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, AUGUST 11, 2015
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 – LEAP Update Presentation
Presentation of Xtreme Hero Awards Week Proclamation

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.

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 SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON JULY 14, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON JULY 14, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 PROCLAMATION COMMENDING AND HONORING FIRE CAPTAIN PARAMEDIC JEFF OLSON ON HIS RETIREMENT; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 PROCLAMATION DECLARING TUESDAY, AUGUST 11, 2015 THROUGH FRIDAY, AUGUST 14, 2015 AS "XTREME HERO AWARDS" WEEK; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-6 WATER RECLAMATION FACILITY (WRF) PROJECT UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

B. PUBLIC HEARINGS - NONE

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES - NONE

D. NEW BUSINESS

D-1 APPROVAL OF SETTLEMENT AGREEMENT - JOHNIE MEDINA V. CITY OF MORRO BAY, SAN LUIS OBISPO SUPERIOR COURT CASE NO. 14CV-0214; (CITY ATTORNEY)

RECOMMENDATION: Approve the settlement agreement.

D-2 DISCUSSION OF VISITOR CENTER SERVICES CONTRACT & LEASE AGREEMENT FOR CITY-OWNED PROPERTY LOCATED AT 695 HARBOR STREET; (ADMINISTRATION)

RECOMMENDATION: Approve staff recommendation to partner with Morro Bay Chamber of Commerce to provide Visitor Center Services.

D-3 EVALUATION OF DEMONSTRATION PARKLET LOCATED ON MAIN STREET AND RECOMMENDED FUTURE ACTIONS; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Discuss and provide staff direction.

D-4 MORRO BAY STRATEGIC PLANNING AND BUDGETING FRAMEWORK; (ADMINISTRATION)

RECOMMENDATION: Discuss and provide staff direction.

D-5 AWARD OF CONSULTANT CONTRACT FOR IMPLEMENTATION OF CITYWORKS PERMIT TRACKING AND ASSET MANAGEMENT SOFTWARE SOLUTION TO TIMMONS GROUP, INC.; (COMMUNITY DEVELOPMENT / PUBLIC WORKS)

RECOMMENDATION: Authorize staff to execute an agreement with Timmons Group, Inc.

D-6 CONSIDERATION OF PROPOSAL AND CONTRACT AWARD TO MICHAEL K. NUNLEY & ASSOCIATES, INC. FOR PROGRAM MANAGEMENT SERVICES FOR DEVELOPMENT AND CONSTRUCTION MANAGEMENT OF A NEW WRF; (PUBLIC WORKS)

RECOMMENDATION: Authorize staff to execute an agreement with Michael K. Nunley & Associates, Inc.

D-7 ORDINANCE NO. 594 AMENDING VARIOUS SECTIONS OF CHAPTER 3.08 OF THE MORRO BAY MUNICIPAL CODE, RELATING TO CONTRACT AUTHORITY AND THE PURCHASING PROCESS; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Move for introduction and first reading of Ordinance No. 594, by number and title only.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

The next Regular Meeting will be held on Tuesday, August 25, 2015 at 6:00 pm at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

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.

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
JULY 14, 2015
CITY HALL CONFERENCE ROOM – 4:00 P.M.

AGENDA NO: A-1

MEETING DATE: August 11, 2015

PRESENT:	Jamie Irons	Mayor
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Matt Makowetski	Councilmember
	Noah Smukler	Councilmember
STAFF:	David Buckingham	City Manager
	Joe Pannone	City Attorney
	Sam Taylor	Deputy City Manager
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

SUMMARY OF CLOSED SESSION ITEMS - The Mayor read a summary of Closed Session items.

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for public comments for items only on the agenda; seeing none, the public comment period was closed.

The City Council moved to Closed Session and heard the following items:

CS-1 <u>CONFERENCE WITH LABOR NEGOTIATORS – GOVERNMENT CODE 54957.6</u>

City Designated Representatives: David Buckingham, City Manager
Employee Organizations: Morro Bay Firefighters' Association; Morro Bay Police Officers' Association; Service Employee's International Union, SEIU Local 620; Management Employees; and, Confidential Employees

CS-2 <u>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION</u>

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One Matter

CS-3 <u>GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR:</u>

Property: Morro Bay State Park Marina, 10 State Park Road
Negotiating Parties: California Department of Parks & Recreation
Agency Negotiators: Eric Endersby, Harbor Director and Joseph Pannone, City Attorney
Negotiations: Price and Terms of Payment

Property: Vacant Lot/Corner of Coral Avenue & San Jacinto
Negotiating Parties: Michael Foster
Agency Negotiators: David Buckingham, City Manager and Joseph Pannone, City Attorney
Negotiations: Price and Terms of Payment

Property: 1 Jordan Terrace – APN 066-221-001
Negotiating Parties: Janne Reddell Tre Etal and Trust for Public Lands
Agency Negotiators: David Buckingham, City Manager and Joseph Pannone, City Attorney
Negotiations: Price and Terms of Payment

The City Council reconvened to Open Session.

The City Attorney reported that with regards to the Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

ADJOURNMENT
The meeting adjourned at 5.55 p.m.

Recorded by:

Dana Swanson
City Clerk

AGENDA NO: A-2

MEETING DATE: August 11, 2015

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JULY 14, 2015
VETERAN'S MEMORIAL HALL – 6:00P.M.

PRESENT:	Jamie Irons	Mayor
	Noah Smukler	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	David Buckingham	City Manager
	Joe Pannone	Assistant City Attorney
	Dana Swanson	City Clerk
	Sam Taylor	Deputy City Manager
	Susan Slayton	Administrative Services Director
	Rob Livick	Public Works Director
	Scot Graham	Community Development Manager
	Cindy Jacinth	Associate Planner
	Eric Endersby	Harbor Director
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief

ESTABLISH QUORUM AND CALL TO ORDER
The meeting was called to order at 6:07pm

MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
CLOSED SESSION REPORT - Mayor Irons reported that with regards to the Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

City Manager Buckingham presented an update on recent staff assessments of parking in the downtown area.

PUBLIC PRESENTATIONS
https://youtu.be/U0WYBA83zdk?t=21m20s

Certificates of Appreciation for Citizen Heroes
Mayor Irons and the City Council presented certificates of appreciation to Tony Keith and Robert Fraser for their selfless act of service, rendering aid during a medical emergency prior to the arrival EMS personnel on the morning of June 18, 2015.

Tourism Bureau Quarterly Update

Brent Haugen, Morro Bay Tourism Executive Director provided the quarterly update for the Morro Bay Tourism Bureau and Visitor Center for the second quarter of 2015.

PUBLIC COMMENT

https://youtu.be/U0WYBA83zdk?t=38m42s

Sabin Grey of Hooray for Hollywood provided the business spot. He relocated recently from the West Hollywood area and his business offers an alternative to beachy items. Hooray for Hollywood is located at 601 Embarcadero on the water side of Marina Square. They are open daily from 11am - 7pm. Local specials for Morro Bay residents include buy a card, get a card free, and half price on all wrapping paper.

Rigmore, Morro Bay, encourages one of our local organizations to design a walking tour of Morro Bay to educate others on our wonderful, viable estuary.

Lonnie Lemons, Morro Bay, has learned some fascinating things about the history of Morro Bay and suggests creating a point of interest driving or walking tour (map) for tourists and locals that would include historical information, for the purpose of connecting downtown, the Embarcadero and the rock.

David Nelson, Morro Bay, asked the Council to look into the patented water treatment technology offered by EFD, noting that EFD will be in the area and would love to talk to staff or council members.

Don Maruska, Morro Bay business owner and board member of Festival Mosaic announced upcoming concerts on July 24th at Mission San Miguel and July 25th at Mission San Luis Obispo. More information is available at www.festivalmosaic.com.

Caroline Lewis, Morro Bay, invited all residents to attend National Night Out on August 4th from 5-7pm at City Park. The goal of this event is to heighten awareness of crime, generate support and participation in local anti-crime efforts, and strengthen community partnerships with the Police Department, Fire Department and Coast Guard.

Lynn Meissen, Morro Bay resident and member of Morro Bay Yacht Club, announced that on Thursday, July 17, a replica of the Schooner America will be arriving in Morro Bay. It will be open Friday for tours from 10am - 1pm and a cruise from 2pm - 5pm. Tickets are available online at americascuptours.com. This is a replica of the boat that started America's Cup Tour in 1851. Walk-thru tickets available at the Yacht Club. Cruise tickets available on-line only.

Janice House, Morro Bay, spoke regarding the City's hiring policies, noting the Personnel Rules & Regulations state the hiring policies do not apply to management personnel. She asks the City create a policy that covers management personnel.

Betty Winholtz, Morro Bay, stated there is currently a civil suit between two neighbors involving major vegetation and based on recent action by staff, asks the City Council agendize this as a Closed Session item.

Bob Keller, Morro Bay, announced Project Surf Camp which started on July 10 through August 7, designed for kids with special needs, is in need of volunteers.

City Manager Buckingham provided information regarding the City's hiring policies in response to public comment.

City Attorney Pannone responded to public comment regarding the City Council's authority to direct staff to take legal action. There are two kinds of action a city can take in court -- civil and criminal. The City Council has no authority as to what types of criminal action (code enforcement) should be prosecuted. Political decision makers cannot participate in those types of decisions. Prosecutions are determined by the City Attorney's office, based on facts and legal analysis. Decisions regarding civil action are taken to the Council for direction.

The public comment period was closed.

A. CONSENT AGENDA
https://youtu.be/U0WYBA83zdk?t=1h12m1s

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

The public comment period for the Consent Agenda was opened; seeing none the public comment period was closed.

A-1 APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING HELD ON JUNE 23, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON JUNE 23, 2015; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-4 WATER RECLAMATION FACILITY (WRF) PROJECT UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-5 DESIGNATION OF VOTING DELEGATE AND ALTERNATE AT LEAGUE OF CALIFORNIA CITIES 2015 ANNUAL CONFERENCE BUSINESS MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-6 LETTER IN RESPONSE TO GRAND JURY REPORT TITLED "MORRO BAY MUNICIPAL CODE ENFORCEMENT: BAND-AID OR PROCESS?"; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-7 ACCEPTANCE OF AN OFFER OF DEDICATION OF PUBLIC PEDESTRIAN EASEMENT FOR SIDEWALK PURPOSES ON WALNUT STREET (505 WALNUT STREET); (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 53-15 accepting the offer of dedication on behalf of the public.

MOTION: Councilmember Johnson moved the Council approve all items on the Consent Agenda. The motion was seconded by Councilmember Headding and carried unanimously, 4-0.

B. PUBLIC HEARINGS - NONE

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES - NONE

D. NEW BUSINESS

D-1 WATER CONSERVATION STRATEGIES AND PROPOSED WATER CONSERVATION INCENTIVES; (PUBLIC WORKS)
https://youtu.be/U0WYBA83zdk?t=1h12m51s

Director Livick presented the staff report, and along with Engineering Tech Damaris Hanson, responded to Council inquiries.

The public comment period for Item D-1 was opened; seeing none, the public comment period was closed.

Councilmember Smukler notes the State is very serious about achieving these mandates and we need to do everything we can to comply. He suggests the City move forward and be aggressive on existing opportunities. He would like to see us look harder at the green building and water conservation component, one example being the laundry-to-landscape reuse which is an easy

system to put in place, and suggests waiving this permit fee. He also asks staff to look into protection for renters who have green lawn requirements as part of their lease agreement.

Councilmember Headding feels it's important to look at greatest opportunities and given 70% of our water consumption comes from residents, it's important to know the greatest areas of improvement. One of the most effective programs in other cities has been a cash-back program.

Councilmember Johnson shared this is the kind of leadership the City needs to demonstrate and these new strategies will help in the long-run. She appreciates staff providing tools that show residents how to calculate their water use.

Mayor Irons noted there is Council consensus for the proposed rebate recommendations and other incentives suggested by Council.

Buckingham noted staff will continue to monitor and bring back reports on (perhaps) a quarterly basis. Mayor Irons asked these reports continue to go to PWAB as the entity to keep its finger on the pulse. Councilmember Smukler asked that staff keep the Council updated on specific changes in policy.

MOTION: Mayor Irons moved the Council approve the proposed water conservation incentives recommended by staff, with implementation of additional incentives as discussed, with regular reports to the Public Works Advisory Board. The motion was seconded by Councilmember Headding and carried unanimously, 4-0.

D-2 RESOLUTION NO. 54-15 RESCINDING RESOLUTION NO. 103-95, AND ESTABLISHING A UTILITY DISCOUNT PROGRAM FOR ELIGIBLE CUSTOMERS; (PUBLIC WORKS/ADMINISTRATIVE SERVICES)
https://youtu.be/U0WYBA83zdk?t=2h3m18s

Director Slayton presented the staff report and responded to Council inquiries.

The public comment period for Item D-2 was opened; seeing none, the public comment period was closed.

MOTION: Mayor Irons moved the Council approve Resolution No. 54-15, rescinding Resolution No. 103-95, and establishing a utility discount program, amending Item 1.b. of the Policy to extend the enrollment period to September 30, 2015. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

D-3 REVIEW AND ADOPTION OF INTERIM RESIDENTIAL DESIGN GUIDELINES; (COMMUNITY DEVELOPMENT)
https://youtu.be/U0WYBA83zdk?t=2h17m5s

Community Development Manager Graham presented the staff report and responded to Council inquiries.

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

Councilmember Johnson thanked the Planning Commission for their professionalism in dealing with this challenging issue. Spending the time now will help us get to a General Plan update in a more unified thought process and also demonstrates a good faith effort to work with applicants and neighbors to improve what can be a stressful process.

Councilmember Smukler noted this is something residents have wrestled with for some time and he appreciates having some structure to work with. He also appreciates the new noticing requirements.

Mayor Irons thanked the Planning Commission for their tedious work to ensure the level of detail is there. These interim design guidelines are robust and complete. He would like to amend the resolution so that any revisions are approved by the City Council, to demonstrate ownership of the policy.

MOTION: Mayor Irons moved the Council adopt Resolution No. 52-15 approving the Interim Residential Design Guidelines, eliminating Section 3 of the resolution so that all amendments will be approved by the City Council. The motion was seconded by Councilmember Smukler and carried unanimously, 4-0.

D-4 AWARD OF CONSULTANT CONTRACT FOR WRF FACILITY MASTER PLAN TO BLACK & VEATCH; (PUBLIC WORKS)
https://youtu.be/U0WYBA83zdk?t=2h47m57s

Director Livick presented the staff report and responded to Council inquiries.

Steve Foellmi, Vice President of Black & Veatch, discussed recent projects in Paso Robles and Orange County that were completed on time and under budget.

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

Livick noted a workshop to discuss the various delivery models will be presented to WRFCAC and the City Council.

Council expressed appreciation to the WRFCAC and staff for the selection process.

MOTION: Councilmember Smukler moved the Council award the consultant contract for WRF Facility Master Plan to Black & Veatch as recommended by staff and the WRFCAC, and authorized the Public Works Director to execute an agreement in the amount of $781,135. The motion was seconded by Councilmember Headding and carried unanimously, 4-0.

D-5 APPROVAL OF REGIONAL DISPATCH CONTRACT WITH SAN LUIS OBISPO COUNTY FOR THE FIRE AND HARBOR DEPARTMENTS; (FIRE)
https://youtu.be/U0WYBA83zdk?t=3h58m29s

Chief Knuckles presented the staff report and responded to Council inquiries.

The public comment period for Item D-5 was opened; seeing none, the public comment period was closed.

MOTION: Councilmember Headding moved the Council approve the Regional Dispatch Contract with San Luis Obispo County for the Fire and Harbor Departments, and authorize the City Manager to execute future contracts that fall within the same scope and financial obligation. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

D-6 RESOLUTION NO. 55-15 ADOPTING THE FISCAL YEAR 2015/16 MASTER FEE SCHEDULE; (ADMINISTRATIVE SERVICES)
https://youtu.be/U0WYBA83zdk?t=4h11m48s

Director Slayton provided the staff report and responded to Council inquiries.

The public comment period for Item D-6 was opened; seeing none, the public comment period was closed.

Council shared appreciation for the work that had been done by staff and various advisory boards to provide input and improve the process and document.

MOTION: Councilmember Johnson moved the Council approve the change of timing of the Master Fee Schedule presentation to Council from July to February/March, approve changing the Consumer Price Index area to San Francisco-Oakland-San Jose and adopt Resolution No. 55-15 approving the Fiscal Year 2015/16 Master Fee Schedule. The motion was seconded by Councilmember Smukler and carried unanimously, 4-0.

D-7 RESOLUTION NO. 56-15 ESTABLISHING THE FISCAL YEAR 2015/16 BUSINESS TAX RATE SCHEDULE; (ADMINISTRATIVE SERVICES)
https://youtu.be/U0WYBA83zdk?t=4h34m15s

Director Slayton provided the staff report and responded to Council inquiries.

MOTION: Councilmember Johnson moved to continue the meeting past 11:00. The motion was seconded by Mayor Irons and carried unanimously, 4-0.

The public comment period for Item D-7 was opened; seeing none, the public comment period was closed.

MOTION: Councilmember Smukler moved the Council adopt Resolution No. 56-15 approving the Fiscal Year 2015/16 Business Tax Rate Schedule. The motion was seconded by Councilmember Headding and carried unanimously, 4-0.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
https://youtu.be/U0WYBA83zdk?t=4h43m35s
None

ADJOURNMENT
The meeting adjourned at 11:01pm to the next regular City Council meeting to be held on Tuesday, August 11, 2015 at 6:00pm at the Veteran's Memorial Hall, 209 Surf Street, Morro Bay, California.

Recorded by:

Dana Swanson
City Clerk

AGENDA NO: A-3

MEETING DATE: August 11, 2015

A PROCLAMATION OF THE CITY OF MORRO BAY
COMMENDING AND HONORING
FIRE CAPTAIN PARAMEDIC JEFF OLSON ON HIS RETIREMENT

CITY COUNCIL
City of Morro Bay, California

WHEREAS Fire Captain Paramedic Jeff Olson began his public safety career on December 7, 1985, as a Reserve Firefighter for Morro Bay Fire Department; and

WHEREAS, Jeff Olson continued his career with Morro Bay Fire Department as a Professional Firefighter on January 12, 1987; and

WHEREAS, Jeff Olson, continued his career with the Morro Bay Fire Department and promoted to the positon of Fire Engineer on January 9, 1988; and

WHEREAS, Jeff Olson progressed in his career with the Morro Bay Fire Department and completed San Luis Obispo County's Emergency Medical Technician II in October of 1987; and

WHEREAS, Jeff Olson continued his medical training completing his training for Paramedic through the County of San Luis Obispo in October of 1992; and

WHEREAS, Jeff Olson was qualified as a Hazardous Material's Specialist in December of 1992 and became a member of the San Luis Obispo Hazardous Material Team on which he played an important role during a hazardous materials spill in Morro Bay in 2003 that resulted in the evacuation of 4,000 residents; and

WHEREAS, Jeff Olson continued in his career with the Morro Bay Fire Department and promoted to Fire Captain Paramedic on September 13, 2004; and

WHEREAS, Jeff Olson has brought different views and job set skills that have developed and mentored Morro Bay's Firefighters to the Fire Department they are today; and

WHEREAS, Jeff Olson, due to his length of time with the Morro Bay Fire Department is considered the Fire Department's fleet manager and designed the Fire Department's Engines, Rescues, and Ladder Truck; and

WHEREAS, Fire Captain Paramedic Jeff Olson was issued badge number 110, which will be retired on July 31, 2015.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay honors and recognizes Fire Captain Paramedic Jeff Olson for his service to, and leadership in the Morro Bay Fire Department over the last thirty years; and

BE IT FURTHER RESOLVED that the Morro Bay City Council extends its appreciation and thanks for Jeff Olson's many years of professional service to the City of Morro Bay and offers its best wishes for many warm sunsets.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the City of Morro Bay to be affixed this 17th day of July 2015

_____

Jamie L. Irons, Mayor
City of Morro Bay, California

AGENDA NO: A-4

MEETING DATE: August 11, 2015

A PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA DECLARING TUESDAY, AUGUST 11, 2015 THROUGH FRIDAY, AUGUST 14, 2015 AS "XTREME HERO AWARDS" WEEK

CITY COUNCIL
City of Morro Bay, California

WHEREAS, The Morro Group, Inc. ("TMG") is a local 501(c)(3) founded in 2013 after establishing the XTREME HERO AWARDS the prior year; and

WHEREAS, TMG created the XTREME HERO AWARDS in 2012 to honor and assist Marine families from the Wounded Warrior Battalion West headquartered at Camp Pendleton, CA; and

WHEREAS, seven "Xtreme Heroes," along with their families, will be recognized and will enjoy an all-expense paid three-day vacation in and around Morro Bay, California; and

WHEREAS, the primary focus of the XTREME HERO AWARDS is to provide a positive healing component for the entire Wounded Warrior family.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay, does hereby proclaim August 11, 2015 through August 14, 2015, as "XTREME HERO AWARDS" week.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the City of Morro Bay to be affixed this 11th day of August, 2015

_____
Jamie L. Irons, Mayor
City of Morro Bay, California

AGENDA NO: A-5

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 5, 2015**

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

SUBJECT: **Status Report of a Major Maintenance & Repair Plan (MMRP) for the Existing Wastewater Treatment Plant**

RECOMMENDATION
Staff recommends this report be received and filed.

ALTERNATIVES
As no action is requested, there are no recommended alternatives.

FISCAL IMPACT
No fiscal impact at this time as a result of this report. Fiscal impact is addressed through the budget process.

BACKGROUND
This staff report is intended to provide an update on the development and implementation of the MMRP for the WWTP since the July 14, 2015 City Council meeting.

Development of an MMRP has and will continue to assist the City and District in projecting the budgeting of expenditures required to keep the current plant operational and in compliance with regulatory requirements.

Staff's focus has been on developing and implementing work plans for the MMRP projects approved for the FY15/16 budget. The FY 15/16 budget for MMRP projects was adopted by the City and District at their regular meetings on June 9 and 18, respectively. The goal in developing the budget for the MMRP is to recognize the goal to have the new WRF operational during the life of the next NPDES operational permit. This goal will insure prudent spending on this facility and still maintain the high quality effluent that is discharged to the Estero Bay.

The City and District approved a FY 15/16 MMRP budget of $465,000 which includes $200,000 in funding for new MMRP projects, and carrying over $265,000 to complete projects funded but not completed in FY 14/15, for a grand total of $465,000.

DISCUSSION
The following discussion provides an update of the FY 15/16 MMRP projects that are currently on-going or

Prepared By: __BK_____ **Dept Review: ____RL____**

City Manager Review: ___DWB _____

City Attorney Review: ____ _____

have been recently completed.

Digester #1 Repair

The Council and District Board awarded a contract for the sandblasting and coating of digester #1 to Fluid Resource Management (FRM) at their regular meetings on April 14 and 16, in the amount of $132,000. FRM successfully completed the interior coating of the digester during the first week in July. Plant staff has completed the repair and replacement projects for the valving and piping on digesters #1 and #3. Plant staff is completing final preparations for bringing digester #1 back on-line and expect to have the digester operational by the first week in August.

Metering Vault Removal and Blending Valve Replacement Project

City staff is working with staff at Mike Nunley Associates (MKN) to develop and public notice a bid package for this project. Staff anticipates public notice of the bid package in August, and review of bids and award of contract in September.

