effluent management area, including several water rights hearings before the State Water Resources Control Board. He developed an extensive groundwater monitoring program to address potential sea water intrusion, effluent percolation, and potential impacts on other wells due to pumping. He instituted the program, reviewed monitoring results for more than a decade, and presented his findings at numerous town hall meetings.

Tesoro Viejo, Madera County (2009 to 2012)

KDSA completed detailed technical studies to develop groundwater and to construct suitable recharge sites for a large residential development. KDSA prepared a detailed technical report on hydrogeologic conditions at the site, which is located about 15 miles north of Fresno and along the margin of San Joaquin Valley. Ken Schmidt developed a pilot recharge site and determined the amount of water that could be recharged. A pilot production well project was also undertaken to determine the amount of groundwater that could be produced on a sustained basin. The detailed KDSA report was used as part of the CEQA

process to obtain project approval. KDSA conducted a comprehensive technical report, and worked with Ripley Pacific Company to thoroughly evaluate water budgets and recycled water reuse.

City of Fresno (1970's to Present)

KDSA prepared a detailed technical report on hydrogeologic condition for one of the largest effluent percolation projects in the western U.S. Ken Schmidt evaluated effluent infiltration rates and soil management practices, and helped develop several potable wells at the wastewater treatment facility (WWTF). KDSA routinely evaluates monitoring data from two deep zones in the groundwater and prepares water-level and groundwater quality maps. KDSA participated in studies of mounding and refractory trace organics in the groundwater beneath and downgradient of the WWTF ponds.

City of Bakersfield (2000 to Present)

KDSA developed a groundwater monitoring program for effluent percolation ponds at WWTF No. 2 ponds and irrigated areas at WWTF No. 3, and prepared technical reports on installation of monitor wells and groundwater monitoring, and evaluated the impacts of effluent percolation and irrigation on groundwater quality. KDSA has participated in several evaluations required by the Regional Board, and was involved with development and the initial monitoring of new monitoring wells at both facilities.

Partial List of KDSA Projects

Project Type	Representative Clients
Effluent Percolation*	Cities of Fresno, Tulare, Delano, Madera, San Joaquin, McFarland, Kerman, Dinuba, Sanger, Porterville, Exeter, Reedley, Bakersfield, Terra Bella.
Irrigation with Recycled Water	Cities of Fresno, Porterville, Kerman, Bakersfield, Tulare, Modesto
Coastal Aquifers	Cambria CSD, Los Osos CSD, Santa Clara Valley, Watsonville, Huntington Beach, Camp Pendleton.

* Effluent percolation is indistinguishable from groundwater recharge and ultimately results in potable reuse, indirectly through blending with other water sources contributing to the aquifer.

RESUME: MICHAEL T. HUCK
PRINCIPAL, IRRIGATION AND TURFGRASS SERVICES

Qualifications

- Over 30 years experience in the golf course, landscape and turfgrass maintenance industry.
- Conducted over 600 Turf Advisory Service consulting visits to golf courses in Arizona, California, Colorado, Nevada, and Utah as the Southwest Region Agronomist for the United States Golf Association. Approximately 20% of those courses used recycled irrigation water.
- Experience in all areas of turfgrass and landscape management, particularly irrigation scheduling, sprinkler uniformity evaluation & recycled water evaluation & management.
- Irrigation Association Certified Golf Irrigation Auditor (#53943), California Qualified Applicator (#40528) & Licensed Pest Control Advisor (#06852)
- Authored and co-authored multiple technical articles and book chapters on managing recycled and other alternative irrigation water sources.
- Delivered approximately one hundred presentations and workshops at local, regional, national and international turfgrass and allied industry conferences, seminars & meetings.

Experience

2001 to Present - Independent Consultant, Irrigation and Turfgrass Services.

- Provide turfgrass, soils, and water quality consulting to golf and landscape sites.

1995 to 2001 – Consulting Agronomist, USGA Green Section, Southwest Region.

- Conducted over 600 Turf Advisory Service visits and written follow-up reports.
- Organized & participated in numerous regional and national turf industry conferences.

1994 to 1995 - Golf Course Superintendent, The SCGA Golf Course, Murrieta, CA.

- Maintenance of all golf course and landscape areas irrigated with saline groundwater.
- Developed a long range plan for remodeling of the Robert Trent Jones Sr. design.

1988 to 1994 - Golf Course Superintendent, Mission Viejo CC, Mission Viejo, CA.

- Maintenance of private golf course and landscape areas irrigated recycled water. .
- Supervised the design and installation of a complete irrigation system designed to accept recycled water. Sprinkler selections were made based upon laboratory results of equipment submitted to the Center for Irrigation Technology for testing.

1991 – Temporary Faculty, California State Polytechnic University, Pomona, CA.

- Developed course lectures, term project, and examinations for the Golf Course Management class due to faculty called to reserve duty during the Desert Storm conflict.

1980 to 1988 - Industry Hills & Sheraton Resort, City of Industry, CA.

- 1983 – 1988 - Director of Grounds and Golf Courses, Responsible for all management of the Grounds Maintenance Department for the 650 Acre Resort that includes two championship golf courses built over a sanitary landfill and irrigated with recycled water.

Education - Bachelor of Science Degree, Ornamental Horticulture, California State Polytechnic University, Pomona, California (1982).

Professional Organizations & Committees

LADWP Golf Industry Water Conservation Task Force Member
Golf Course Superintendents Association of America (GCSAA) - Member
Golf Course Superintendents Association of Southern California - Member
California Association of Pest Control Advisors – Member
California Alliance for Golf, Water Resources Technical Advisory Committee

Clients & Representative Projects

Ripley Pacific Company - Pasatiempo Golf Club Project in Santa Cruz CA – Provide agronomic support during planning, permitting, engineering project phases for eventual delivery of recycled water to the golf course & grounds. Primary responsibilities include agronomic assessment of soil and turfgrass conditions, turf and landscape tolerances to available recycled water. Draft report sections pertaining to site specific operational procedures and retrofit requirements for eventual submission to state regulatory agencies that oversee recycled irrigation water use. (2011 – Ongoing)

Lake Arrowhead Country Club, Lake Arrowhead CA – Project manager for golf course planning, design, and construction activities during LACC's recycled water irrigation retrofit. The project included constructing a lake / reservoir on the golf course and various changes to the irrigation system to comply CDPH and regional water board requirements. Developed a site specific recycled water user's operational manual to satisfy the environmental protection requirements included within the Lahontan Regional Water Board discharge permit issued to the Lake Arrowhead Community Services District. (2007 – 2011)

Coachella Valley Water District Mid-Valley Pipeline & Coachella Canal Projects – Surveyed existing users and met with future customers regarding any concerns or problems with using one or both of the CVWD's non-potable (recycled and/or canal) irrigation supplies Provide CVWD's urban irrigation customers guidance with potential agronomic management changes needed to successfully use the alternative irrigation sources. (2006 – Ongoing)

San Diego County Water Authority Site Supervisor Certification Training – Co-instructed SDCWA's site supervisor certification training classes required by the State of California for recycled water users. Presented classroom style education covering various subjects and discussed backflow prevention and equipment, employee training and safe handling procedures, proper irrigation scheduling and maintenance, along with regulatory compliance and reporting requirements when working at sites that use recycled water for any one of the state approved uses. (2007 - 2011)

Ripley Pacific Company – Los Osos Wastewater Management Plan Update Project – Evaluated the feasibility of using recycled irrigation water at various agricultural and urban irrigation sites as a component of the LOWMP Update Report. Held meetings with area landscape managers, horticultural, and agricultural growers to discuss their interest and/or concerns towards using recycled irrigation water. Coordinated and accompanied Los Osos growers on field trips to visit the Monterey Regional Pollution Control Agency where over 10,000 acres of raw table eaten vegetable crops are irrigated with recycled water. Provided support researching and developing budget costs for recycled water distribution systems, etc. (2006)

Appendix E

Misc. Proposal Statements:
Agreement of Services Confirmation,
Contested Provisions of Contract,
Past Contract Disqualification

Statement Confirming Review of Consultant Services Agreement

This confirms that Ripley Pacific Company LLP has reviewed the Consultant Services Agreement attached to the City of Morro Bay, Request for Proposals, Project Planning Services for New Water Reclamation Facility, issued on March 18, 2013.

Executed on April 15, 2013 at Pleasanton, California under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

Dana K. Ripley

REGISTERED PROFESSIONAL ENGINEER
DANA K. RIPLEY
No. C59192
Exp. 06-30-13
CIVIL
STATE OF CALIFORNIA

Statement Stating Disputed Contract Provisions

This confirms that Ripley Pacific Company LLP has no disputes with any of the provisions of City of Morro Bay, Request for Proposals, Project Planning Services for New Water Reclamation Facility, issued on March 18, 2013 and/or the attached Consultant Services Agreement.

Executed on April 15, 2013 at Pleasanton, California under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

Dana K. Ripley

REGISTERED PROFESSIONAL ENGINEER
DANA K. RIPLEY
No. C59192
Exp. 06-30-13
CIVIL
STATE OF CALIFORNIA

Statement of Past Contract Disqualifications

The consultant shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from proposing on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

Do you have any disqualification as described in the above paragraph to declare?

Answer: No with Potential Exception

Potential exception: Ripley Pacific Company (RPC) was selected in a competitive bidding process by the Los Osos Community Services District (LOCSD) in 2006 to develop a comprehensive wastewater and water reuse plan, which was completed on time and under budget. The Plan was fully validated by the National Water Research Institute in November 2006. For reasons beyond control of RPC, San Luis Obispo County Public Works Department assumed control of the project in 2007, and essentially rejected all elements of the RPC Plan. The San Luis Obispo County Planning Commission later reinserted approximately 50% of the RPC Plan (plant relocation, urban and ag reuse).

The RPC Plan included pressure effluent collection considered necessary to address the special conditions presented by development on a coastal sand dune with widespread shallow groundwater, liquefaction hazard, and numerous Chumash burial sites. The project currently under construction by SLO County, includes gravity collection, which is considered by RPC to be an inappropriate collection alternative given the special site conditions of the project. Between 2007 and 2012, RPC was unsuccessful in convincing SLO County that conventional gravity collection was inappropriate for the Los Osos project.

While the above does not represent a past contract disqualification, it does represent a dispute with a public agency regarding work product quality. RPC's position remains that SLO County erred in not removing the gravity system as a viable collection alternative for Los Osos. This position is validated by the difficulties experienced by contractors since October 2012 dealing with loose sandy soils, road damage from heavy equipment, shallow groundwater, and dewatering constraints. The extent of cost overruns associated with these factors is unknown at this point in time but will likely be substantial.

Further detail and reference contact persons familiar with the foregoing work product dispute is provided in Appendix C1.

Executed on April 15, 2013 at Pleasanton, California under penalty of perjury of the laws of the State of California, that the foregoing is true and correct.

Dana K. Ripley

Appendix F

Hourly Rate Schedule

RIPLEY PACIFIC COMPANY LLP
Profession Services Billing Rates: 2013

Standard Hourly Rates Schedule

Standard Hourly Rates are subject to annual review and adjustment.

DESCRIPTION:	PER HOUR
Project Manager/Principal	$ 240.00
Senior Geologist/Hydrogeologist	$ 240.00
Asst. Proj. Manager/Water Reuse Specialist	$ 220.00
Agronomist	$ 210.00
Staff Hydrogeologist	$ 180.00
Senior Engineer	$ 180.00
Staff Engineer	$ 160.00
Assistant Engineer/CAD Operator	$ 140.00
Document Production	$ 90.00
Clerical	$ 75.00

REIMBURSABLES:

Reimbursable expenses for travel, reproduction, and outside services will be invoiced at cost plus ten percent. Invoice copies for reimbursable expenses available on request.

Appendix G

Insurance Certificate and Agent Statement

Mitchell & Mitchell
Insurance Agency, Inc.

April 1, 2013

Ripley Pacific Company, LLP
6130 Stoneridge Mall, Ste. 105
Pleasanton, CA 94588

Dear Mr. Ripley:

Thank you for taking the time to speak with me today. Enclosed, please find a copy of your current certificate of insurance. CNA has an AM best: 'A' rating. As we discussed, in regards to the insurance requirements for the City of Morro Bay's proposal, we will be able to provide the adequate limits requested for all coverage's.

Please inform as soon as possible to the time you would like to bind all endorsements/changes to your current policies so that we may keep within the contract proposal's agreement terms.

If you have any questions, please do not hesitate to let me know.

Sincerely,

Jeff Roth

Mitchell & Mitchell Insurance Agency, Inc.

(415) 883-2525 • Fax (415) 883-7752 • Toll-free 1-800-995-0060 • 250 Bel Marin Keys Blvd., Suite E-1 • Novato, CA 94949
www.mitchellandmitchell.com AZ 892307, CA 0620650, CO 253380, NV 6348, OR 810839, WA 160772

ACORD

CERTIFICATE OF LIABILITY INSURANCE

ATTACHMENT 4

OP ID: JR

DATE (MM/DD/YYYY) 04/01/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Mitchell & Mitchell-Lic0620650
250 Bel Marin Keys Blvd, Bld E
Novato, CA 94949
Gary M. Mitchell

Phone: 415-883-2525
Fax: 415-883-7752

CONTACT NAME
PHONE (A/C, No, Ext)
FAX (A/C, No)
E-MAIL ADDRESS
PRODUCER CUSTOMER ID # RIPLPA1

INSURED
Ripley Pacific Company, LLP
6130 Stoneridge Mall, Ste. 105
Pleasanton, CA 94588

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A CNA	
INSURER B	
INSURER C	
INSURER D	
INSURER E	
INSURER F	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY						EACH OCCURRENCE	$ 1,000,000
A	X COMMERCIAL GENERAL LIABILITY			5088100704	01/11/2013	01/11/2014	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
	GEN'L AGGREGATE L MIT APPL ES PER:						PRODUCTS - COMP/OP AGG	$ 2,000,000
	X POLICY PRO-JECT LOC							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS						BODILY INJURY (Per accident)	$
	SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	$
A	X HIRED AUTOS			5088100704	01/11/2013	01/11/2014		$
A	X NON-OWNED AUTOS			5088100704	01/11/2013	01/11/2014		$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DEDUCTIBLE							$
	RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						WC STATU-TORY L MITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N / A					E.L. EACH ACC DENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Prof Liab			EEH 28-834-50-75	01/11/2012	01/11/2015	Per Claim	1,000,000
							Aggregate	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Claims-Made Prof Liab Coverage Prior Acts: 1/11/2012

CERTIFICATE HOLDER

INSURED

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Gary M. Mitchell

© 1988-2009 ACORD CORPORATION. All rights reserved.

April 8, 2013

Dear Mayor Irons and fellow Morro Bay City Council members;

Please consider this letter and my attached resume as an application for the Project Planning Services consultant on the New Water Reclamation Facility (WRF) for the city of Morro Bay.

Due to my special circumstances and some historical correspondence with the current City Attorney and some of the city staff, I feel that the city's application in it's current form denies me from being considered as a consultant. Certain city staff have shown an unwillingness to recognizing my profession as a Mechanical Field Engineer and my experience as a wastewater professional.

I have been involved with the Morro Bay/ Cayucos Sanitary District Wastewater Treatment (MB/CSD WWTP) project for the past 10 years, first as an employee of the CSD and later volunteering my services with other concerned citizens in Morro Bay. During my tenure at the CSD I had successfully completed several sewer collection projects on time and on budget these included:

- Replacing a Lift Station #4 Force Main
- Replacing several hundred feet of sewer main using trenchless technology
- Relocating and Replacing Lift Station #2, including the design of a CCC approved leak detection system.
- Successfully secured FEMA and State OES funding for sewer collections liquefaction damage resulting from the 2003 San Simeon earthquake.
- Drafted calibration procedures and calibrated sewer collection flowmeters,
- Assembled and analyzed sewer flow data for a flow study.

As a concerned Morro Bay citizen, I have co-authored several reports and letters relating to the poor condition of the city's sewer collection system and the serious capacity issues with the MB/CSD WWTP. In late 2007, the Central Coast Regional Water Control Board (CCRWQCB) requested comments from the city of Morro Bay and the CSD regarding the collection reports that I co-authored. In a January 16, 2008 letter the CSD responded to the CCRWQCB and about the same time city of Morro Bay also responded to the reports in an undated letter to the CCRWQB. The contents of the city's response letter clearly shows that the city staff, many who are still involved with this process do not have an understanding or are unwilling to recognize my credentials and the experience of my profession. That said I encourage this council to look into this matter irrespective of the consideration for this consulting position.

On June 6, 2006 I filed a Morro Bay city Claim Form #19-06, regarding the sewer flow data that was being used to determine the capacity needs of the MB/CSD WWTP. While employed at the CSD, the city had hired Wallace Engineering consultants to perform a sewer capacity flow analysis in North Morro Bay. The Wallace representative had requested flow data from the CSD which I had provided, however

that information was later expunged from the Wallace report that was provided to the City Council. The Claim I filed was never considered or reviewed. This has resulted in million dollars of wasted taxpayer funds in studies on projects that are under capacity and not using the best available technologies. I feel that no other potential consultant has a clear understanding of the capacity issues that plague this project and need to be addressed prior to any discussion regarding location and treatment technologies for the new WRF.

As an individual, what I bring to the table along with any other colleagues that would be involved with the MB WRF is a clear understanding of what the Public Trust Doctrine means and how to apply it to a public health project like this is. With my experience and connections working on National Defense Projects along with my relatively resent experience addressing clean water and human health issues, I feel confident that with the right project the city of Morro Bay will qualify for large state and federal grant funding to help relieve the local citizenry of the financial burden associated with a project of this magnitude.

Thank You for giving me this opportunity to present my vita and I sincerely appreciate all of your time and consideration. Regardless of the Morro Bay City Councils decision regarding the consultant services, I will continue to do what I can to help our community receive the best possible and affordable water reclamation facility for our citizenry.

Respectfully,
Richard E.T.Sadowski

4-8-13

Richard E. Sadowski

490 Java Street
Morro Bay, California 93442
(805) 772-2610

Summary of Qualifications

- Experience working with key environmental programs, policies and tools, including the Marine Protection Act, Circular Sea Initiative, the Coastal Zone permitting process, the National Environmental Protection Act, California water rights, CEQA, and EIR's
- Collaborative relationships with environmental protection groups including the California Coastal Commission, the Ocean Protection Council, the California Water Environment Association, and the Sierra Club, Santa Lucia Chapter
- Experience in researching, assessing, and reporting environmental risks and dangers, and recommended solutions
- Mechanical and field engineering experience
- CWEA Wastewater Management certification, grade 4
- Experience as first responder in wastewater system failures
- Experience managing and training technical and field staff
- Held a Department of Defense National Security Clearance
- Listed in the Directory of Experts to the California Ocean Protection Council Scientific Advisory Team
- Member of the San Luis Obispo County Grand Jury

Work Experience

Environmental Research and Reporting

March, 2003 to present
Independent volunteer researcher

- Identified and analyzed the causes of failure of current clean water management and enforcement mechanisms. Developed, and presented to the Ocean Protection Council, a proposal for the Blue Carpet Program, which identifies new, innovative solutions for protecting our oceans and sustainable water supplies.
- Researched and reported on the condition of the Morro Bay wastewater collection system, and provided recommendations for problem resolution.
- Researched, analyzed and reported on the condition of the Estero Bay area groundwater basins. Identified the likely cause of coliform and nitrate contamination that was previously attributed to agricultural sources.

Wastewater System Management

January, 2003 to November, 2004
Collections Supervisor, Cayucos Sanitary District

- Managed the collection system team
- Prepared capital improvement project construction cost and time estimates
- Performed and analyzed video inspections
- Analyzed damage, prepared reports and made presentations that resulted in FEMA grants following a major earthquake in the area

General Contracting and Property Management

March 1990 – December, 2002
General Contractor, custom home construction

Mechanical Engineering

May, 1986 – March, 1989
Marquardt , Van Nuys, CA
Lead Test Operations Engineer – National Aerospace Scramjet model testing

Directed the work of teams of technicians, mechanics, and tradesmen in development, buildup, and test operations. Developed and directed test operations procedures for system operators. Supervised and installed digital and analog instrumentation, piping, and component support systems including hydraulics, pneumatics, and cryogenics. Designed and installed fixtures for model testing.