Rehabilitation of the Secondary Clarifier #2

Staff is in the process of developing a work plan for the needed repairs. The project includes repairs to the catwalk, repairs to the metal framework on the flights and skimmer cage assembly, repair and replacement of piping and valving, and other associated work. Staff will rely on their recent experience performing similar repairs on the primary clarifiers to refine the work schedule and process.

Chlorine Contact Basin Improvements

The repairs to the chlorine contact basin were completed on Wednesday, April 15. A detailed description of the work was included in the May 12, 2015 MMRP Update. To date, staff has not received any feedback from the RWQCB staff concerning the violation of the total chlorine residual limit. During the months of June and July, staff has noted an issue with the chlorine contact tank and an increased accumulation of solids on the floor of the two contact chambers. They drained the tank in both June and July to wash down the tank and investigate potential solutions to the issues noted.

Purchase and Installation of New Distributor Arms and Biofilter Improvement Project

Staff will be working with City Public Works Engineering staff and MKN for the purchase and installation of new distributor arms on biofilter #2 and replacement of the main bearing on the turntable. These units are a critical component of the secondary treatment system.

Flood Control Measures at the Biofilters and Interstage Pumping Station

Staff is working with City Public Works Engineering staff on the design and installation of cost effective flood control measures around the periphery of the two biofilters and interstage pumps to prevent inundation during a flooding event in accordance with the requirements of the existing and anticipated NPDES permit.

CONCLUSION

Staff will continue to bring a status report on the development of the MMRP at City Council meetings on a monthly basis.

AGENDA NO: A-6

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 4, 2015**

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

SUBJECT: **Water Reclamation Facility (WRF) Project Update**

RECOMMENDATION

Staff recommends the Council review the information regarding the current status and the proposed next steps regarding the development of a WRF project proposal for the Rancho Colina site and to provide further direction, as necessary.

ALTERNATIVES

No alternatives are recommended.

FISCAL IMPACT

Attachment 2 is a summary of the existing and proposed contracts with consultants used to assist in the WRF project.

DISCUSSION

Staff provides this report as a monthly update to the progress made to date on the new WRF project. 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. See Attachment 1 for a brief review of dates, status and accomplishments on the WRF facility project. Note the shaded information has been added since your last review.

ATTACHMENTS

1. Timeline of WRF events January 2013 to present
2. Summary of Project Expenses and Estimated Costs

Prepared By: ___RL_____ **Dept Review: ___RL___**

City Manager Review: __DWB_____

City Attorney Review: _____

WRF Project Timeline
January 2013 - Present

Attachment 1

Date	Action
August 17, 2015	Scheduled: City Council Workshop (3:30 - 5:00 pm) "WRF Construction 101" - How to build a WRF in less than five years
August 11, 2015	Scheduled: City Council Award of PM Contract
August 5, 2015	Scheduled: WRFCAC Meeting - Review of scope of work, fees and schedule for MKN as WRF PM consultant
July 29, 2015	City staff met with representatives from Rancho Colina to discuss the terms of the MOU for the potential property Purchase.
July 28, 2015	Interview with the PM team of MKN/Rickenbach. Committee recommends selection of MKN as PM
July 22, 2015	PM selection Team met to discuss one proposal received for PM and recommend that they interview the one proposer
July 21, 2015	Environmental Review Selection Committee met to review the six SOQs submitted. The Committee Recommends the City Interview four teams: Dudek, ESA, Rincon, AMEC
July 15, 2015	Kick off Meeting with Black and Veatch FMP Consultant
July 14, 2015	Proposals due for Program Management Services
July 14, 2015	SOQ due for Environmental Review Services
July 14, 2015	City Council Meeting - Award of FMP Contract
July 8, 2015	WRFCAC Meeting - Recommend for B&V as FMP consultant
July 1, 2015	New water and Wastewater Rates in effect
June 30, 2015	Staff Review of Black and Veatch Final Scope of Work
June 22, 2015	Discussions with Black and Veatch regarding Scope of Work
June 19, 2015	Pre Proposal Meeting for Project Management RFP
June 19, 2015	Pre SOQ Meeting for Environmental Review SOQ
June 18, 2015	The CSD BOD approved the FY 15/16 WWTP operating budget
June 17, 2015	Presentation to the Realtor group regarding project status
June 16, 2015	Prospective FMP consultant interviews -Carollo Engineers and Black and Veatch. Selection Committee unanimously recommends Black and Veatch
June 11, 2015	Joint Meeting with the Cayucos Sanitary District for Budget Approval and Audit results - Canceled
June 9, 2015	City Council adopted Resolution 31-15, approving the FY 15/16 Budget including wastewater
June 1, 2015	Meeting with WRFCAC subcommittee for initial review of FMP proposals
May 29, 2015	Released RFP for Environmental Review (CEQA/NEPA) for the new WRF
May 26, 2015	Public Hearing for Increases in Water and Sewer Rates held. Received 933/2707 required protests. City Council adopted resolution 30-15 setting new water and sewer rates for the next five years
May 12, 2015	City Council adopted Resolution 25-15 providing direction to staff.
May 12, 2015	Proposal received from Black and Veatch and Carollo responding to Facilities Master Plan RFP
May 7, 2015	Special WRFCAC Meeting to discuss recommendations to the City Council regarding moving forward with the project.
May 4, 2015	Morro Bay Staff issued an addendum to the WRF FMP RFP, eliminating the CSD from the review process and establishing a two party contract.
April 30, 2015	Joint Meeting of the CSD Board of Directors and Morro Bay City Council for continued discussion regarding the MOU for the New WRF. CSD Presented Resolution 2015-1 suspending participation with Morro Bay on a New WRF at the Rancho Colina Site
April 8, 2015	Rate Notices to be Mailed out to all City property owners and residents
April 8, 2015	WRFCAC Meeting to appoint members to WRF FMP review committee

New items are indicated by shading.

WRF Project Timeline
January 2013 - Present

Attachment 1

Date	Action
March 24, 2015	City Council Approves Proposition 218 Notice for Water and Sewer Rate Adjustments and Schedules Public Hearing for May 26, 2015
March 19, 2015	Issued Contract to KMA for Preliminary Biological Assessment of Rancho Colina site and pipeline corridor.
March 19, 2015	Release RFP for WRF Facilities Master Planning
March 11, 2015	Joint Meeting of Morro Bay City Council and Cayucos Sanitary District Board of Directors in Cayucos
February 25, 2015	JFR Contract Amendment #4 for $44,279.00 to assist with fatal flaw analysis
February 25, 2015	Facilities Master Plan RFP Completed for internal staff review
February 23, 2015	CSD Legal Council transmitted CSD DRAFT MOU to City
February 19, 2015	Letter from Ken Harris, RWQCB regarding the New WRF project and deadline for operations.
February 19, 2015	Public Works Advisory Board – Second Water and Sewer Rate Study Workshop
February 11, 2015	WRFCAC Meeting to review MOU for Now
February 11, 2015	Scheduled Joint Meeting of Morro Bay City Council and Cayucos Sanitary District Board of Directors in Cayucos was canceled
February 5, 2015	Meeting between Morro Bay Council Subcommittee and Cayucos Sanitary District Board Sub Committee to Discuss the MOU for Now
January 29, 2015	Public Works Advisory Board – Water and Sewer Rate Study Workshop
January 26, 2015	Meeting with between Morro Bay and Cayucos Staff to discuss next steps and "MOU for Now"
January 26, 2015	Meeting with between Morro Bay Staff, JFR/MKN and City Council sub-committee to discuss next steps and "MOU for Now"
January 13, 2015	City Council to review "Next-Steps" and provide direction to Staff.
January 8, 2015	Staff presentation of the "Next-Steps" to the City Council and CSD Board
December 11, 2014	Staff presented to the City Council and the CSD Board of Directors the Final JFR report, including the CMC evaluation by Carollo Engineers. The csd Board of Directors concurred that based on the information presented that the Rancho Colina site appeared the most viable and cost effective.
December 9, 2014	City Council meets to review the Final JFR report, including the CMC evaluation by Carollo Engineers. The City Council expresses their preference for Rancho Colina as their preferred site for the New WRF. The cost estimates indicated that the CMC site was nearly double that of the Rancho Colina site.
December 8, 2014	Carollo Engineers releases their Technical Memorandum regarding CMC WWTP capacity and necessary facility expansion to accommodate increase flows from City and CSD.
December 8, 2014	Meeting between MBNEP and City staff to discuss concerns regarding the siting of the WRF at CMC and increased pollutant loads to Chorro Creek.
December 8, 2014	Meeting between City staff and the WRF Technical Committee (Irons/Smukler) to review the project status.
December 1, 2014	Tour of the existing CMC facility with representatives from CDCR, CSD and the City.
November 19, 2014	Conference call between CDCR, CSD and Morro Bay staff regarding the logistics of siting at the CMC location.
November 18, 2014	Meeting between City and California Coastal Coastal Commission staff regarding a variety of projects in Morro Bay including the WRF siting.
November 13, 2014	Staff presented to the City Council and the CSD Board of Directors the status of the CMC Capacity Analysis and also updated the CSD Board on the City Council meeting of November 12, 2014

New items are indicated by shading.

WRF Project Timeline
January 2013 - Present

Attachment 1

Date	Action
November 12, 2014	The City Council reviewed the draft report from John Rickenbach Consulting regarding final site preference. As the result of the report being incomplete, without the Carollo CMC engineering analysis including comparable cost estimates, the City Council choose to delay their decision on final site preference until such time that the report is complete and the WRFCAC has had a chance to review and make a recommendation.
November 5, 2014	The WRFCAC met and reviewed the draft report from John Rickenbach Consulting regarding final site preference. As the result of the report being incomplete, without the Carollo CMC engineering analysis including comparable cost estimates, the WRFCAC moved to recommend to City Council to delay their decision on final site preference until such time that the report is complete and the WRFCAC has had a chance to review and make a recommendation to the City Council.
October 28, 2014	Cleath-Harris and Associates presented the Hydrogeological Technical Memoranda regarding the relative benefits of a Creek discharge in the Chorro Valley and In-Lieu recharge in the Morro Valley to the City Council at their regular meeting.
October 22, 2014	Meeting of the WRFCAC where they reviewed the Hydrogeological Technical Memoranda by Cleath-Harris and Associates and toured the Rancho Colina site.
October 20, 2014	A conference call between Morro Bay, CSD, CMC, Regional Board and CDCR was held to discuss the viability and timing of a regional facility at CMC. At that meeting CDCR authorized the release of WWTP data to Carollo for their process modeling.
October 10, 2014	A project kick off meeting was held at the City's Public Services offices for the Carollo CMC work, City and CSD staff along with the City's consultants were in attendance.
October 9, 2014	Meeting between the Morro Bay City Council and the Cayucos Sanitary District Board of Directors Meeting in Cayucos. City Council directed, by motion, City staff to work cooperatively with Cayucos Sanitary District staff.
October 8, 2014	Meeting of the WRFCAC where they reviewed the LWA report regarding permitting constraints, Kestrel Consulting report regarding financing and grants and they formed three technical subcommittees.
October 2, 2014	Meeting of the Morro Bay City Council Technical/Executive Committee and the Cayucos Sanitary District Board of Directors in Morro Bay
September 30, 2014	The Public Services director executed a contract with Carollo Engineers for the study of capacity and expansion capability at the CMC site.
September 26, 2014	Meeting with Bartle Wells (Sewer and Water Rate Consultant) regarding hearing schedule and additional data needs
September 25, 2014	Received final scope and estimated fee ($101,945) from Carollo Engineers for the evaluation of the CMC option, Carollo requested changes to the standard City contract which are being reviewed by the City Attorney
September 23, 2014	City Council Special Meeting reviewed the Report by Larry Walker and Associates regarding the Water Quality permitting implications at each of the two final proposed sites. Council also discussed the potential of joint City Council/WRFCAC meetings and status of the CMC evaluation
September 11, 2014	Joint meeting of the Morro Bay City Council and the Cayucos Sanitary District Board of Directors Meeting in Morro Bay.
September 10, 2014	First Meeting of the WRFCAC
August 12, 2014	City Council confirmed Citizen Appointments to the WRFCAC
July 16, 2014	Kick off meeting with Larry Walker Associates regarding discharge permit requirements for various disposal/reuse options for the new WRF project.
July 10, 2014	Meeting with Cayucos Sanitary District staff to discuss the scope of work for the proposed Carollo Engineers CMC capacity evaluation study.
July 9, 2014	City Council conducted interviews for positions on the WRF Citizens Advisory Committee (WRFCAC). City Council appointed seven members to the WRFCAC.

New items are indicated by shading.

WRF Project Timeline
January 2013 - Present

Attachment 1

Date	Action
June 30, 2014	Staff met internally to gather preliminary information for Bartle Wells Rate Study. Staff will have all info to Bartle Wells by the end of July.
June 27, 2014	Kick off meeting with Kestrel Consulting to discuss funding strategies for the new WRF project.
June 27, 2014	Meeting with Cleath-Harris to review draft Chorro Creek discharge study and effect on City water supply. Authorized Cleath-Harris to perform a similar study for the Morro Valley.
June 25, 2014	Meeting with John Rickenbach and Mike Nunley to discuss project schedule for the WRF project
June 20, 2014	City executed a contract with Larry Walker Associates in the amount of $24,970 to advise the City regarding discharge permit requirements for various disposal/reuse options for the new WRF project.
June 15, 2014	City executed a contract with Kestrel Consulting in the amount of $20,530 to develop funding strategies for the new WRF project.
June 14, 2014	Staff has met with a variety of alternative project delivery method firms to explore the requirements for this process, firm include: Carollo, CDMSmith; and Black and Veatch.
May 27, 2014	City Council adopted Resolution 34-14 that provides direction to staff regarding the “Rancho Colina” site, continuing parallel path discussion regarding the CMC site, and forming a Citizen’s Advisory Committee.
May 23, 2014	Selected Bartle Wells as Water and Sewer Rate Study consultant. The estimated fee for the study is not to exceed $67,440.
May 22, 2014	The City Clerk posted the notice of the formation of a new, limited term and scope, i.e. Water Reclamation Facility Citizen's Advisory Committee. Applications are due to the Clerk by Friday, June 13, 2014.
May 13, 2014	Council Approved New Water Reclamation Facility Project Report on Reclamation and Council Selection of a WRF Site and provided direction to staff to return to Council with a resolution that captured the motions made.
May 8, 2014	May JPA Meeting cancelled.
May 1, 2014	Scheduled site visit at Giannini site with WRF Subcommittee, JRF Consulting and Property Owner.
April 23, 2014	Meeting to review the “Rancho Colina” site with the Morro Bay and CSD Sub-Committees along with Water Board staff.
April 21, 2014	“Rancho Colina" site visit with staff and Council persons Leage and N. Johnson.
April 18, 2014	Letter sent to property owners of potential WRF sites, inviting a discussion regarding siting potential
April 11, 2014	"Rancho Colina" site visit with staff and Council person C. Johnson.
April 10, 2014	April JPA Meeting cancelled
March 21, 2014	Meeting between City of Morro Bay (Irons/Smukler) and CSD (Enns/Lloyd) Sub-Committees along with Morro Bay and CSD County and Water Board Staff to discuss overall project status and the CMC option.
March 20, 2014	WRF Sub-Committee meeting along with staff and property owner at the “Rancho Colina” Morro Valley site to get an overview of the potential for it as a project location.
March 10, 2014	March JPA Meeting cancelled.
March 6, 2014	Scheduled WRF Subcommittee meeting with staff to discuss grant opportunities and schedules.
February 28, 2014	Received a revised scope of work for a contract amendment received from Rickenbach recognizing the accelerated time schedule for the WRF. Estimated fees not to exceed $76,129.

New items are indicated by shading.

WRF Project Timeline
January 2013 - Present

Attachment 1

Date	Action
February 25, 2014	City Council received a status update on the New WRF and adopted Resolution 17-14 prescribing a 5-year time frame for the construction of the New WRF.
February 24, 2014	City Council Discussion of Eater and Sewer Rates at special Workshop and Council discussion and direction regarding City DRAFT MOU and CSD DRAFT MOU.
February 13, 2014	WRF Sub-Committee meeting to discuss the 5 year time schedule and grant opportunities.
February 13, 2014	February JPA Meeting held.
February 11, 2014	Mid-year Budget adjustment to include additional funding for WRF alternative site analyses. $100,000 was approved.
January 31, 2014	Status report preparation assigned to Public Services Director.
January 29, 2014	Received proposal from Rickenbach for a contract amendment to perform due diligence on alternative WRF sites for final site selection. Estimated fees not to exceed $63,806.
January 23, 2014	Onsite staff meeting with property owner at Rancho Colina to tour a potential location.
January 23, 2014	Telephone discussion with City's Water Attorney regarding water rights to creek discharge of wastewater.
January 20, 2014	Received proposal from Cleath-Harris to study Chorro Creek discharge and effect on City water supply. Estimated fees not to exceed $7,500.
January 16, 2014	January JPA Meeting canceled.
December 19, 2013	December JPA Meeting held – Verbal update by both CMB and CSD.
December 10, 2013	Presentation of Options Report to City Council.
November 19, 2013	Meeting with RWCQB Staff regarding project Status and Permit Renewal.
November 14, 2013	November 2013 JPA Meeting Cancelled.

New items are indicated by shading.

599-8312-6105 P0234-8312	Contract Amount (1)	Amount Paid (2)	Remaining Contract
SITE ALTERNATIVES ANALYSIS - SITE PREFERENCE SELECTION			
JFR Consulting – Site Selection/Project Management Assistance			
Original Contract	$ 117,256		
Amendment #1	$ 76,129		
Amendment #2	$ 91,336		
Amendment #3	$ 23,147		
Amendment #4	$ 44,279		
Total Contract	**$ 352,147**	**$ 352,288**	**$ (141)**
Kestrel Consulting – Assessment Funding			
Total Contract	**$ 20,530**	**$ 8,380**	**$ 12,150**
Larry Walker and Associates – Permitting Constraints			
Original Contract	$ 24,970		
Amendment #1	$ 5,100		
Total Contract + Direct Costs	**$ 30,070**	**$ 30,151**	**$ (81)**
Cleath-Harris Associates – Stream Flow Augmentation			
Contract Amount	$ 7,500		
Amendment #1	$ 6,500		
Amendment #2	$ 4,000		
Total Contract	**$ 18,000**	**$ 18,348**	**$ (348)**
Carollo Engineers – CMC Capacity, Siting Evaluation and Cost Estimate			
Total Contract + Direct Costs	$ 101,945	$ 87,361	
(Proposed to be Reimbursed by RWQCB using SEP Funds)		$ (87,361)	
Net Amount	**$ 101,945**	**$ -**	**$ 14,584**
Outside Legal - Water Rights		$ 7,880	
Appraisal - Righetti Site		$ 5,500	
Total Site Selection	**$ 522,692**	**$ 409,167**	**$ 26,164**
FATAL FLAWS			
Kevin Merk Associates – Preliminary Bio Assessment			
Total Contract + Direct Costs	**$ 12,835**	**$ 3,245**	**$ 9,590**
Fugro - Hydrogeological			
Total Contract + Direct Costs	**$ 38,600**	**$ 1,618**	**$ 36,983**
Farwestern Archeological			
Total Contract + Direct Costs	**$ 12,000**		
Larry Walker Associates - Pretreatment (Salt) Assessment			
Total Contract + Direct Costs	**$ 23,640**	**$ 3,470**	**$ 20,170**
Total Fatal Flaws	**$ 87,075**	**$ 8,333**	**$ 66,743**
FACIILITIES MASTER PLAN			
Black and Veatch			
Total Contract + Direct Costs	$ 710,123	$ -	$ 710,123
ENVIRONMENTAL REVIEW (CEQA/NEPA Compliance)			
Consultant to be Determined			
PROGRAM MANAGEMENT			
MKN Associates			
Total Contract Year One +	$ 920,808	$ -	$ 920,808
Estimated Amount for Eight +/- Years - Including Construction Management	$8 - $14 Million		
Kestrel Consulting - SRF and Prop 1 Support/Applications	$ 65,752	$ -	$ 65,752
Total Consultant Contract Amount (to date)	**$ 2,306,450**	**$ 417,500**	**$ 1,723,837**

Notes:
1. Does not include reimbursable costs, i.e. copies, travel and other direct expenses
2. Includes reimbursable costs, i.e. copies, travel and other direct expenses

AGENDA NO: D-1

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 5, 2015**

FROM: **Joseph W. Pannone, City Attorney**

SUBJECT: **Approval of Settlement Agreement - Johnie Medina v. City of Morro Bay, San Luis Obispo Superior Court Case No. 14CV-0214**

RECOMMENDATION

Approve the Settlement Agreement with Johnie Medina in the above-referenced lawsuit.

ALTERNATIVES

Do not approve the Settlement Agreement and continue to defend the lawsuit.

FISCAL IMPACT

The Settlement Agreement does not call for any payment to Mr. Medina. If the Settlement Agreement is approved and the subdivision map that is the subject of the lawsuit is finalized, then the City will not need to continue to pay legal fees in connection with defending the lawsuit and the developer will have agreed to modify the subject project driveway in a manner that will better protect an environmentally sensitive habitat area ("ESH" or "ESHA") and improve public safety at the junction of a bike path at Main Street.

BACKGROUND

Mr. Medina's application for a vesting tentative subdivision map and a Coastal Development Permit for property located at 3380 Main Street was approved on July 19, 2010. When Mr. Medina sought to finalize the subdivision map, it appeared the proposed final map deviated from what had been approved by the Planning Commission with respect to the location of the driveway for the home to be constructed on Lot 2. Staff, therefore, recommended Mr. Medina file an application for the City to consider approving an amendment to the vesting tentative map regarding the driveway contemplated to be constructed to reach a second house to be built on Lot 2 and its further encroachment into the required buffer adjacent to an ESHA on the property.

On January 4, 2012, the Planning Commission approved the proposed amendment, but an appeal was filed by an adjacent property owner. On February 14, 2012, the City Council granted the appeal and concluded the project would be subject to the Planning Commission's original 2010 approval, with a

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Prepared By: ___JSA/JWP_____ **Dept Review:** _____

City Manager Review: ___DWB_____

City Attorney Review: ___JSA/JWP_____

single driveway apron for the driveways to the structures on both lots.

Mr. Medina's further attempts at submitting a final map did not result in the final map being presented to the City Council for approval because staff, in the exercise of their discretion, concluded the location of the driveway shown on the proposed final map was not reasonably consistent with the Planning Commission's 2010 approval. The final map was also not brought forward for approval due to technical deficiencies with the final map application.

DISCUSSION

On April 14, 2014, Mr. Medina filed a petition for writ of mandate seeking a court order requiring the City Council to consider the final map. The superior court directed the parties to participate in mediation, which took place on November 7, 2014, and continued through phone conversations and emails over a period of several months. The parties ultimately agreed to a process for moving forward with finalizing the subdivision map.

As part of that process the location of the driveway, and the driveway apron in the public right-of-way, for the house on Lot 2 were discussed at length. The Settlement Agreement provides the driveways for both lots will extend from a single driveway apron, at a location designated in the Settlement Agreement which reduces the impact on the ESH and distances the driveway apron from the junction of a bike path at the sidewalk. The driveway curb cut location was determined cooperatively by Mr. Medina, his engineer and the City Engineer.

CONCLUSION

The City Attorney and staff have concluded the revised driveway plan reasonably conforms to the vesting tentative map.

The Settlement Agreement provides, if the path to a finalizing the subdivision map leads to approval of the final map, then the lawsuit will be dismissed. Approval of the final map requires City Council action which will be on a future City Council agenda.

ATTACHMENT

Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into by and between the City of Morro Bay, a municipal corporation ("City"), and Johnie Medina ("Medina"). The foregoing shall be referred to herein collectively as the "Parties."

RECITALS

A. On July 19, 2010, the City's Planning Commission approved a vesting tentative map and a Coastal Development Permit for real property owned by Medina and located at 3390 Main Street in Morro Bay (the "Property"). The vesting tentative map proposes the division of the Property into two parcels, Parcel 1 and Parcel 2, which will be referred to as such in this Agreement.

B. On December 19, 2012 Medina, through his engineer Orton Engineering, submitted an application with the City for approval of a final tract map which is based on the approved vesting tentative map.

C. On April 14, 2014, Medina filed a lawsuit against the City regarding the issue of obtaining approval of the final map, *Medina v. City of Morro Bay,* San Luis Obispo County Superior Court Case No. 14CV0214.

D. On November 7, 2014, the Parties participated in a mediation that resulted in a path forward to address what is needed in order for the City to process Medina's final tract map application. This Agreement memorializes the path forward and provides for dismissal of the lawsuit if the final map is approved.

AGREEMENT

1. Confirmation of Tentative Map Expiration Date. The City shall provide written confirmation of the expiration date of the vesting tentative map in light of legislation extending the life of vesting tentative maps.

2. Improvements on Tide Avenue. Medina shall revise the final map and all improvement plans will be revised to show the down drain to be provided by Medina within the public improvements on Tide Avenue. The down drain will be installed by the City when the City proceeds with a planned City project on Tide Avenue to install a culvert. Medina shall obtain a construction cost estimate for the down drain and shall pay the amount of the construction cost estimate to the City prior to or concurrently with delivery of the final map submittal to the City. City staff shall determine the reasonableness of the cost estimate for installation of the down drain.

3. ADA Compliance for Existing Driveway. The driveway for the existing home on Parcel 1 must be brought into compliance with the American with Disabilities Act ("ADA") by providing a path of travel across the driveway that complies with the ADA. Medina shall provide plans to the City for the City's approval of the improvements required to provide the ADA compliant path of travel.

4. Driveway Easement. Only one driveway apron will be allowed in the public right-of-way, located as shown on Exhibit 1 to this Agreement. Medina shall show the existence and location of the driveway on the final map.

5. Driveway Pavers. The driveway for the new home to be constructed on Parcel 2 shall be constructed of permeable pavers, with a minimum of eight percent (8%) void area as approved by the City Engineer and installed per manufacturers recommendations. Medina shall revise the final map and all improvement plans to indicate the use of permeable pavers for the driveway.

6. ESH Boundary Survey Markers. Medina reports that the boundary of the Environmentally Sensitive Habitat Area ("ESH" or "ESHA") on the Property has been surveyed and survey markers have been set. Medina shall provide the City with a certification from a Licensed Land Surveyor indicating the boundary markers occupy the positions as indicated on the Parcel Map.

7. ESH Restoration Plan. Prior to or concurrently with the final map submittal, Medina shall deliver to the City a restoration plan for the ESH prepared by a qualified biologist as required by Planning Condition 4 and the Biology provisions of the Environmental Conditions to the Coastal Development Permit and tentative vesting map. The ESH restoration plan shall be reasonably satisfactory to the City. Medina acknowledges that Planning Condition 4 requires all non-native species to be removed from the creek and buffer area prior to the issuance of a building permit or recordation of the final map, which may take more than one growing season.

8. Conservation Easement. Prior to or concurrently with the final map submittal, Medina shall deliver to the City a signed and notarized conservation easement as required by Planning Condition 5. The conservation easement shall be reasonably satisfactory to the City.

9. Final Map Submittal Requirements. The final map submittal shall be consistent with the City's Subdivision Ordinance, Subdivision Map Act and the approved tentative map; including the final parcel map on Mylar material, with all signatures, final grading plans and a final site plan. Medina may submit documents to the City for review and approval by City staff before delivering the final map submittal.

10. Processing and Approval. The City shall process the final map application in good faith and in a manner consistent with all applicable laws. In considering whether to approve the final map application the City shall carry out its duties under Government Code Section 66474.1 to determine whether or not the proposed final map is in substantial compliance with the approved vesting tentative map and its associated conditions.

11. Future Dismissal of Lawsuit; Attorneys' Fees and Costs. If Medina complies with the steps outlined above and the final map as proposed by Medina is approved by the City Council with conditions in substantial compliance with the conditions associated with the vesting tentative map, within 10 business days after approval of the final map by the City Council, then Medina shall file and serve a dismissal with prejudice of the lawsuit referenced in Recital C above and the Parties shall each bear their own attorneys' fees and other costs incurred in connection with the lawsuit, the negotiation of this Agreement and the issues addressed by this Agreement. If the City fails to process Medina's final map application, or processes the application but either denies it, or approves it subject to conditions that are not in substantial compliance with the conditions associated with the

vesting tentative map, then the pending lawsuit will not be dismissed and Medina retains (without waiver) all claims related to the pending lawsuit. In the case of any lawsuit to interpret or enforce this Agreement, the prevailing party shall be entitled to recover attorneys' fees and costs incurred in connection with such lawsuit.

12. Nature of Agreement. It is acknowledged by the Parties that this Agreement is an agreement to compromise claims within the scope of Evidence Code §1152 and a writing prepared pursuant to a mediation within the scope of Evidence Code §1119(b). This Agreement shall not be used as an admission by any Party of liability for or the validity of any claims of any other Party. However, this Agreement is admissible in a legal proceeding seeking enforcement of its terms.

13. Amendments. No supplement, modification or amendment of any term, provision or condition of this Agreement shall be binding or enforceable unless executed in writing by the Parties hereto.

14. Entire Agreement. This Agreement contains the entire understanding between the Parties with regard to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, arrangements, negotiations and understandings, statements, promises or inducements, oral or otherwise, contrary to the terms of this Agreement. No representations, warranties, covenants or conditions expressed or implied, whether by statute or otherwise, other than as set forth herein have been made by any party hereto.

15. Counterparts. This Agreement may be executed in separate and single counterparts by each of the Parties hereto, and upon which execution of each counterpart, this Agreement shall be deemed executed by all Parties.

16. Applicable Law and Venue. This Agreement shall be governed by the laws of California. Venue shall be in the County of San Luis Obispo.

17. Authority. The individuals whose signatures appear below represent, warrant, and guarantee that they have the authority to execute this Agreement on behalf of those entities on whose behalf they purport to execute this document.

18. Date of Agreement. The date of this Agreement shall be the date on which it is signed by the last Party to sign the Agreement.

Dated: _____, 2014

"CITY"

City of Morro Bay

_____

Jamie L. Irons, Mayor

ATTEST:

_____
Dana Swanson, City Clerk

APPROVED AS TO FORM:

_____
Joseph W. Pannone, City Attorney

Dated: 7-14-2015 ~~2014~~

"MEDINA"

_____
Johnie Medina

APPROVED AS TO FORM:

_____
Dennis Law, Andre, Morris & Buttery
Counsel for Johnie Medina

EXHIBIT 1

GRADING PLAN
PARCEL MAP MB 07-0274
MORRO BAY, CALIFORNIA

GRADING NOTES

1. ALL GRADING CONSTRUCTION SHALL CONFORM TO THE APPLICABLE CODES.

2. NEITHER THE OWNER NOR THE ENGINEER OF WORK WILL ENFORCE SAFETY MEASURES OR REGULATIONS. THE CONTRACTOR SHALL DESIGN, CONSTRUCT AND MAINTAIN ALL SAFETY DEVICES, AND SHALL BE SOLELY RESPONSIBLE FOR CONFORMING TO ALL LOCAL, STATE, AND FEDERAL SAFETY AND HEALTH STANDARDS, LAWS, AND REGULATIONS.

3. IN AREAS TO RECEIVE FILL AFTER HAVING BEEN CLEARED, THE EXPOSED SURFACE SHALL BE SCARIFIED, MOISTENED, OR DRIED TO NEAR OPTIMUM MOISTURE AND COMPACTED TO A MINIMUM OF 90 % DENSITY OBTAINABLE BY ASTM-D 1557-09 TEST METHOD.

4. ALL FILL AREAS AND TRENCH BACKFILLS SHALL BE COMPACTED TO AT LEAST 90%.

5. LOCATION AND ELEVATION OF IMPROVEMENTS TO BE MET BY WORK TO BE DONE SHALL BE CONFIRMED BY FIELD MEASUREMENTS PRIOR TO CONSTRUCTION BY THE CONTRACTOR.

6. ALL EXISTING UTILITIES AND OTHER UNDERGROUND FACILITIES AND STRUCTURES MAY OR MAY NOT BE SHOWN ON THIS PLAN AND LOCATION WHERE SHOWN IS APPROXIMATE. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE OR HAVE LOCATED ALL UNDERGROUND UTILITIES, STRUCTURES, AND OTHER FACILITIES AND TO PROTECT SAME DURING CONSTRUCTION.

A) THE CONTRACTOR WILL MAKE EXPLORATION EXCAVATIONS AND LOCATE EXISTING UNDERGROUND FACILITIES SUFFICIENTLY AHEAD OF CONSTRUCTION TO PERMIT REVISIONS TO PLANS IF REVISIONS ARE NECESSARY BECAUSE OF ACTUAL LOCATION OF EXISTING FACILITIES.

B) BEFORE EXCAVATING FOR THIS CONTRACT, VERIFY LOCATION OF ALL UNDERGROUND UTILITIES. THE CONTRACTOR IS REQUIRED TO TAKE PRECAUTIONARY MEASURES TO PROTECT THE UTILITY LINES SHOWN HEREON AND ANY OTHER EXISTING LINES NOT OF RECORD OR NOT SHOWN ON THESE PLANS. CONTRACTOR SHALL CALL USA 1-800-642-2444 BEFORE EXCAVATING.

7. CLEARED MATERIAL MAY BE SAVED TO BE USED AS TOP SOIL BUT SHALL NOT BE PLACED UNDER BUILDING PADS. HOWEVER, ANY ROCK, RUBBLE, OR OTHER UNSUITABLE MATERIAL SHALL BE REMOVED FROM THE SITE.

8. MATERIAL TO BE USED AS BACKFILL OR EMBANKMENT SHALL BE FREE OF OBJECTIONABLE MATERIAL SUCH AS TREES, STUMPS, ROOTS, LOGS, OR OTHERWISE DELETERIOUS MATERIAL.

9. ALL DISTURBED SURFACES OTHER THAN PAVED OR GRAVEL SURFACES SHALL BE SEEDED WITH THE FOLLOWING MIX:

FIBER @ 1500 LBS PER ACRE
FERTILIZER @ 240 LBS PER ACRE (16-6-8)
SEED MIX @ 50 LBS PER ACRE CONSISTING OF:
45% ANNUAL RYE GRASS
45% BLANDO BROME
9% ORCHARD GRASS
1% CALIFORNIA NATIVE FLOWERS

10. THE CONTRACTOR SHALL NOTIFY THE CITY OF MORRO BAY BUILDING DEPARTMENT 48 HOURS PRIOR TO INTENTION TO COMMENCE WORK.

11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING SURVEY MONUMENTS AND OTHER SURVEY MARKERS DURING CONSTRUCTION. ALL SUCH MONUMENTS OR MARKERS DESTROYED AT THE TIME OF CONSTRUCTION SHALL BE REPLACED AT THE CONTRACTOR'S EXPENSE.

12. THE CONTRACTOR SHALL OBTAIN AN ENCROACHMENT PERMIT FOR ANY WORK PERFORMED WITHIN COUNTY, STATE, OR OTHER MUNICIPAL RIGHTS-OF-WAY.

13. THE CONTRACTOR AGREES THAT HE SHALL ASSUME SOLE AND COMPLETE RESPONSIBILITY FOR JOB SITE CONDITIONS DURING THE COURSE OF THIS PROJECT INCLUDING SAFETY OF ALL PERSONS AND PROPERTY; THAT THIS REQUIREMENT SHALL APPLY CONTINUOUSLY AND NOT BE LIMITED TO NORMAL WORKING HOURS; AND THAT THE CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE OWNER, THE PROJECT ENGINEER, AND THE CITY OF MORRO BAY HARMLESS FROM ANY AND ALL LIABILITY, REAL OR ALLEGED, IN CONNECTION WITH THE PERFORMANCE OF WORK ON THIS PROJECT, EXCEPTING FOR LIABILITY ARISING FROM THE SOLE NEGLIGENCE OF THE OWNER, THE PROJECT ENGINEER, OR THE CITY OF MORRO BAY.

14. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF PUBLIC AND PRIVATE PROPERTY ADJACENT TO THE WORK AREA AND SHALL EXERCISE DUE CAUTION TO AVOID DAMAGE TO SUCH PROPERTY. THE CONTRACTOR SHALL REPLACE OR REPAIR TO THEIR ORIGINAL CONDITION ALL EXISTING IMPROVEMENTS WITHIN OR ADJACENT TO THE WORK AREA WHICH ARE NOT DESIGNATED FOR REMOVAL AND ARE DAMAGED OR REMOVED AS A RESULT OF HIS OPERATION.

15. IF PERMANENT EROSION CONTROL HAS NOT BEEN ESTABLISHED BEFORE THE ONSET OF THE RAINY SEASON, (BETWEEN OCTOBER 15TH AND APRIL 15TH), OR IF CONSTRUCTION OCCURS DURING THAT TIME, THEN EROSION CONTROL DEVICES SHALL BE PROVIDED AND AVAILABLE ON SITE. THE CONTRACTOR IS RESPONSIBLE FOR THE PLACEMENT OF SUCH DEVICES AS DIRECTED BY THE ENGINEER OF WORK OR WHENEVER RAIN IS FORECAST.

16. THESE PLANS DO NOT AUTHORIZE SITE DISTURBANCE BEYOND THE LIMITS OF GRADING SHOWN. OBTAIN NECESSARY PERMITS TO GRADE OFF SITE.

17. DUST CONTROL IS TO BE MAINTAINED AT ALL TIMES DURING CONSTRUCTION.

18. NO CUT OR FILL SLOPES WILL BE CONSTRUCTED STEEPER THAN TWO HORIZONTAL TO ONE VERTICAL (2:1).

19. MINIMUM SETBACK TO CREEKS, BLUFFS, AND PROPERTY LINES SHALL BE MAINTAINED FOR ALL GRADING.

20. SLOPES AWAY FROM BUILDINGS SHALL BE A MINIMUM OF 5% FOR THE FIRST TEN FEET AROUND PERIMETER FOR UNPAVED AREAS.

21. WHEN APPLICABLE, THE SOILS ENGINEER SHALL OBSERVE THE GRADING OPERATION(S) AND PROVIDE THE FIELD INSPECTOR WITH REQUIRED COMPACTION REPORTS AND A REPORT STATING THAT THE GRADING PERFORMED HAS BEEN OBSERVED AND IS IN CONFORMANCE WITH THE CBC AND CITY ORDINANCES. WHEN A SOILS REPORT IS OBTAINED, SUCH REPORT, ALONG WITH PROGRESS AND/OR COMPACTION REPORTS, SHALL BE SUBMITTED TO THE FIELD INSPECTOR PRIOR TO FINAL INSPECTION. THE SOILS ENGINEER IS TO DETERMINE THAT THE SOIL IS SUITABLE TO SUPPORT THE INTENDED STRUCTURE AND SHALL PROVIDE A LETTER TO THAT EFFECT. THE SOILS ENGINEER SHALL PROVIDE A LETTER STATING THAT ALL GRADING AND COMPACTION HAS BEEN COMPLETED UNDER THEIR SUPERVISION, THAT ALL WORK IS IN CONFORMANCE WITH THE SOILS REPORT, AND FILLS HAVE 90% MINIMUM COMPACTION.

22. ENGINEERING REPORTS FOR CUT OR FILL SLOPE STEEPER THAN 2:1 SHALL BE SUBMITTED TO THE FIELD INSPECTOR.

23. FINAL REPORTS SHALL BE REQUIRED IN ACCORDANCE WITH THE CBC.

24. FINAL REPORT SHALL ADDRESS PROPER COMPACTION REPORTS, VERIFICATION OF SLOPES NO STEEPER THAN 2:1, AND VERIFICATION OF BOTTOM PREPARATION FOR KEYS AND BENCHING OF FILL IS PER CBC. SOILS ENGINEER TO VERIFY BUILDING RESTS ON NATIVE.

25. SPECIAL INSPECTIONS AS REQUIRED BY THE CALIFORNIA BUILDING CODE.

TASK	BY	CONTINUOUS	PERIODIC
A. VERIFY MATERIALS BELOW FOOTINGS ARE ADEQUATE TO ACHIEVE DESIGN BEARING CAPACITY	SOILS ENGINEER	X	
B. VERIFY EXCAVATIONS ARE EXTENDED TO PROPER DEPTH AND HAVE REACHED PROPER MATERIAL	SOILS ENGINEER		X
C. PERFORM CLASSIFICATION AND TESTING OF CONTROLLED FILL MATERIALS	SOILS ENGINEER		X
D. VERIFY USE OF PROPER MATERIALS, DENSITIES, AND LIFT THICKNESSES DURING PLACEMENT AND COMPACTION OF CONTROLLED FILL	SOILS ENGINEER	X	
E. PRIOR TO PLACEMENT OF CONTROLLED FILL, OBSERVE SUBGRADE AND VERIFY THAT SITE HAS BEEN PREPARED PROPERLY	SOILS ENGINEER		X

26. ENGINEER OF RECORD SHALL PROVIDE PAD ELEVATION CERTIFICATION FOR ALL BUILDING PADS PRIOR TO FINAL INSPECTION.

27 GRADING SHOWN HEREON SHALL COMPLY TO THE CALIFORNIA BUILDING CODES 3309, 3317, 3318, AND APPENDIX

28. ALL GRADING SETBACKS AS SET FORTH IN THE CALIFORNIA BUILDING CODE AND OTHER APPLICABLE ORDINANCES SHALL BE COMPLIED WITH.

EARTHWORK QUANTITIES

THE FOLLOWING QUANTITIES ARE APPROXIMATE AND ARE ADDED HERON FOR PERMIT PROCESSING ONLY. THE CONTRACTOR IS RESPONSIBLE TO REVIEW THE PLANS AND TAKE OFF ANY QUANTITIES THEY NEED TO PERFORM THE WORK SHOWN ON THE PLANS. IF THE CONTRACTOR FINDS ANY DISCREPANCY WITH THE QUANTITIES SHOWN HEREON, HE SHALL MAKE THE OWNER AND ENGINEER AWARE OF THOSE DISCREPANCIES PRIOR TO COMMENCING WORK SO THAT APPROPRIATE MODIFICATIONS CAN BE MADE.

THIS PLAN DOES NOT INCLUDE UNDERCUT OR SUBSIDENCE.

CUT = 0 CUBIC YARDS
FILL = 323 CUBIC YARDS

SITE DISTURBANCE = 6,150 S.F.

PROJECT INFORMATION

LOCATION: 3390 NORTH MAIN STREET, MORRO BAY, CA 93442

DESCRIPTION: PARCEL MAP MB 07-0274

APN: 065-085-019

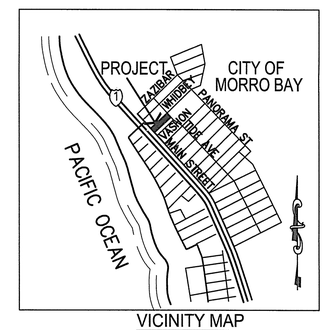
OWNER: JOHNNIE MEDINA
3390 NORTH MAIN STREET
MORRO BAY, CA 93442

BENCHMARK

THE BENCHMARK FOR THESE PLANS IS CITY BENCH A123 HAVING AN ELEVATION OF 50.23.

LEGEND

EXISTING CONTOUR ---------- 340
PROPOSED CONTOUR ---------- 340
SPOT ELEVATION ---------- x 340.25
LIMIT OF GRADING ----------
DRAINAGE SWALE ----------
EXISTING GRADE ---------- EG
FINISHED FLOOR ---------- FF
FINISHED GRADE ---------- FG
FINISHED SURFACE ---------- FS
TOP OF WALL ---------- TW



VICINITY MAP
NO SCALE

SHEET INDEX

1.....TITLE SHEET
2.....GRADING PLAN

REGISTERED PROFESSIONAL ENGINEER
TERENCE K. ORTON
No. 21807
exp. 9/30/2015
CIVIL
STATE OF CALIFORNIA

ORTON ENGINEERING, INC.
CIVIL ENGINEERING • SURVEYING • PLANNING
1686 RAMONA AVE., SUITE F, GROVER BEACH, CA 93433
TELEPHONE: (805) 474-1700 FAX: (805) 474-1703

PREPARED FOR: JOHNNIE MEDINA

GRADING PLAN

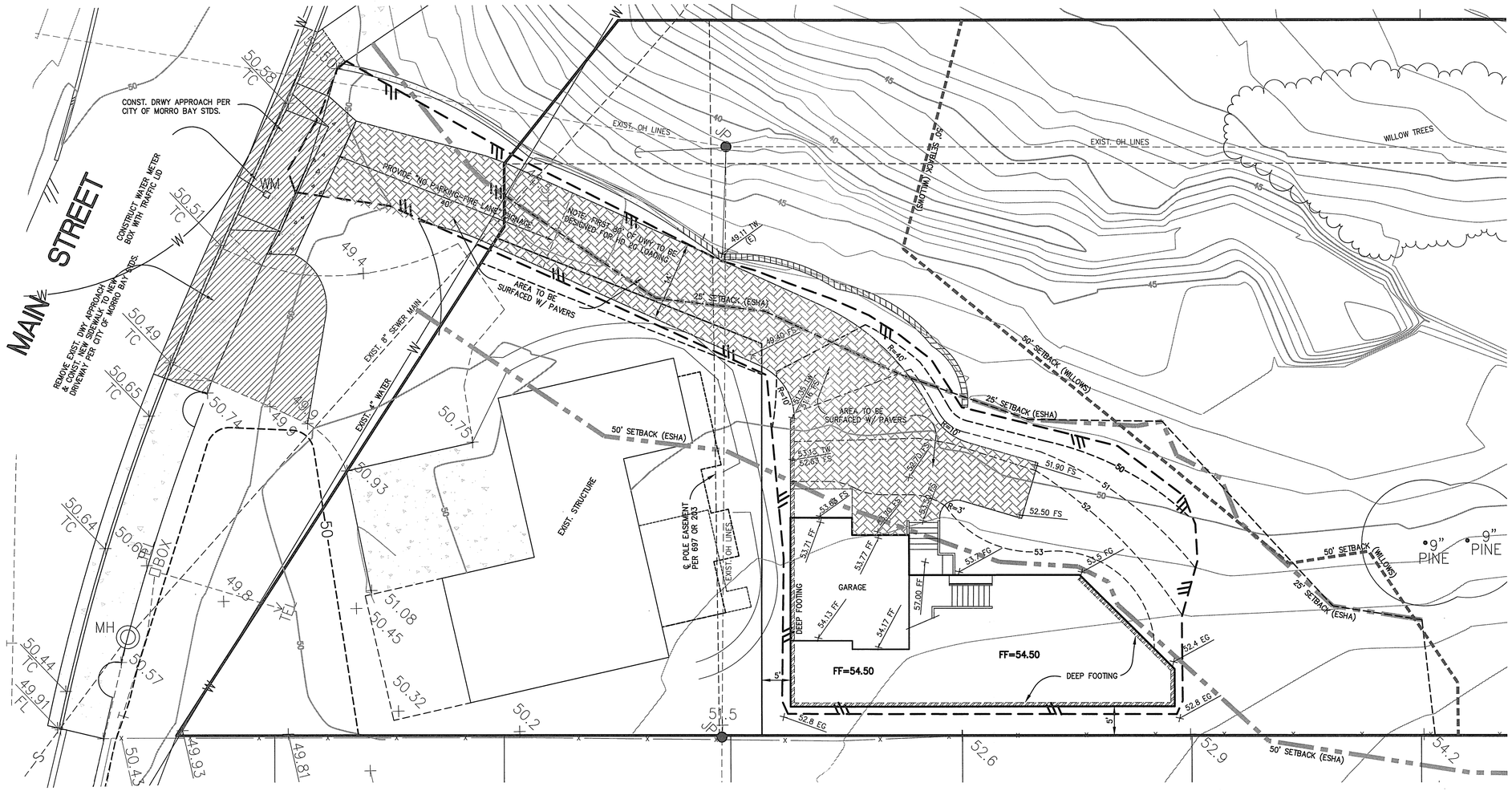
PARCEL MAP MB 07-0274

Designed by: MOP
Drawn by: MOP
Job No. 04.040

7/7/15
TERENCE K. ORTON, PE 21807 EXP. 9-30-2015

California Coordinates N 702 E 1144

Sheet # 1 OF 2



NOTES

1. STRUCTURAL ENGINEER TO CONDUCT INVESTIGATION OF EXISTING RETAINING WALL FOR STRUCTURAL ADEQUACY.
2. IMPROVEMENTS REQUIRED BY MAP MB 07-0274 FOR TIDE AVENUE SHALL BE DEFERRED UNTIL SUCH TIME AS THE CITY OF MORRO PERFORMS IMPROVEMENTS ON THE PORTION OF TIDE AVENUE ADJACENT TO THIS SITE.