August , 1985 – February, 1986
McDonnel Douglas Corporation
Vandenberg AFB, Lompoc, California
Contract Facilities Test Engineer

Directed work of technicians and mechanics in troubleshooting liquid hydrogen ground support facilites for the Vandenberg AFB Space Shuttle launch site. Performed testing and troubleshooting for piping systems, valves and control circuits. Developed procedures for removal, testing, and re-installation of facility ground support equipment

October, 1981 – August, 1985
General Dynamics, Convair Division
Vandenberg AFB, Lompoc, California
System Engineer for Atlas 'H' launcher and propulsion systems

As lead field engineer in the construction of the Atlas 'H' launch site, directed testing and troubleshooting of ground support equipment. Installed and performed testing and troubleshooting for Rocketdyne MA-3 and MA-5 rocket propulsion systems

Education

- **Bachelor of Science degree, mechanical engineering**, California State University at Los Angeles.
- **California Water Environment Association training to obtain and maintain grade IV Wastewater Collections System Operator certification**
- **OSHA and Hazmat training**
- **NPDES permit writing training**

TOTAL RANKING – RWS

5/2/13

ATTACHMENT 6

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	37	228	230	276
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	47	221	219	265
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	10	221	157	269
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	3	39	39	47
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	49	42	48
Oral Presentation	50	0	340	368	465
Total	150	97	1098	1055	1370

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	5	25	30	30
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	5	25	25	30
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	0	15	20	30
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	1	4	4	4
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	5	5	5
Oral Presentation	50	0	30	45	50
Total	150	11	114	129	149

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	Ø	20	20	28
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	Ø	22	20	25
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	Ø	20	15	25
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	Ø	5	4	5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5		5	4	5
Oral Presentation	50	Ø	30	30	45
Total	150	Ø	102	93	133

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	5	20	20	25
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	5	15	10	20
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	0	15	20	25
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	0	5	5	5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	5	4	5
Oral Presentation	50	—	30	35	45
Total	150	10	85	94	125

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30		20	30	30
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30		30	30	30
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30		25	20	30
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5		1	4	4
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5		5	5	5
Oral Presentation	50		25	30	30
Total	150		106	139	149

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	0	26	20	25
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	0	25	25	25
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	0	20	10	25
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	1	5	5	5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	5	3	5
Oral Presentation	50	0	45	40	45
Total	150	1	126	103	130

[redacted]

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	2	25	25	28
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	2	24	20	25
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	0	30	15	28
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	0	3	3	5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	5	5	5
Oral Presentation	50	0	40	35	45
Total	150	4	127	103	136

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	20	25	27	28
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	20	25	27	25
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	10	25	20	28
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	1	5	5	5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	5	5	5
Oral Presentation	50	0	35	40	43
Total	150	51	120	124	134

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work	30	Ø	15	2Ø	3Ø
Project Understanding			WA FOCUS PLNG	Ø	✓✓
Knowledge of Chief Issues		WR	WR FOCUS	–	✓
Knowledge of Standard Solutions			–	✓	✓✓
Innovative Ideas			–	✓	✓
Synthesize Technical Info			–	✓	✓
Relevant Project Experience	30	5	15	2Ø	3Ø
Experience interacting w/ Council, CSD			✓	✓	✓✓
Experience interacting w/Public			✓	✓	✓✓
Experience interacting w/ City & Regulatory Staff			✓	✓	✓✓
Project Team	30	Ø	2Ø	2Ø No team	~~3Ø~~ 2Ø
Staff organization			✓	Proposed	✓
Specific Roles of key staff			✓	only	✓
Previous projects worked on as a team			✓	PM for entire project	Ø
PM work history w/ relevant projects			Los Osos	N/A	✓✓
Experience w/i Coastal Zone			✓	✓	✓✓
Experienced in public relations & outreach			✓	✓	✓✓
Demonstrated success w/ controversial projects			Ø	–	✓✓
Responsiveness to the RFP	5	Ø	4	4	5
General Work Plan			✓ 13M	6 YRS PLNG ✓	4MO ✓✓
Identify Critical Milestones			✓	✓	✓✓
Interface & Time required w/ City Staff			Ø	✓	✓
QC Process			✓	✓	✓
Three professional references			✓	STRONG	✓
Exceptions to or Deviations from RFP requirements			X	Proposed more than asked	✓
Explanation for past contract disqualifications			✓	N/A	N/A
Ability to Conform to City Contract	5	Ø	5	3	5
Proposed deviations from standard consultant agreement			NONE	SEVERAL	~~SEVERAL~~ NONE
Insurance certificate			✓	✓	✓
Oral Presentation	50	Ø	35	4Ø	5Ø
Total	150	5	94	1Ø7	148

CAPACITY – Will Rickenbach have time to do this work as well as Spanish Springs?
NOT AN ISSUE TO CC 14JUN13

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30	5	25	20	30
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30	10	20	15	25
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30	0	25	10	30
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5	0	3	3	5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5	0	5	5	5
Oral Presentation	50	N/A	40	30	50
Total	150	N/A	118	83	145

EVALUATION CRITERIA AND SELECTION PROCESS

Selection of the consultant or contracting entity will be based on an overall assessment of qualifications, capability, adaptability, and plan to accomplish the project on schedule. Selection of the consultant shall be based on all submitted documents and subsequent interview.

Written proposals will be ranked by the City based on established ranking criteria. The request for proposals for Project Management Services will be evaluated utilizing the following qualifications-based criteria:

Criteria	Points	RS	RPC	JHC	JFR
Approach to Work Project Understanding Knowledge of Chief Issues Knowledge of Standard Solutions Innovative Ideas Synthesize Technical Info	30		27	18	22
Relevant Project Experience Experience interacting w/ Council, CSD Experience interacting w/Public Experience interacting w/ City & Regulatory Staff	30		26	27	30
Project Team Staff organization Specific Roles of key staff Previous projects worked on as a team PM work history w/ relevant projects Experience w/i Coastal Zone Experienced in public relations & outreach Demonstrated success w/ controversial projects	30		26	7	23
Responsiveness to the RFP General Work Plan Identify Critical Milestones Interface & Time required w/ City Staff QC Process Three professional references Exceptions to or Deviations from RFP requirements Explanation for past contract disqualifications	5		3.9	2.4	3.5
Ability to Conform to City Contract Proposed deviations from standard consultant agreement Insurance certificate	5		4	3	3
Oral Presentation	50		30	23	42
Total	150		110.9	80.4	123.5

AGENDA NO: D-5

Meeting Date: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE:** **May 8, 2013**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**
Rick Sauerwein, PE – Engineering Division Manager
Robert Schultz - City Attorney

SUBJECT: **History and Status of Water Rights Issues in the Chorro Valley**

RECOMMENDATION

Staff recommends that City Council review the comprehensive staff report on the City's water history and our current ongoing practices related to the City's water rights and issues surrounding the Chorro Valley. After review, public comment and discussion provide any further direction to Staff.

ALTERNATIVES

1) Continue on the present course to preserve City water rights in the Chorro Valley by constructing a stream flow gauge in Chorro Creek, and replacing all existing City water service connections with private wells & single point of use reverse osmosis treatment to reduce nitrates;
2) Abandon City water rights to Chorro Valley well fields;
3) Evaluate other alternative strategies to provide a replacement water source for Chorro Valley residents.

FISCAL IMPACT

None at this time.

SUMMARY

The water supply for the City of Morro Bay has four main sources. In order of the quantity supplied, these sources are: the State Water Project, Chorro groundwater, Morro groundwater, and the Desalination Plant. Nitrate contamination of both the Chorro and Morro groundwater resources by

Prepared By: RL /RS / RSchultz **Dept Review: _____**

City Manager Review:_____

City Attorney Review:_____

agricultural activities has greatly impacted our water supplies. During periods of reduced State Water Project deliveries, it is necessary to blend our other sources of water together in order to reduce nitrate levels in the distribution system. The Desalination Plant, which has recently been used to remove nitrates from the Morro groundwater, is undergoing a series of upgrades to improve the efficiency in treating brackish water and restore the ability to treat salt water.

The City has produced water from the Chorro groundwater basin to meet water demands. Our groundwater permits require that stream flows be above 1.4cfs when extractions occur. Currently, the City is measuring creek flows biweekly. Our permit conditions require continuous flow monitoring, which has not yet been installed.

In 2009, the City was informed of a complaint filed by Jones to the Division of Water Rights staff at the SWRCB. The complaint alleged that the City had not complied with the requirements imposed in the City's water rights permit for Chorro Creek. Since then the City has contracted with outside legal counsel to help Staff as it continually works on the water rights issues and the complaint in the Chorro Valley.

Pursuant to past Council direction, Staff has met with several property owners in the Chorro Valley and is discussing what facilities property owners will need in order to be disconnected from the City's water system.

BACKGROUND

Morro Bay incorporated as a general law city in 1964. Prior to incorporation, two waterworks districts under the auspices of San Luis Obispo County served the community. The sole historic source of potable water for the community was groundwater derived from three well fields in two small coastal valleys: the Morro well field in the Morro valley and the Romero and Ashurst well fields in the Chorro valley.

In 1972, the City of Morro Bay filed two applications for permits to appropriate water from two well fields (Romero and Ashurst) in the Chorro Creek underflow. The applications sought to formalize the City's rights to appropriate water from the Chorro underflows based upon the City's historic use of that water.

State Water Board hearings on the City of Morro Bay's 1972 applications took place five years later in 1977. The State Water Board took no further action until it issued a decision in 1982 and determined the waters of the Chorro basins to be "underflow" subject to the board's jurisdiction. It then ordered the City to prepare an Environmental Impact Report (EIR) to support its permit applications.

Pursuant to the State Water Board's 1982 decision, the City prepared an EIR pursuant to the requirements of the California Environmental Quality Act. The EIR included significant analysis of surface-groundwater interaction in the Chorro and Morro well fields, and concluded that groundwater extraction from the Chorro and Morro wells would have no environmental impact. The State Water Board conducted additional hearings in 1987 and again in 1995.

On July 20, 1995, the Board issued a final decision on the applications (Decision No. 1633).

Therein, the Board approved the City's applications and issued permits for 1,142.5 acre feet per year (afy) from the Chorro Basin wells (Well Nos. 8, 9, 9A, 10, 10A, 11A, 12 and 16). The Board's Order contained numerous conditions, including certain conditions that the Board recognized would have significant impacts on the City's ability to rely on the Chorro wells. These conditions have been problematic for the City. Those conditions and the City's current operations are the subject of the Jones complaint and are detailed further in this report.

In September 1997, as contemplated in the City's water right permits, the City began receiving deliveries of 1,313 afy of water from the State Water Project (SWP). Since 1997, the City has utilized State Water as its primary source of water, except during periods of State Water Project maintenance operations. As the chart below indicates, the City's highest annual use during this period was 49 afy, until significant reduction in State Water availability in 2005.

In 2005, the annual water production in the Chorro Valley increased significantly due to diminished State Water Project deliveries and limited production from the Morro Valley.

During the State Water shut down in 2006, nitrate levels spiked in the Morro well field and led to health standard compliance issues, forcing the City to substantially reduce water use from the Morro wells. Nitrate issues have continued to plague Morro Valley and, together with diminished State Water Project deliveries during this period, the City has been forced to rely more heavily on the Chorro wells and the treatment of the contaminated Morro wells at its desalination facility to meet the City's water needs.

Year	Chorro Basin (ac-ft)	Morro Basin (ac-ft)	R/O Plant (ac-ft)	State Water (ac-ft)	Total (ac-ft)1
1997	986	249	0	301	1536
1998	38	0	0	1287	1326
1999	34	0	0	1359	1393
2000	4	0	0	1396	1400
2001	12	0	0	1398	1410
2002	1	32	47	1373	1454
2003	3	29	13	1384	1429
2004	49	213	20	1206	1487
2005	204	151	0	1008	1362
2006	257	79	25	1010	1371
2007	276	35	19	1116	1446
2008	184	52	28	1175	1439
2009	235	80	66	1069	1450
2010	86	391	258	873	1609
2011	18	101	84	1144	1347
2012	1	109	70	1130	1310

In summary, from 1997 to 2006, during the period after the City began receiving deliveries from the

1 The total water is overstated in the years that included R/O plant operation since the feed water for the R/O comes from the Morro Wells. In 2012 the conversion from Million gallons to ac-ft was corrected.

SWP and before the Morro wells were significantly impacted by nitrate contamination, the City substantially reduced diversions from the Chorro wells. Since 2006, reduced deliveries from the SWP and the nitrate contamination of the Morro wells have forced the City back to more significant use of the Chorro wells. More recently, treatment of the brackish Morro wells and conservation have been used to reduce the demand on Chorro wells, while still meeting demands. The City's varied usage history over the past ten years aptly demonstrates precisely the reason why each of the City's water sources is so important in providing a redundant and reliable water supply for the citizens of the City of Morro Bay.

Jones Complaint

On October 1, 2009 the City was informed of Mr. Jones' complaint by letter from the Division of Water Rights staff at the SWRCB. The complaint alleged that the City has not complied with SWRCB Decision 1633 and requirements imposed in the City's water right permits for Chorro Creek (Permit Nos. 20866, 20867, and 20868).

The complaint alleges injury to fish and wildlife and public trust resources, as follows, "For the protection of fish and wildlife habitat and other public trust resources in Chorro Creek and Morro Bay, surface flow needs to be 1.4 cfs per DFG biologist Charles Marshall to protect endangered steelhead trout as stated in Decision 1633." Mr. Jones proposed that the complaint could be resolved as follows: "Comply with Decision 1633. Install continuous flow meters below Ashurst and Romero well fields. Cease all pumping until flow meters are in place to comply with minimum flow requirements."

The City and Division of Water Rights staff have met on numerous occasions to discuss Mr. Jones' complaint and other matters related to the City's Chorro Creek water rights. The parties have discussed the City's compliance with various conditions of the Chorro water rights permits. The City and Division staff have agreed that the City would prepare and submit a report documenting the City's compliance with its Chorro and Morro water rights permits and a plan for actions to ensure continued compliance or corrective measures to bring the City into compliance with all permit conditions.

On October 25, 2012 the City received approval of its Flow Bypass Compliance Plan from the Division of Water Rights. This plan outlines the conditions and constraints under which the City agrees to operate the Chorro Wells until completion of its stream gauge projects and full compliance with all of the terms and conditions of the revised permits have been met.

For the first half of 2013, City staff has worked with Division of Water Rights staff to prepare, review, and revise a Petition for Extension of Time for the Chorro Well Permits. This time extension will give the City the ability to complete all of the compliance activities and take full beneficial use of the Chorro well water.

Chorro Valley Customers

From time to time since the incorporation of the City, water meters and water services have been provided to customers outside of the City limits. Currently, the City has water service at nine locations outside of the City limits. Some of these connections were made following the procedure outlined in the municipal code with a designation by Council, while others were made in order to

secure access or water for the City. There are others that have no available records pertaining to their connection.

All of the water service connections that are located within the Chorro Valley receive water from a single pumping line. When the City's wells in the Ashurst and Romero well fields are operating, water from these wells blend in the pumping line and is distributed to Chorro Valley customers prior to being transported to the King's tank to blend with water from other sources. When only one well from the Ashurst well field blends with the water from the Romero well it can still meet the nitrate standards, but when more than one Ashurst well is running, the blended water will likely exceed the nitrate limits. When the Chorro Valley wells are not operating, the customers outside of the city limits receive the same blend of water as all other customers within the City limits, which consistently meets drinking water standards.

At the time that these connections were made, the water quality in the Chorro Groundwater Basin was considered safe for drinking and met the State and Federal regulations governing water quality. In the last few decades water quality has deteriorated in the basin while a number of new Federal regulations have come into effect governing water supplies.

Because of the degradation to the water quality and the changes in regulations, in December of 2008 the California Department of Public Health inactivated all of the wells in the Ashurst well field until a reliable method of providing treatment for nitrate removal or blending is in place. Therefore, the City no longer has the ability to both maintain the pumping of wells in the Chorro Groundwater Basin as well as provide water that meets all State and Federal standards to the nine customers in the Chorro basin.

In order to both provide water to the customers outside the City limits and maintain the Chorro Groundwater resource for the benefit of the customers within the City limits, major modifications to the City's infrastructure would be required. These modifications would be needed to effectively deal with the nitrate contamination while also providing disinfection of the occasional bacteriological contamination events that impact the Chorro Groundwater Basin.

DISCUSSION

On September 28, 2009, January 11, 2010 and March 22, 2010, the City Council reviewed and analyzed the following alternatives to maintain sufficient water resources for the residents of the City from the Romero and Ashurst wells:

1. Water Treatment Plant Alternative: Providing point source treatment of the well water produced. This would require treatment at the Ashurst well field for nitrates through either ion exchange or reverse osmosis and disinfection facilities at both the Ashurst and Romero well sites. While the City currently has disinfection facilities in place, additional chlorine contact time will need to be provided through the addition of storage volume. The positive aspect of this project is that the water leaving the well sites would meet all applicable health and safety standards and would be safe to deliver to the customers in the Chorro Valley. The negative aspects of this project would be: difficult permitting through the County because of flood plain issues, the capital and ongoing maintenance costs of the project, and the need to add additional

staff to cover the operation of these facilities. Installation of sewer disposal facilities to the Ashurst well field or some other method to dispose of reject/brine effluent would be required. Capital costs are roughly estimated at $200,000 at Romero, and $800,000 at Ashurst excluding design/permitting/legal fees and estimating contingencies. The Water Departments annual operating expenses and staffing levels would also have to increase.

2. New Pipeline Alternative: Installation of potable distribution pipe main along Quintana Road, through existing easements, all the way out to the Romero well field. While not an ideal solution from a water quality standpoint (long dead end lines are difficult to flush), this is probably more technically feasible than option 1. The approximate length of this pipeline would be 2.7 miles. Costs to install portable water lines are approximately $100 to $150 per linear foot depending on the specific location and the restoration requirements. This leads to a total project cost excluding design/permitting/legal fees and estimating contingencies of $1,400,000 to $2,100,000. This option would have no projected impact to the Water Department's operating expenses and staffing levels.

3. Nonpotable Water Agreements: Continuing to provide water to customers outside of the City limits via non-potable water agreements. This alternative will not solve the potential problems of the Chorro Valley customers, as their water will still not meet the standards for potable water at times when the Chorro wells are running. This alternative effectively creates a dual water system of the City's distribution system, and complicates its operation. Dual water systems require higher levels of certification of all of our Water Department staff. These certifications are difficult to obtain and would likely increase City staffing costs. The City would also have to take measures to ensure that this non potable water is not used for drinking purposes in each and every customer's home in the Chorro Valley. The City, as a public water system, could not, at the time of these actions by the City Council, install home treatment devices. While these Point of Entry (POE) or Point of Use (POU) systems are capable of treating the water from the Chorro Valley to meet safe drinking water standards, they were not a legal solution for the City to implement. Subsequently, the California Department of Public Health adopted emergency regulations allowing the use of POE/POU treatment systems, although the City of Morro Bay cannot meet the necessary findings to take advantage of this potential approach.

4. Disconnect Customers Outside of the City Limits Alternative: Disconnect customers outside of the City limits from the pumping line. The benefit of removing water services from the pumping line is that blending and disinfection can occur within the pumping line prior to being introduced at the Kings tanks. This will enable a blended and disinfected product to be introduced at the Kings tanks and will protect the City from the liability of providing minimally treated well water to customers who currently are connected to a pumping line. This alternative can be pursued in conjunction with the second alternative (new potable water line) or individually by installing individual wells for each owner. Costs for this alternative are estimated to be $350,000 excluding negotiation costs/staff time. This alternative is consistent with

section 13.14.040 of the municipal code which limits the City's liability to provide water outside of the City limits.

On September 28, 2009, Councilmember Smukler moved for the City Council to include the stakeholders of the National Estuary Program, San Luis Obispo County Regional Water Quality Control Board and State Water Quality Control Board with a notice of the City's conversations and existing situation, and that we elude to our intent for future discussions about Decision 1633 and collaborative actions to address the water quality issue in the Chorro Basin. The motion was seconded by Councilmember Winholtz and carried unanimously.

On January 11, 2010, Councilmember Winholtz moved the City Council direct staff to terminate the Agreement between Roandoak and the City of Morro Bay pursuant to Paragraph 9 of the Agreement which states it will terminate in 120 days; in addition, there will be no discontinuation of water service until a new agreement is reached. The motion was seconded by Councilmember Borchard and carried unanimously.