GRAPHIC SCALE

10 0 5 10 20 40

(IN FEET)
1 inch = 10 ft.

REGISTERED PROFESSIONAL ENGINEER TERENCE K. ORTON No. 21807 exp. 9/30/2015 CIVIL STATE OF CALIFORNIA

ORTON ENGINEERING, INC.
CIVIL ENGINEERING • SURVEYING • PLANNING
1686 RAMONA AVE., SUITE F, GROVER BEACH, CA 93433
TELEPHONE: (805) 474-1700 FAX: (805) 474-1703

PREPARED FOR: JOHNNIE MEDINA

GRADING PLAN

PARCEL MAP MB 07-0274

Designed by: MOP	
Drawn by: MOP	
Job No. 04.040	7/7/15 TERENCE K. ORTON, PE 21807 EXP. 9-30-2015
California Coordinates N 702 E 1144	Sheet # 2 OF 2

AGENDA NO: D-2

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 5, 2015**

FROM: **David Buckingham, City Manager**

SUBJECT: **Discussion of Visitor Center Services Contract & Lease Agreement for City-owned Property located at 695 Harbor Street**

RECOMMENDATION

Staff recommends the City Council approve staff's recommendation to partner with the Morro Bay Chamber of Commerce ("Chamber") for Visitor Center services and direct staff to finalize a contract with the Chamber for said services and renewal of a property lease at 695 Harbor Street. Council will have final review of both agreements at a future meeting.

ALTERNATIVES

The City Council could:

1) Direct staff to modify the proposed agreement in some way.
2) Not approve the agreement and direct staff to seek an agreement for the services with another Request for Proposals respondent.
3) Not approve the agreement and direct staff to issue another RFP.
4) Not approve the agreement and do nothing.

FISCAL IMPACT

The fiscal impact is anticipated to be $37,503 from October 1, 2015 to June 30, 2016, and $50,000 from July 1, 2016 until June 30, 2017.

BACKGROUND

During work on the FY 2015-2016 budget, the City Council approved a new expenditure amount for Visitor Center services. The adopted budget included $50,000 for Visitor Center services.

At the same time, the Council, staff, and the community discussed ways to provide outstanding Visitor Center services at a reduced price using innovative or creative solutions. To that end, the City issued a Request for Proposals seeking vendors for Visitor Center services that was very open-ended to allow for extreme creativity in suggesting how visitors to our community were welcomed through the use of this

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

City Manager Review: ___DWB_____

City Attorney Review: _____

public facility.

The City received three proposals based on the RFP. Of the three, two were responsive to the conditions of the RFP, and one was deemed non-responsive.

Based on tours of the responsive RFP proponent's facilities and interviews with both proponents, staff is recommending the City Council approve an agreement for Visitor Center Services with the Morro Bay Chamber of Commerce at the city-owned building at 695 Harbor Street.

In initial discussions with the Chamber, the organization is excited to partner with the City and would also like a renewal of its lease for space at 695 Harbor Street. City staff believes this is appropriate, and is working with the Chamber on the details of a lease renewal.

DISCUSSION

City staff is very appreciative of those who took the time to respond to the RFP. Providing Visitor Center services is of paramount importance to this community. In particular, as Morro Bay begins to focus on creating a destination atmosphere for visitors that doesn't just focus on lodging opportunities but on being a place to come experience as a whole, it's crucial that the "face" of the City – the Visitor Center – be an outstanding jewel in the community's crown that is primed to respond to travelers in the 21st Century.

Both responsive RFP's provided unique, creative proposals, and we appreciate the effort to provide a new vision for how service could be provided.

In the end, the Chamber's proposal was selected for how robust it was in terms of providing services to visitors. First, the Chamber committed to a smooth transition from the existing contractor to the Chamber, including interest in retaining the same Visitor Center employees (those employees were also employees of the Chamber when it previously provided this service, making the transition simple).

Second, the proposal includes a commitment to human interaction for visitors as well as a large technological component, something that is vital as more travelers use computers, tablets and mobile devices to navigate their tourism experiences.

The RFP included commitments to finalizing a community mobile application to assist residents and visitors alike in finding places to shop, eat, and play in Morro Bay. The app will include information on all community businesses. The Chamber also committed to ensuring promotion of all Morro Bay businesses to visitors, regardless if they are members of the organization, or not.

The new Visitor Center will provide free wireless Internet access for visitors to connect personal devices and an Internet-enabled computer terminal in the facility. The Chamber will also maintain an electronic calendar of events and, if feasible, that calendar will be integrated into the City's newly designed site (an ongoing initiative).

The Chamber proposal commits to having the Visitor Center open at least 7 hours per day specifically for Visitor Center services, and will also host visitors during times outside of Visitor Center hours when

the Chamber is open to the public. During the additional two hours, Chamber employees will respond to the needs of anyone entering the Visitor Center. Staff appreciates the commitment by the Chamber to supplement the City's required hours of operation with additional Chamber staff at no charge.

Based on the overall review of the proposal, it meets all requirements laid out by the City and goes above and beyond our expectations. Housing the Visitor Center with the Chamber provides the benefit of helping to meet adopted Council Goals for the year as well.

Council Goal 6 involves the support of economic development. Economic Development in Morro Bay is vital to the long-term success of the community, and requires thoughtful evaluation of economic diversification strategies, coordination and partnerships.

Goal 6(g) states that staff should "evaluate, analyze, and present to Council alternate models for partnerships between the City and both the Chamber of Commerce and the Morro Bay Tourism Board."

Over the first half of the year, it has become clear that a Chamber of Commerce that previously hit a rough patch is now energized for bigger and better things. A more robust partnership between the Chamber and the City – including partnering on Visitor Center services – will ensure better coordination of economic development initiatives over time.

The Chamber has filled several of its board positions with new members with innovative and creative ideas, and recently hired a new executive director who will greatly assist in boosting this City/Chamber partnership.

As the City prepares to launch an economic development strategic planning effort (Council Goal 6(b)), creating early partnerships with the Chamber and other organizations will be of paramount importance. Moving toward a stronger partnership with the Chamber will also help meet Goal 6(f), which calls for better event coordination in the community.

Staff believes it's important to have a robust community conversation on a topic so important as Visitor Center services. To that end, while the proposed contract with the Chamber is still under review by that organization, the basics of the proposed contract include requirements that the Visitor Center will:

- Be open to the public all days with the exception of Thanksgiving Day, Christmas Day, and New Year's Day;
- Be open at least 7 hours specifically for Visitor Center services, and host visitors during times outside of Visitor Center hours when the Chamber is open to the public;
- Include at least one ADA-accessible unisex restroom facility for public use, or one must be available for public use within 150 feet of the Visitor Center;
- Be within walking distance of the Morro Bay Transit Center;
- Include one phone line dedicated to Visitor Center purposes;

- Have only City-approved signage posted onsite. Major signage on the facility will be City-approved and be at the expense of the City. Any other signage will be City-approved and at the expense of the Chamber;

- Include on-site wireless Internet access for visitors at all times the Visitor Center is open to the public;

- Include an Internet-enabled computer terminal accessible to visitors at all times the Visitor Center is open to the public;

- Have some form of limited visitor information on the exterior of the Visitor Center available to the public who may not want to enter the Visitor Center, or when the Visitor Center is otherwise closed to the public; and

- The visitor's guide produced by the Morro Bay Tourism Bureau will continue to be provided at the Visitor Center.

As with the previous contractor, the Chamber will be required to submit quarterly reports related to the activities of the Center, track referrals to hotels and other facilities and vendors, provide stellar customer service and be subject to financial inspection, review and audit. With the hiring of a Deputy City Manager tasked with economic development initiatives, the City has greatly strengthened its oversight of how these services are provided on its behalf.

Because the Chamber's lease of 695 Harbor Street expires December 31, 2015, it's appropriate to consider a lease renewal to ensure they remain in the facility where they will provide Visitor Center services. The City intends to take over the management of this facility from the Chamber and lease back to the organization the Visitor Center space and two offices.

City staff and the Chamber continue to finalize minor details regarding a renewed lease and intend to bring both agreements to the Council at an upcoming meeting.

Additional Details:

Question: What other entities responded to the RFP?

Answer: Kay's Summer Cottage and the Morro Bay Tourism Bureau (MBTB). The proposal from Kay's Summer Cottage was "responsive" (i.e., it met the terms of the City's request for proposal). The MBTB proposal was non-responsive.

Q: Why was the Chamber's responsive proposal selected over Kay's Summer Cottage's responsive proposal?

A: The City loved the creative approach proposed by Kay's Summer Cottage to nest the Visitor Center within an existing business. Some concerns with Kay's Summer Cottage proposal included:

- parking (the Chamber has a dedicated parking lot and ample overflow parking in the Library parking lot)
- bathroom (the Chamber has an ADA accessible bathroom in the building)
- layout (staff assessment is that the Chamber Visitor Center layout is more functional)
- Sustainability / synchronicity (as noted above, the Chamber is the most common / natural entity to provide Visitor Center services.

Q: In what way was the MBTB proposal non-responsive?

A: The MBTB proposal did not meet the cost requirements required by the City in the request for proposal (RFP). MBTB proposed an annualized charge of ~$90,000. The RFP and City budget capped the service at $50,000/year. In a sustained conversation / questions on the proposal, the MBTB reduced their proposal by about $9,000 a year when staff questioned a $14,800 estimate for "taxes and licenses."

This reduced the MBTB bid to around $81,000 annually. The MBTB subsequently informed staff their accountant had incorrectly been charging MBTB activities and staff time to the Visitor Center account, and there were measurable "savings" on the two previous years' contracts. In 2013/14, the MBTB did not execute $5,900 of the $100,000 contract amount. In 2014/15, a total of around $17,000 in MBTB employee wages was incorrectly billed to the Visitor Center contract (some portion of this was unexecuted funds similar to the $5,900 amount from the previous year. In total, the MBTB identified around $23,000 that was not needed for Visitor Center operations between 2013-2015. Staff determined it was most appropriate to reallocate those monies to fund operations at the existing Visitor Center through September 30, as planned, and not to use those funds to further reduce the MBTB Visitor Center proposal for the future. In our conversations, MBTB staff and City staff conceptually agreed that Visitor Center operations should be funded in part by the City, in part by TBID assessed funds and in part by retail/restaurant beneficiaries (perhaps through a vibrant Chamber of Commerce). However, the MBTB did not commit any TBID assessed funds toward the Visitor Center operations, leaving their proposal at about $81,000 / year.

Finally, the MBTB proposal included a $16,000 (20%) management fee. (This fee was not for rent, utilities, or visitor center staff, etc., but compensation for MBTB staff providing management oversight.) The City recognizes that some management overhead is appropriate but found 20% to be excessive, especially considering the Chamber proposal included no management fee. (The Chamber is committed to provide management of the Visitor Center as an appropriate part of the Chamber's contribution to the economic vitality of the community.)

Q: What is the status of the City-owned building at 695 Harbor Street, and how does that impact the Visitor Center?

A: The old fire house at 695 Harbor Street is wholly owned by the City of Morro Bay. The City leased the building to the Chamber of Commerce in 2013. That lease expires in December of 2015. The City is beginning to assess that lease and will determine the best use of that building in the months ahead at which time the City will take appropriate action. One possible best use will almost certainly include leasing some or all of that building to the Chamber of Commerce, enabling the Chamber to continue to operate the Visitor Center in that building. Initial staff assessment is that the Economic Development /

Business Incubator facet of the Chamber's lease on that building has not met expectations. The space has become affordable office space for a number of non-profits, but not an engine of small-business economic development. While staff remains optimistic about the potential for small-business development in Morro Bay, staff will consider other uses and/or management approaches for that office space during the lease assessment and negotiation process. One initial concept includes that building becoming the nexus of tourism, events and business development activities in Morro Bay, housing the Visitor Center, the Chamber of Commerce and perhaps other City offices or tourism-focused entities. Staff has commenced our research and due diligence effort on Council Objective 6.g which includes exploring alternate models for the existing partnership with the MBTB. Should this process conclude with a Council decision to pursue an alternate tourism operations and synchronization management model, future Morro bay tourism operations might also be collocated in the building at 695 Harbor Street.

Q: What is the timeline for all of this?

A: Staff recommends Council approve staff's recommendation to award the Visitor Center Contract with the Chamber and the new Visitor Center will open at 695 Harbor Street on October 1, 2015. In October, staff intends to bring to Council for consideration and possible decision alternate models for tourism operations and synchronization. Following that decision, likely in November, staff intends to complete research on best future use for the City-owned building at 695 Harbor Street. If Council approves awarding the contract to the Chamber, staff will continue to negotiate the contract and bring it back to Council for final approval at a future meeting. Staff will also bring a lease renewal for 695 Harbor Street.

CONCLUSION

With a new era of the Morro Bay Chamber of Commerce, staff greatly believes in a renewed commitment to a partnership between these two organizations as it relates to economic development in this community.

Over the next year or so, it will be vital that the City has strong partnerships, better synchronization, and control of efforts related to business retention and expansion (internal economic development), business recruitment (external), and tourism. Staff believes this agreement and fresh partnership with the Chamber will be the first step on a path on that new direction.

ATTACHMENT

Chamber of Commerce RFP

City of Morro Bay

Request for Proposals

Visitors' Center Facility and Services

Issue date: June 5, 2015

Deadline for submittal: 5 p.m., June 26, 2015

Contact person: Sam Taylor, Deputy City Manager
(805) 772-6290
staylor@morro-bay.ca.us

I. GENERAL INFORMATION

A. Introduction

The City of Morro Bay (the "City") is requesting proposals from interested parties who desire to provide Visitors' Center services, including a facility. There is no expressed or implied obligation for the City to enter into an agreement with any respondent, nor does it obligate the City to accept or execute an agreement for any expressed or implied services. Further, it does not obligate the City to reimburse any respondent for any expenses incurred in preparing a proposal in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sections 6250 *et seq*.), unless exempt.

The City reserves the right to:

1. Reject any and all proposals received, and to accept or reject any item(s) therein.
2. To waive irregularities, if such would serve the best interests of the City, as determined by the City Council.
3. To request additional information for purposes of clarification.
4. To accept or negotiate any modification to any proposal, following the deadline for receipt of all proposals.
5. Terminate this Request for Proposals ("this RFP") process at any time.
6. Modify, clarify, or interpret the RFP by sending an addendum to potential proposers that originally received or requested this RFP, along with posting that addendum on the website. Any such addendum shall become part of this RFP and of any contract awarded.
7. Allow Proposers to make modifications to their proposal already submitted to the City by submitting a written request to withdraw the proposal in order to make the modifications. It is the responsibility of each Proposer to ensure modified proposals are resubmitted in accordance with this RFP submittal deadline.

To be considered, an original and two copies of the proposal must be received by the City no later than 5:00 p.m. on Friday, June 26, 2015. Proposals should be addressed to:

City of Morro Bay – RFP for Visitors Center Services
c/o Deputy City Manager Sam Taylor
595 Harbor Street
Morro Bay, CA 93442

Only proposals delivered to City Hall in the format, as stated in this RFP, will be considered; facsimile or electronic proposals will not be accepted. However, this RFP will only be modified by written addenda.

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the City, parties submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted, and to use any ideas in a proposal, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the Proposer of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted, and confirmed in the contract between the City and the Proposer selected.

It is anticipated the selection of a Proposer will be completed by July 7, 2015. Following the notification of the selected Proposer, a recommendation and proposed contract will be prepared for review and approval by the City Council at its July 14, 2015, meeting. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

B. Proposed Time Schedule

Release of RFP.....	June 5, 2015
Deadline for written questions.....	June 12, 2015
Responses to questions posted on the website	By June 17, 2015
Deadline for proposals.....	June 26, 2015, 5:00 pm
Notification to finalists.....	Approx. July 7, 2015
City Council selection/contract approval.....	July 14, 2015, or next meeting
Notification to successful Proposer.....	TBD

C. Term of Contract

It is the intent of the City to contract for Visitors' Center services for a term of one or two years, to be negotiated with selected Proposer. The City reserves the right to extend the term of the contract for two additional one-year terms, subject to the satisfactory negotiation of terms, including a price acceptable to both the City and the selected Proposer.

The contract will be subject to:

1. The satisfactory negotiation of terms (including a price acceptable to all parties);
2. The acceptance by the Morro Bay City Council; and
3. The annual appropriation of funds.

II. CONTENT OF PROPOSALS

A responsive proposal will, at a minimum, provide the following:

1. a preferred contract timeframe of one or two years.
2. the Visitors' Center facility is located within 150 feet of an ADA-accessible public restroom.
3. the Visitors' Center will be established on the ground floor of Proposer's property.
4. a brief written description and sketch of the planned Visitors' Center area.
5. a brief written description of planned staffing for the center, including how staff will prioritize activities should the Visitors' Center be in the same general space as an existing business.
6. a brief written description of mode of operation of the Visitors' Center, including:
    a. Operating hours, which must be between 7 to 9 hours per day, 7 days per week. Closures on Thanksgiving, Christmas and New Year's Day is acceptable.
    b. Communication plan and responsiveness – phone and email.
7. assurance the Americans with Disabilities Act (ADA) requirements will be met.
8. evidence of insurance, as outlined in Exhibit D.
9. assurance a current City of Morro Bay business license, pursuant to the provisions of MBMC Chapter 5.04, will be obtained.

VI. SUBMITTAL REQUIREMENTS

The original and two copies of the proposal must be received in City Hall by 5 p.m. on Friday, June 26, 2015. Address the proposal as follows:

City of Morro Bay – RFP for Visitors Center Services
c/o Deputy City Manager Sam Taylor
595 Harbor St.
Morro Bay, CA 93442

The successful Proposer is required to enter into a City of Morro Bay service agreement, a copy of which is attached as Exhibit A.

Provide surety information for General and Automobile Liability, and Worker's Compensation, pursuant to Exhibit D.

VI. REVIEW AND SELECTION PROCESS

Selection of the successful proposal shall be generally based on the information provided in the response to the RFP and any subsequent interviews that **may be** conducted. The process for selection shall occur in the following sequence:

1. Review of proposals by the Deputy City Manager and reviewers appointed by the City Manger (the "Review Team"),
2. Rank Proposals based on requirements,
3. Contact the qualified Proposer(s), and conduct site visit(s), and
4. Present to City Council for approval and award of contract.

The Review Team will be formed to evaluate the proposals, and to make a recommendation to the City Council. Composition and creation of this Review Team is at the discretion of the City Manager.

The Review Team will review the proposals for conformance with the requirements of the RFP, and ultimately recommend a proposer who would best serve the City's interests, based on the information provided in its proposal and other information the Review Team may obtain. The Review Team will present its recommendation to the City Council.

EXHIBIT A

CITY OF MORRO BAY

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made, by and between, the City of Morro Bay, a municipal corporation ("City") and _____, a California corporation, *and/or [insert individual's name]* dba *[insert business name if not a corporation]* ("Consultant"). In consideration of the mutual covenants and conditions set forth herein the parties agree as follows:

1. TERM

This Agreement shall commence on XXXX ____ 2015, and shall remain and continue in effect until tasks described herein are completed, but in no event later than XXXX ____, 2018, unless sooner terminated pursuant to the provisions of this Agreement. City may extend this Agreement for two additional one-year periods

2. SERVICES

Consultant shall perform the tasks described and set forth in pages __ through ___of Exhibit A, attached hereto and incorporated herein as though set forth in full.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of their ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. CITY MANAGEMENT

City's Deputy City Manager shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. City's City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Tasks to Be Performed or change Consultant's compensation, subject to Section 5 hereof.

5. PAYMENT

(a) City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, and based upon actual time spent on the above tasks. That amount shall not exceed _$_____ ($$$) for the total term of the Agreement, unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services. The City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement, but in no event shall such sum exceed $_____ ($$$). Any additional work in excess of this amount shall be approved by the City Council.

(c) Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days after receipt of each invoice as to all non-disputed fees. If City disputes any of Consultant's fees, then it shall give written notice to Consultant within fifteen (15) days after receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Consultant at least ten-days' (10-days') prior written notice. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City suspends or terminates a portion of this Agreement, then such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, City shall pay to Consultant the actual value of the work performed up to the time of termination. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to City pursuant to Section 3.

7. DEFAULT OF CONSULTANT

(a) Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date Consultant is notified of default and can terminate this Agreement immediately by written notice to Consultant. If such failure by Consultant to make progress in the performance for work hereunder arises out of causes beyond Consultant's control, and without fault or negligence of Consultant, then it shall not be considered a default.

(b) If the City Manager of his/her delegate determines Consultant is in default in the performance of any of the terms or conditions of this Agreement, then he/she shall cause to be served upon Consultant a written notice of the default. Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. <u>OWNERSHIP OF DOCUMENTS</u>

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, and full payment by City for services performed pursuant to, this Agreement, all final work product such as documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of City and may be used, reused, or otherwise disposed of by City without the permission of Consultant. With respect to computer files, Consultant shall make available to City, as a service in addition to those set forth herein, at Consultant's office and upon reasonable written request by City, the

necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. INDEMNIFICATION

(a) Indemnification for Professional Liability. When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including reasonable attorney's fees and costs to the extent same are caused by any negligent act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this agreement. City agrees to hold harmless and indemnify Consultant from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected with the modification, misinterpretation, misuse or reuse by others of the computer files or any other document provided by Consultant under this Agreement.