On March 22, 2010, Mayor Peters moved the City Council appoint Councilmember Borchard and Councilmember Winholtz to serve on the Chorro and Morro Valley Water Rights Ad-Hoc Committee. The motion was seconded by Councilmember Grantham and carried unanimously.

From January 2010 until October 2012, the City worked with Roandoak and the County of San Luis Obispo in the Chorro Basin to develop a permitting strategy and template for the removal of systems from the City's system. In general, the agreement requires that the City provide a well and POU treatment system in exchange for termination of City water service. This leaves the property with a well and a treatment system capable of meeting the needs of that property. The County also required that the City conduct annual water quality monitoring of those new wells. This robust process and the agreements developed on this first project will facilitate future well construction and system disconnections.

CONCLUSION

In conclusion, the City will continue to actively pursue compliance with all of the terms and conditions of SWRCB Decision 1633. It is important to note that when the Water Board made Decision 1633, it recognized that it was effectively eliminating or severely restricting the historic municipal water source from the City's water supply portfolio for the benefit of fish and wildlife resources in a seasonal creek.

In the time period between the advent of State Water in 1997 and the nitrate contamination episode in 2006, the City had largely reduced its reliance on the Chorro groundwater basin as was intended by SWRCB Decision 1633. The recent contamination from nitrates in the Morro watershed coupled with the interruptible nature of the State Water Project have necessitated the City's turning back to the Chorro Basin as a vital part of its water portfolio in order to protect the health and welfare of the residents of Morro Bay. Because the pollution in the Morro basin will not likely be abated any time soon, and State Water Project deliveries are an interruptible resource, the City is committed to taking the steps necessary to preserve the full beneficial use of the Chorro basin groundwater.

AGENDA NO: D-6

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 6, 2013**

FROM: **Eric Endersby, Harbor Director**

SUBJECT: **Council Consideration of Requests for Proposals for Currently Vacant Lease Sites 138-139 (between North T-Pier public restroom and Crill's), 107W-108W (adjacent to South T-Pier), and 49/49W (south of Associated Pacific Constructors)**

RECOMMENDATION

Staff recommends City Council approve Requests for Proposals (RFPs) for vacant Lease Sites 138-139, 107W-108W, and 49/49W.

ALTERNATIVES

A. Approve the RFPs as presented.
B. Identify Council-desired changes to the RFPs and approve as amended.
C. Direct staff to investigate and propose City-generated projects.
D. Discontinue interest in developing these lease sites.

FISCAL IMPACT

The fiscal impacts, while unknown at this time, have the potential to raise revenues.

SUMMARY

During the 2012/2013 City budgeting process, several vacant lease sites were identified by the Harbor Department staff as being candidates for possible development and revenue-generation to augment the Harbor budget. Staff was directed to bring RFPs back to the City Council for approvals, which are included with this staff report.

BACKGROUND

During budget hearings with the City Council for the 2102/2013 fiscal year, and due to the impending cancellation of the $250,000/year Outfall Lease with the power plant, staff presented several options to balance the Harbor Department budget. One of those options was to send out for RFP, several currently vacant lease sites to determine if revenue-generating lease proposals would come forth. The three lease sites under consideration are the culmination of staff's efforts to develop

Prepared By: __EE____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

RFP's for those lease sites deemed worthy of possible development. .

DISCUSSION

A brief status and history of each lease site is as follows:

Lease Site 138-139 currently contains no leasable property; with the north T-Pier public restroom and shower occupying the northeast corner of site 139. The remainder of 139 and the entirety of 138 are currently being utilized for informal vehicle parking. Historically the site has had no formal development aside from the restroom, although in the early 2000's, a project was proposed by Driscoll's Wharf (the then-operator of the fish dock) to redevelop the entirety of the lease sites that now constitute Tognazzini's I and II, Crills, the Morro Bay Fish Co. dock, and lease sites 138-139. For several reasons that project, which also incorporated a new Harbor Department office building, never came to fruition. Lease Site 138-139 is land-only lease site.

Lease Site 107W-108W is the open water and revetment area between the south T-Pier and City's commercial fishing vessel slips adjacent to the south. Historically, this site has had no improvements or developments proposed; and is a water-only lease site that begins at the top of the rock revetment.

Lease Site 49/49W was created in the mid 1980's out of a larger lease site 50/50W when the South Street street-end right of way was abandoned (termed "vacated" at that time) as part of a larger project to develop the greater Tidelands Park area. At the time, it was a contentious issue with both Associated Pacific Constructors (APC), the then-lessee of lease sites 50-52/50W-52W, and the upland property owners who were in the process of completing the Tidelands Boundary Agreement negotiations. The net result over time was finalization of the Tidelands Boundary Agreement (a 30-year agreement that expired in 2011); the completion of the abandonment of the South Street street-end and creation of lease site 49/49W (Resolution 119-89); and the issuance an RFP in the early 1990's looking to develop the new lease site 49/49W as well as portions of the Tidelands Park water areas. A "temporary" three-year lease from 1990-1993 was entered into with APC for 49/49W for the duration of the RFP process and subsequent project permitting on the site.

That RFP resulted in the award of the lease site to a newly-formed non-profit corporation called the "Environmental Research Center," or "ERC," formed expressly to build and operate a marine research center on the site. ERC apparently got as far as City and Coastal Commission approval of their proposed project; unfortunately, the ERC and the City were unable to agree on development, lease terms and conditions, as well as funding issues for continued development of their project, and as such, the project never came to fruition. The City did however, continue their efforts to plan and develop Tidelands Park and side-tie dock projects, the results of which are as they are currently configured today. Lease Site 49/49W is a land and water lease site.

Of note during the previous RFP process, the Planning Commission and City Council identified the following as the "range of most appropriate uses" to be included in the RFP itself:

1. *Offer a new and unique recreational or visitor-serving facility that is not generally available.*
2. *Be water oriented (coastal dependent/related), at least in one primary aspect.*
3. *Provide Tidelands Park boat slips.*
4. *Compliment the Park with recreational or visitor-serving attractions, rather than being subordinate or dependent upon the Park.*
5. *Provide a use that has broad public appeal, by reason of cost or charges and facilities.*

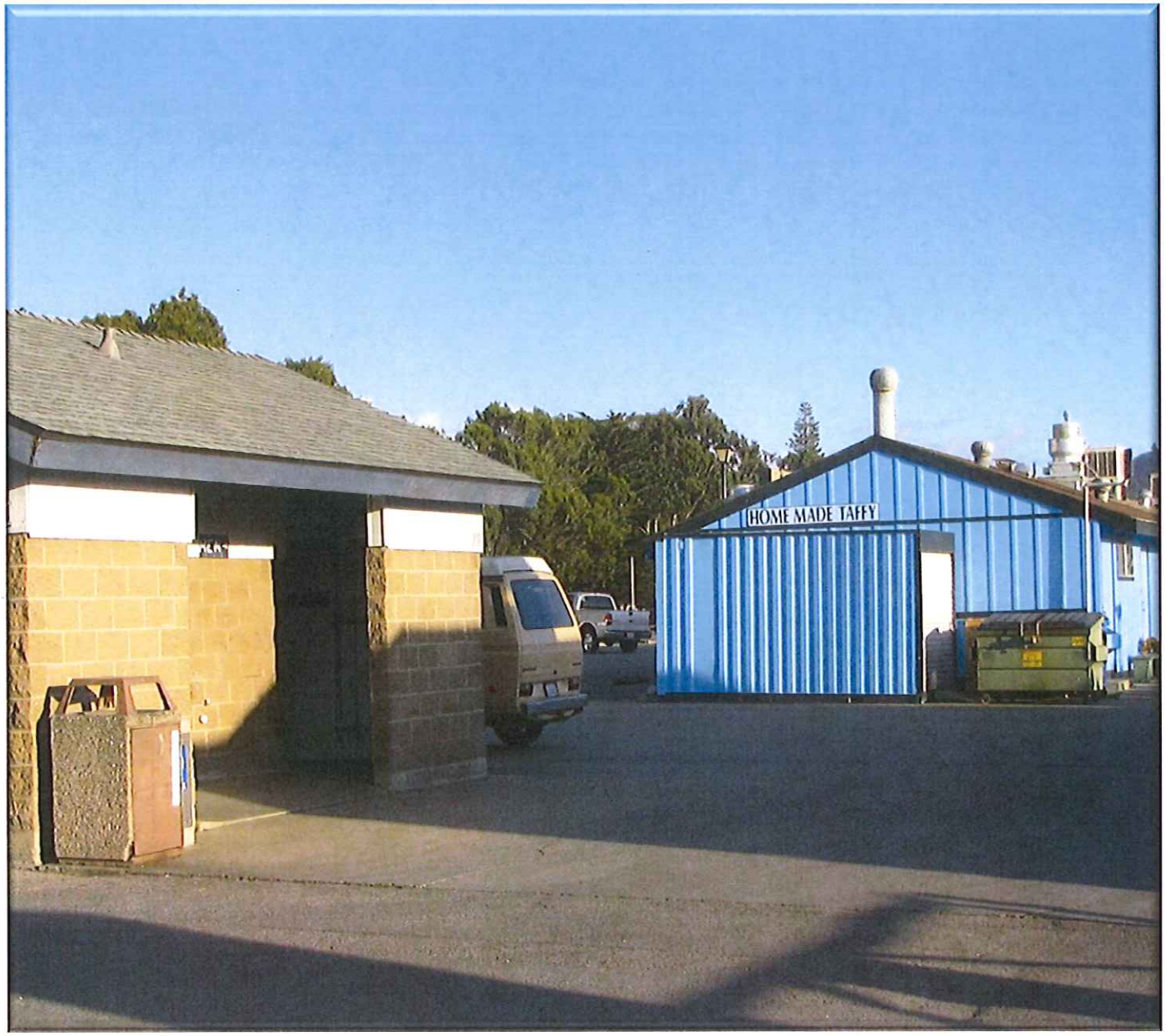
Taking those criteria into account, staff has created the attached RFPs for City Council approval. Should the RFPs result in viable project proposals, they will be brought back to Council to begin the public planning process.

City Council could, alternatively, direct staff to investigate and propose City-generated projects on said lease sites such as vessel slips or other facilities as identified, or to cease interest in developing these vacant lease sites altogether.

CONCLUSION

Staff has created draft Requests for Proposals for three currently vacant waterfront lease sites, and is seeking Council direction Staff is recommending Alternative A., approval of the RFPs as presented.

City of Morro Bay
Request for Proposals



Development of
Lease Site 138-139
1253 & 1257 Embarcadero
Morro Bay, CA 93442

May 17, 2013

Prospective Proposer:

SUBJECT: REQUEST FOR PROPOSALS FOR LEASE SITE 138-139, 1253 & 1257 EMBARCADERO, MORRO BAY, CA 93442

The City of Morro Bay invites the submittal of proposals from qualified entities and/or operators (Proposer) to develop vacant land located on the Embarcadero for Lease Site 138-139 located at 1253 & 1257 Embarcadero, Morro Bay, CA 93442

The Harbor Department intends to select a Proposer to comprehensively develop this property. It is anticipated that this property will be available on a long-term ground lease basis.

Instructions and forms to be used in preparing the proposal are found in the information included in the Request for Proposals (RFP). The schedule for this RFP will be as follows:

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	May 17, 2103
Mandatory Pre-Proposal Meeting and Site Walk-Through	June 14, 2013
Questions Due	June 30, 2013
Responses Posted by	July 15, 2013
Proposals Due	August 15, 2013

If you cannot agree to the requirements exactly as set forth in this RFP, please do not submit a proposal.

For questions regarding this RFP, please contact Eric Endersby by email at eendersby@morro-bay.ca.us. Questions must be submitted by June 30, 2013. Responses to questions will be posted on the City's website at www.morro-bay.ca.us on July 15, 2013. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

Sincerely,

Eric Endersby
Harbor Director

REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 138-139
1253 & 1257 EMBARCADERO, MORRO BAY, CA 93442

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Purpose

The City is seeking proposals from qualified entities and/or operators to develop vacant land located on the Embarcadero for Lease Site 138-139 at 1253 & 1257 Embarcadero, Morro Bay, CA 93442, and hereinafter referred to as "Site." The property is available for long-term ground lease and the City will consider development proposals by one or more Proposer Teams (Proposer). The duration of the lease to be awarded as a result of this RFP will be negotiable, depending on the investment plan of the Proposer. The agreement will become effective once approved by the City Council.

Objectives

The City Council has determined that it is in the best interest of the public to consider potential development proposals for the Site. The City desires to have the property developed in a manner which will provide an economic return to the Harbor Department. It is the City's objective to ensure that the Site is developed at the earliest possible time to meet modern design criteria and incorporates planning and building codes with uses that are the most beneficial to the Embarcadero business environment. Other key City objectives with this RFP are design improvements that include:

- Minimum 8-foot wide sidewalks
- Minimum 8-foot lateral public access along the waterfront
- Disabled access to second floor uses, if any

The City is seeking Proposers who have the proven experience, financial resources, and professional expertise to deliver the highest quality and economically feasible project that is consistent with and best implements the land and water uses approved in the City's Master Plan, Local Coastal Plan, and Harbor Department Lease Management Policy.

SECTION I: SITE HISTORY

This Site is comprised of approximately 1360 square feet of land area (Lease Site 138) and 1394 square feet of land area (Lease Site 139) located at 1253 & 1257 Embarcadero in Morro Bay, California. The parcels are described in more detail in the attached Lease Site Map.

Tracing back to English Common law the Public Trust Doctrine establishes that navigable water or lands subject to tidal influence are "sovereign", held open to the public for commerce, fisheries or navigation. In 1942-44, the federal government constructed a revetment along the Morro Bay waterfront and filled most of the area now known as the commercial strip along the Embarcadero. The State of California claimed ownership of the newly created land as at least a portion of it had previously been below the high tide line. After many years of dispute with private property owners, who also claimed an interest in the land, most title issues were settled in the 1950s-1960s by designating those lands west of Embarcadero Road as public trust lands owned by the State, and those lands east of Embarcadero Road as privately owned.

In 1947, the State of California granted those public trust lands in Morro Bay to the County of San Luis Obispo. The City of Morro Bay assumed trusteeship of the granted lands upon incorporation in 1964-1965. The tidelands grant in Morro Bay is in perpetuity, provided the City conforms to the terms of the legislative grant. The granted lands must be used for commerce, fisheries, navigation, recreational purposes, parklands, public access, public parking and environmental protection or enhancement. Residential use of these public lands is specifically prohibited. The City may lease out these lands to private businesses for a period up to 50 years and all revenues from such leases must be expended within the area of the granted lands for the purposes of the public trust. Much of the granted lands were leased to established businesses in the 1960s on long-term leases that provided low rental rates in exchange for tenant investment in the business on the sites or settlement of previous land ownership or county lease disputes. Some of these old long-term leases have accrued significant "bonus" value to the benefit of the private party because waterfront property values have increased far in excess of the contractual rental return to the City.

The City desires to solicit proposals from interested parties to ensure maximization of public benefit from development and a long-term lease agreement for the Site.

SECTION II: SITE DATA

Development property is Lease Site 138-139 as delineated on Parcel Map of the City of Morro Bay No. MB-68-30, which was recorded on October 10, 1968, in Book 3 Page 10 of Parcel Maps in the Office of the County Recorder, San Luis Obispo County, California. Property is located within the visitor-serving Tidelands Trust granted lands. The designated site, located at 1155 & 1159 Embarcadero, has been surveyed and contains a combined total of 2754 square feet of water.

A. Current Uses

The Site currently has no active leases. The northern end of the site does have a public restroom/shower that may or may not be incorporated into the development proposal. However, the restroom/shower use must remain on site in the finished product either as-original or incorporated into the new development.

B. Topography/Soil Conditions

The Site is generally flat on filled land. Investigation of land and soil conditions for suitability of the proposed development shall be the responsibility of the Proposer; however, no untoward hazards or conditions are known to exist on the site.

C. Hazards

The Site is subject to all conditions and hazards commonly associated with a bay/ocean-front setting including but not limited to:

1. Flooding: the Site is not in a designated flood zone.

2. Tsunami: the Site is within the tsunami 50-foot inundation zone.

3. Earthquake: the Site is within an earthquake hazard zone.

4. Storms: the Site is subject to periodic storm conditions.

5. Tidal Overflow: the Site can be subject to periodic tidal overflow.

D. Archeology

The Site is listed and is within 300 feet of a known archaeological site.

E. Hazardous Materials

It is the City's intention to deliver an environmentally clean Site to the Proposer, and no environmental hazards are known to exist beyond those normally associated with the daily operation of like businesses on the Site.

F. Zoning

The Site is in the "Measure D" Commercial/Recreation (CF) fishing district. The purpose of the CF district is to promote and accommodate both the commercial fishing industry and noncommercial recreational fishing activities in appropriate waterfront areas. The full text of Measure D and particulars of the CF district zoning can be found on the City website and in Morro Bay Municipal Code Section 17.24.

G. Parking

The Site currently has no parking spaces "grandfathered" in to the water leases.

SECTION III: INVITATION TO PARTICIPATE

The City is seeking proposals from Proposers with experience in commercial facilities, with the financial resources and capabilities to fund a proposed project, and whose general development approach and concept for the site best meets the City's objectives in this Request for Proposals.

A. Proposal Process

1. All proposals must be submitted per Section V, "Request for Proposals Submittal Package." All proposals become the property of the City of Morro Bay and will not be returned.

2. Submittals will be initially screened to ensure that they are complete and conform to this Request for Proposals. City staff will review and evaluate the qualifying proposals and make recommendations in a Staff Report.

3. The City will convene a Selection Panel to review the proposals, and to interview each qualified proposing party.

4. The Selection Panel will make Primary and Secondary Proposer recommendations to the Harbor Advisory Board, which in turn will review and make recommendations to the City Council.

5. The City Council will determine the final Primary and Secondary proposals.

6. City staff will at that time have authority to negotiate a long-term lease agreement with the proposing party for the Site. Upon approval of the Concept Plan by the City Council, City Staff would then recommend to the City Council for approval and execution. Proposing parties must assume that rental terms of a new lease agreement will be set forth as in the City's Harbor Department Lease Management Policy.

7. Any long-term lease shall include the requirement that the tenant, at the tenant's sole cost and expense, finalize all plans and permits, and obtain Precise Plan approval from the City Council prior to the commencement date of the lease.

B. Project Costs

ANY AND ALL DESIGN, ENGINEERING, OR PLAN SUBMITTAL COSTS FOR THE PROPOSAL WILL BE THE SOLE RESPONSIBILITY OF THE PROPOSING PARTY. THE CITY SHALL INCUR NO COST OR LIABILITY FOR ANY COSTS SHOULD THE PROPOSING PARTY BE UNABLE TO COMPLETE THE PROJECT APPROVAL AND/OR PERMITTING PROCESSES.

C. City's Right to Amend RFP

The City reserves the right to amend the RFP process and the selection procedures at any time. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

D. Contact Person

Request for Proposal Packets and written inquires regarding the Request for Proposals or the project site can be obtained by contacting:

Eric Endersby, Harbor Director
Morro Bay Harbor Department
1275 Embarcadero
Morro Bay, CA 93442
805-772-6254
eendersby@morro-bay.ca.us

E. Pre-Proposal Meeting

Attendance at the mandatory Pre-Proposal meeting and Site walk-through on June 14, 2013 is required to submit a proposal. For any questions posed at the meetings, a written response will be distributed to all interested parties and posted on the City website by July 15, 2013.

F. Submittals

Interested parties are required to submit their proposal to the City no later than 5:00 p.m. Verizon Time on August 15, 2013, per Section V of this RFP to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "PROPOSAL FOR LEASE SITE 138-139." Postmarks will not be accepted.

SECTION IV: SELECTION PROCESS

The City reserves the right in its sole discretion to reject any and all proposals submitted, to revise its selection process at any time, and to rescind this Request for Proposals at any time.

A. Criteria for Selection of Proposer

The City will select a proposal on the basis of maximization of public benefit in the proposed project, in addition to the proposing party's potential to bring the project to completion and successfully operate the lease based on financial capability and experience. The City expects to negotiate with the successful Proposer all aspects of the development program including a long term lease for the property.

Important elements influencing selection of a proposal are:

- Maximization of public benefit of the project and best utilization of both the land and water portions of the Site.
- Best balance between uses and requirements in the City's Master Plan, Local Coastal Plan, building codes, and design elements.
- The overall quality of the development team as evidenced by the professional reputations and experience of the principals and agents.
- Financial capabilities and expertise in commercial development.
- Experience in commercial leasing and property management.
- History of successfully completed development projects.
- The architectural excellence, engineering and overall quality of previous projects of like scope and scale.

Proposed uses on the lease sites shall be in conformance with the Tidelands Trust and consistent with current planning, zoning and land use policies of the City. The successful proposal will be subject to the normal planning and building approval process of the City.

B. Proposer Selection

The City reserves its right to seek input from various community and business representatives, staff, and other agencies. In addition the City may utilize the services of leading consultants in the areas of design, architecture and engineering, real estate, economics, and law to assist in the evaluation of the proposals and to negotiate a new lease.

Deposits from proposing parties reviewed by the City will be held in trust during the proposal review period. After City Council selection, the City will refund deposits from parties not in Primary or Secondary position, if any. The City will hold the Deposits from the proposing party under final Primary and Secondary consideration in trust during the twelve month Concept Plan processing period. If the Primary Proposer successfully completes Concept Plan approval of their proposal as outlined, all Deposits will be fully refunded. If the Primary proposing party fails to complete Concept plan approval within the specified time, the City will retain the Deposit as a

processing fee and the Secondary proposal may ascend to Primary status and the remaining Deposit handled accordingly.

C. Selection Methodology

In reviewing and evaluating the qualifications of the Proposers and their proposals, the following criteria will be considered:

1. The proposal complies with the Request for Proposals – **Pass/Fail**

2. Overall quality of the conceptual design of the facilities, overall Site plan and maximum utilization of Site square footage (land and water), and maximum benefit to the public – **up to 20 points**

3. Demonstrated understanding of the development constraints on the Embarcadero, and market knowledge of the Morro Bay and Central Coast local and visitor serving needs – **up to 20 points**

4. Proposed lease terms – **up to 20 points**

5. Proposer's financial strength and current relationships with financing sources, and demonstrated ability to finance the proposal through to completion – **up to 10 points**

6. "Green" and/or "LEED" building features including but not limited to site and landscaping, building materials, energy and water use, indoor air quality, lighting, and waste management – **up to 10 Points**

7. Overall Proposer and team qualifications and experience in similar projects – **up to 10 points**

8. Ability to secure and develop major sub-tenants as part of the proposal – **up to 5 points**

9. Proposed development schedule – **up to 5 points**

D. Exclusive Lease Negotiation

The City intends to enter into a ground lease with a Proposer who is capable of planning, designing, financing, developing and operating the project as proposed. Proposers responding to the RFP will be financially responsible for all construction activities. It is not anticipated that any direct financial assistance will be available from the City. The Harbor Department's typical ground lease is "triple net" and includes base rent and percentage rent terms. Negotiations for a ground lease will be initiated with the selected Proposer.

The lease will outline roles, expectations, responsibilities, goals, objectives and timelines with regard to the proposed development and specific financial parameters to which both the selected Proposer and City will adhere. Proposers will be responsible for all costs associated with the RFP process

including all costs incurred by the Proposer associated with the negotiation and development of the lease, as well as all costs associated with the entitlement, permitting, CEQA processing, and development. The selected Proposer will work closely with the City to establish general design parameters for the proposed development

The City and the Proposer shall negotiate a long-term ground lease agreement not to exceed a term of 50 years.

SECTION V: REQUEST FOR PROPOSALS SUBMITTAL PACKAGE

1. **Proposal Submittal.** All responses to this Request for Proposals must be received no later than **5:00 p.m. Verizon Time on August 15, 2013. Postmarks will not be accepted.**

Proposals shall be dropped off or sent to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "PROPOSAL FOR LEASE SITE 138-139." No fax or email proposals will be accepted.

2. **Acknowledgement Form.** Each proposing party must review, complete, and sign the attached Acknowledgement Form and include it with their proposals.

3. **Deposit Check.** A $5,000 Deposit check or bank draft payable to the City of Morro Bay must be included with the proposal. Deposit disposition shall be in accordance with Section IV B.

All Proposers must submit four (4) copies of the following information:

A. <u>Proposer Information</u>

1. **Identification.** Name of Proposer and type of entity. Also provide known members of development team such as architect, engineer, landscape architect, major equity investors, consultants, etc., including project organizational and management roles in implementation of development.

2. **Experience.** Provide a brief description of the Proposer's and key team member's recent development experience. This experience should include projects in which the Proposer was instrumental and which are similar to the kind of project or similar project being proposed. Please be specific and indicate references for each project.

3. **Financial Data.** Provide information indicating Proposer has sufficient financial resources to undertake the project, including a statement of proof of financial capability to plan and construct the proposed project. Provide bank references where appropriate. The latter may be in the form of bank or financing institutions' letters of reference.

   The City will independently investigate the financial background of proposing parties as agreed to in the required Acknowledgment Form signed by the proposing parties.

4. **Prior Financing.** Provide information on financing for prior or current development projects. Please be specific. Include a current Credit Report with credit score.

B. Proposal Narrative

1. **Narrative.** The written narrative must be included in the proposal describing the redevelopment proposal for the Site; the type of development envisioned and its market orientation which best implements both the land and water elements of the Site.

2. **Design.** The narrative should include the basic design elements, especially as they pertain to the City's waterfront design criteria, and all current planning conditions and zoning standards. A description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

C. Proposal Visuals

ALL DRAWINGS SHALL BE 24" X 36" BLACKLINE PRINTS WITH A HORIZONTAL LAYOUT. FOUR (4) SETS ARE REQUIRED.

EACH 24" X 36" DRAWING SHALL ALSO BE PROVIDED IN 8 ½" X 11" BLACK AND WHITE REDUCTIONS WHICH CAN BE PHOTO-COPIED.

1. **Site Plan.** Site Plan illustrating at a scale of 1" to 40" the outline of all buildings and improvements, including proposed building locations, landscape and hardscape areas, adjoining public areas, and proposed public improvements. Tabulations in square footage and percentage of the following shall be shown on the Site Plan:

    a. Building footprint, landscaped areas and hardscaped areas.

    b. Individual building tabulations depicting gross floor area and gross leasable floor area as well as proposed use.

    c. Parking designated as standard, compact, handicap and loading spaces.

2. **4-Sided Elevations.** Four sided elevations shall be at appropriate scale and overall dimensions shall not exceed 24" X 36". All elevations shall be dimensioned to illustrate the height of roof and height of parapet. Material details shall be illustrated on these elevations.

3. **Section Drawings.** Section drawings shall be provided of all street frontages shall show true dimensions and shall show the outline of buildings on the adjoining lots. Section drawings shall include the adjacent roadway.

4. **Colored Site Plan Rendering**. A rendering utilizing the above mentioned Site Plan shall be provided. This Site Plan rendering is intended to provide a colored overall view of the entire project.

5. **Building**. A narrative description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

6. **Water Lease.** Proposals should include plans, elevations, etc. for the water portion of the Site as well.

NOTE: Plan will be considered a Conceptual Plan and will be subject to adjustment and City approval once a proposal has been selected and the details of the project are finalized through the planning, permitting, and negotiation processes.

D. Pro Forma

The proposal shall include a ten-year pro forma for the entire development to include, but not limited to, construction, sublease, and stabilization. A description of the proposal financing as it pertains to the pro forma shall also be included. The proposal should include an estimate of the total value of the project, broken down into land and improvement values. The pro forma should reflect all income and expense line items including but not limited to ground lease payments, with sufficient detail and clarity, for the proposal to be properly evaluated by the City.

E. Terms of Lease

The proposal should include the price and all lease and business terms the Proposer will commit to for development of the project and subsequent ground lease.

F. Schedule

Include a preliminary time schedule including any proposed phasing. The schedule should include any financial scheduling, amortization, etc.

SECTION VI: TENTATIVE PROPOSAL SCHEDULE

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	May 17, 2103
Mandatory Pre-Proposal Meeting and Site Walk-Through	June 14, 2013
Questions Due	June 30, 2013
Responses Posted by	July 15, 2013
Proposals Due	August 15, 2013

SECTION VII: ATTACHMENTS

A. **Attachment 1:** **Acknowledgement Form**

B. **Attachment 2:** **Proposer Information**

C. **Attachment 3:** **Lease Site Map**

Thank you for your interest in working with the City of Morro Bay for this service. We look forward to receiving your proposal.

ATTACHMENT 1

ACKNOWLEDGEMENT FORM
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 138-139

Initial Below

1. _____ I have reviewed all of the information in this Request for Proposals and agree to all of the terms and conditions outlined therein.

2. _____I understand that each proposing party should review the City's General Plan, Local Coastal Plan, and any and all planning and permitting elements as they pertain to this lease site.

3. _____Any new lease with the City must be in the City's approved Master Lease format and should comply with the City's Harbor Department Lease Management Policy.

4. _____I have reviewed the City's Master Lease format and Harbor Department Lease Management Policy and agree that the lease policy and basic lease format is acceptable for any future lease negotiations.

5. _____I agree that the City of Morro Bay may take all steps necessary to investigate any financial information provided in response to this Request for Proposals. The City has my permission and consent to investigate such information however it deems appropriate.

6. _____Enclosed is a cashier's check or bank counter draft in the amount of $5,000 made out to the City of Morro Bay as a deposit and an indication of good faith interest for consideration in this Request for Proposals.

7. _____I agree that this check will be handled as outlined in this Request for Proposals including that the check may be retained by the City as a processing fee under certain conditions.

8. _____The parties signing below are all the parties in interest in our proposal to the City in response to this Request for Proposals, and, if part of a partnership or other entity, affirm that they have the authority to enter into this Request for Proposals.

_____	_____	_____
Printed Name	Signature	Date
_____	_____	_____
Printed Name	Signature	Date

ATTACHMENT 2

PROPOSER INFORMATION
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 138-139

Include the personal information for all persons or entities submitting this proposal:

Name _____

Address _____

_____

Phone(s) _____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

_____

Phone(s) _____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

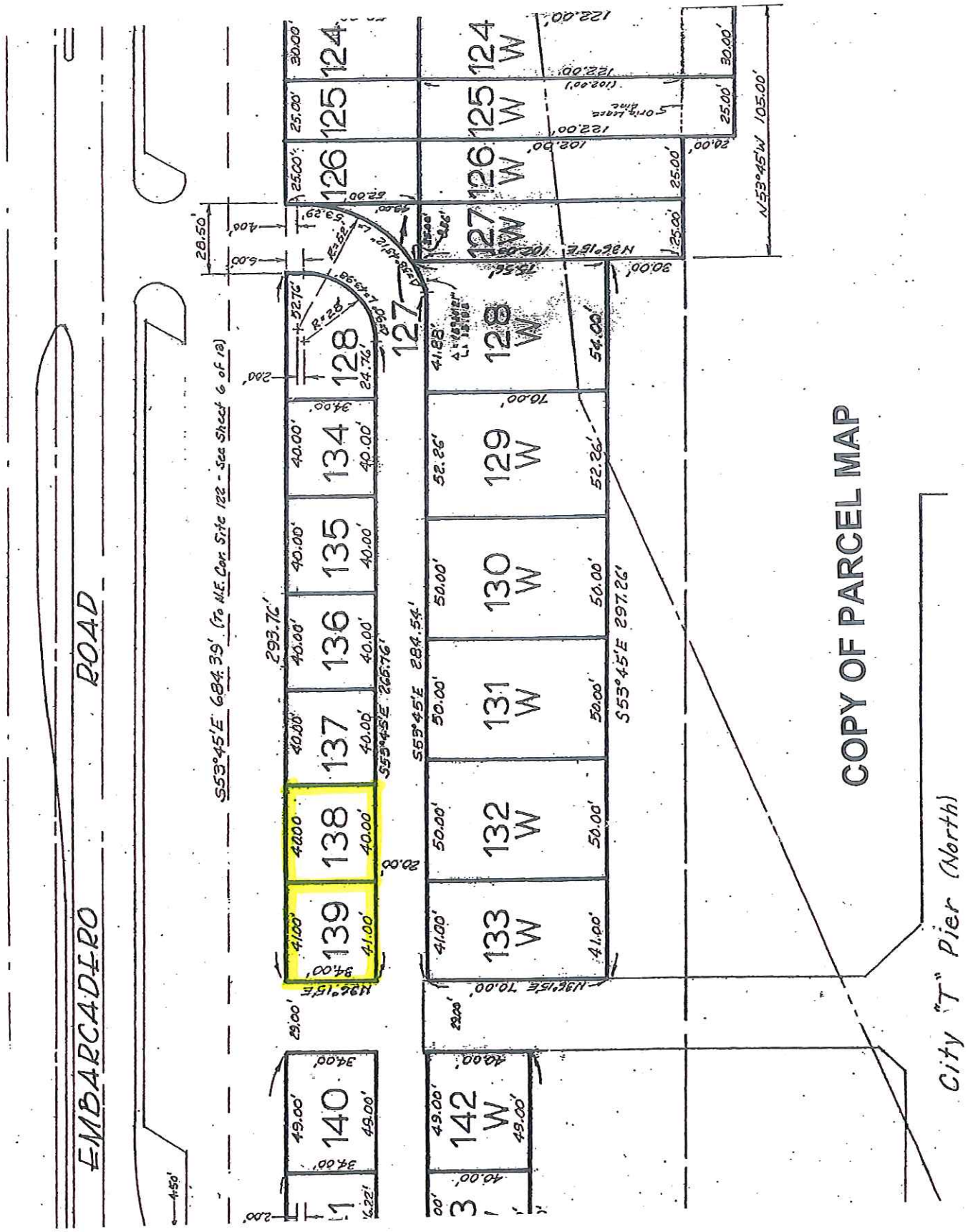
_____

Phone(s) _____ (home) _____ (work)

_____ (cell)

Email _____

ATTACHMENT 3



City of Morro Bay
Request for Proposals

Development of
Lease Site 107W-108W
1155 & 1159 Embarcadero
Morro Bay, CA 93442

May 17, 2013

Prospective Proposer:

SUBJECT: REQUEST FOR PROPOSALS FOR LEASE SITE 107W-108W 1155 & 1159 EMBARCADERO, MORRO BAY, CA 93442

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Sincerely,

Eric Endersby
Harbor Director

REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 107W-108W
1155 & 1159 EMBARCADERO, MORRO BAY, CA 93442

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Purpose

The City is seeking proposals from qualified entities and/or operators to develop vacant water located on the Embarcadero for Lease Site 107W-108W at 1155 & 1159 Embarcadero, Morro Bay, CA 93442, and hereinafter referred to as "Site." The property is available for long-term ground lease and the City will consider development proposals by one or more Proposer Teams (Proposer). The duration of the lease to be awarded as a result of this RFP will be negotiable, depending on the investment plan of the Proposer. The agreement will become effective once approved by the City Council.

Objectives

The City Council has determined that it is in the best interest of the public to consider potential development proposals for the Site. The City desires to have the property developed in a manner which will provide an economic return to the Harbor Department. It is the City's objective to ensure that the Site is developed at the earliest possible time to meet modern design criteria and incorporates planning and building codes with uses that are the most beneficial to the Embarcadero business environment. Other key City objectives with this RFP are design improvements that include:

- Minimum 8-foot wide sidewalks
- Minimum 8-foot lateral public access along the waterfront
- Disabled access to second floor uses, if any

The City is seeking Proposers who have the proven experience, financial resources, and professional expertise to deliver the highest quality and economically feasible project that is consistent with and best implements the land and water uses approved in the City's Master Plan, Local Coastal Plan, and Harbor Department Lease Management Policy.

SECTION I: SITE HISTORY

This Site is comprised of approximately 2750 square feet of water area (Lease Site 107W) and 2750 square feet of water area (Lease Site 108W) located at 1155 & 1159 Embarcadero in Morro Bay, California. The parcels are described in more detail in the attached Lease Site Map.

Tracing back to English Common law the Public Trust Doctrine establishes that navigable water or lands subject to tidal influence are "sovereign", held open to the public for commerce, fisheries or navigation. In 1942-44, the federal government constructed a revetment along the Morro Bay waterfront and filled most of the area now known as the commercial strip along the Embarcadero. The State of California claimed ownership of the newly created land as at least a portion of it had previously been below the high tide line. After many years of dispute with private property owners, who also claimed an interest in the land, most title issues were settled in the 1950s-1960s by designating those lands west of Embarcadero Road as public trust lands owned by the State, and those lands east of Embarcadero Road as privately owned.

In 1947, the State of California granted those public trust lands in Morro Bay to the County of San Luis Obispo. The City of Morro Bay assumed trusteeship of the granted lands upon incorporation in 1964-1965. The tidelands grant in Morro Bay is in perpetuity, provided the City conforms to the terms of the legislative grant. The granted lands must be used for commerce, fisheries, navigation, recreational purposes, parklands, public access, public parking and environmental protection or enhancement. Residential use of these public lands is specifically prohibited. The City may lease out these lands to private businesses for a period up to 50 years and all revenues from such leases must be expended within the area of the granted lands for the purposes of the public trust. Much of the granted lands were leased to established businesses in the 1960s on long-term leases that provided low rental rates in exchange for tenant investment in the business on the sites or settlement of previous land ownership or county lease disputes. Some of these old long-term leases have accrued significant "bonus" value to the benefit of the private party because waterfront property values have increased far in excess of the contractual rental return to the City.

The City desires to solicit proposals from interested parties to ensure maximization of public benefit from development and a long-term lease agreement for the Site.

SECTION II: SITE DATA

Development property is Lease Site 107W-108W as delineated on Parcel Map of the City of Morro Bay No. MB-68-30, which was recorded on October 10, 1968, in Book 3 Page 10 of Parcel Maps in the Office of the County Recorder, San Luis Obispo County, California. Property is located within the visitor-serving Tidelands Trust granted lands. The designated site, located at 1155 & 1159 Embarcadero, has been surveyed and contains a combined total of 5500 square feet of water.

A. Current Uses

The site currently has no active uses. There is a public boardwalk on the eastern boundary of the site.

B. Topography/Soil Conditions

The Site is a rock revetment leading down to the water. Investigation of land, soil, revetment, and harbor bottom conditions for suitability of the proposed development shall be the responsibility of the Proposer; however, no untoward hazards or conditions are known to exist on the site.

C. Hazards

The Site is subject to all conditions and hazards commonly associated with a bay/ocean-front setting including but not limited to:

1. Flooding: the Site is not in a designated flood zone.

2. Tsunami: the Site is within the tsunami 50-foot inundation zone.

3. Earthquake: the Site is within an earthquake hazard zone.

4. Storms: the Site is subject to periodic storm conditions.

5. Tidal Overflow: the Site can be subject to periodic tidal overflow.

D. Archeology

The Site is listed and is within 300 feet of a known archaeological site.

E. Hazardous Materials

It is the City's intention to deliver an environmentally clean Site to the Proposer, and no environmental hazards are known to exist beyond those normally associated with the daily operation of like businesses on the Site.

F. Zoning

The Site is in the "Measure D" Commercial/Recreation (CF) fishing district. The purpose of the CF district is to promote and accommodate both the commercial fishing industry and noncommercial recreational fishing activities in appropriate waterfront areas. The full text of Measure D and particulars of the CF district zoning can be found on the City website and in Morro Bay Municipal Code Section 17.24.

G. Parking

The Site currently has no parking spaces "grandfathered" in to the water leases.

SECTION III: INVITATION TO PARTICIPATE

The City is seeking proposals from Proposers with experience in commercial facilities, with the financial resources and capabilities to fund a proposed project, and whose general development approach and concept for the site best meets the City's objectives in this Request for Proposals.

A. Proposal Process

1. All proposals must be submitted per Section V, "Request for Proposals Submittal Package." All proposals become the property of the City of Morro Bay and will not be returned.

2. Submittals will be initially screened to ensure that they are complete and conform to this Request for Proposals. City staff will review and evaluate the qualifying proposals and make recommendations in a Staff Report.

3. The City will convene a Selection Panel to review the proposals, and to interview each qualified proposing party.

4. The Selection Panel will make Primary and Secondary Proposer recommendations to the Harbor Advisory Board, which in turn will review and make recommendations to the City Council.

5. The City Council will determine the final Primary and Secondary proposals.

6. City staff will at that time have authority to negotiate a long-term lease agreement with the proposing party for the Site. Upon approval of the Concept Plan by the City Council, City Staff would then recommend to the City Council for approval and execution. Proposing parties must assume that rental terms of a new lease agreement will be set forth as in the City's Harbor Department Lease Management Policy.