(b) Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subconsultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this agreement or this section.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached to and part of this agreement.

11. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant shall at all times observe and comply with applicable legal requirements in effect at the time the drawings and specifications are prepared. City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement.

Violation of this Section shall be a material breach of this Agreement entitling City to any and all remedies at law or inequity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City if Consultant, or any of its officers, employees, agents, or subconsultants are served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within City. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate with City by providing the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail,

postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:	City of Morro Bay 595 Harbor Street Morro Bay, CA 93442 Attention:
To Consultant:	

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of City.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. GOVERNING LAW

City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. CONTENTS OF PROPOSAL

Consultant is bound by the contents of the proposal submitted by Consultant, Exhibit A hereto.

22. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents he/she has the authority to execute this Agreement on behalf of Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF MORRO BAY

By: _____
[Authorized City Representative or Mayor]

Attest:

_____
Dana Swanson, City Clerk

CONSULTANT (2 signatures required if a corporation)

By: _____
(Signature)

_____
(Typed Name)

Its: _____
(Title)

By: _____
(Signature)

_____
(Typed Name)

Its: _____
(Title)

Approved As To Form:

_____
Joseph W. Pannone, City Attorney

EXHIBIT B

SCOPE OF SERVICES

EXHIBIT C

COST OF SERVICES

Insert pricing sheet from proposer

EXHIBIT D

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Agreement, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy from CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than $1,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage from CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than $5,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant's employees will use personal autos in any way to perform the Scope of Services, then Consultant shall provide evidence of personal auto liability coverage for each such person.

Property Damage Insurance in an amount of not less than $1,000,000 for damage to the property of each person on account of any one occurrence.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum $25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured's liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Consultant, subContractors or others involved in the Work. The scope of coverage provided is

subject to approval of City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than $1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designated to protect against acts, errors or omissions of the Consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than $2,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Insurance procured pursuant to these requirements shall be written by insurer that are admitted carriers in the state California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds the City of Morro Bay and its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all Consultants, and subContractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all Consultants and subContractors to do likewise.

3. All insurance coverage and limits provided by Consultant and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any Consultant or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City's option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subContractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self-insurance available to City.

9. Consultant agrees to ensure that subcontractors, and any other party involved with the Scope of Services who is brought onto or involved in the Scope of Services by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the Scope of Services will be submitted to City for review.

10. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any Consultant, subContractor, Architect, Engineer or other entity or person in any way involved in the performance of the Scope of Services to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At the time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increase benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirements in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Consultant will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.

17. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

20. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the Scope of Services reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

AGENDA NO: D-3

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 5, 2015**

FROM: **Scot Graham, Community Development Manager**

SUBJECT: **Evaluation of Demonstration Parklet located on Main Street and Recommended Future Actions**

RECOMMENDATION

Given the amount of data collected on the Demonstration Parklet, staff recommends the City Council direct evaluation of the existing Parklet and potential parklet program to both the Recreation and Parks Commission and Planning Commission for future recommendation to the City Council.

ALTERNATIVES

- Direct removal of the Parklet and discontinue further Parklet program discussion.
- Direct relocation of the Parklet and provide direction to staff regarding future parklet policy development.
- Keep the Parklet in current location and provide direction to staff regarding future parklet policy development.

FISCAL IMPACT

Following staff's recommendation will not result in any additional direct costs to the City. Indirect costs will be based on the amount of staff time spent preparing materials for review by the Planning Commission and Recreation and Parks Commission.

BACKGROUND/DISCUSSION

The parklet concept was conceived as one of the Local Economic Action Plan (LEAP) program initiatives. As has been effective in other communities, the intent is twofold: first, to broaden park-like public gathering opportunities in the downtown area; and second, to improve foot traffic and the time customers spend in the downtown to further encourage / improve business.

Public outreach to the surrounding business owners was conducted in December of 2014, while the plans were being put together for the parklet design. Responses from the surrounding business owners were somewhat mixed; however, a majority were at least in support of the concept. This outreach included about 10 hours of staff conversations with downtown business owners, a flyer requesting input

Prepared By: SG **Dept Review:** SG

City Manager Review: DWB

City Attorney Review: _____

/ feedback left with every business on Main Street between Harbor and Morro Bay Blvd (see flyer provided as Attachment 6).

The parklet design makes use of two on street parking spaces and is intended to improve the aesthetic of the streetscape while creating an affordable means to provide additional seating, bike parking, motorcycle parking, and planting in the downtown. In other words, the parklet was meant to serve as a focal point in the downtown.

Ultimately, the parklet was designed and constructed by City staff and opened for use in mid-January of 2015. The intent, from inception, was that the parklet would be implemented on a demonstration or temporary basis and that it would later be evaluated for continued use. Since the parklet was intended for demonstration purposes, it was intentionally done "on the cheap" and constructed for under $1000. The demonstration parklet was constructed in a way that it can be retrofitted to be made more aesthetically pleasing, and future parklets, if approved, would be required to meet appropriate design criteria and follow appropriate City permitting requirements.

Evaluation

Responses to the Demonstration Parklet over the last six months have been mixed. City staff has evaluated the Parklet impact based on reviewing parking availability in the downtown core area surrounding the site location, through discussions with surrounding business owners, and through an online Downtown Revitalization survey that was published in May of 2015 and ran through July of 2015. Staff has also looked at the traffic safety impacts of the parklet, insofar as there has been some stated concern for traffic safety.

Additional evaluation information has been provided by Linna Thomas, of Coalesce Bookstore, in the form of a petition requesting removal of the parklet and through a survey that was circulated among the surrounding downtown business owners.

Parking Availability

Staff conducted parking evaluation studies in December of 2014 and in March, June and July of 2015. The most recent parking evaluation was conducted on July 3, 2015, arguably one of the busiest days of the year in the City due to the large number of visitors in town for the 4th of July holiday and due to many of the City's residents also having the day off (See July 3, 2015 Parking analysis provided in Attachment 1). Parking counts covered nine blocks and were taken at eight separate times throughout the day starting at 10:45am and ending at 4:40pm. Analysis of the data collected shows that there were anywhere from 16 to 56 spaces available at any one time within the study, with an average of 31 spaces available during the study period. This analysis, along with the earlier counts, support the City's 2008 adopted Parking Management Plan conclusion that the downtown maintains adequate parking under even the most busy of times.

While the above referenced analysis does indicate adequate parking is available in the downtown area, staff is actively pursuing the creation of additional parking in the form of restriping some downtown streets to include angled curb and center line parking opportunities. Staff is also actively reviewing

opportunities for shared public/private parking partnerships in relation to some of the vacant and underutilized properties in the downtown. (Staff presentation on recent analysis of Morro Bay downtown parking is included as Attachment 5.)

City Downtown Revitalization Survey

Staff prepared and circulated an online survey (See Attachment 4) touching on various components of downtown revitalization including the following: 1) distance people are willing to walk from parking locations to business locations, 2) whether additional outdoor dining opportunities are desired, 3) whether portions of downtown should be considered for pedestrian only plazas (walking, shopping and dining areas), 4) what is the overall impression of the Parklet concept, 5) should the Parklet stay in its current location, 6) whether people like the existing Parklet, 7) should we have a private (business owner funded) parklet program.

The parklet survey received 731 responses with the following outcomes for the above referenced questions:

1. Of the 712 persons responding to the distance they were willing to walk from parking areas to shopping opportunities; 33% were willing to walk one block or less, 34% were willing to walk 1 to 2 blocks and 20% were willing to walk 2 to 3 blocks.
2. Are more outdoor dining opportunities desired in downtown? 691 respondents; 51% - Yes, 29% responded that they are not against more outdoor dining, and 21% were opposed to more outdoor dining.
3. Should 1 to 2 blocks of downtown be designated for pedestrian shopping and dining zones? 702 respondents; 49% - Yes, 34% - No.
4. What is your impression of the Parklet? 708 respondents; 43% like it, 35% don't like it.
5. Should the Demonstration Parklet stay where it is? 698 respondents; 39% - Yes, No – 32%
6. Do people like the existing Demonstration parklet? 636 respondents; 35% - Yes, 25% - No, 40% - no opinion.
7. Should the City allow/accommodate a private business owner funded parklet program? 54% - Yes, 33% - No due to impacts to parking.

Overall, a majority of respondents thought favorably of the current Demonstration Parklet and the concept of developing a program to allow for creation of future parklets.

Parklet Safety

The Public Works Department evaluated the effect of the parklet installed on Main Street between Morro Bay Blvd. and Harbor Street through the placement of traffic counters in two locations to assess the number of vehicles and speeds traveled in the area. The traffic counter locations were on Main between Dunes and Harbor, on Main between Harbor and Morro Bay Blvd. and on Main from Beach to Dunes. Staff also reviewed the accident reports to determine if there was an increase in accidents during the tenure of the Demonstration Parklet.

The average speeds traveled for the areas studied were well below the 25 mile per hour speed limit,

which is typical of the downtown and likely has nothing to do with the parklet.

Staff also reviewed the accident history in the subject area and found no accidents reported during the evaluation period.

Linna Thomas – Coalesce Bookstore

Linna Thomas of Coalesce Bookstore prepared both a survey of local businesses (See Attachment 2) on Main Street and an anti-parklet petition mostly based on the concept that parklets are an acceptable idea, but that the location of the Demonstration Parklet is inappropriate and should be moved/removed. Reasons for removal of the Parklet noted at the top of the Petition are as follows:

> We the undersigned want the Demonstration Parklet on the 800 block of Main Street in Morro Bay removed for the following reasons:
>
> #1) It eliminates valuable parking spaces on the busiest block of Main Street. There is no alternative parking lot nearby.
>
> #2) It appears that city funds have been used to benefit one Main Street business at the expense of others. The parklet appears to be an extension of Top Dog Coffee Shop.
>
> #3) It is too close to fast moving traffic. Pedestrians dart across Main Street to reach the parklet's mid-block location. It is sited too close to Morro Bay's two downtown bars which are open for drinking long after all other businesses close. We fear late night nuisance, vandalism and accidents.
>
> #4) It disregards a community gathering place right across the street that is full of seating and is subsidized by the city. This subsidy in 2014 was close to 10,000.00 of our tax dollars. The patio at Grandma's Yogurt on the S.E. corner of Main Street and Morro Bay Blvd. (307 Morro Bay Blvd.) is much larger than the parklet, poses no traffic hazards, does not eliminate any parking spaces and has a public restroom, the only one in olde town. We believe that this location for a street-side, outdoor space would benefit everyone.

The parklet petition received approximately 1500 signatures within an approximate six month time frame. A vast majority (around 80%) of the signatures are from non-residents, although that is to be expected given tourist based nature of the City's economy. Linna submitted a letter to the Council dated July 7, 2015 (See Attachment 3), where she indicates that signature collection locations included the Appliance Store, Dorn's Restaurant, Kitty's Kitchen, The Morro Bay Art Association, Sabetta's Pizza and Rock Expresso.

Business / Property Owner Input

In July, staff polled business and active / local property owners on the "parklet block" of Main Street. While feedback has been mixed, more business are clearly "for" the parklet than clearly "against." At least 6 businesses / active property owners on the 800 block of Main Street are strongly in favor of keeping the existing parklet. Many are neutral / indifferent with most of those citing only parking impact concerns. Some remain strongly opposed, citing parking concerns and a perception that the parklet benefits Top Dog coffee.

Parklet Usage

Staff did not scientifically measure parklet usage but makes two observations. First, there are often 5-8 patrons at the parklet in the morning hours before the public area at "The Gathering Space" is unlocked. Second, while parklet usage varies during the day, the parklet appears to be actively used by many residents and visitors.

CONCLUSION

Staff has received a significant amount of parklet information over the preceding six months and given the diverse nature of the input, it is recommended that the issue be forwarded to both the Recreation and Parks Commission and Planning Commission for their input. Ideally, both Commissions would review the current parklet information and provide recommendations to the Council regarding the following courses of action:

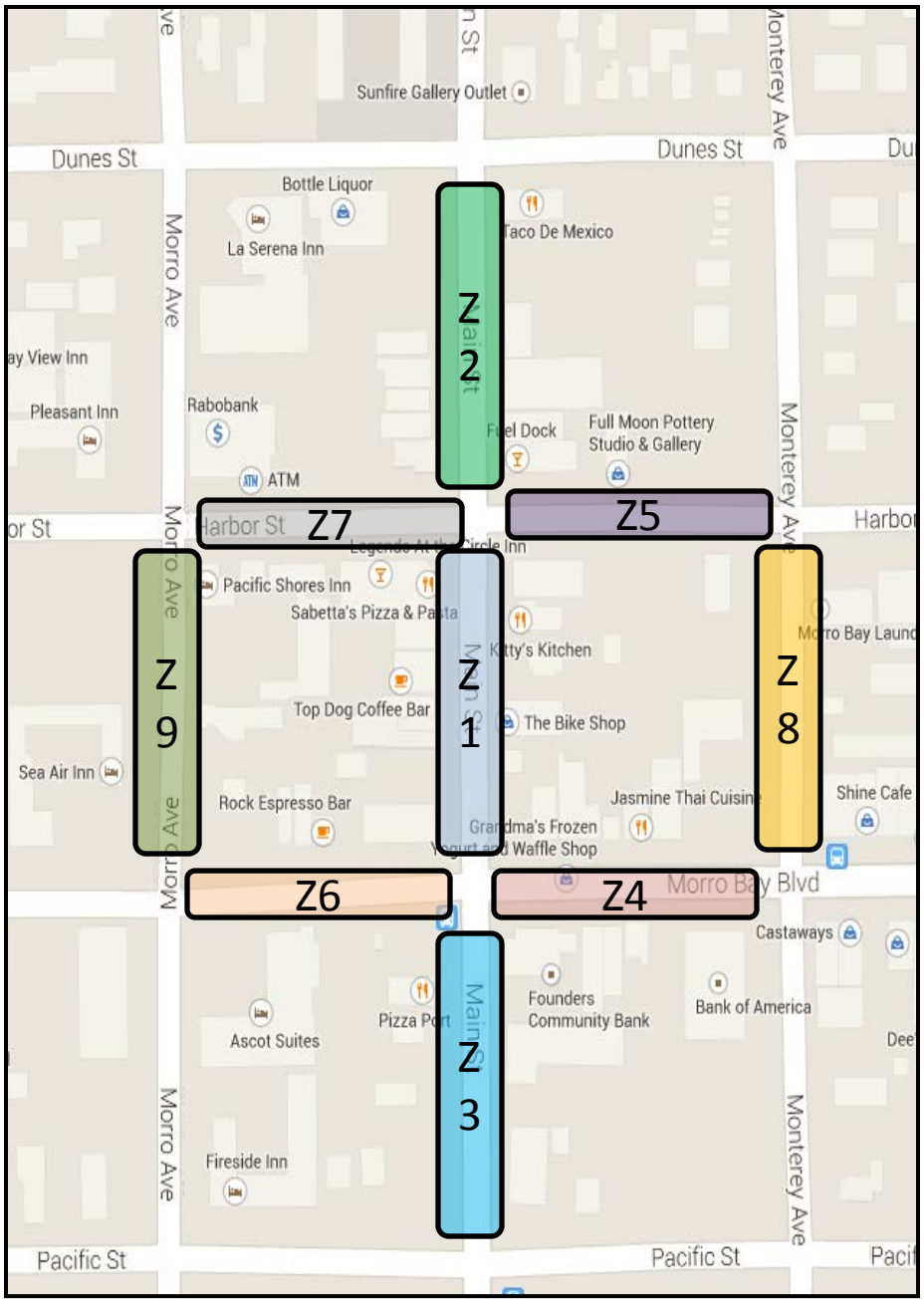
1. Whether to keep the Demonstration Parklet in the current location
2. Whether to develop a parklet program (See Example Parklet Feasibility Study provided in Attachment 7)
3. Whether to remove the Demonstration Parklet and discontinue any future parklet programming

ATTACHMENTS

1. City of Morro Bay July 3, 2015 Parking Analysis
2. Linna Thomas Main Street Business Owner Survey
3. Linna Thomas July 7, 2015 letter to The City Council
4. City Downtown Revitalization Survey
5. Recent Council Power Point Presentation on downtown parking analysis
6. Pilot Parklet Flyer handed out to downtown business owners in December 2014
7. Example parklet feasibility study from Raleigh North Carolina

City of Morro Bay
Downtown Parking Analysis
Friday, July 3, 2015

ATTACHMENT 1



Time	1	2	3	4	5	6	7	8	9	Total
10:45	4	3	13	5	4	10	3	7	7	56
11:55	3	2	7	3	2	5	2	4	4	32
12:45	2	2	1	0	4	2	2	2	2	17
1:25	5	2	5	1	1	5	1	1	0	21
2:00	2	3	2	1	0	4	0	3	1	16
2:40	2	5	6	1	4	1	1	1	3	24
3:45	3	4	7	2	4	7	0	3	8	38
4:40	3	9	7	6	4	6	0	3	7	45

The City chose what is arguably the busiest work day of the year to complete our downtown parking re-assessment. On Friday, July 3, Morro Bay was extremely busy with a huge visitor load, and many residents out and about preparing for the July 4th holiday.

This chart and table shows the number of vacant parking stalls on each of nine downtown blocks at eight different times on Friday, July 3, 2015. The assessment was made at 8 different times between 10:45am and 4:40pm.

There was an average of 31, and never less than 16, open parking spaces in the nine identified zones during each measurement.

There were an average of 3 open parking spaces in zone 1. Zone 1 always had at least 2 open spaces.

Zone 6, 7 and 9 were far busier then in 5 previous assessments, likely do to "overflow" Embarcadero parking.

This analysis, along with similar analyses in Dec '14, Mar '15 and Jun '15 validates our 2008 parking study which concluded that downtown Morro Bay has adequate parking.

ATTACHMENT 2

Jamie
to Council
copy: Dave, Scot

RECEIVED
City of Morro Bay
MAY 26 2015
Administration

from Linne Thomas

Survey Results of Business Owners
Morro Bay Main St Parklet Demonstration

Business owners were asked to respond to statements using the following scale:
Strongly Agree 1 2 3 4 Strongly Disagree 0 Don't Know/No Opinion

Only one statement revealed a positive impact of the Parklet on businesses surveyed. (Highlighted in green)
The responses from all other statements indicate a lack of positive impact.

	Average	Count	Statement #	
A	1.0	10	B12	Reduces the auto parking spaces needed for my patrons.
G	1.1	10	B8	Is unnecessary for my customers.
R	1.7	9	B15	Is unattractive
E	2.0	7	B10	Is placed in a poor location relative to my business
E	2.0	7	B13	Is clean and well-maintained
	2.6	5	B17	Is a place where it's easy for others who don't know each other to talk to each other
	2.6	8	B9	Improves the sidewalk environment
D	2.8	8	B16	Is active
I	3.0	8	B7	Is well-used
S	3.1	7	B1	Contributes to increased Foot Traffic in the neighborhood
A	3.1	7	B3	Makes it more likely that patrons will visit this neighborhood more often
G	3.2	5	B2	Contributes to increased Bicycle Traffic in the neighborhood
R	3.3	7	B18	Enhances the street and neighborhood identity
E	3.4	9	B11	Increases the visibility of businesses from the street
E	3.5	6	B6	Contributes to increased Sales/business volume for the neighborhood
	3.7	9	B5	Contributes to increased Sales/business volume for my business
	4.0	6	B14	Makes the neighborhood feel safer

As of 5/26/15
Number Surveys Returned 11
Total Surveys Distributed 18

NOTES:
A blank or 0 is not included in the count. Only statements with a score were counted.

AVG	COUNT	Statement #	Coalesce	Eccletiq	Oriental Foot Massage	Ruby Dragon	The Bike Shop	Grandma's Yogurt	Summer Cottage	Morro Bay Appliance	Pizza Port	Rock Expresso	Morro Bay Jewelry
3.1	7	B1		4	2		3	4	2	3	4		
3.2	5	B2		4			3		2	3	4		
3.1	7	B3	4	4			3	4	1	3	3		
3.7	9	B5	4	4	4		4	4	1	4	4	4	
3.5	6	B6	4	4	2		3	4		4			
3.0	8	B7	4	3	2		2	4	2	3	4		
1.1	10	B8	1	1	1	2	1	1		1	1	1	1
2.6	8	B9	4	3	1		2	4	1	4		2	
2.0	7	B10	1	3	2		2	1	4	1			
3.4	9	B11	4	3	4		3	4	3	4	3	3	
1.0	10	B12	1	1	1	1	1	1		1	1	1	1
2.0	7	B13	4	1	1		2		1		3	2	
4.0	6	B14	4	4			4	4		4		4	
1.7	9	B15	1	2	3		2	1	3	1	1	1	
2.8	8	B16	4	2	1		3	4	1	3	4		
2.6	5	B17					4	4	1	2		2	
3.3	7	B18	4	4			3	4	1	4		3	

NOTE: There was no #B4 statement. 1-3, 5-18 for 17 total

ATTACHMENT 2

to Council
copy: Dave, Scott, Sam
ATTACHMENT 3
RECEIVED
City of Morro Bay
JUL 14 2015
Administration

July 7, 2015

Greetings Mayor Irons and Council Members:

The Demonstration Parklet was installed on Main Street six months ago this week. Soon you as a council will be accessing the impacts of this pilot project and making decisions for the future. After all this time, I'm not sure what the definition of "success" was intended to be? I do know that it is the five of you that will be deciding the fate of the Demo Parklet and Morro Bay's parklet policies in general. I wanted to address you one final time before you decide whether the Parklet stays on Main, is moved to another location in town, or is removed altogether.

In this letter I hope to summarize my five areas of concern regarding the Parklet being sited on Main Street and my concerns about the advisability of parklets in Morro Bay in general.

#1) <u>The Parklet Petiton:</u>

We have collected approximately 1500 Petition signatures. Coalesce does not stand alone on the parklet issue nor did we collect these many signatures alone. We were aided in our efforts by Dorn's Restaurant, Kitty's Kitchen, The Morro Bay Art Association, The Appliance Store, Sabetta's Pizza and Rock Espresso. Petitions are a time-honored tradition in our country as a means of allowing peoples voices to be heard. Most people will sign a petition more readily than they will attend a meeting, write a letter or email, or make a call. All petition signers want the Parklet removed from Main Street. We hope and trust that these many voices will factor into your deliberations.

#2) <u>The Business Survey:</u>

We "borrowed" our brief and impartial business survey from the Los Angeles Parklet Handbook, available on-line. My community of business neighbors on Main has a unique and significant stake in what happens on our street. Their voices deserve to be heard. I distributed eighteen surveys. Fifteen were returned. You have each received copies of the complied data for reference. There were several businesses that wanted to be included in our survey, including Beads by the Bay, but we limited the participants to those who could actually see the Parklet, with one exception. We allowed Rock Espresso Coffee to participate. We included them because they are close by and because the Parklet had been located in front of Top Dog Coffee and it violated my sense of fairness not to allow a second coffee shop not a block away a voice.

The three businesses that did not respond to the survey are Top Dog, Guerrilla Thrift and Kitty's Kitchen. It saddens me, but I did not expect to hear from Pat at Top Dog. Guerrilla Thrift, which opened only a few weeks before the Parklet was installed, said they wanted to make their own comments to the Council. I don't know if they have done so. Both Top Dog and Guerrilla Thrift participate in Parklet maintenance. Guerrilla Thrift tends the plants, Top Dog manages the chairs and tables.

I don't know why Mary at Kitty's Kitchen didn't respond to the survey. She requested Parklet petitions which she circulated to her customers and has spoken publically against the Parklet. Perhaps you will talk with her?

Kay at Summer Cottage and Ginger at Sandprints were generally in favor of the Parklet, both with some reservations. I would point out that Sandprints is not a retail business, is not open to the public with regular hours and does not rely on street parking.

The voices of the remaining thirteen businesses are loud and clear. They say no to the Parklet…a resounding no! They do not believe it has had a positive impact on their businesses or on our community. They say it is unnecessary, poorly sited, unattractive and reduces crucial parking spaces. They say it has not increased foot or bicycle traffic in our neighborhood. Many have expressed to me a feeling that it is dirty, citing especially the trash and leaves that pile up around the external perimeter.

San Francisco pioneered parklets and has more than any other city in the world. In their parklet handbook the city demands that documentation of support from surrounding property/business owners be provided before a parklet will be considered. These past six months of anger, discord and hurt feelings on our block have convinced me that it is absolutely essential to have the support and buy-in of the majority of neighborhood businesses before installing a parklet.

If the intention of the Parklet has been to enhance surrounding businesses, inceasing pedestrian traffic and bringing more success to them, it has failed. In June, usually a great month, receipts at Coalesce were down $57.87 per day. After having survived the depression and in an improving economy, receipts for the year have been down. Receipts for 2013 and 2014 had been steadily trending upward. These are significant losses for my little business and would not be sustainable on-goingly.

Several of my business neighbors have candidly shared similar financial facts with me. Six months is an extraordinarily long time for a trial period, but it has given Main Street businesses time to access financial impacts. Perhaps the city has seen a corresponding decrease in our sales tax receipts.

#3) <u>Parking:</u>

The Parklet measures 65'9" including bicycle and motorcycle parking. Standard parking spaces in Morro Bay measure 22 feet, so the Parklet equates to three parking spaces.

The Parking spot next to the bicycle rack is extremely difficult to pull into, as evidenced by the minor accidents that have occurred there, resulting in damage to cars and bikes. Two parking spaces on the west side of Main Street between Harbor Street and the driveway into the Morro Bay Realty lot south of the Art Association measure only 14'10", more than 7 feet shorter than the average. One short space is located at the corner of Harbor and Main, making the turn onto Main Street tight and difficult. The second short space is located when one turns off Main into the Morro Bay Realty lot, making that turn tight. It's very difficult for three cars to fit between the Parklet and the Realty driveway.

We have a total of eighteen parking spaces on Main Street with the three mentioned above being somewhat problematical. There are no nearby parking lots or structures. I don't know why people are not willing to walk to the far- flung and apparently perennially available parking spots avidly and frequently counted by Mr. Buckingham in his "semi-scientific" studies. What matters to me is that most individuals are apparently not willing to do so. Unless and until those attitudes and patterns change, the far-flung parking spots are a non-issue to me. The loss of three spots right in front of Coalesce is my concern, a loss that impacts our entire neighborhood. Potential customers drive by, may go around the block for a second pass and drive on. Locals or not, they may never return. Supporters are often going out of their way to shop with local

businesses for something they could easily & sometimes less-expensively order on-line & have shipped to their door. There is a limit to how hard they will try to shop local.

Doing some on-line investigating, I found estimates stating that downtown parking spaces turn over approximately every half hour, on the average. That means the three spaces lost in front of Coalesce equate to a loss of approximately fifty vehicle stops a day. These vehicles might hold a single driver, a couple or a family, three friends out for a day of shopping, etc. Surely they would be of more benefit to nearby shops then a handful of people lingering on the parklet.

A stated purpose of the Parklet is to encourage just such pedestrian lingering, "to provide a space for shoppers and residents to congregate, rest , meet and in many cases have a snack/drink" (from the city of Morro Bay parking project flyer). Because most people who visit Main Street drive there, encouraging individuals to linger longer further impacts limited parking.

It remains to be seen whether the "triangle" parking lot from Dynegy will positively impact Olde Town parking or shopping. It is a long way from Main Street. Unlike Morro Bay Boulevard, Main Street is too narrow for angle-in parking. In spite of multiple parking studies done over the years, the acquisition of additional parking in the downtown area lies in the future as it has for the forty-plus years I've been in business. Two hour parking limits are not enforced.

Currently, Morro Bay charges some $5,000 per parking space to developers under the parking in-lieu ordinance. The Main Parklet took away three parking spaces on the city's busiest street with no compensation to the in-lieu fund.

#4) <u>The Courtyard at Grandma's:</u>

Unlike large urban cities such as Los Angeles and San Francisco, we are blessed in lovely downtown Morro Bay with lots of garden and patio spaces. On Main Street alone, between Harbor Street and Morro Bay Blvd, one finds the Top Dog garden, the Coalesce Bookstore garden, a small outdoor patio at Kitty's Kitchen, a garden between Kitty's and Sandprints, a large patio at the Art Association and finally, on the corner of Main & Morro Bay Blvd., one finds the large open courtyard beside Grandma's Yogurt.

The city of Morro Bay leases this large corner property, sub-leasing the small building on-site to Bev and Lenny, the owners of Grandma's Yogurt. In 2014, the city paid $9600 of our tax dollars for the city's share of the lease on this property. Also in 2014, the city debuted in the Grandma's Yogurt building the only public restroom available downtown, ADA compliant and maintained by Grandma. To my way of thinking, Grandma's is the sensible alternative to a parklet on our block. The great majority of my Main Street business colleagues agree. A recent quote from the Morro Bay Chamber of Commerce website reads, "Grandma's is the place in Morro Bay for local residents and our out of town visitors to meet and visit."

The courtyard at Grandma's is off-street, so there are no lost parking spaces. There are none of the traffic hazards that exist when one sits in a narrow street with quickly moving traffic. Traffic is calmed by crosswalks at the intersections, allowing for safe street crossings. Grandma's owners welcome EVERYONE…families, children, pets. Food, coffee and non-alcoholic beverages from elsewhere are always allowed. The courtyard is open every day of the week. They are open until 10 p.m. on Friday and Saturday nights, offering one of the few Morro

Bay night-time alternatives to bar-hopping. The Parklet shuts down by six pm, even on these long and lovely summer nights.

Council- you have pledged yourselves to encourage and support local business. The parklet is not a business. I call upon you to honor your contract with Bev and Lenny by supporting Grandma's courtyard as the place on Main Street to meet, congregate, rest and in many cases have a snack/drink. I urge you to join your local Chamber and the vast majority of Main Street businesses in supporting Grandma's Courtyard for safe, street-side outdoor space.

#5) <u>The On-Line City Survey</u>:
When the Parklet was installed, you as a council promised a clear and equitable process to evaluate its worth and effectiveness. In one of his Bay News columns Mr. Buckingham stated his hope for a "metric-based measurement of effect on our businesses and parking." Business owners and residents have waited for six months for the city's assessment.

Personally I have wondered how this evaluation would be done. Parklets were pioneered in San Francisco as recently as 2010. They are rapidly becoming a fad but they are actually a new phenomenon. According to a recent article in the New York Times, there were approximately 125 parklets world-wide 10 months ago, 51 of them in San Francisco & most of them in the world's large cities….New York, Chicago, Boston, Seattle, Auckland, London. Los Angeles opened its first four in the last few months. I have learned from my on-line research that it is proving to be extremely difficult to quantify the economic impact of parklets beyond what is usually a positive economic benefit to the sponsoring business. We have seen with Top Dog that even that benefit is not guaranteed. Both San Francisco and Los Angeles have founded committees seeking to develop and evaluate parklet data. There are as yet no scientific appraisals or established precedents to turn to for evaluation. No claims for what parklets may or may not accomplish have yet been proven by the test of time.

The on-line survey that the city came up with is well-intentioned but is a disappointment. The fact that it is on-line makes it inaccessible to residents who do not have a computer and/or are technologically illiterate. Many of those are older. Many have trouble walking far and/or on uneven sidewalks and are often challenged by Main Street's parallel parking. They complain about the parklet daily in Coalesce, have signed the petition and would, I believe, fill out the survey if they knew about it and had a way to respond. Several have asked if we would help them do so on our computer.

Some of my customers and friends have complained that the survey is biased. I agree with them for the following reasons:

a) Pictures should never be included in surveys. They affect attention and focus and can inflame or create bias.
b) There is no place in the survey for the moderate voice.
c) The comment boxes are barely visible and easily over-looked.
d) The questions are not impartially worded. For example, one of the answer choices for Question #7 is " I don't like it (the parklet) because it personally affects me negatively" The other answer choices are "I like it and I want it to stay" and "It really does not affect me one way or the other." What in the world does "affect me negatively" mean?
e) The parklet survey seems buried in other issues, questions and concerns

f) The survey is not well advertised. The best advertisement is on the Parklet itself, where multiple signs direct people to fill out the Morro Bay Downtown Revitalization Survey. This is clearly pandering to a certain set of responders.
g) The survey title is biased. Who wants to feel that they are against "Revitalization"?

In spite of these problems, the survey results are interesting. I enclose a copy current as of Monday, July 13th, 2015. On page 6/9, responders who say they don't like the parklet or don't like its location (45.34%) easily outnumber responders who say they like it (39.34%). This is the question/response that most interests me. I do realize it's not all about me, so I made copies so you have an up-to-date copy of the entire survey!

#6) <u>In Conclusion</u>:

The decision about this small piece of Morro Bay's future rests in your hands. Will we have parklets in Morro bay or will we not? Which answer would be best for our town. If the answer is yes, where would they best be sited? Could they better connect the downtown and Embarcadero? Would a pocket view of the bay be nice? Would a single parking space, like the Pismo parklet, be big enough? Should they be located off our busiest streets? What do surrounding businesses think and feel?

Or do we already have, unlike large urban cities, enough high-quality public space available in the form of gardens, patios and courtyards? Do we already put people first by providing spaces for comfort and interaction in a way that big cities cannot. Should we focus instead on aesthetic improvements and needed infrastructure repairs to downtown, such as new sidewalks, tree pruning, new and more trash cans, appropriately sited bike racks?

If Morro Bay opts to have parklets, it is my opinion that we will need a well-considered city-wide master plan and process, one that honors the democratic process by encouraging public input and dialogue, takes the temperature of the business community and deals with on-going parking problems before robbing precious parking spaces, especially from Morro Bay's busiest streets.

Mr. Buckingham has stated "Some business owners love the idea….four downtown business have asked for a parklet - now……

I would like to suggest that we give ours to one of them!!

Thank you so much for hearing my comments these many months, for reading through to the end of this letter, for being patient and respectful. I am not comfortable in the role of agitator . However this turns out, I will be glad to have it resolved

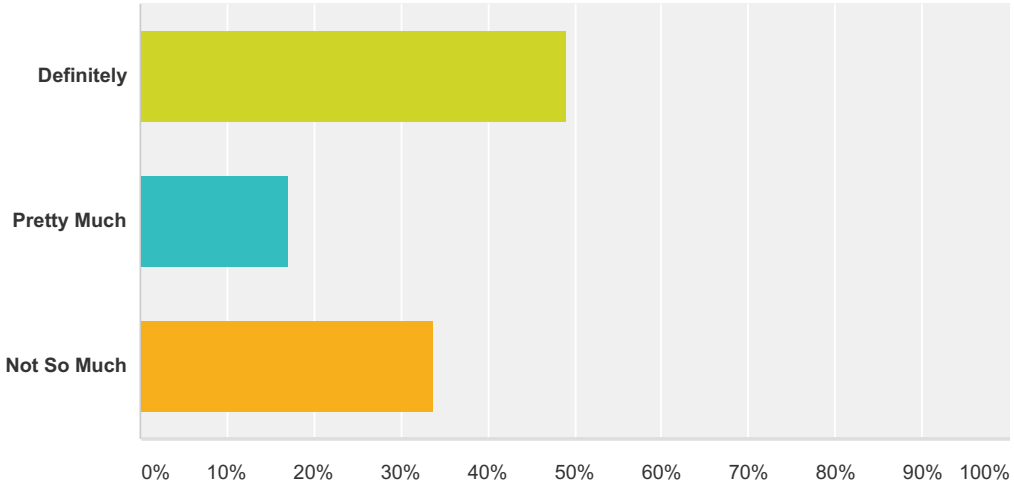
Standing by….

Linna Thomas

Linna Thomas
Coalesce Bookstore / coalescebookstore@gmail.com

Q1 Generally, in our main shopping districts, Morro Bay should work toward improving the pedestrian and bicyclist experience, even when that might mean drivers have to share the road more.

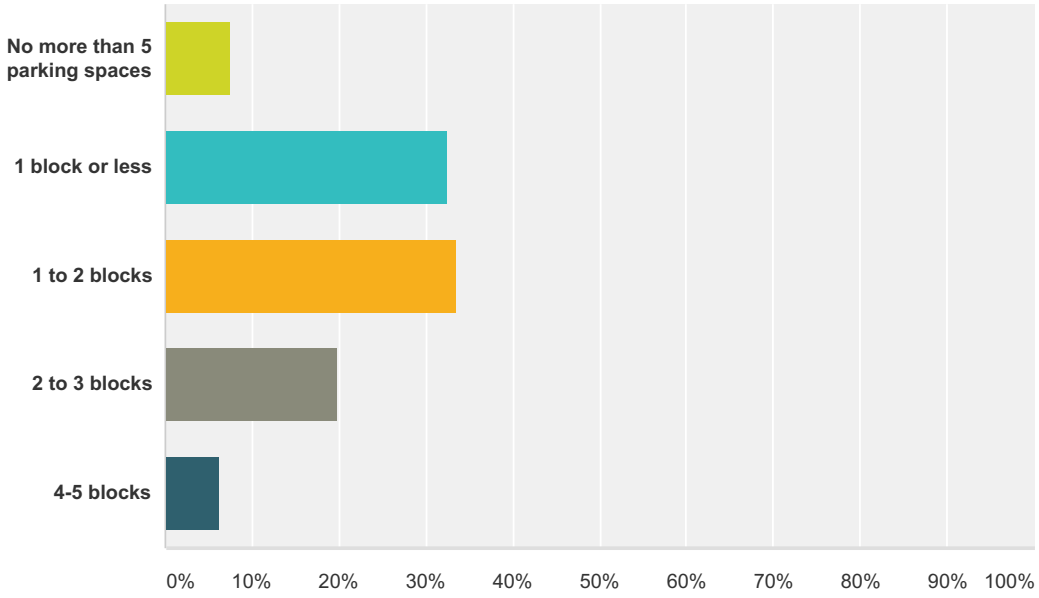
Answered: 688 Skipped: 43



Answer Choices	Responses	
Definitely	**49.13%**	338
Pretty Much	**17.15%**	118
Not So Much	**33.72%**	232
Total		**688**

Q2 How far is it reasonable for most local shoppers at most times of the day to walk from a parking spot to the store they want to get to?

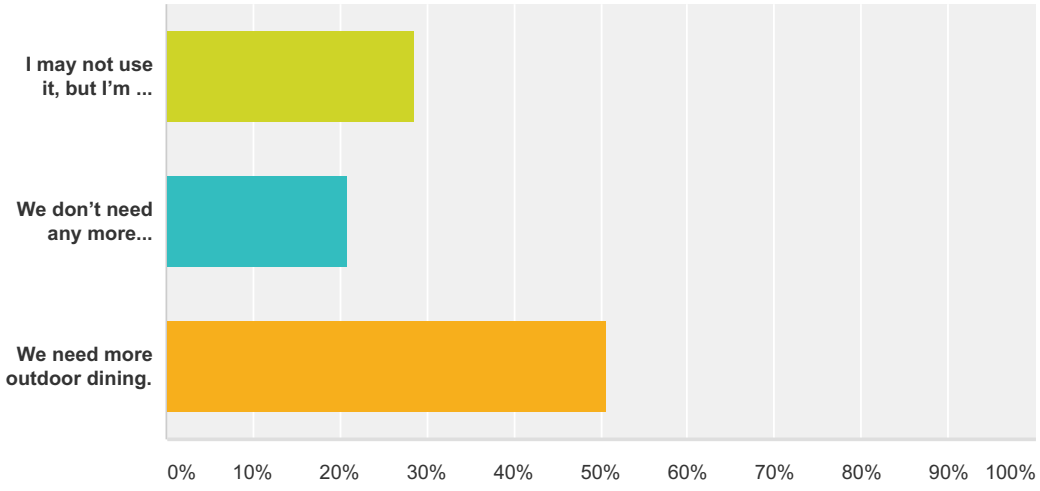
Answered: 712 Skipped: 19



Answer Choices	Responses	
No more than 5 parking spaces	**7.58%**	54
1 block or less	**32.58%**	232
1 to 2 blocks	**33.71%**	240
2 to 3 blocks	**19.80%**	141
4-5 blocks	**6.32%**	45
Total		**712**

Q3 What's your opinion of outdoor dining in Morro Bay?

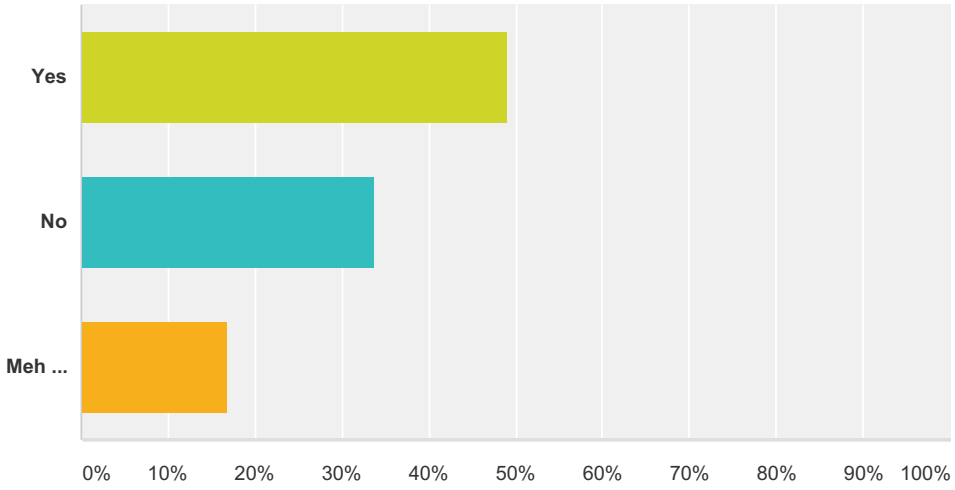
Answered: 691 Skipped: 40



Answer Choices	Responses	
I may not use it, but I'm not against having more outdoor dining.	**28.51%**	197
We don't need any more outdoor dining.	**20.84%**	144
We need more outdoor dining.	**50.65%**	350
Total		**691**

Q4 It would be great if Morro Bay had one or two downtown blocks for pedestrian-only shopping and dining zones.

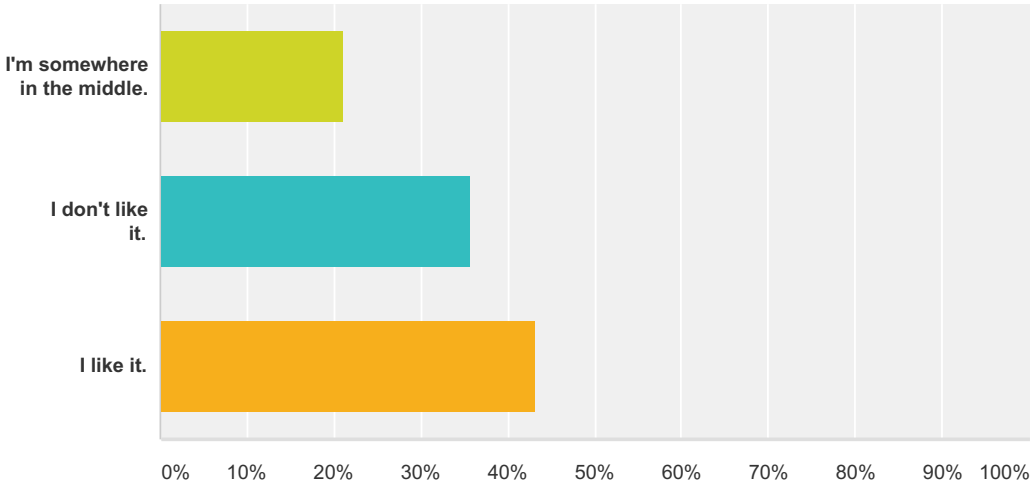
Answered: 702 Skipped: 29



Answer Choices	Responses	
Yes	**49.15%**	345
No	**33.90%**	238
Meh ...	**16.95%**	119
Total		**702**

Q5 What is your overall impression of the Parklet idea?

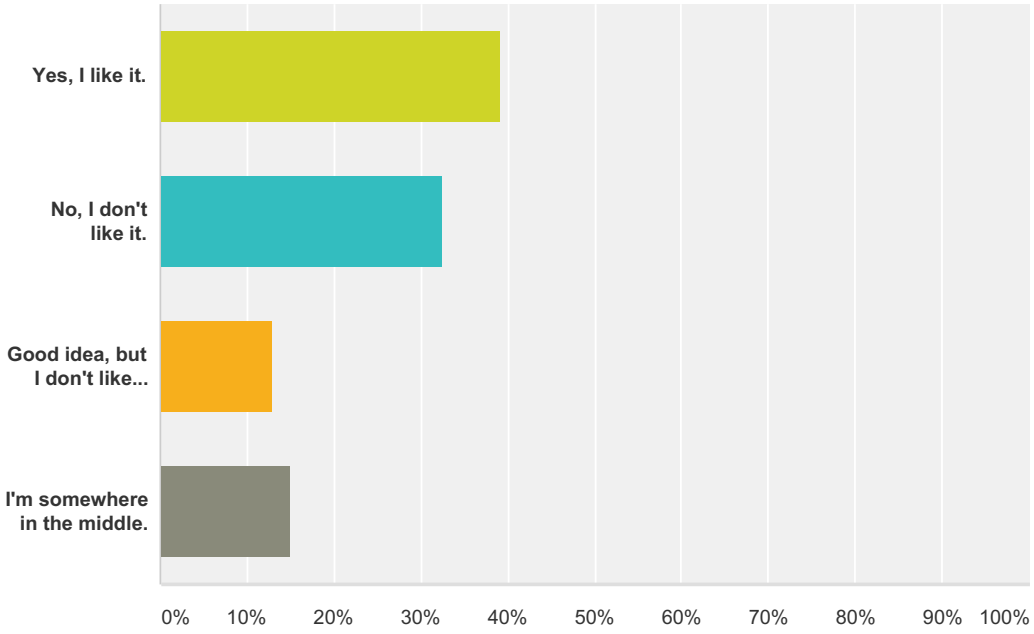
Answered: 708 Skipped: 23



Answer Choices	Responses	
I'm somewhere in the middle.	**21.05%**	149
I don't like it.	**35.73%**	253
I like it.	**43.22%**	306
Total		**708**

Q6 Would you leave Morro Bay's Demonstration Parklet where it is?