7. Any long-term lease shall include the requirement that the tenant, at the tenant's sole cost and expense, finalize all plans and permits, and obtain Precise Plan approval from the City Council prior to the commencement date of the lease.

B. Project Costs

ANY AND ALL DESIGN, ENGINEERING, OR PLAN SUBMITTAL COSTS FOR THE PROPOSAL WILL BE THE SOLE RESPONSIBILITY OF THE PROPOSING PARTY. THE CITY SHALL INCUR NO COST OR LIABILITY FOR ANY COSTS SHOULD THE PROPOSING PARTY BE UNABLE TO COMPLETE THE PROJECT APPROVAL AND/OR PERMITTING PROCESSES.

C. City's Right to Amend RFP

The City reserves the right to amend the RFP process and the selection procedures at any time. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

D. Contact Person

Request for Proposal Packets and written inquires regarding the Request for Proposals or the project site can be obtained by contacting:

Eric Endersby, Harbor Director
Morro Bay Harbor Department
1275 Embarcadero
Morro Bay, CA 93442
805-772-6254
eendersby@morro-bay.ca.us

E. Pre-Proposal Meeting

Attendance at the mandatory Pre-Proposal meeting and Site walk-through on June 14, 2013 is required to submit a proposal. For any questions posed at the meetings, a written response will be distributed to all interested parties and posted on the City website by July 15, 2013.

F. Submittals

Interested parties are required to submit their proposal to the City no later than 5:00 p.m. Verizon Time on August 15, 2013, per Section V of this RFP to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "PROPOSAL FOR LEASE SITE 107W-108W." Postmarks will not be accepted.

SECTION IV: SELECTION PROCESS

The City reserves the right in its sole discretion to reject any and all proposals submitted, to revise its selection process at any time, and to rescind this Request for Proposals at any time.

A. Criteria for Selection of Proposer

The City will select a proposal on the basis of maximization of public benefit in the proposed project, in addition to the proposing party's potential to bring the project to completion and successfully operate the lease based on financial capability and experience. The City expects to negotiate with the successful Proposer all aspects of the development program including a long term lease for the property.

Important elements influencing selection of a proposal are:

- Maximization of public benefit of the project and best utilization of both the land and water portions of the Site.
- Best balance between uses and requirements in the City's Master Plan, Local Coastal Plan, building codes, and design elements.
- The overall quality of the development team as evidenced by the professional reputations and experience of the principals and agents.
- Financial capabilities and expertise in commercial development.
- Experience in commercial leasing and property management.
- History of successfully completed development projects.
- The architectural excellence, engineering and overall quality of previous projects of like scope and scale.

Proposed uses on the lease sites shall be in conformance with the Tidelands Trust and consistent with current planning, zoning and land use policies of the City. The successful proposal will be subject to the normal planning and building approval process of the City.

B. Proposer Selection

The City reserves its right to seek input from various community and business representatives, staff, and other agencies. In addition the City may utilize the services of leading consultants in the areas of design, architecture and engineering, real estate, economics, and law to assist in the evaluation of the proposals and to negotiate a new lease.

Deposits from proposing parties reviewed by the City will be held in trust during the proposal review period. After City Council selection, the City will refund deposits from parties not in Primary or Secondary position, if any. The City will hold the Deposits from the proposing party under final Primary and Secondary consideration in trust during the twelve month Concept Plan processing period. If the Primary Proposer successfully completes Concept Plan approval of their proposal as outlined, all Deposits will be fully refunded. If the Primary proposing party fails to complete Concept plan approval within the specified time, the City will retain the Deposit as a

processing fee and the Secondary proposal may ascend to Primary status and the remaining Deposit handled accordingly.

C. Selection Methodology

In reviewing and evaluating the qualifications of the Proposers and their proposals, the following criteria will be considered:

1. The proposal complies with the Request for Proposals – **Pass/Fail**

2. Overall quality of the conceptual design of the facilities, overall Site plan and maximum utilization of Site square footage (land and water), and maximum benefit to the public – **up to 20 points**

3. Demonstrated understanding of the development constraints on the Embarcadero, and market knowledge of the Morro Bay and Central Coast local and visitor serving needs – **up to 20 points**

4. Proposed lease terms – **up to 20 points**

5. Proposer's financial strength and current relationships with financing sources, and demonstrated ability to finance the proposal through to completion – **up to 10 points**

6. "Green" and/or "LEED" building features including but not limited to site and landscaping, building materials, energy and water use, indoor air quality, lighting, and waste management – **up to 10 Points**

7. Overall Proposer and team qualifications and experience in similar projects – **up to 10 points**

8. Ability to secure and develop major sub-tenants as part of the proposal – **up to 5 points**

9. Proposed development schedule – **up to 5 points**

D. Exclusive Lease Negotiation

The City intends to enter into a ground lease with a Proposer who is capable of planning, designing, financing, developing and operating the project as proposed. Proposers responding to the RFP will be financially responsible for all construction activities. It is not anticipated that any direct financial assistance will be available from the City. The Harbor Department's typical ground lease is "triple net" and includes base rent and percentage rent terms. Negotiations for a ground lease will be initiated with the selected Proposer.

The lease will outline roles, expectations, responsibilities, goals, objectives and timelines with regard to the proposed development and specific financial parameters to which both the selected Proposer and City will adhere. Proposers will be responsible for all costs associated with the RFP process including all costs incurred by the Proposer associated with the negotiation and development of the

lease, as well as all costs associated with the entitlement, permitting, CEQA processing, and development. The selected Proposer will work closely with the City to establish general design parameters for the proposed development

The City and the Proposer shall negotiate a long-term ground lease agreement not to exceed a term of 50 years.

SECTION V: REQUEST FOR PROPOSALS SUBMITTAL PACKAGE

1. **Proposal Submittal.** All responses to this Request for Proposals must be received no later than **5:00 p.m. Verizon Time on August 15, 2013. Postmarks will not be accepted.**

Proposals shall be dropped off or sent to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "PROPOSAL FOR LEASE SITE 107W-108W." No fax or email proposals will be accepted.

2. **Acknowledgement Form.** Each proposing party must review, complete, and sign the attached Acknowledgement Form and include it with their proposals.

3. **Deposit Check.** A $5,000 Deposit check or bank draft payable to the City of Morro Bay must be included with the proposal. Deposit disposition shall be in accordance with Section IV B.

All Proposers must submit four (4) copies of the following information:

A. **Proposer Information**

1. **Identification.** Name of Proposer and type of entity. Also provide known members of development team such as architect, engineer, landscape architect, major equity investors, consultants, etc., including project organizational and management roles in implementation of development.

2. **Experience.** Provide a brief description of the Proposer's and key team member's recent development experience. This experience should include projects in which the Proposer was instrumental and which are similar to the kind of project or similar project being proposed. Please be specific and indicate references for each project.

3. **Financial Data.** Provide information indicating Proposer has sufficient financial resources to undertake the project, including a statement of proof of financial capability to plan and construct the proposed project. Provide bank references where appropriate. The latter may be in the form of bank or financing institutions' letters of reference.

   The City will independently investigate the financial background of proposing parties as agreed to in the required Acknowledgment Form signed by the proposing parties.

4. **Prior Financing.** Provide information on financing for prior or current development projects. Please be specific. Include a current Credit Report with credit score.

B. **Proposal Narrative**

1. **Narrative.** The written narrative must be included in the proposal describing the redevelopment proposal for the Site; the type of development envisioned and its market orientation which best implements both the land and water elements of the Site.

2. **Design.** The narrative should include the basic design elements, especially as they pertain to the City's waterfront design criteria, and all current planning conditions and zoning standards. A description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

C. **Proposal Visuals**

ALL DRAWINGS SHALL BE 24" X 36" BLACKLINE PRINTS WITH A HORIZONTAL LAYOUT. FOUR (4) SETS ARE REQUIRED.

EACH 24" X 36" DRAWING SHALL ALSO BE PROVIDED IN 8 ½" X 11" BLACK AND WHITE REDUCTIONS WHICH CAN BE PHOTO-COPIED.

1. **Site Plan.** Site Plan illustrating at a scale of 1" to 40" the outline of all buildings and improvements, including proposed building locations, landscape and hardscape areas, adjoining public areas, and proposed public improvements. Tabulations in square footage and percentage of the following shall be shown on the Site Plan:

    a. Building footprint, landscaped areas and hardscaped areas.

    b. Individual building tabulations depicting gross floor area and gross leasable floor area as well as proposed use.

    c. Parking designated as standard, compact, handicap and loading spaces.

2. **4-Sided Elevations.** Four sided elevations shall be at appropriate scale and overall dimensions shall not exceed 24" X 36". All elevations shall be dimensioned to illustrate the height of roof and height of parapet. Material details shall be illustrated on these elevations.

3. **Section Drawings.** Section drawings shall be provided of all street frontages shall show true dimensions and shall show the outline of buildings on the adjoining lots. Section drawings shall include the adjacent roadway.

4. **Colored Site Plan Rendering**. A rendering utilizing the above mentioned Site Plan shall be provided. This Site Plan rendering is intended to provide a colored overall view of the entire project.

5. **Building**. A narrative description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

6. **Water Lease.** Proposals should include plans, elevations, etc. for the water portion of the Site as well.

NOTE: Plan will be considered a Conceptual Plan and will be subject to adjustment and City approval once a proposal has been selected and the details of the project are finalized through the planning, permitting, and negotiation processes.

D. Pro Forma

The proposal shall include a ten-year pro forma for the entire development to include, but not limited to, construction, sublease, and stabilization. A description of the proposal financing as it pertains to the pro forma shall also be included. The proposal should include an estimate of the total value of the project, broken down into land and improvement values. The pro forma should reflect all income and expense line items including but not limited to ground lease payments, with sufficient detail and clarity, for the proposal to be properly evaluated by the City.

E. Terms of Lease

The proposal should include the price and all lease and business terms the Proposer will commit to for development of the project and subsequent ground lease.

F. Schedule

Include a preliminary time schedule including any proposed phasing. The schedule should include any financial scheduling, amortization, etc.

SECTION VI: TENTATIVE PROPOSAL SCHEDULE

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	May 17, 2103
Mandatory Pre-Proposal Meeting and Site Walk-Through	June 14, 2013
Questions Due	June 30, 2013
Responses Posted by	July 15, 2013
Proposals Due	August 15, 2013

SECTION VII: ATTACHMENTS

A. **Attachment 1:** **Acknowledgement Form**

B. **Attachment 2:** **Proposer Information**

C. **Attachment 3:** **Lease Site Map**

Thank you for your interest in working with the City of Morro Bay for this service. We look forward to receiving your proposal.

ATTACHMENT 1

ACKNOWLEDGEMENT FORM
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 107W-108W

Initial Below

1. _____ I have reviewed all of the information in this Request for Proposals and agree to all of the terms and conditions outlined therein.

2. _____I understand that each proposing party should review the City's General Plan, Local Coastal Plan, and any and all planning and permitting elements as they pertain to this lease site.

3. _____Any new lease with the City must be in the City's approved Master Lease format and should comply with the City's Harbor Department Lease Management Policy.

4. _____I have reviewed the City's Master Lease format and Harbor Department Lease Management Policy and agree that the lease policy and basic lease format is acceptable for any future lease negotiations.

5. _____I agree that the City of Morro Bay may take all steps necessary to investigate any financial information provided in response to this Request for Proposals. The City has my permission and consent to investigate such information however it deems appropriate.

6. _____Enclosed is a cashier's check or bank counter draft in the amount of $5,000 made out to the City of Morro Bay as a deposit and an indication of good faith interest for consideration in this Request for Proposals.

7. _____I agree that this check will be handled as outlined in this Request for Proposals including that the check may be retained by the City as a processing fee under certain conditions.

8. _____The parties signing below are all the parties in interest in our proposal to the City in response to this Request for Proposals, and, if part of a partnership or other entity, affirm that they have the authority to enter into this Request for Proposals.

_____	_____	_____
Printed Name	Signature	Date
_____	_____	_____
Printed Name	Signature	Date

ATTACHMENT 2

PROPOSER INFORMATION
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITES 107W-108W

Include the personal information for all persons or entities submitting this proposal:

Name _____

Address _____

_____

Phone(s)_____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

_____

Phone(s)_____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

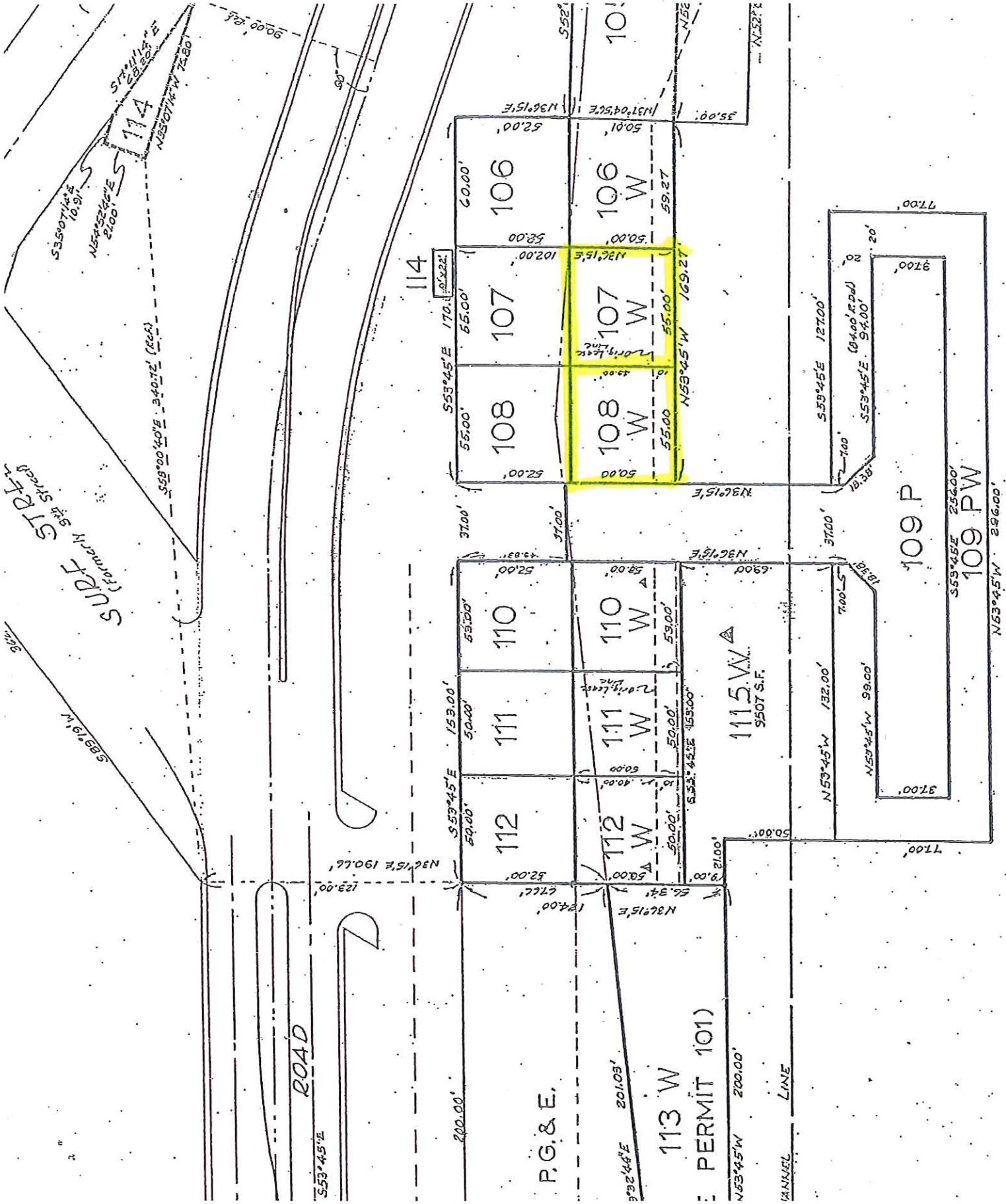
_____

Phone(s)_____ (home) _____ (work)

_____ (cell)

Email _____

ATTACHMENT 3



City of Morro Bay
Request for Proposals

Development of
Lease Site 49/49W
431 Embarcadero
Morro Bay, CA 93442

May 17, 2013

Prospective Proposer:

SUBJECT: REQUEST FOR PROPOSALS FOR LEASE SITE 49/49W 431 EMBARCADERO, MORRO BAY, CA 93442

The City of Morro Bay invites the submittal of proposals from qualified entities and/or operators (Proposer) to develop vacant land and water located on the Embarcadero for Lease Site 49/49W located at 431 Embarcadero, Morro Bay, CA 93442

The Harbor Department intends to select a Proposer to comprehensively develop this property. It is anticipated that this property will be available on a long-term ground lease basis.

Instructions and forms to be used in preparing the proposal are found in the information included in the Request for Proposals (RFP). The schedule for this RFP will be as follows:

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	May 17, 2013
Mandatory Pre-Proposal Meeting and Site Walk-Through	June 14, 2013
Questions Due	June 30, 2013
Responses Posted by	July 15, 2013
Proposals Due	August 15, 2013

If you cannot agree to the requirements exactly as set forth in this RFP, please do not submit a proposal.

For questions regarding this RFP, please contact Eric Endersby by email at eendersby@morro-bay.ca.us. Questions must be submitted by June 30, 2013. Responses to questions will be posted on the City's website at www.morro-bay.ca.us by July 15, 2013. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

Sincerely,

Eric Endersby
Harbor Director

REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 49/49W
431 EMBARCADERO, MORRO BAY, CA 93442

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Purpose

The City is seeking proposals from qualified entities and/or operators to develop vacant land and water located on the Embarcadero for Lease Site 49/49W at 431 Embarcadero, Morro Bay, CA 93442, and hereinafter referred to as "Site." The property is available for long-term ground lease and the City will consider development proposals by one or more Proposer Teams (Proposer). The duration of the lease to be awarded as a result of this RFP will be negotiable, depending on the investment plan of the Proposer. The agreement will become effective once approved by the City Council.

Objectives

The City Council has determined that it is in the best interest of the public to consider potential development proposals for the Site. The City desires to have the property developed in a manner which will provide an economic return to the Harbor Department. It is the City's objective to ensure that the Site is developed at the earliest possible time to meet modern design criteria and incorporates planning and building codes with uses that are the most beneficial to the Embarcadero business environment. Other key City objectives with this RFP are design improvements that include:

- Minimum 8-foot wide sidewalks
- Minimum 8-foot lateral public access along the waterfront
- Disabled access to second floor uses, if any

The City is seeking Proposers who have the proven experience, financial resources, and professional expertise to deliver the highest quality and economically feasible project that is consistent with and best implements the land and water uses approved in the City's Master Plan, Local Coastal Plan, and Harbor Department Lease Management Policy.

SECTION I: SITE HISTORY

This Site is comprised of approximately 1000 square feet of land area (Lease Site 49) and 2500 square feet of water area (Lease Site 49W) located at 431 Embarcadero in Morro Bay, California. The parcels are described in more detail in the attached Lease Site Map.

Tracing back to English Common law the Public Trust Doctrine establishes that navigable water or lands subject to tidal influence are "sovereign", held open to the public for commerce, fisheries or navigation. In 1942-44, the federal government constructed a revetment along the Morro Bay waterfront and filled most of the area now known as the commercial strip along the Embarcadero. The State of California claimed ownership of the newly created land as at least a portion of it had previously been below the high tide line. After many years of dispute with private property owners, who also claimed an interest in the land, most title issues were settled in the 1950s-1960s by designating those lands west of Embarcadero Road as public trust lands owned by the State, and those lands east of Embarcadero Road as privately owned.

In 1947, the State of California granted those public trust lands in Morro Bay to the County of San Luis Obispo. The City of Morro Bay assumed trusteeship of the granted lands upon incorporation in 1964-1965. The tidelands grant in Morro Bay is in perpetuity, provided the City conforms to the terms of the legislative grant. The granted lands must be used for commerce, fisheries, navigation, recreational purposes, parklands, public access, public parking and environmental protection or enhancement. Residential use of these public lands is specifically prohibited. The City may lease out these lands to private businesses for a period up to 50 years and all revenues from such leases must be expended within the area of the granted lands for the purposes of the public trust. Much of the granted lands were leased to established businesses in the 1960s on long-term leases that provided low rental rates in exchange for tenant investment in the business on the sites or settlement of previous land ownership or county lease disputes. Some of these old long-term leases have accrued significant "bonus" value to the benefit of the private party because waterfront property values have increased far in excess of the contractual rental return to the City.

The City desires to solicit proposals from interested parties to ensure maximization of public benefit from development and a long-term lease agreement for the Site.

SECTION II: SITE DATA

Development property is Lease Site 49/49W as delineated on Exhibit A, page 3 of City of Morro Bay Resolution 119-89, and was recorded on October 10, 1989 in the Office of the County Recorder, San Luis Obispo, California. Property is located within the visitor-serving Tidelands Trust granted lands. The designated Site, is located at 431 Embarcadero, has been surveyed and contains approximately 1000 square feet of land and 2500 square feet of water.

A. Current Uses

The site currently has no active uses. There is a public sidewalk on the eastern boundary of the land site.

B. Topography/Soil Conditions

The Site is generally flat on filled land, with a rock revetment leading down to the water. Investigation of land, soil, revetment, and harbor bottom conditions for suitability of the proposed development shall be the responsibility of the Proposer; however, no untoward hazards or conditions are known to exist on the site.

C. Hazards

The Site is subject to all conditions and hazards commonly associated with a bay/ocean-front setting including but not limited to:

1. Flooding: the Site is not in a designated flood zone.

2. Tsunami: the Site is within the tsunami 50-foot inundation zone.

3. Earthquake: the Site is within an earthquake hazard zone.

4. Storms: the Site is subject to periodic storm conditions.

5. Tidal Overflow: the Site can be subject to periodic tidal overflow.

D. Archeology

The Site is not listed as nor is it within 300 feet of a known archaeological site.

E. Hazardous Materials

It is the City's intention to deliver an environmentally clean Site to the Proposer, and no environmental hazards are known to exist beyond those normally associated with the daily operation of like businesses on the Site.

F. Zoning

The Site is zoned Waterfront District.

G. Parking

The Site currently has no parking spaces "grandfathered" in to the combined land and water lease.

SECTION III: INVITATION TO PARTICIPATE

The City is seeking proposals from Proposers with experience in commercial facilities, with the financial resources and capabilities to fund a proposed project, and whose general development approach and concept for the site best meets the City's objectives in this Request for Proposals.

A. Proposal Process

1. All proposals must be submitted per Section V, "Request for Proposals Submittal Package." All proposals become the property of the City of Morro Bay and will not be returned.

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3. The City will convene a Selection Panel to review the proposals, and to interview each qualified proposing party.

4. The Selection Panel will make Primary and Secondary Proposer recommendations to the Harbor Advisory Board, which in turn will review and make recommendations to the City Council.

5. The City Council will determine the final Primary and Secondary proposals.

6. City staff will at that time have authority to negotiate a long-term lease agreement with the proposing party for the Site. Upon approval of the Concept Plan by the City Council, City Staff would then recommend to the City Council for approval and execution. Proposing parties must assume that rental terms of a new lease agreement will be set forth as in the City's Harbor Department Lease Management Policy.

7. Any long-term lease shall include the requirement that the tenant, at the tenant's sole cost and expense, finalize all plans and permits, and obtain Precise Plan approval from the City Council prior to the commencement date of the lease.

B. Project Costs

ANY AND ALL DESIGN, ENGINEERING, OR PLAN SUBMITTAL COSTS FOR THE PROPOSAL WILL BE THE SOLE RESPONSIBILITY OF THE PROPOSING PARTY. THE CITY SHALL INCUR NO COST OR LIABILITY FOR ANY COSTS SHOULD THE PROPOSING PARTY BE UNABLE TO COMPLETE THE PROJECT APPROVAL AND/OR PERMITTING PROCESSES.

C. City's Right to Amend RFP

The City reserves the right to amend the RFP process and the selection procedures at any time. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

D. Contact Person

Request for Proposal Packets and written inquires regarding the Request for Proposals or the project site can be obtained by contacting:

Eric Endersby, Harbor Director
Morro Bay Harbor Department
1275 Embarcadero
Morro Bay, CA 93442
805-772-6254
eendersby@morro-bay.ca.us

E. Pre-Proposal Meeting

Attendance at the mandatory Pre-Proposal meeting and Site walk-through on June 14, 2013 is required to submit a proposal. For any questions posed at the meetings, a written response will be distributed to all interested parties and posted on the City website by July 15, 2013.

F. Submittals

Interested parties are required to submit their proposal to the City no later than 5:00 p.m. Verizon Time on August 15, 2013, per Section V of this RFP to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "PROPOSAL FOR LEASE SITE 49/49W." Postmarks will not be accepted.

SECTION IV: SELECTION PROCESS

The City reserves the right in its sole discretion to reject any and all proposals submitted, to revise its selection process at any time, and to rescind this Request for Proposals at any time.

A. Criteria for Selection of Proposer

The City will select a proposal on the basis of maximization of public benefit in the proposed project, in addition to the proposing party's potential to bring the project to completion and successfully operate the lease based on financial capability and experience. The City expects to negotiate with the successful Proposer all aspects of the development program including a long term lease for the property.

Important elements influencing selection of a proposal are:

- Maximization of public benefit of the project and best utilization of both the land and water portions of the Site.
- Best balance between uses and requirements in the City's Master Plan, Local Coastal Plan, building codes, and design elements.
- The overall quality of the development team as evidenced by the professional reputations and experience of the principals and agents.
- Financial capabilities and expertise in commercial development.
- Experience in commercial leasing and property management.
- History of successfully completed development projects.
- The architectural excellence, engineering and overall quality of previous projects of like scope and scale.

Additional desirable elements particular to this site include:

- Offer a new and unique recreational or visitor-serving facility that is not generally available.
- Be water-oriented (coastal dependent/related), at least in one primary aspect.
- Provide Tidelands Park boat slips.
- Compliment the Park with recreational or visitor-serving attractions, rather than being subordinate or dependent upon the park.
- Provide a use that has broad public appeal, by reason of cost or charges and facilities.

Proposed uses on the lease sites shall be in conformance with the Tidelands Trust and consistent with current planning, zoning and land use policies of the City. The successful proposal will be subject to the normal planning and building approval process of the City.

B. Proposer Selection

The City reserves its right to seek input from various community and business representatives, staff, and other agencies. In addition the City may utilize the services of leading consultants in the areas of design, architecture and engineering, real estate, economics, and law to assist in the evaluation of the proposals and to negotiate a new lease.

Deposits from proposing parties reviewed by the City will be held in trust during the proposal review period. After City Council selection, the City will refund deposits from parties not in Primary or Secondary position, if any. The City will hold the Deposits from the proposing party under final Primary and Secondary consideration in trust during the twelve month Concept Plan processing period. If the Primary Proposer successfully completes Concept Plan approval of their proposal as outlined, all Deposits will be fully refunded. If the Primary proposing party fails to complete Concept plan approval within the specified time, the City will retain the Deposit as a processing fee and the Secondary proposal may ascend to Primary status and the remaining Deposit handled accordingly.

C. Selection Methodology

In reviewing and evaluating the qualifications of the Proposers and their proposals, the following criteria will be considered:

1. The proposal complies with the Request for Proposals – **Pass/Fail**

2. Overall quality of the conceptual design of the facilities, overall Site plan and maximum utilization of Site square footage (land and water), and maximum benefit to the public – **up to 20 points**

3. Demonstrated understanding of the development constraints on the Embarcadero, and market knowledge of the Morro Bay and Central Coast local and visitor serving needs – **up to 20 points**

4. Proposed lease terms – **up to 20 points**

5. Proposer's financial strength and current relationships with financing sources, and demonstrated ability to finance the proposal through to completion – **up to 10 points**

6. "Green" and/or "LEED" building features including but not limited to site and landscaping, building materials, energy and water use, indoor air quality, lighting, and waste management – **up to 10 Points**

7. Overall Proposer and team qualifications and experience in similar projects – **up to 10 points**

8. Ability to secure and develop major sub-tenants as part of the proposal – **up to 5 points**

9. Proposed development schedule – **up to 5 points**

D. Exclusive Lease Negotiation

The City intends to enter into a ground lease with a Proposer who is capable of planning, designing, financing, developing and operating the project as proposed. Proposers responding to the RFP will be financially responsible for all construction activities. It is not anticipated that any direct financial assistance will be available from the City. The Harbor Department's typical ground lease is "triple net" and includes base rent and percentage rent terms. Negotiations for a ground lease will be initiated with the selected Proposer.

The lease will outline roles, expectations, responsibilities, goals, objectives and timelines with regard to the proposed development and specific financial parameters to which both the selected Proposer and City will adhere. Proposers will be responsible for all costs associated with the RFP process including all costs incurred by the Proposer associated with the negotiation and development of the lease, as well as all costs associated with the entitlement, permitting, CEQA processing, and development. The selected Proposer will work closely with the City to establish general design parameters for the proposed development

The City and the Proposer shall negotiate a long-term ground lease agreement not to exceed a term of 50 years.

SECTION V: REQUEST FOR PROPOSALS SUBMITTAL PACKAGE

1. **Proposal Submittal.** All responses to this Request for Proposals must be received no later than **5:00 p.m. Verizon Time on August 15, 2013. Postmarks will not be accepted.**

Proposals shall be dropped off or sent to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "PROPOSAL FOR LEASE SITE 49/49W." No fax or email proposals will be accepted.

2. **Acknowledgement Form.** Each proposing party must review, complete, and sign the attached Acknowledgement Form and include it with their proposals.

3. **Deposit Check.** A $5,000 Deposit check or bank draft payable to the City of Morro Bay must be included with the proposal. Deposit disposition shall be in accordance with Section IV B.

All Proposers must submit four (4) copies of the following information:

A. **Proposer Information**

1. **Identification.** Name of Proposer and type of entity. Also provide known members of development team such as architect, engineer, landscape architect, major equity investors, consultants, etc., including project organizational and management roles in implementation of development.

2. **Experience.** Provide a brief description of the Proposer's and key team member's recent development experience. This experience should include projects in which the Proposer was instrumental and which are similar to the kind of project or similar project being proposed. Please be specific and indicate references for each project.

3. **Financial Data.** Provide information indicating Proposer has sufficient financial resources to undertake the project, including a statement of proof of financial capability to plan and construct the proposed project. Provide bank references where appropriate. The latter may be in the form of bank or financing institutions' letters of reference.

   The City will independently investigate the financial background of proposing parties as agreed to in the required Acknowledgment Form signed by the proposing parties.

4. **Prior Financing.** Provide information on financing for prior or current development projects. Please be specific. Include a current Credit Report with credit score.

B. Proposal Narrative

1. **Narrative.** The written narrative must be included in the proposal describing the redevelopment proposal for the Site; the type of development envisioned and its market orientation which best implements both the land and water elements of the Site.

2. **Design.** The narrative should include the basic design elements, especially as they pertain to the City's waterfront design criteria, and all current planning conditions and zoning standards. A description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

C. Proposal Visuals

ALL DRAWINGS SHALL BE 24" X 36" BLACKLINE PRINTS WITH A HORIZONTAL LAYOUT. FOUR (4) SETS ARE REQUIRED.

EACH 24" X 36" DRAWING SHALL ALSO BE PROVIDED IN 8 ½" X 11" BLACK AND WHITE REDUCTIONS WHICH CAN BE PHOTO-COPIED.

1. **Site Plan**. Site Plan illustrating at a scale of 1" to 40" the outline of all buildings and improvements, including proposed building locations, landscape and hardscape areas, adjoining public areas, and proposed public improvements. Tabulations in square footage and percentage of the following shall be shown on the Site Plan:

    a. Building footprint, landscaped areas and hardscaped areas.

    b. Individual building tabulations depicting gross floor area and gross leasable floor area as well as proposed use.

    c. Parking designated as standard, compact, handicap and loading spaces.

2. **4-Sided Elevations**. Four sided elevations shall be at appropriate scale and overall dimensions shall not exceed 24" X 36". All elevations shall be dimensioned to illustrate the height of roof and height of parapet. Material details shall be illustrated on these elevations.

3. **Section Drawings**. Section drawings shall be provided of all street frontages shall

show true dimensions and shall show the outline of buildings on the adjoining lots. Section drawings shall include the adjacent roadway.

4. **Colored Site Plan Rendering.** A rendering utilizing the above mentioned Site Plan shall be provided. This Site Plan rendering is intended to provide a colored overall view of the entire project.

5. **Building.** A narrative description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

6. **Water Lease.** Proposals should include plans, elevations, etc. for the water portion of the Site as well.

NOTE: Plan will be considered a Conceptual Plan and will be subject to adjustment and City approval once a proposal has been selected and the details of the project are finalized through the planning, permitting, and negotiation processes.

D. Pro Forma

The proposal shall include a ten-year pro forma for the entire development to include, but not limited to, construction, sublease, and stabilization. A description of the proposal financing as it pertains to the pro forma shall also be included. The proposal should include an estimate of the total value of the project, broken down into land and improvement values. The pro forma should reflect all income and expense line items including but not limited to ground lease payments, with sufficient detail and clarity, for the proposal to be properly evaluated by the City.

E. Terms of Lease

The proposal should include the price and all lease and business terms the Proposer will commit to for development of the project and subsequent ground lease.

F. Schedule

Include a preliminary time schedule including any proposed phasing. The schedule should include any financial scheduling, amortization, etc.

SECTION VI: TENTATIVE PROPOSAL SCHEDULE

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	May 17, 2103
Mandatory Pre-Proposal Meeting and Site Walk-Through	June 14, 2013
Questions Due	June 30, 2013
Responses Posted by	July 15, 2013
Proposals Due	August 15, 2013

SECTION VII: ATTACHMENTS

A. **Attachment 1:** **Acknowledgement Form**

B. **Attachment 2:** **Proposer Information**

C. **Attachment 3:** **Lease Site Map**

Thank you for your interest in working with the City of Morro Bay for this service. We look forward to receiving your proposal.

ATTACHMENT 1

ACKNOWLEDGEMENT FORM
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 49/49W

Initial Below

1. _____ I have reviewed all of the information in this Request for Proposals and agree to all of the terms and conditions outlined therein.

2. _____I understand that each proposing party should review the City's General Plan, Local Coastal Plan, and any and all planning and permitting elements as they pertain to this lease site.

3. _____Any new lease with the City must be in the City's approved Master Lease format and should comply with the City's Harbor Department Lease Management Policy.

4. _____I have reviewed the City's Master Lease format and Harbor Department Lease Management Policy and agree that the lease policy and basic lease format is acceptable for any future lease negotiations.

5. _____I agree that the City of Morro Bay may take all steps necessary to investigate any financial information provided in response to this Request for Proposals. The City has my permission and consent to investigate such information however it deems appropriate.

6. _____Enclosed is a cashier's check or bank counter draft in the amount of $5,000 made out to the City of Morro Bay as a deposit and an indication of good faith interest for consideration in this Request for Proposals.

7. _____I agree that this check will be handled as outlined in this Request for Proposals including that the check may be retained by the City as a processing fee under certain conditions.

8. _____The parties signing below are all the parties in interest in our proposal to the City in response to this Request for Proposals, and, if part of a partnership or other entity, affirm that they have the authority to enter into this Request for Proposals.

_____	_____	_____
Printed Name	Signature	Date
_____	_____	_____
Printed Name	Signature	Date

ATTACHMENT 2

PROPOSER INFORMATION
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 49/49W

Include the personal information for all persons or entities submitting this proposal:

Name _____

Address _____

_____

Phone(s)_____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

_____

Phone(s)_____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

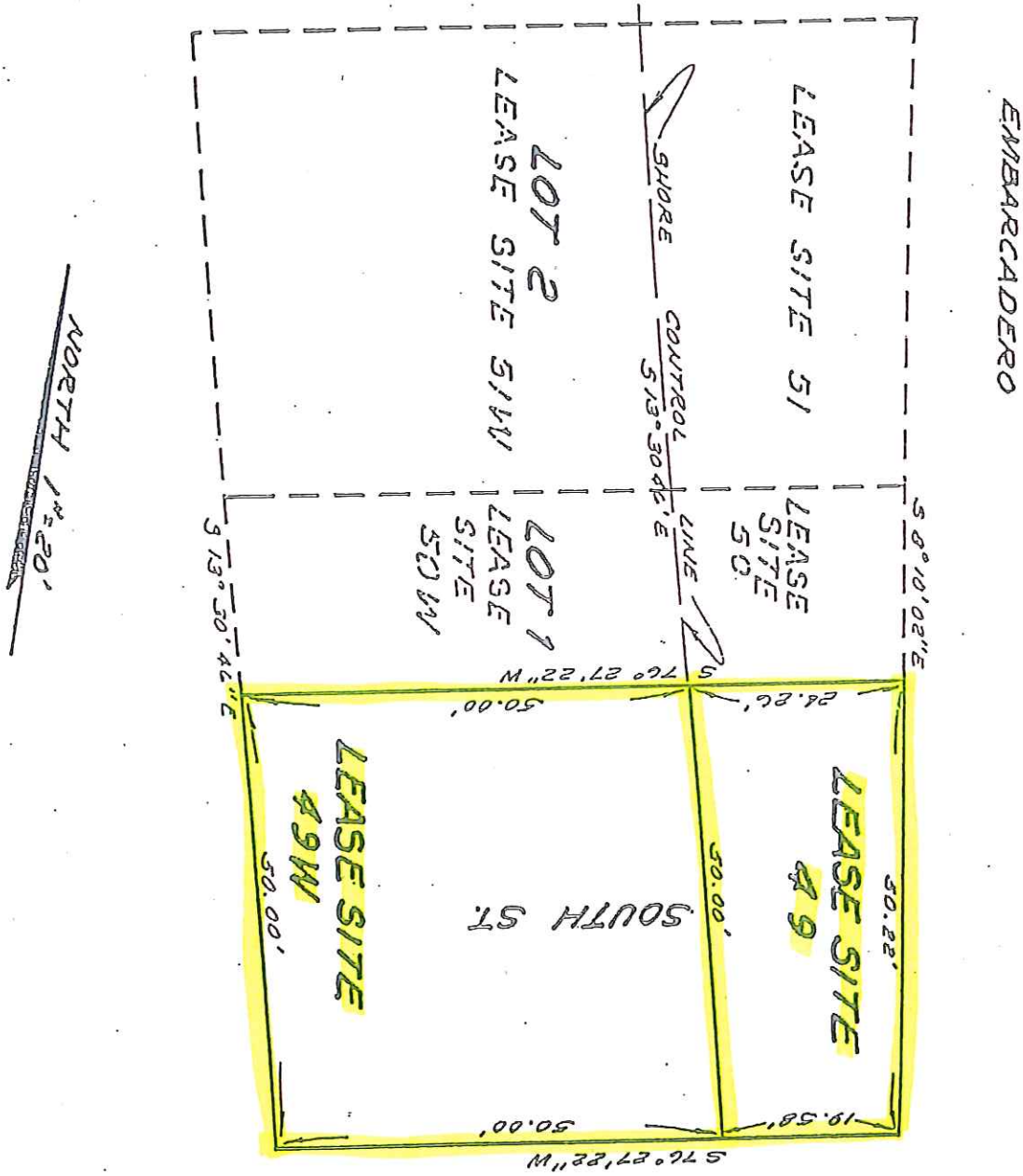
_____

Phone(s)_____ (home) _____ (work)

_____ (cell)

Email _____

ATTACHMENT 3



AGENDA NO: D-7

MEETING DATE: May 14, 2013

Staff Report

TO: **Honorable Mayor and City Council** **DATE: May 8, 2013**

FROM: **Joe Woods, Recreation and Parks Director**

SUBJECT: **Discussion on Opening the Bathroom at Lift Station 2 on the Embarcadero during Summer Months**

RECOMMENDATION

Staff recommends the City Council discuss the possibility of opening the bathroom to the public which is located at Lift Station 2 at the north end of Front Street for the summer months.

ALTERNATIVES

Alternative 1 – the City of Morro Bay not allow the bathroom at Lift Station 2 to be open to the public, and continue to allow the exclusive use by authorized personnel only.

Alternative 2 – the City of Morro Bay allow the bathroom at Lift Station 2 to be open to the public during summer months and provide city resources to support that usage.

Alternative 3 – the City of Morro Bay allow the bathroom at Lift Station 2 to be open to the public on the same schedule as other waterfront restrooms and provide city resources to support that usage.