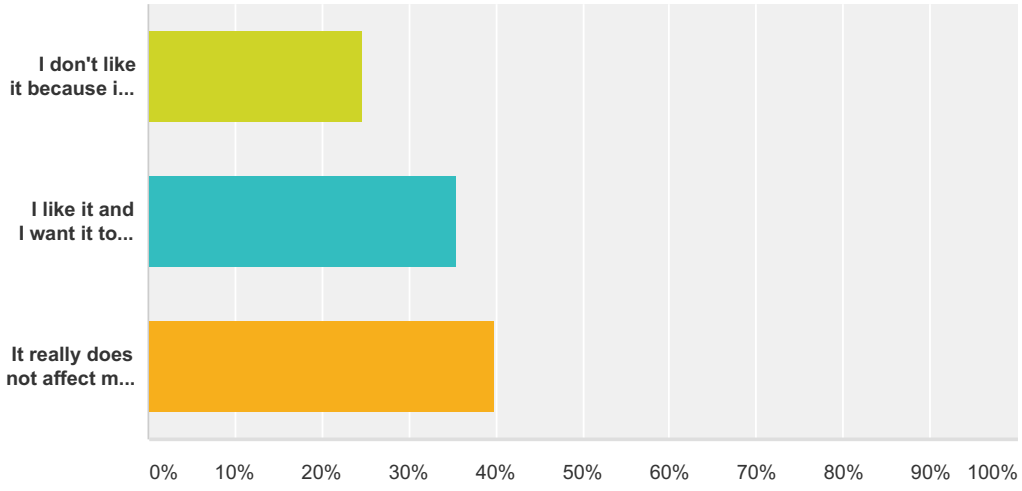
Answered: 698 Skipped: 33



Answer Choices	Responses	
Yes, I like it.	**39.26%**	274
No, I don't like it.	**32.66%**	228
Good idea, but I don't like the location.	**13.04%**	91
I'm somewhere in the middle.	**15.04%**	105
Total		**698**

Q7 This statement describes me and the Demonstration Parklet:

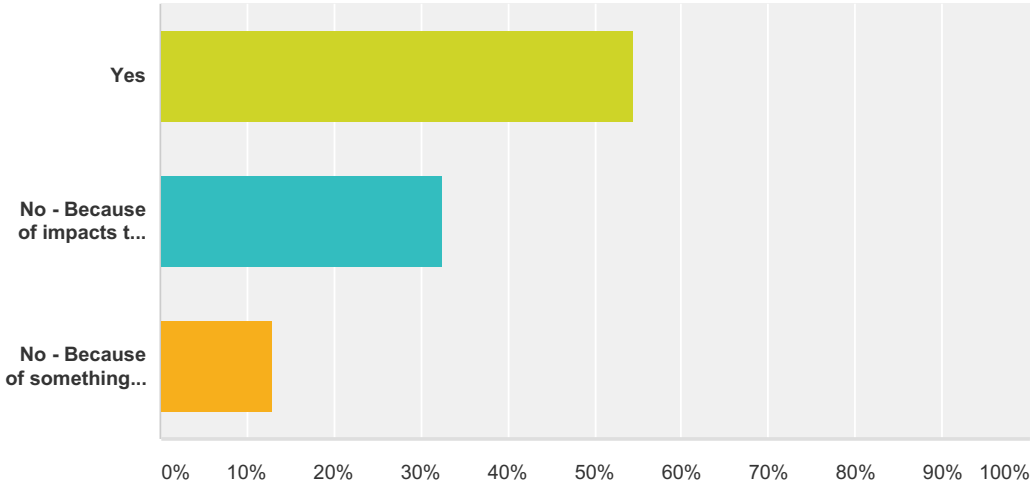
Answered: 636 Skipped: 95



Answer Choices	Responses	
I don't like it because it personally affects me negatively.	**24.69%**	157
I like it and I want it to stay.	**35.53%**	226
It really does not affect me one way or the other.	**39.78%**	253
Total		**636**

Q8 Respond to this statement: If adding a parklet allowed an existing business to expand their service to the community, and that business paid for the parklet, I'd be fine with Morro Bay developing appropriate planning guidelines that allowed for more parklets.

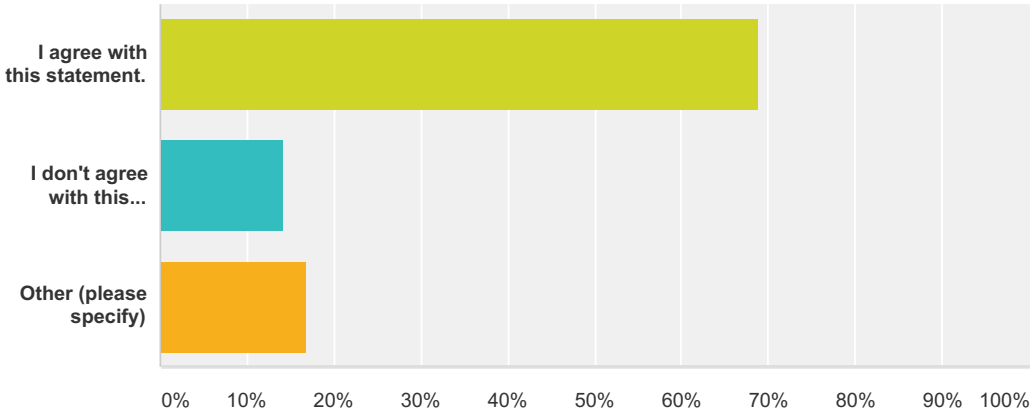
Answered: 696 Skipped: 35



Answer Choices	Responses	
Yes	**54.45%**	379
No - Because of impacts to parking.	**32.61%**	227
No - Because of something else.	**12.93%**	90
Total		**696**

Q9 Respond to this statement: If there was a way to do it, I think that improving outdoor dining, walking, and sitting space on the Embarcadero would be an improvement.

Answered: 723 Skipped: 8



Answer Choices	Responses	
I agree with this statement.	**68.88%**	498
I don't agree with this statement.	**14.25%**	103
Other (please specify)	**16.87%**	122
Total		**723**

City of Morro Bay Parking Update

Purpose / Background

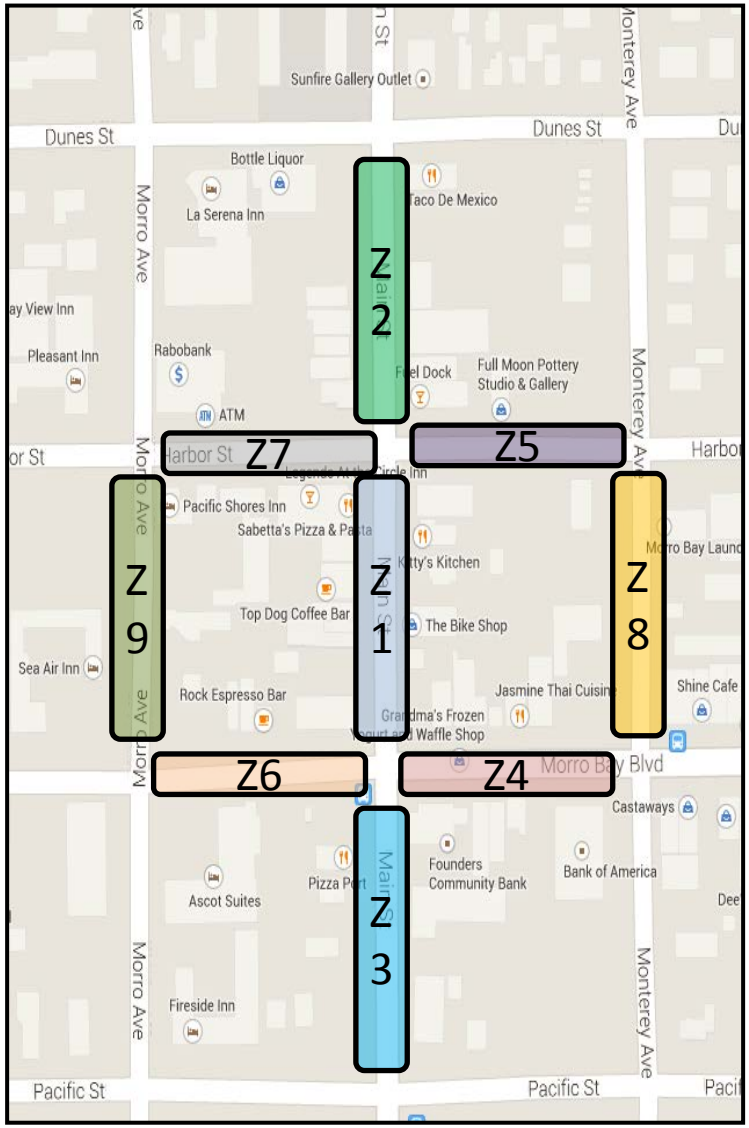
- Purpose: Provide a brief update on downtown parking.
- The City's 2008 Parking management Plan concluded:

The Plan's analysis of the Demand and Duration Surveys demonstrates that overall parking supplies are ***adequate within the Study Area***, but that some blocks within downtown and Embarcadero are approaching or exceeding maximum utilization (86%-100%+.) However, the Plan shows that these ***instances of critical demand occur only in a very few, isolated blocks and only for very short duration time periods (for only about a 1 hour interval.)***

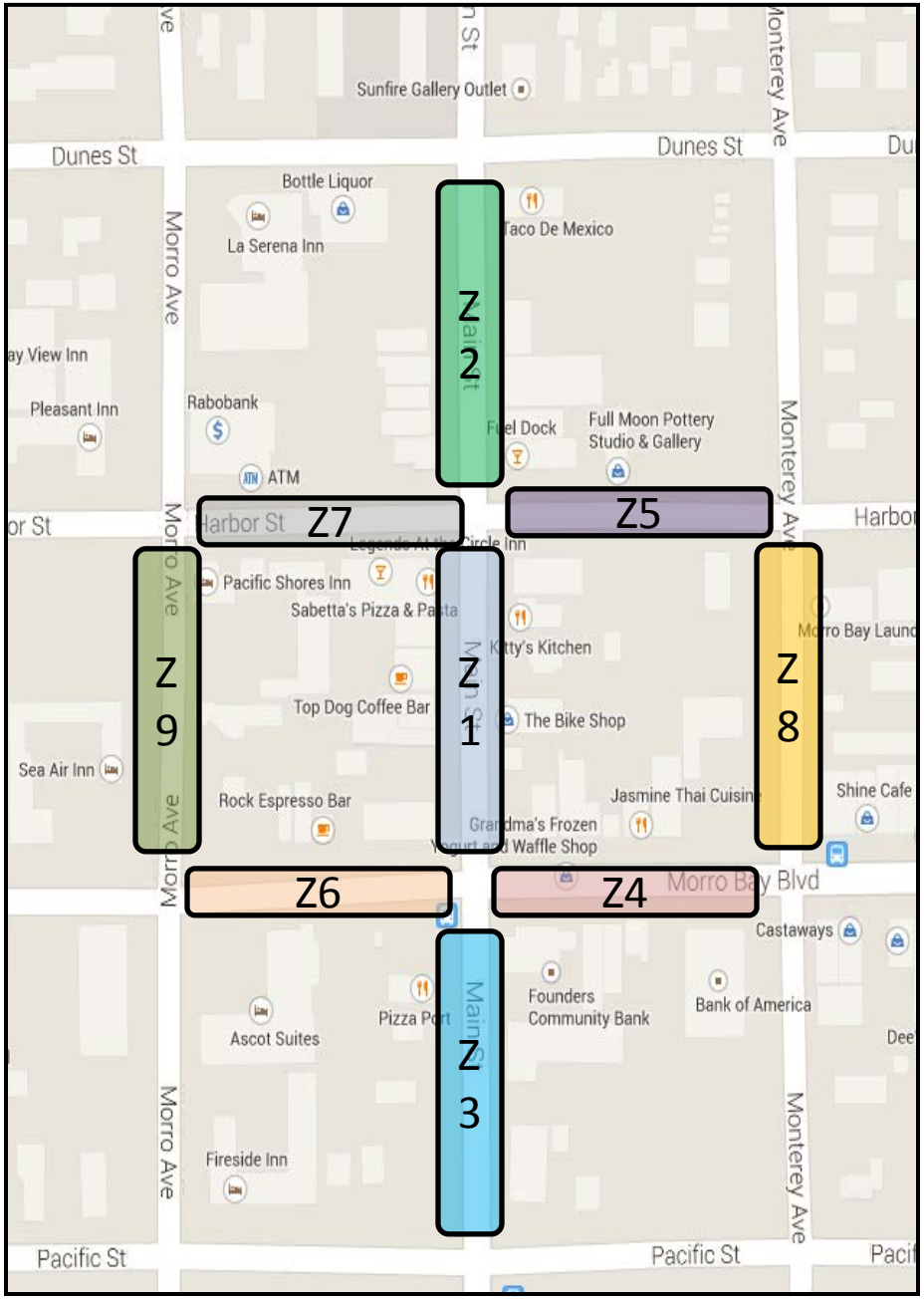
Said differently, ***critical demand is definitely not an area-wide concern covering large numbers of blocks, either for the downtown or for the Embarcadero***, nor is there any critical demand experienced in any block that exceeds more than a 1 hour interval.

Importantly the demand survey also shows that while there are these few isolated blocks experiencing critical demand for short time periods, there are also public parking spaces with less than and up to 85% utilization in areas that are ***only 1-4 blocks away from those blocks experiencing the short duration critical demand.***

Recent Analysis



- To determine if the 2008 demand study remains relevant, the City conducted a simple, but data-driven, seven month analysis of parking on nine downtown blocks.
- The City measured the number of open parking stalls on these blocks 7-8 times a day on 5 different days from December to July.



Monday, March 1, 2015

Time	Zone 1	2	3	4	5	6	7	8	9	Total
8:45	7	8	14	12	11	10	13	6	8	89
10:05	2	5	13	7	11	5	5	3	10	61
11:25	4	6	11	2	9	9	7	4	10	62
12:45	3	8	7	6	10	11	7	5	11	68
1:10	3	5	8	4	9	10	5	10	11	65
1:55	6	11	10	3	10	11	7	4	11	73
2:45	7	11	15	7	9	9	7	6	10	81

Friday, June 5, 2015

Time	Zone 1	2	3	4	5	6	7	8	9	Total
10:00	7	7	12	7	7	10	5	9	11	75
10:55	7	5	13	2	8	7	2	8	10	62
11:55	4	4	13	5	8	12	2	3	11	62
12:55	3	4	8	1	6	7	1	2	11	43
2:00	4	3	12	3	8	6	2	6	9	53
2:55	6	2	9	3	8	8	4	4	9	53
3:35	6	6	10	1	9	12	6	4	13	67
4:25	2	5	13	4	9	9	4	2	13	61

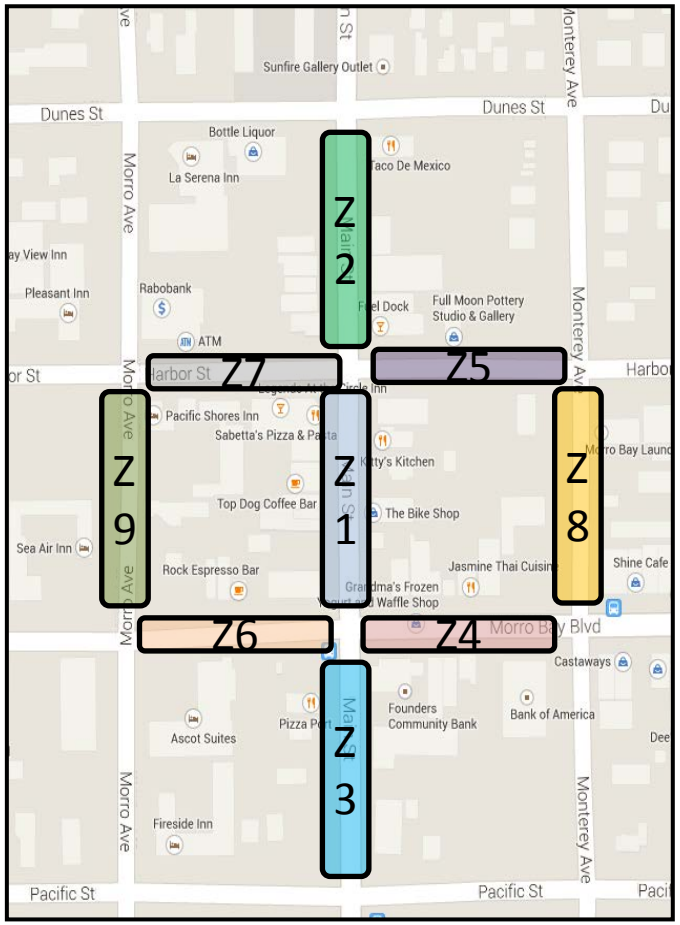
Friday, July 3, 2015

Time	1	2	3	4	5	6	7	8	9	Total
10:45	4	3	13	5	4	10	3	7	7	56
11:55	3	2	7	3	2	5	2	4	4	32
12:45	2	2	1	0	4	2	2	2	2	17
1:25	5	2	5	1	1	5	1	1	0	21
2:00	2	3	2	1	0	4	0	3	1	16
2:40	2	5	6	1	4	1	1	1	3	24
3:45	3	4	7	2	4	7	0	3	8	38
4:40	3	9	7	6	4	6	0	3	7	45

Downtown Parking Analysis

ATTACHMENT 5

Friday, July 3, 2015



Time	1	2	3	4	5	6	7	8	9	Total
10:45	4	3	13	5	4	10	3	7	7	56
11:55	3	2	7	3	2	5	2	4	4	32
12:45	2	2	1	0	4	2	2	2	2	17
1:25	5	2	5	1	1	5	1	1	0	21
2:00	2	3	2	1	0	4	0	3	1	16
2:40	2	5	6	1	4	1	1	1	3	24
3:45	3	4	7	2	4	7	0	3	8	38
4:40	3	9	7	6	4	6	0	3	7	45

Arguably the busiest work day of the year to complete our downtown parking re-assessment.

Morro Bay extremely busy with a large visitor load, and many residents out and about preparing for the July 4th holiday.

The assessment was made at 8 different times between 10:45am and 4:40pm.

There was an average of 31, and never less than 16, open parking spaces in the nine identified zones during each measurement.

There were an average of 3 open parking spaces in zone 1. Zone 1 always had at least 2 open spaces.

Zone 6, 7 and 9 were far busier then in 4 previous assessments do to “overflow” Embarcadero parking.

Parking Update

The City has already begun to take action to improve parking:

- The City marked Harbor, Morro Ave and other streets.
- The City opened the Triangle Lot adjacent to the MBPP – about 100 spaces serving the Embarcadero.
- Remarking Market near the Sun- Bulletin building is next.

Parking Update

- Anticipating future growth, the City wants to partner with businesses and residents to further improve parking supply and turnover. Some areas of focus include:

  1. Remarking parking stalls on certain streets, including possible angle-in parking and center lane parking.

  2. Improving turnover through enforcement and or paid parking on certain busy streets.

  3. Acquiring or encouraging one or more parking lots serving the downtown.

- The City intends to begin a more in-depth conversation on parking this fall.

City of Morro Bay Parking Update

City of Morro Bay

Morro Bay, CA 93442
(805) 772-6200
www.morro-bay.ca.us

December 1, 2014

Memorandum for Information

Subject: Pilot *Parklet* Project

1. The City of Morro Bay is considering a pilot project to install a "parklet" at an appropriate location on Main Street in the downtown section of Morro Bay. The purpose of this memo is to provide a little background information, and the way ahead.

2. Many downtown businesses, and community leaders, want to see the downtown area of Morro Bay "revitalized" – to be more retail and restaurant friendly, and to attract more visitors and thus more business. The City supports these interests - and downtown revitalization will be a key part of the upcoming General Plan / Local Coastal Plan planning process.

3. While the GP/LCP update will take several years, our Local Economic Action Plan (LEAP) process recently identified "*parklets*" as a proven method – used in other California cities and across the country - to help transform / revitalize business districts to be more pedestrian friendly – and to grow the volume of business in those areas. *Parklets* provide an appealing space for shoppers and residents to congregate, rest, meet and in many cases have a snack / drink.

4. A *parklet* is a small park / public space created by incorporating 1-3 existing parking spaces into the sidewalk as part of the public / pedestrian right of way. While the loss of 1-3 parking spaces can be concerning, most

cities have found that *parklets* measurably increase pedestrian traffic (by providing an inviting "park" in the downtown) and increase business not only by increased traffic but also due to pedestrian lingering and "unplanned purchases". This link describes the economic benefits in reasonable detail:
http://www.citylab.com/design/2014/10/3-ways-turning-parking-spots-into-parklets-help-businesses/381390/

5. In order to test the *parklet* concept in Morro Bay, the City is planning a pilot *parklet* project on Main Street. This is a six-month pilot and at the end of six months the city will:
   a. Remove the *parklet* and restore the parking spaces; or,
   b. Keep the pilot *parklet* in place and, using the Planning Commission and City Council process, consider formalizing a *parklet* system that may allow business owners and / or the City to create additional *parklets*.

6. The pilot *parklet* is planned for the middle of the block on the west side of Main Street between Harbor St and Morro Bay Blvd. The *parklet* will:
   a. Provide 300 square feet of outdoor park space / seating.
   b. Provide 10+ new dedicated spaces for bicycle parking.
   c. Provide 2 new dedicated motorcycle parking stalls.
   d. Provide patrons at adjacent businesses a place to sit down with a book, a cup of coffee, or just to rest.

7. The City of Morro Bay recognizes that parking is a measurable challenge in parts of the City and we are actively pursuing plans to address parking issues. For example:
   a. In Janaury 2015 the City will receive ownership of the "triangle" parking lot from Dynegy and intend to open over 150 spaces of new parking by the end of March.
   b. The City is reviewing the 2007 parking management plan, one that was never acted on, with an eye to implementing some of those recommendations in 2015.
   c. Also in 2015, the City is working to institute angle-in parking, instead of parallel parking, on a number of wide city streets, a project that will increase available parking by 30-40% on those streets.
   d. The City is actively studying other methods to increase turnover in parking stalls and will consider the acquisition of additional parking in the downtown area.

8. We look forward to input, especially from our downtown business community, on downtown revitalization in general and this pilot parklet in particular.