FISCAL IMPACT

The current fiscal impact is directed to the Waste Water Collections Division with no direct impact to the General Fund. The fiscal impact would change based on the Alternative the City Council selects. The following are estimates of General Fund fiscal impacts associated with each Alternative:

Alternative 1 – no General Fund impact realized to the City of Morro Bay.
Alternative 2 – for 13 weeks of summer usage with two a day service – approx. $2,700
Alternative 3 – for 52 weeks of service (13 summer/39 winter) – approx. $8,700

SUMMARY

Prepared By: _JW_____ **Dept Review:_JW__**

City Manager Review: _____

City Attorney Review: _____

The public restrooms along the Embarcadero are open to the public on a daily basis. These restrooms are located in City parks and operate within park hours, which is 7:00am to Dusk. Current City operated restrooms are located at Tidelands, Centennial, North T-Pier, Coleman and the Rock. Each has unique amenities to provide various levels of service to the public. The bathroom at Lift Station 2 is a single user, unisex facility located at the north end of Front Street parking lot. The facility currently is used by authorized personnel only. If opened to the public, this facility could provide service for users of the parking lot, staircase and citizens at large, but would require additional City resources for upkeep.

BACKGROUND

The bathroom located within Lift Station 2 at the north end of Front Street was constructed as part of the lift station renovation project. The lift station is a 20' x 14' building consisting of a large chemical room, an electrical room, and a single user unisex bathroom. The bathroom is equipped with a toilet and sink, and is handicap accessible. Current use and design of Lift Station 2 should be considered when deciding to open this facility to the public.

If it is decided to allow the public to access the bathroom at Lift Station 2, City resources need to be appropriated to provide proper maintenance. Public safety is definitely our first priority, and consideration of site activities and the ability to operate this facility with public access should be thoroughly exhausted prior to final action.

DISCUSSION

The bathroom is currently set up for authorized use only and would require additional improvements to prepare it for public use. Improvements would include signage, dispensers, and door locks. The dispensers would need to be consistent with other public restrooms to facilitate efficiency and effective maintenance delivery. These improvements would be one-time costs estimated at $700.

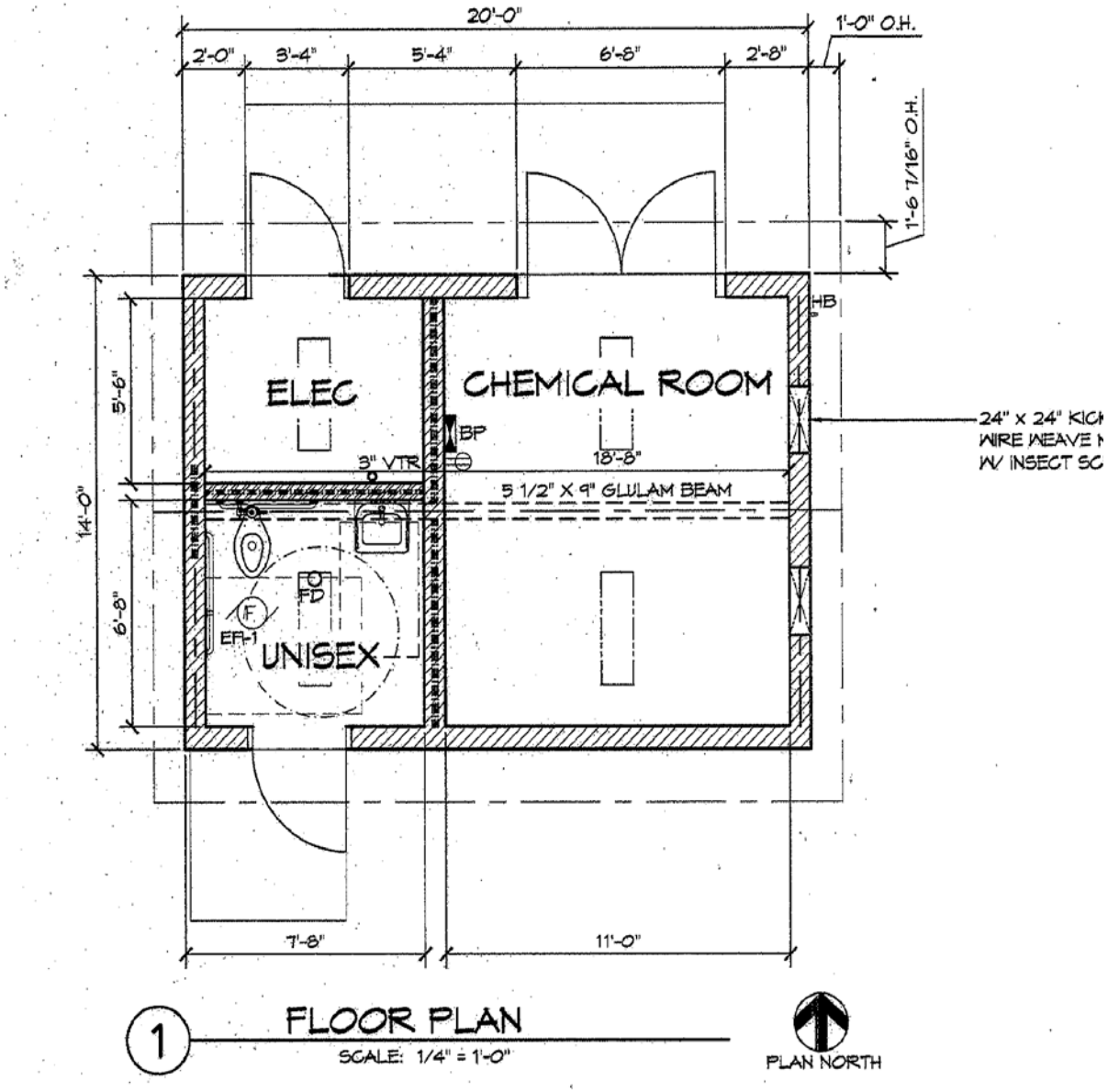
If the bathroom is open to the public, maintenance will need to be performed on a daily basis. Janitorial service on waterfront restrooms is typically performed by part-time staff. The schedule for routine service is completed in the morning and during the summer months service is repeated in the afternoon. When resources are available and demand requires, staff performs a third visit to ensure proper functioning and clean facilities are available to the public. The two-a-day service begins on Mother's Day weekend and continues through Harbor Festival weekend.

Service for this single user unisex bathroom is calculated at .75 hours per cleaning shift. This would equate to 1.5 hours daily in the high peak season. Using part-time personnel at 13.88/ hour, which includes benefits, service would cost $20.82 per day. Extending these resources 7 days a week, the labor would come to $145.74 per week; and for 13 weeks would be $1,894.62. Staff has estimated $2,000 which includes materials and supplies. If service was extended to year around, the cost is estimated at $8,000, which includes labor, materials and supplies.

CONCLUSION

If the bathroom at Lift Station 2 is open for public use, additional resources would need to be allocated to support the required routine and non-routine maintenance activities. Allocations would be directed to both personnel and supplies budgets within the maintenance division. Additionally, with an increase of usage from the general public, non-routine maintenance activities involving skilled plumbing and electrical may experience a greater demand.

LIFT STATION 2 BATHROOM FLOOR PLAN



AGENDA NO: __D-8___

Meeting Date: 5/14/13

Staff Report

TO: **Honorable Mayor and City Council** **DATE: 5/7/13**

FROM: **Andrea K. Lueker, City Manager**

SUBJECT: **Review of the 2008 Management Partner Study (Assessment of City Organization and Financial Options), Including Progress on the 21 Expenditure Control Strategies, 13 Revenue Creation Strategies and 4 Long Range Strategies and Provide Further Direction to Staff**

RECOMMENDATION

Staff recommends the City Council review the attached report on the progress made on the 21 Expenditure Control Strategies, 13 Revenue Creation Strategies and 4 Long Range Strategies from the 2008 Management Partners Assessment of City Organization and Financial Options document and provide staff direction.

ALTERNATIVES

Alternative 1 –receive and review the 2008 Report, January and August 2009 and May 2013 updates and provide no further direction.
Alternative 2 – receive and review the 2008 Report, January and August 2009 and May 2013 updates and direct staff to pursue one or more recommendations.
Alternative 3 –receive and review the 2008 Report, January and August 2009 and May 2013 updates and ask that staff bring back this issue for discussion at the May 22, 2013 budget hearing for consideration of funding for an update of the entire document.

FISCAL IMPACT

There is no fiscal impact related to the review of the 2008 Management Partner Study (Assessment of City Organization and Financial Options). The fiscal impact of the listed alternatives is as follows:
Alternative 1 – no fiscal impact.
Alternative 2 – to be determined based on recommendation from City Council
Alterative 3 –the cost provided by Management Partners to update the document is $39,500– this would include approximately 229 hours of work.

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

BACKGROUND

In 2006/2007, the City of Morro Bay experienced significant financial hardships with expenses to provide public services increasing faster than city revenues could keep up. To make matters worse, the City was lagging in important general revenue sources such as sales tax. In the Fall of 2007, the City Council requested a study be performed that would identify opportunities for improvement at various levels of the City's organization. The scope of the study included an examination of processes and procedures, effectiveness and efficiency of service delivery, organizational design and staffing levels as well as other services currently being provided. At their November 13, 2007 meeting, the City Council reviewed the four proposals received and narrowed their selection to two proposals. At the December 10, 2007 City Council meeting, the decision was made to contract with Management Partners.

Management Partners began research and fact finding for the study in early 2008. They used a number of analytical and management techniques for the project which enabled the Management Partners staff to obtain high quality stakeholder input and suggestions on potential strategies, gain full understanding of the extent of the City's financial situation, and compare and contrast Morro Bay against other peer jurisdictions. The research and fact-finding techniques included a thorough review of documents, personal interviews with the key managers in the City, selection of 10 communities (in consultation with the City) for benchmarking purposes, implementation of two electronic surveys (one to City employees and the second to elected officials and Advisory Board and Commission members), organization of city employee focus groups (6 in total with 63 people participating) and financial modeling.

The report produced by Management Partners, entitled "City Organization and Financial Options" which can still be found on the City's website, contains 38 recommendations, including 21 Expenditure Control Strategies, 13 Revenue Creation Strategies and 4 Long Range Strategies the City could consider for overall improved financial health. After receiving the document in May 2008, the City Council scheduled a public workshop in August (the delay between receipt of the document and the 1st public workshop was due to the City being in the midst of the fiscal year budget adoption process as well as the hiring of a permanent City Manger). That August 13, 2008 workshop was held with staff first providing an update on the progress made on recommendations that had occurred since receipt of the document, approximately 10 strategies/recommendations had been addressed at that time. Just prior to the workshop, the City Council was asked to rank the Management Partner recommendations on a scale of 1 to 5 (in conjunction with the priorities determined in the Goal Setting Workshop held in June 2008). The City Council was then able to focus their discussion on those top scoring recommendations. Following the August 2008 workshop, staff provided an update on the Management Partner recommendations in January 2009 and then again, at a second workshop that was held in August 2009.

The City also included the Management Partners recommendations in their discussions during the goal setting processes in June 2008, February 2009 and March 2010 which were conducted by Amy Paul of Management Partners.

At the December 11, 2012 City Council meeting during the Declaration of Future Agenda Items, Mayor Irons asked and received support for City staff to bring back a proposal to update the Management Partners study. Following the meeting, staff contacted Andy Belknap of Management

Partners and asked that he provide a proposal to update the study that was originally completed in 2008. Mr. Belknap has provided a proposal, and staff brought back the proposal and corresponding staff report to the City Council at their February 26, 2013 meeting. The proposal provided by Management Partners indicated that an update effort would cost approximately $39,500 and require 229 hours of work. The City Council discussed this issue and directed staff to provide an in-house update of the progress on the recommendations to the City Council in April/May 2013.

DISCUSSION

Staff has attached the original document that the City Council reviewed in August 2008 and subsequently updated in January and August, 2009. That document has been further updated with any progress on the goals since 2009, being added.

CONCLUSION

Based on the direction from City Council at their February 26, 2013 meeting, staff has provided an in-house update to the 21 Expenditure Control Strategies, 13 Revenue Creation Strategies and 4 Long Range Strategies originally provided in the report.

City of Morro Bay

Management Partners Report
Assessment of City Organization and Financial Options

Updated January & August 2009, May 2013

Prior to the August 2008 meeting, the City Council was asked to rank each one of the 38 recommendations with a score from 1 to 5 with 1 being "less interested" and 5 being "most interested" (the tabulated score follows each listed recommendation). The recommendations that ranked highest were then discussed and final direction given at the August 2008 meeting. Staff updated this document in January 2009 and again in August 2009 to show the progress on the City Council's direction. Pursuant to City Council direction, staff updated this document in May 2013. A number of the recommendations were not originally addressed by the City Council and as a result only have a May 2013 Update note.

Recommendations

Recommendation #1 Use this report to lobby the Coastal Commission for an expeditious approval of the City's General Plan (also addressed under Recommendation #35)

August 2008 Update – Staff sent correspondence to the California Coastal Commission (CCC). The Mayor also made a public appearance/comment at the CCC hearings in SLO stressing the importance of their return of the City's General Plan, in 2008.

Recommendation #2 Hold an annual policy meeting for the City Council to develop a set of longer-term goals and subordinate objectives to guide staff

August 2008 Update – City Council scheduled initial goal setting in June 2008.

***January 2009 Update**- N/A*

***August 2009 Update** – City Council scheduled goal setting in February 2009.*

***May 2013 Update – S**ince 2008, the City Council has either had a Goal Setting Workshop or process and established or confirmed goals for the upcoming period. The Established Goals from each of the workshops or sessions can be found on the City's website for review.*

Recommendation #3 (18 score) Incorporate overall goals from the Council's policy meeting into a set of budget directions for each department head as a guide for program development – the Council and staff concurred this action is currently occurring.

***January 2009 Update** – In June 2008, the City Council established 20 goals at their Goal Setting Workshop. Included within the 20 goals were 6 priority goals that were also accompanied by "success factors". The 6 priority goals are:*

1. *Decide who will deliver Fire Services.*
2. *Provide funding for competitive salaries and encourage retention of all City employees.*
3. *Establish new revenue sources.*
4. *Repair and/or replace failing infrastructure.*
5. *Form a redevelopment agency.*

6. Develop ways to be attractive to businesses.
These goals are kept in the forefront during program development as well as inserted in the staff report recommendation section when appropriate.
***August 2009 Update** – In February 2009, the City Council held their second goal setting workshop. At that workshop they reviewed the 6 priority goals and 20 other goals from the 2008 workshop. The* 2009 Goal Setting Workshop concluded with the City Council identifying 5 priority goals, 9 other goals and 2 other carryover goals from last year's process, these goals were then unanimously adopted by the City Council at their March 9, 2009. The 5 priority goals are:
Goal A – Develop and maintain a structurally sustainable budget.
Goal B – Reduce overall administrative costs
Goal C – Establish new revenue sources
Goal D – Complete fire station construction
Goal E – Ensure a safe and sustainable water supply in Morro Bay
Each goal had a number of sub-tasks which Staff addressed in a report presented to the City Council in August 2009. At that meeting the City Council then determined a priority for completion of those sub-tasks.
***May 2013 Update** – since 2008, the City Council has either had a Goal Setting Workshop or process and established or confirmed goals for the upcoming period. The Established Goals from each of the workshops or sessions can be found on the City's website for review.*

Recommendation #4 (23 score) Eliminate the Assistant City Manager position or consolidate some operating departments – This recommendation is currently in progress with discussion in closed session and an agenda item dealing with the reorganization scheduled for the August 25, 2008 meeting.
***January 2009 Update** – This goal was accomplished through action the City Council took at their August 25, 2008 meeting.*
***August 2009 Update** – N/A.*
***May, 2013 Update** – N/A.*

Recommendation #5 Reduce the City's contribution to the Chamber, other charitable groups and for promotions and advertising.
***May, 2013 Update** – Funding to the Chamber to operate the Visitors Center was decreased several fiscal years ago, due to overall budget reductions in the City. Funding for Charitable Groups, otherwise known as Aid to Agencies, was also eliminated several years ago when the City experienced significant budget reductions.*

Recommendation #6 Prepare an Updated Overhead Study
***May, 2013 Update** – As indicated under Recommendation #23, the plan was updated in 2009.*

Recommendation #7 Investigate contracting all daily operations of the Harbor Department to a professional harbor management company
***May, 2013 Update-** There was no interest expressed in this option when the report was reviewed in 2008 and 2009.*

Recommendation #8 (21 score) If the City chooses to retain harbor operations, transfer harbor maintenance functions to a consolidated maintenance division.
Final Direction – Council directed this to be looked in to in conjunction with Recommendation #20. Council discussed this recommendation refers to recommendation #20 and Harbor Maintenance should be included in the review of possible consolidation of maintenance in the City.
January 2009 Update *– The Harbor Department performs maintenance efforts on the waterfront and therefore they will be included in the study referenced under Recommendation #20.*
August 2009 Update*- This evaluation will occur subsequent to the evaluation of the maintenance survey.*
May 2013 Update *– This evaluation took place in 2010 and at that time, including the Harbor Maintenance in the consolidated maintenance effort was not pursued.*

Recommendation #9 Reduce the Harbor Patrol function to one or two officers charged with enforcement duties only; and
Recommendation #10 Manage administrative functions such as derelict boat removal using non-sworn staff
May 2013 Update *– Both these options and others were reviewed in 2010 and not supported.*

Recommendation #11 Obtain formal proposals from the Sheriff on the cost for providing law enforcement serviced to the City based on reduced service levels or restore the Morro Bay Police Department's budget to the level of peer cities if the City chooses to keep its own police Department
May 2013 Update *– A proposal from the Sheriff's Department was obtained in 2009 and not supported. The budget of the Police Department has not been significantly amended since this study was completed.*

Recommendation #12 Adopt a paid-on call fire department service model similar to that used by the majority of peer cities or Request a proposal from Cal Fire to provide the lowest possible level of fire service to Morro Bay and build up to a desirable service level from that point.
May 2013 Update *– The City Council was not interested in the paid-on-call fire department service model in 2009. The City did engage in a thorough review of Cal Fire and rejected their proposal in 2009.*

Recommendation #13 (16 score) Streamline the business license operation in order to reduce support department costs, and move the function to the City Clerk – City Manager Lueker is looking at reorganization of the Administration, Finance, Personnel and Recreation and Parks Departments currently. Reassigning duties will be addressed and staff will report back to the City Council.
Final Direction – Bring back further analysis to the City Council on the transfer of duties, including a discussion on extending to a 2-year business license.
January 2009 Update *–The Account Clerk 1 position has been downsized to ½ time and benefits through action taken at the August 25, 2008 City Council meeting. The ½ position will become vacant on February 17, 2009 and is not slated to be refilled. The duties are currently being reassigned. Staff also brought forward the concept of a 2-year business license cycle at the October 27, 2008 City Council meeting. The Council determined, based on staff's recommendation, the 2-year cycle would not be cost effective.*
August 2009 Update *– The business license process has been changed from renewals in June to renewals throughout the year, coinciding with the original application date. This change which allowed the*

license renewal to be spread more evenly throughout the year which then provided the impetus to move the business license process to the Public Services Department.
***May 2013 Update** – The business license process has further been modified to provide on on-line form and e-mailing the business license form to all Department for concurrent review. Further modifications will include electronic submission of the on-line form. Public Services staff in conjunction with City Hall staff continues to fine-tune tracking of business licenses, addressing delinquent licenses as well.*

Recommendation #14 (15 score) Reassess the IT program in 1 to 2 years – Council discussed the website update and the coordination with IT. Staff explained that the function of updating the website to keep it current (once the redesign was completed) would probably be shifted from IT to another staff person.
***Final Direction** – Bring back this in 1 year to see how the interaction between the new website and the IT staff is working.*
***January 2009 Update** – The new website will be live in March 2009 at which time update of the website will be shifted to a staff member from each department rather than the IT staff person and each department will be responsible for content under its purview. Review of the IT program will occur in August 2009 as directed.*
***August 2009 Update** – Since the new website has come on-line (Spring 2009), some of the upkeep work and all posting of the agendas has shifted from the Information System Administrator to designated staff in each Department. During the review of the Goal Setting Workshop Outcomes for 2009 at the August 10, 2009 City Council meeting, the Council reviewed a reorganization of the time line for completion of identified goals. A review of the IT Department is slated for June 2010.*
***May 2013 Update** – Staff conducted a review of the IT program in late 2010 as well as asking for proposals from agencies for comparison purposes. In that review, it was determined the current IT Department was cost effective and contracting out would not be beneficial for this service*

Recommendation #15 Increase reliance on contract labor for community development operations.
***May 2013 Update** – The City continues to contract for such services when appropriate and available.*

Recommendation #16 Shift as much infrastructure maintenance work as possible to private contractors.
***May 2013 Update** – The City continues to contract for such services when appropriate and available.*

Recommendation #17 (14 score) Eliminate General Fund support of the tourist trolley program and Recommendation #33 (19 score) Make all Enterprise Funds self-supporting – these are related in that the Transit Fund is the only Enterprise Fund that is not self-supporting. Management Analyst Burlingame reported she is currently gathering data on cost recovery to be presented in the future to City Council so they can review the amount of subsidy.
***Final Direction** – provide data to City Council for review.*
***January 2009 Update** – A report on the trolley operations for 2008 is on the City Council Agenda Planning Guide for a March 2009 date. At that time, the City Council will review the trolley budget, including the General Fund support, performance data and service levels to determine what changes need to be made for the 2009 season.*

August 2009 Update *– The City Council addressed the General Fund support of the trolley during the 2009/2010 budget process and eliminated the General Fund support as well as amended some of the hours of operation. Currently the trolley is funded by fares, paid advertising spaces, rentals, sponsorships and the Parking in Lieu with no General Fund support. Staff anticipates the general fund support will be a topic of discussion for each budget period.*
May 2013 Update *– The trolley continues to operate without a General Fund subsidy.*

January 2009 Update *- As well, staff has had an initial meeting in January 2009 with San Luis Obispo Council of Governments and Regional Transit Authority staffs to discuss funding issues and evaluation of potential economies of scale and other options to operating the local transit service. Further study is forthcoming.*
August 2009 Update *– An additional meeting was held in May to further discuss the issue, however, it was decided to wait until after the Regional Transit Authority had completed its move to their new facility and takeover of service in August 2009 to continue discussions.*
May 2013 Update *– Staff has continued to meet and discuss a regional concept in the provision of the local transit, but to date, the alternatives provided have not met with the City Council's or the communities expectations for service. Staff will continue to have an open dialog with SLOCOG and RTA regarding a regional approach.*

January 2009 Update *- Other than the Transit Fund, all other enterprise funds to date are self-supporting (Harbor, Water and Wastewater). Staff has applied for a Rural Transit Fund grant for operational assistance for Morro Bay Dial-A-Ride and trolley that, if awarded, are intended to replace the General Fund support for fiscal year 2009/2010.*
August 2009 Update *– A Rural Transit Fund Grant was awarded in early 2009 allowing the City to reduce the General Fund support of Dial-A-Ride for fiscal year 2009/2010. However, recently the City was notified the SLOCOG Board will be considering in October a reduction 12% this fiscal year to all jurisdictions' annual Transportation Development Act allocations. If this occurs the City will need to review the transit programming and funding and request necessary amendments to the existing budget at mid-year to account for the approximate $44,000 loss in funding.*
May 2013 Update *– No further update.*

Recommendation #18 (14 score) Create a cost center for the recreation programs, into which all revenues and expenditures are moved.
Final Direction – this issue was covered under Recommendation #19 and will return for discussion in 2-3 years.
January 2009 Update *– Pursuant to City Council direction, this item will be discussed no sooner than August 2010 and may not be revisited until 2011.*
August 2009 Update *– During the review of the Goal Setting Workshop Outcomes for 2009 at the August 10, 2009 City Council meeting, the Council reviewed a reorganization of the time line for completion of identified goals. This item remains slated for January 2011.*
May 2013 Update *– The concept of a Cost Center for recreation programs has not been discussed in detail at either the Recreation and Parks Commission or the City Council. Although the annual budget does identify subsidy allocations, there has not been direct isolation of these programs other than the division's operating budget. Program evaluations are provided to the RPC post event.*

Recommendation #19 (16 score) Restructure the recreation programs to be cost-covering.
Final Direction – Bring back this issue in 2-3 years for a review.
January 2009 Update *– Pursuant to City Council direction, this item will be discussed no sooner than August 2010 and may not be revisited until 2011.*
August 2009 Update *– During the review of the Goal Setting Workshop Outcomes for 2009 at the August 10, 2009 City Council meeting, the Council reviewed a reorganization of the time line for completion of identified goals. This item remains slated for January 2011.*
May 2013 Update *– Staff has begun the process of developing a Fiscal Sustainability Program, which includes service inventory and assessment. Cost recovery and subsidy allocation analysis is based on community benefit. These cost recovery categories and the corresponding programs establish program fees and level of service offered to the community. The initial concepts of the Fiscal Sustainability Program were presented to the Recreation and Parks Commission at their regular meeting on July 17, 2012*

Recommendation #20 (22 score) Create a single consolidated maintenance division for the City – Staff has begun this work with the maintenance staff in the Recreation and Parks Department. Councilmember Peirce felt it necessary to study what each maintenance division did prior to the determination to combine and the Council members concurred.
Final Direction *- All council members felt this was a priority, move forward with review.*
January 2009 Update *– Staff began with the Recreation and Parks Department combining the Parks Superintendent (management level) position and the Facilities Superintendent (management level) position to one Maintenance Superintendent (management level) position overseeing both the Parks and Facilities Division. Currently staff is completing work on a survey tool to distribute to all maintenance staff in Recreation and Parks, Harbor and Public Services, to study how often, amount of time spent and location of maintenance efforts-basically a time and duty study. The results of this survey will aid in an effort to determine whether consolidation is a valid move. Once the survey tool is ready for distribution; staff anticipates a survey period of 45-60 days.*
August 2009 Update *- The maintenance survey was distributed in March 2009 with an 8 week survey period. Information was gathered, initially tabulated and returned to the City Manager from the Department Heads mid-summer. Due to the prolonged budget process, staff has not yet assessed the documentation provided. During the August 10, 2009 City Council review of the Goal Setting Workshop Outcomes for 2009, the Council indicated the review of the maintenance survey was a top priority and it would be completed by October 2009.*
May 2013 Update *– The consolidated maintenance concept has been accomplished with the exception of the specific Harbor maintenance issues and has been in place for just over two years. Upon initial consolidation, there were a number of issues that needed to be addressed, but over the past two years and with the staffing changes, the consolidation efforts and work product has continued to thrive. While most individual maintenance staff members have their areas of expertise, cross training continues to take place, several group projects have been accomplished and the lines between facilities, streets and parks continued to disappear.*

Recommendation #21 Create a Parks and Recreation District endowed in its creation by its own property tax assessment.
May 2013 Update *– There was no interest expressed in this option when the report was reviewed in 2008/09.*

Recommendation #22 (16 score) Sell surplus properties to provide a short-term financial bridge and to invest in economic development – Council discussed the list of potential properties and had specific questions regarding what was on the list and what was available for liquidation. City Attorney Schultz indicated that perhaps bundling the available properties with the Cloisters property might be a good way to liquidate.
Final Direction *– In October/November, bring a list of surplus property to closed session.*
January 2009 Update *– No action has been taken.*
August 2009 Update *– No action has been taken.*
May 2013 Update *– No further action has been taken.*

Recommendation #23 (18 score) Update the cost allocation plan and charge for direct services where appropriate and Recommendation #6 (18 score) Prepare an updated overhead study – Finance Director Slayton had solicited a proposal from Revenue and Cost Specialists to do a study to address both issues and would be putting this item on the agenda for approval on August 25, 2008. The approximate cost of the study was $25,000.
Final Direction – *Bring funding request for the study to the August 25th City Council meeting.*
January 2009 Update *– Funding was approved for an updated cost allocation study (which would include an overhead study). The study is underway with an expected draft available in early Spring 2009.*
August 2009 Update *– Despite some setbacks, the Final Cost Allocation Study was completed and is available for review. Any changes in allocations will take place for the 2010/2011 budget process. In reviewing the document, there are not substantial changes thus not greatly affecting the General Fund bottom line.*
May 2013 Update *– On September 15, 2009, the City completed the cost allocation plan, and with the 2010/11 budget, implemented the new Enterprise funds' transfers for administrative services. The Water and Sewer Fund cost allocations dropped by $58,000 and the Harbor's increased by $40k.*

Recommendation #24 (14 score) Increase Harbor Fees – Harbor Director Algert discussed that the Harbor Fees are increased on a regular basis, CPI. Due to the granting agency, it is not possible to charge for launching a boat, but a charge for parking could be imposed. Councilmember DeMeritt stated her priority for increasing the fees for mooring sites, she inquired if Morro Bay was within 5% of the rates for other harbors? Algert listed the number of types of mooring sites and who managed the sites (48 shore side, 120 off-shore of which 50 are managed by yacht club and Marina Square , remaining 70 are city managed of which the City owns the gear and tackle on 10).
Final Direction *– Harbor Director to complete a staff report within the next year to look at comparison of mooring fees, going through Harbor Advisory Board.*
Final Direction *– bring forward, pursuant to motion of the Harbor Advisory Board a proposed fee for parking at the launch ramp (Spring 2009).*
January 2009 Update *– This item is scheduled at the Harbor Advisory Board for late winter and is on the Agenda Planning Guide for City Council on April 13, 2009.*
August 2009 Update *– This item was addressed at the April 27, 2009 City Council meeting and the following motion passed 5-0: 1) increase all live aboard fees by the cost of Consumer Price Index annually until such time that Harbor facilities and services are improved; then the item can be revisited; 2) implement a parking fee of $1 per hour with a maximum of $10 per day for boat trailer spaces only at*

the boat launch ramp, using an automated machine. The maximum fee for parking at the boat launch ramp was subsequently reduced through an action (approval of the Master Fee Schedule) at the June 22, 2009 City Council meeting from a maximum of $10 per day to a maximum of $5 per day for boat trailer space.
***May 2013 Update** – Fees are raised through the Master Fee Schedule by CPI on a yearly basis. City Council also authorized to recoup use of water fees in the public facilities in 2012 and staff continues to work on that issue. Also authorized by City Council was a $1,000 mooring transfer fee.*

Recommendation #25 Increase encroachment fees.
***May 2013 Update** – The City Council increased special encroachment fees in 2008, other encroachment fees are raised through the Master Fee Schedule by CPI on a yearly basis.*

Recommendation #26 Implement street and highways code to require property owners to fix sidewalks
***May 2013 Update** – There was no interest expressed in this option when the report was reviewed in 2008/09.*

Recommendation #27 Add fee to the refuse contract for street sweeping
***May 2013 Update** – There was no interest expressed in this option when the report was reviewed in 2008/09.*

Recommendation #28 Add General Plan maintenance fee to all development and permit applications, as allowed by state law
***May 2013 Update** – This was completed in 2008.*

Recommendation #29 Implement city-wide prop 218 assessment for street lighting and street maintenance
***May 2013 Update** – There was no interest expressed in this option when the report was reviewed in 2008/09.*

Recommendation #30 (14 score) Increase the City's Transient Occupancy Tax (TOT) and Recommendation #31 (14 score) Implement a Utility User Tax (UUT) – Council discussed the Utility Users Tax and the TOT and whether and how they could be placed on the ballot. UUT and how it could be placed on the ballot, the status of the Countywide Business Improvement District (BID).
Final Direction – the Council would discuss the TOT after the Countywide Bid process was reviewed in Fall 2008 and continue to discuss a UUT for either a special election (earlier than 2010) or a general election in 2010.
***January 2009 Update** – As stated under Recommendation #34, staff initially brought both these items forward at the January 12, 2009 meeting and will bring them back in late February/March 2009.*
***August 2009 Update**– At the March 9, 2009 City Council meeting, the Council determined to not move forward with the UUT. At that same meeting the Council directed staff to return to Council with*

information on placing a transient occupancy tax measure on the 2010 ballot as well as directed staff to return to Council with information on placing a special assessment/parcel tax measure on the 2010 ballot. Staff has included both these issues on this workshop agenda for discussion. This City did not move forward with either a TOT increase or a special assessment/parcel tax.
May 2013 Update – The City was successful in the passage of Measure Q, a ½ cent general sales tax that passed in 2010. The City Council has directed staff at their March 26, 2013 meeting to return in Jun/July 2013 to have a discussion on the timeline for a dedicated sales tax ballot measure to repair streets.

Recommendation #32 Implement a general or special parcel tax
***May 2013 Update** – There was no interest expressed in this option when the report was reviewed in 2008/09.*

Recommendation #33 Make all enterprise funds self-supporting
***May 2013 Update** – See information under Recommendation #17.*

Recommendation 34 (19 score) Establish a 911 fee, a fee added to local phone bills intended to support the operation of the local 911 center – the Council discussed the ability to impose this fee and City Attorney Schultz reported he could return to City Council will more information on implementation.
***Final Direction** – Council supports additional research into the 911 fee, City Attorney to come back to Council with an analysis.*
***January 2009 Update** – City staff brought forward a staff report at the January 12,2009 City Council meeting asking Council to authorize the City Attorney to research and prepare draft ordinances for consideration as future ballot measures for both a Utility User Tax (UUT) and a 911 fee. Council considered staff's recommendation and asked staff to return within two months for further review. Both the UUT and the 911 fee are on the Agenda Planning Guide for late February/March 2009.*
***August 2009 Update** – At the March 9, 2009 City Council meeting, the Council determined to not move forward with either the UUT or the 911 fee.*
***May 2013 Update** – No further update.*

Recommendation #35 (score 20) Coalesce a vision of the City's future, building on the City's environmental advantages – Bruce Ambo reported the Coastal Commission had indicated return of the City's General Plan in October/November. He further stated that visioning would be in conjunction with the RDA study of the downtown area. Further discussion was held regarding a workshop with business owners and staff to identify low cost loans and how to fast track building plans.
***Final Direction** - Councilmember Peirce and his business promotions group to conduct an informal survey to business owners tabulate the results and bring back to the City Council.*
***Final Direction** - City Manager Lueker to arrange a joint meeting between the City Promotions Committee and the City Council.*
***January 2009 Update** – Staff has been informed the Coastal Commission is currently, actively reviewing the General Plan. Staff is encouraged by this and hopes to receive the General Plan in 2009.*
***August 2009 Update** – The City has not received any further information concerning the General Plan, but has contacted the Coastal Commission again to encourage its return.*

***May 2013 Update** – Several efforts, since this time have been pursued to update the plan, including grant submission for funding as well as assignment of a committee to work on an in-house update. The most recent effort, as discussed during the 2013 Goal Setting process, includes submission of a grant for funding and in lieu or receiving grant funds, staff has proposed some additional funding in the FY 2013/14 budget to address Long Term Planning as well as a work plan for updating the document.*

***January 2009 Update** - The Business Promotions group working with the Chamber of Commerce will begin their Business Owners Survey in the near future. The City Council has also asked to have this item brought back for the February 26, 2009 City Council agenda to appoint a Council member to the committee.*
***August 2009 Update** - The Business Promotions Group continues to work on the business surveys, as reported by the Chamber of Commerce.*
***May 2013 Update** – While the Business Promotion Group is no longer functioning, the City has funded an Economic Development program through the Morro Bay Chamber of Commerce. The City also formed a short-term Planning Study Committee to look at what is working and not working in the Planning and Building Divisions and what solutions can be found. The committee came back with a number of recommendations, which included update the General Plan, Better Information/Handouts (file information is being digitized for access, handout and on-line information about the permits is available), How to Minimize Incomplete Submittals (discussion of a fee for a pre-application meeting was discussed as well as intake meetings), Providing Information on the Status of a Project to the Applicant (electronic submission and distribution of plans).*

***January 2009 Update** - A joint Community Promotions Committee/City Council meeting was held on October 13, 2008 with the Community Promotions Committee reviewing their marketing strategies. Staff anticipates this will be an annual meeting.*
***August 2009 Update** - A joint Community Promotions Committee/City Council meeting has been scheduled on the Agenda Planning Guide for October 12, 2009. The Council may want to entertain the idea of inviting the Morro Bay Tourism Business Improvement District as well and reschedule the meeting for early December in order to review the progress made on the website.*
***May 2013 Update** – the Community Promotions Committee was dissolved in 2012 with ½ of their funding (approximately $58,000) going to the Morro Bay Tourism Business Improvement District and the remaining ½ of the funding going to the Economic Development Division.*

Recommendation #36 (18 score) Finalize the General Plan update and secure approval from the Coastal Commission in order to implement fundamental economic development on the major properties and any secondary issues – the Council reiterated the sending of letters citing specific instances where an approved General Plan would have benefitted the City in some way, to date the Mayor made a public comment at the Coastal Commission meeting held in San Luis Obispo as well as sent one letter, a second letter reiterating the information Director Ambo was given regarding return of the General Plan was forthcoming.
***Final Direction** – Send a letter regarding the cell phone tower conflict to the Coastal Commission as well as other letters are the situation warrants.*
***January 2009 Update** – The City has sent several letters to the Coastal Commission outlining issues that would have been resolved had our updated General Plan/Local Coastal Plan been in place. Various examples include the cell tower, mixed use design issues and parking incentives.*

Coastal Commission staff has indicated they are currently working through an electronic format of the document however no return date has been identified.
***August 2009 Update** – The City has not received any further information concerning the General Plan, but has contacted the Coastal Commission again to encourage its return.*
***May 2013 Update** - As stated above, several efforts, since this time have been pursued to update the plan, including grant submission for funding as well as assignment of a committee to work on an in-house update. The most recent effort, as discussed during the 2013 Goal Setting process, includes resubmission of a grant for funding and in lieu or receiving grant funds, staff has proposed some additional funding in the FY 2013/14 budget to address Long Term Planning as well as a work plan for updating the document.*

Recommendation #37 (23 score) Develop and Implement a Redevelopment Agency in conjunction with plans to develop these properties – Staff has submitted two grants to fund a feasibility study, the first step needed to determine if a redevelopment agency is feasible. Staff anticipates hearing in September the status of the grant funding.
***January 2009 Update** – Two Community Development Block Grants were submitted to fund a Redevelopment Feasibility Study. One grant was awarded for 35K, the second was denied, however, staff is in contact with the granting agency to substantiate reasons for reversing/reconsidering denial. If reversing/reconsideration are not possible, then the information gleaned will be used to reapply for next year's cycle of funding. Staff anticipates reapplying for both grants in 2009 to help fund the RDA Implementation should the Redevelopment Feasibility Study point and the City Council agree to that direction. At the City Council meeting on January 12, 2009, the City Council approved funding for the Redevelopment Feasibility Study. A contact has been signed; work is in progress with a timeframe for completion of 4-5 months.*
***August 2009 Update** – At the August 10, 2009 City Council meeting, the Council voted 3-2 to table any further discussion regarding formation of a Redevelopment Agency.*
***May 2013 Update** – AB 26 dissolved Redevelopment Agencies as of October 1, 2011; the CA Supreme Court upheld this law December 2011, and all redevelopment agencies ceased to exist after Feb 1, 2012. However, it is likely that some sort of redevelopment agency-type program will be created in the future and staff will monitor and provide the City Council updates as they become available.*

Recommendation #38 (16 score) Proactively develop a strategic plan to redevelop City-owned harbor property, the power plant and Chevron properties – Councilmember DeMeritt suggested meeting quarterly or on a regular basis with Randy Hickok of Dynegy to make sure the City is kept informed of the status of the power plant. Director Ambo discussed the Navy Fuel Property and that it had moved to a "for sale" status and the 93 mile pipeline would be included in the sale. Councilmember Winholtz asked that this item come back to closed session.
***Final Direction** – City Attorney Schultz to send a letter to Randy Hickok and arrange a regular meeting.*
***Final Direction** – agendize the Navy Fuel Property for August 25th closed session.*
***January 2009 Update** – Staff has contacted Dynegy regarding periodic meetings, the meeting schedule has yet to be determined.*
***August 2009 Update** – Staff met with Mr. Hickok in early 2009 and reported back to the City Council at a March 3, 2009 closed session. No further meetings have been scheduled.*

May 2013 Update- *The City Attorney has kept in discussions with Dynegy and provides input as information becomes available.*

January 2009 Update *- The General Services Administration informed City staff that the City was required to bid/provide a proposal for the property which included the 10 acre site and a 93 mile pipeline. Prior to the City preparing a bid/proposal, at a minimum, soils testing, archaeological review and an appraisal would have had to be completed, resulting in significant costs. Due to the inability to divide the property and the costs to prepare a bid/proposal, there was no further action taken.*
August 2009 Update *– N/A.*
May 2013 Update *– This property was sold in early 2012 to a private purchaser.*