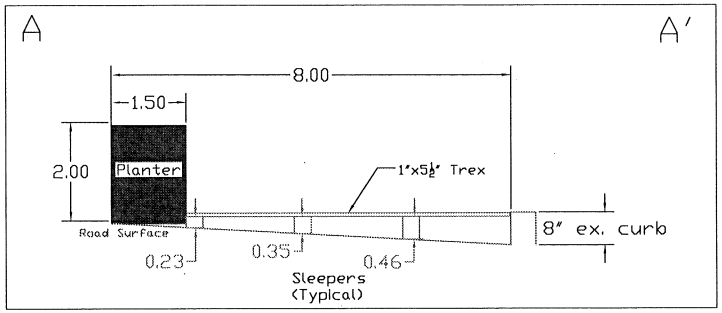
David Buckingham, City Manager

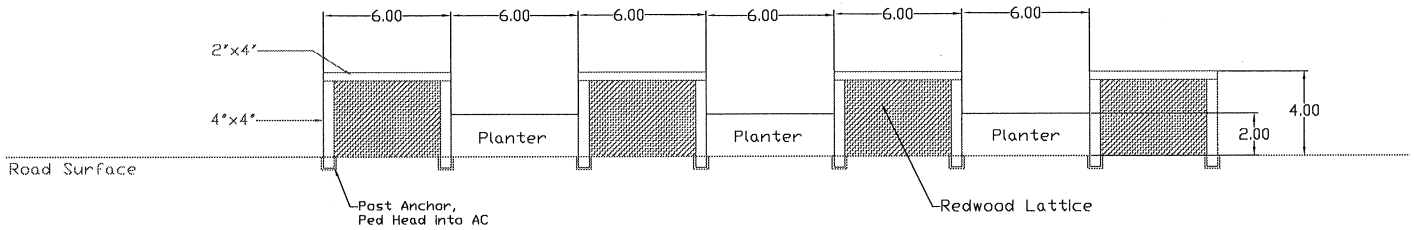
1 Encl. – Main Street Pilot Parklet Diagram

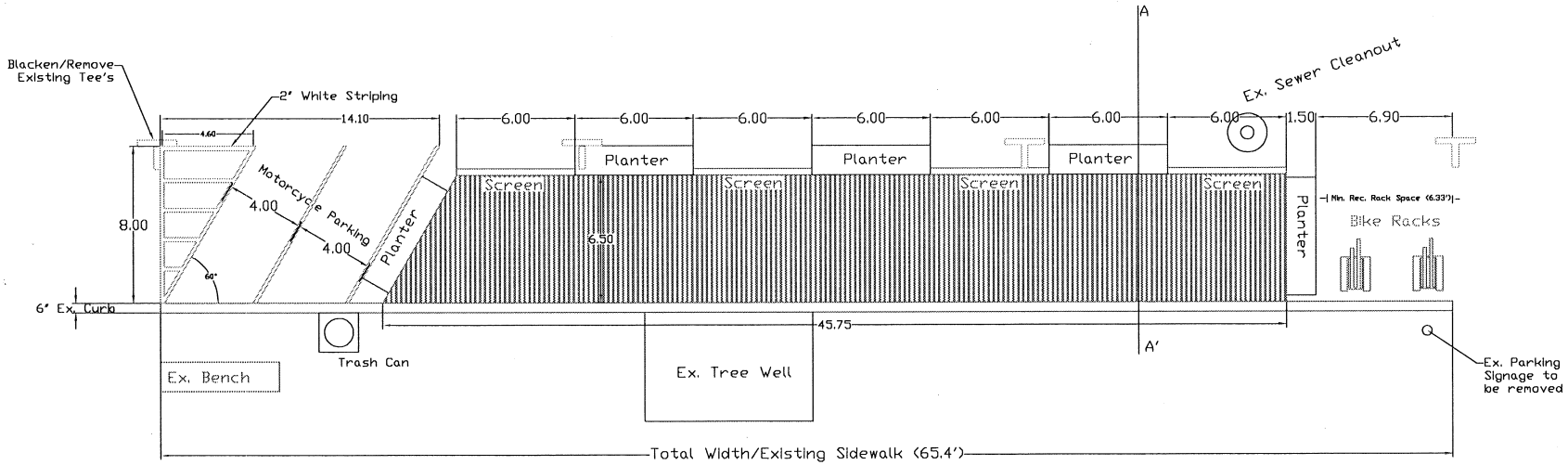
City of Morro Bay

Main Street Parklet

All Dimensions in feet unless noted.



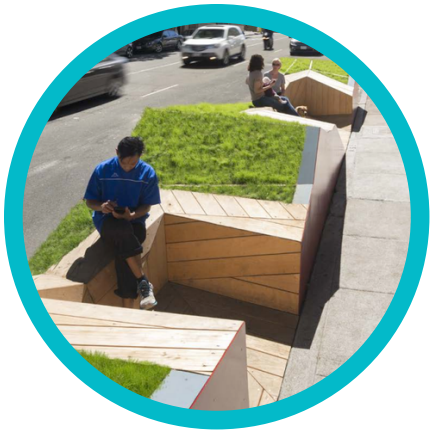




Summer Cottage	Beads	Top Dog	Coalesce

ATTACHMENT 6

ATTACHMENT 7



Parklet Feasibility Study

For the City of Raleigh

FINAL REPORT
Adopted 11/5/13

RALEIGH URBAN DESIGN CENTER
An Office of Planning and Development

PAGE 2

Project Background
-
Tactical Urbanism
Parklet Definition
Introduction into Raleigh

Chapter 1: Executive Summary

PAGE 2

Goals & Methodology

PAGE 8

Summary of Results
-
Staff & Public Concern
Best Practice Solutions

PAGE 6

Applicable Data for Raleigh

PAGE 9

Precedent Study
-
San Francisco, Philadelphia, Chicago, Oakland, New York, & Long Beach

Chapter 2: Best Practices

Peer City Data
Process
Site Criteria
Design Regulations
Guidelines
Fees

PAGE 22

Process Recommendations

PAGE 23

Regulation Recommendations

PAGE 24

Potential Site Criteria for Raleigh Parklets

Chapter 3: Solutions for Raleigh

Appendices

A. Bibliography - Page 25
B. Survey Results - Page 26
C. Feedback Questions & Responses - Page 29

Acknowledgments
-
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Mohsen Ghorveh, Researcher

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Planning & Development Department
Parks & Recreation Department
Public Works Department
City Attorney's Office

Cover Image

San Francisco
Post Street
Photo Credit: Scott Shepherd, Lab Blogs

Los Angeles
Spring Street
Photo Credit: Sam Lubell, Architect's Newspaper

Chapter 1: Executive Summary

Original Park(ing) Day Set Up
Source: Rebar Art & Design Group

Project Background

The small interventions of *tactical urbanism* are hardly new. The terminology for this type of urban design activity is freshly minted and gaining traction in many cities. These small scale, experimental, community-led efforts are primarily in response to a desire for improving the public realm without waiting for large, expensive public improvements.

Some of the common types of tactical urbanism include guerrilla or community gardening, open streets, temporary street markets, pop-up public art, food trucks, street fairs, mobile vendors, street entertainers, guerrilla way finding, and temporary retail services in small spaces. As these interventions become more common and more accepted, cities are working with advocacy and community groups to make such public realm improvements possible through a streamlined process.

One of the most recent widespread conversions from active citizen level to adopted public policy is that of turning underutilized right-of-way spaces into miniature parks or plazas.

In 2005, the Rebar design group of San Francisco decided to take a hands-on approach to improving the public realm. When the amount of sun would be just right, they paid a parking meter for 2 hours of use, rolled out sod, set up bench and tree in a planter, and roped off the street then set back to see what would happen. The area they selected was lacking in public open space and greenery and soon people were flocking to this parking-space sized park.

With the amount of attention their actions that day received, they were able to launch a campaign called Park(ing) Day across the nation, which soon also spread across political boundaries and oceans. This annual event grew so rapidly and the achievements were so in tune with what cities were seeking and able to accomplish, that in 2010, the first municipality created a pilot program to encourage a more permanent version of these small parks. The City of San Francisco coined them parklets.

Parklets are curb extensions that provide room for fixed and movable seating, plantings, art work, and activities all within a couple of underutilized parking spaces. They are designed to be long-lasting, but to work with the ever shifting nature of cities, they are created to be easily removed, stored, or repurposed. The City's main purpose in adopting a policy was to make these small interventions more permanent, adaptable, and to have a clear process to follow no matter the outcome.

Parklets were first introduced to the City of Raleigh in May 2013 when an active citizen who had experienced San Francisco's parklets presented the idea to the Technology and Communications Committee. This citizen recognized the opportunity for her hometown to have such spaces that are created by a partnership between interested businesses and local non-profits. Members of the City Council considered the idea and requested that City staff look into the feasibility of adopting a parklet policy in Raleigh.

Goals & Methodology

This report seeks to outline the process, regulations, and features of cities that have adopted parklet programs in order to determine how parklets could align with Raleigh's long term objectives. This precedent study can be found in Chapter 2. Information from these peer cities also help to provide possible solutions to concerns and questions that have arisen from staff and citizens. These are organized recommendations in Chapter 3. This chapter also lists applicable criteria for site selection which may be used to determine where a pilot parklet project may occur.

Information for this feasibility study was gathered through literature review (see Appendix A: Bibliography), a public survey presented following an informational meeting on July 25, 2013 (see Appendix B: Survey Results), and from open-ended questions discussed in small groups at the informational meeting (see Appendix C: Feedback Questions & Response).

Summary of Results

At the launch of the feasibility study, a collection of questions and concerns were gathered from an internal team spanning the various City departments. Most of the concerns revolved around process, regulations, and roles and responsibilities. During the public debriefing and feedback session, most of the questions that arose were about dealing with perception and appearance.

During the public debriefing and feedback session, most of the questions that arose were about dealing with perception and appearance.

The study of precedent parklet pilot programs shed light on potential solutions to the wide variety of issues.

Process

- Pilot programs were typically initiated through a combination of the success of Park(ing) Day, citizen and business expression of interest, and city support for improving urban public spaces.
- Parklet proposals can be submitted by Business Improvement Districts, Central Business Districts, Community Advisory Councils, non-profits, community organizations, schools, private citizens, and of course property or business owners.
- Permitting typically occurs through an existing permit program such as street closure, sidewalk cafe, or minor encroachment. Other binding methods used include maintenance agreements, occupancy agreements, and temporary licensure or leases.
- In cases of emergency or predictable inclement weather, the parklet operator is required to remove the parklet and store it off site. Parklets are not typically removed during special events on the street such as festivals and parades.
- Every city researched has an established public process to ensure parklet permit applicants involve neighbors and local community as early as possible. Some cities also took the precaution of notifying the general public who might visit the area through a public notice period, after which a public hearing is held.

Regulation

- Most cities have multiple fees (e.g. application, permit processing, meter removal, loss of parking revenue) administered at various stages of creating a parklet to ensure quality control, fees range from $0 - $3,000.
- Most cities prefer that parklets be located outside of the highest demand parking areas to avoid conflict. Where metered parking is removed to accommodate a parklet, a nearby metered parking space must be created or else operators are often required to pay for loss of parking revenue. (In Raleigh, this revenue would be $2,155 - $2,700.)
- Nearly every city requires a parklet be open for public use. The exception is Long Beach where it is up to the discretion of the business owner to allow members of the public to be on the site without making purchases.
- Cities are split on whether a licensed professional is required to produce designs and administer construction. Where licensed professionals are not required, cities have outlined design standards to ensure structural and safety requirements are met and the final designs are reviewed by a city engineer.
- Most cities do not allow for advertisement or commercial signage. However, San Francisco states that a small, tasteful plaque recognizing project sponsors and material donors is completely acceptable. At least one city requires all signage to be reviewed by their Arts Commission.

Roles & Responsibilities

- Parklet proposals should include a completed application form, initial site plan with context, photos of the site and surroundings, initial concept description and sketches, approval from property owner, and evidence of neighborhood outreach and support.

- Typically either the Planning Department or Transportation Department is responsible for administering the program, *reviews are conducted in collaboration* with various other departments including Public Works, the Mayor's Office, Building Inspections, Utilities Department, Community Development, Fire and Police Departments, and City Council.
- *Maintenance* is always the responsibility of the parklet operator and includes everything from day-to-day cleaning and storage of movable furniture to seasonal duties such as replacing plantings and power washing below the platform.
- Parklet operators are required to have and maintain *liability insurance* indemnifying the city or naming it as co-insured. Typical coverage amount is between $1 and 3 million.

Perception

Parking availability

Raleigh is not the only city with the perceived notion that there is not enough parking in downtown. While Raleigh has a particular abundance of parking located in the plethora of downtown parking decks, visitors to Raleigh are especially prone to missing these tucked away deck entrances or complain about the higher price (compared to on-street parking).

- While the peer study only revealed that there are other cities with similar issues, there were no recommendations or solutions.
- Ideas that came out of the small group discussion include increasing media coverage, providing information on parking decks, incorporating wayfinding signage at parklets, and prohibiting parklets on Fayetteville Street and limiting it in the Fayetteville Parking Zone.

Demand for parklets

There is some question among the public as to whether or not there is enough demand for parklets in Raleigh at the moment. Coupling the abundance of plant life and parks scattered throughout the city, some wonder if parklets are necessary.

- Most cities that have adopted a policy in parklet state a preference for locating parklets that currently lack public open space or in locations where sidewalk widths are too narrow to accommodate the multiple uses of urban sidewalks with busy frontages.

Physical safety

Citizens are concerned with placing a parklet next to moving traffic, especially as there used to be a buffer of parked vehicles between the traffic and the sidewalk.

- All existing parklet policies state a maximum speed limit of 25 mph as a site criterion (streets with higher speed limits are considered on a case-by-case basis, one interpretation of that may be that actual speeds are closer to 25 mph than the posted limit).
- Cities have created a policy to allow a maximum width of 6 feet for a parklet to ensure it's set closer back to the sidewalk than surrounding parallel parked cars.
- Additional safety precautions seen in some instances include flexible, reflective bollards and wheel stops. Designs are often encouraged to incorporate railings and planters to keep people out of the street and withstand some level of impact.

Keeping parklets public

There is concern that passersby and restaurant staff will have the perception that an retail-adjacent parklet is for patron use only.

- To avoid this situation of mistaken perception, some cities stipulate that movable furniture in the parklet should be distinct from an adjacent restaurant's outdoor dining sets.
- Nearly every city requires a standard sign that displays that the parklet is for public use and any other rules that apply.
- If the rules for keeping parklets open for public use are broken, the city has the right to require the parklet removal as it is a breach of contract.

Parklet Sign San Francisco
Source: Frank Chan, 2011

Appearance

Maintenance

Maintenance was the highest ranked and most mentioned concern during the public feedback session. The concern is that the parklet operator may neglect upkeep and the parklet could quickly become a problem.

- Maintenance is always the responsibility of the parklet operator; if an operator is failing at this, the City has the right to remove it at the cost of the operator.

Vandalism, Vagrancy, & Panhandling

Besides maintenance, these issues were of upmost concern to the general public surveyed during the public feedback session. The concern is that unwanted behavior will occur in these mini parks.

- Most of these issues are prevented by locating parklets on active streets with an invested business frontage with regular hours operating the park. This allows for monitoring what's going on in the parklet.
- The design can help counter problems by ensuring that there are clear views into the site from the street and by selecting durable materials.
- Any forms of vandalism must be taken care of immediately by the parklet operator to keep the site attractive and well maintained
- All of these behaviors are considered public nuisances and may be brought to the attention of law enforcement officials.

Additional Public Feedback

In addition to discovering the public's initial concerns, the July 25 feedback session collected input on what were the most important and applicable site criteria, design regulations, guidelines, fees, and community involvement process.

Site criteria

The survey participants felt that locating a parklet on a street with *high amounts of pedestrian activity* was the most important site selection criterion. Other high ranking criteria included:

- Where there is strong community support
- Near high-density residential development
- Low vehicular speed

Design regulations

Participants felt that regulation should only deal with safety of the structure and accessibility. They did not want to see regulations that were too prescriptive in a way that would hamper creativity. Additional feedback included:

[The public] did not want to see regulations that were too prescriptive in way that would hamper creativity.

- Licensed professionals should only be required on a case-by-case basis for more elaborate designs that might bring up concern such as structural features, safety issues, or where drainage might be complicated.
- Incorporate plantings and landscaping into the design and utilize high quality, durable materials.
- Sponsor and donor recognition on a small, tasteful plaque that also met code seemed acceptable to the general public.

Design guidelines

Feedback from the public meeting revealed that the provision of seating, both fixed and movable, was the most important design guideline presented. Creating a space that felt inviting and open to the public was a close second. Providing landscaping and visual permeability to the site were also important guidelines to consider.

During the open-ended feedback session a few other guideline ideas were expressed, including:

- Building in opportunity for activities for both children and adults (games like bocce ball and shuffleboard).
- The design should fit within the architectural character of the surrounding area.

Fees

The general feedback regarding fees was that they should be at the low end to encourage the development of a parklet system within Raleigh. Once parklets became more popular, then fees could increase accordingly. There might be an opportunity to distinguish fees between a pilot project and a parklet program.

Community involvement

There were many ideas on how to involve the public in the parklet project and how to gain support from the community. There was also some concern that there are sometimes situations where one nay-sayer ends a project where the majority wanted to see it come to fruition. Whatever the end process, the public wanted to avoid that situation.

climate over a year: average temperatures (low-high): 32-89 °F • 5 in. of snow • 45 in. of rainfall • 103 days of rain • 213 days of sunshine

2000 Population: 276,093
2010 Population: 403,892
46.3 % Population Increase
142.8 Square Miles of Land
2,828 People/Square Mile

Draft Parklet Process & Guidelines

Based on the summary of information from this research, a draft framework for a Raleigh-specific parklet policy is recommended for review.

Application Process & Elements:

The City staff recommends adopting a pilot project program that would open up a "Call for Parklets" to businesses, community organizations, or local non-profits but require the primary permit holder to be the parklet site's adjacent business or property owner. The submitted proposal should contain the following information:

- Completed application form
- Basic site plan (scaled drawing of the parklet footprint in relation to context)
- Photos of existing site showing surroundings
- Initial concept description (purpose, vision, features, and sketches)
- Signed approval of property owner
- Evidence of local community outreach and support

Site Selection Criteria:

- Speed limit posting of 35 mph or less
- Existing pedestrian activity in the area due to presence of retail, mixed use, and commercial development
- Surrounding land use that are conducive to heavy pedestrian traffic (retail or high-density residential)
- Limited to the downtown area or adjacent pedestrian overlay districts (in the Pilot Phase)
- Prohibited on Fayetteville Street and limited within the Fayetteville Parking Zone, in front of driveways, at street corners, along steep slopes, above manholes and other utility access, in front of fire hydrants, where there is programmed street improvements or resurfacing to occur in near future, in bus lanes, in loading zones, too close to other parklets, in disabled parking spaces, on NCDOT roads, or on bridges

Design Requirements:

- Create buffers between adjacent parking spaces and the street
- Reflective elements at parklet corners
- Wheel stops between adjacent parallel parking space and parklet
- Set back from driveways and intersections
- ADA accessible
- Donor and material sponsor signage permitted with size and content standards
- Must be open to the public with supporting signage
- Design for easy removal
- Meet safety requirements but be creative
- Operator must carry at least $1 million liability insurance coverage and be required to submit proof of insurance quarterly
- Must not impede curbside drainage

Design Guidelines:

- Visual connection to the street
- Fixed and movable seating
- Plantings with year round interest
- Bicycle parking is encouraged
- Use of local, sustainable materials

Applicant Responsible for Maintenance

$1 Million Liability Insurance Coverage
(City named co-insured)

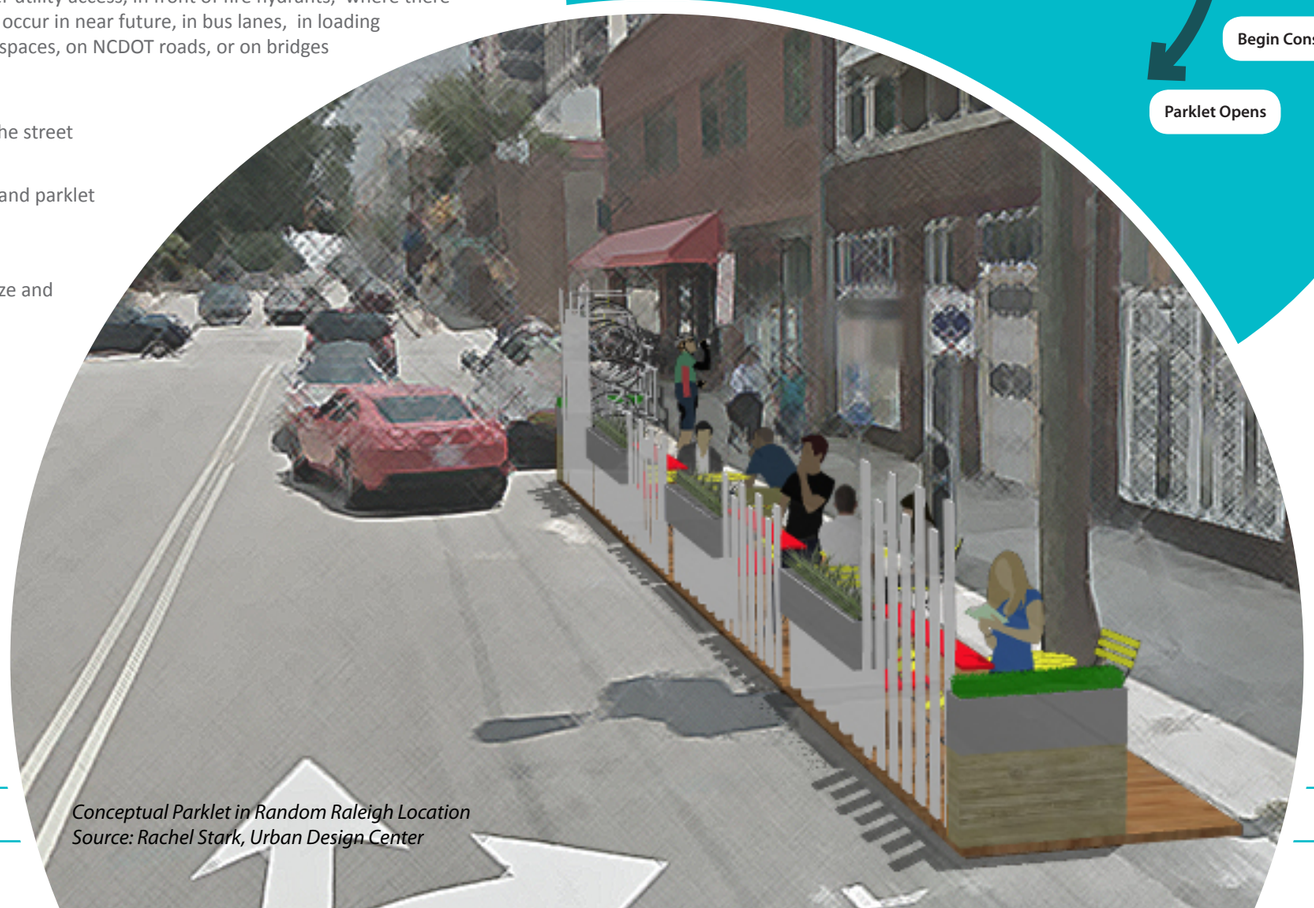
Licensed professional **is** required for design and construction

City Departments:

Recommendation: The parklets program should be administered by the departments currently involved in the review of minor and major encroachments

Major Encroachment Process
Minor Encroachment Permit

Fee Type to Consider	Frequency	Amount
Application fee	Once	$100
Major encroachment agreement	Once	$70
Permit fee/renewal	Annual	$150
Recaptured parking revenue from lost metered spaces	Annual	$2,155 (minimum)
Metered space relocation		
Site and construction inspection		



Conceptual Parklet in Random Raleigh Location
Source: Rachel Stark, Urban Design Center

In an attempt to gauge initial public interest and thoughts on parklets, several survey questions were given following the informational and feedback session.

General acceptance of parklets

The overwhelming majority of participants would like to see parklets in Raleigh (79%). A few people were still undecided on their opinion (17%) and a small minority (4%) said they would not want parklets in Raleigh.

Participants mostly felt that increasing pedestrian activity was the most important benefit of having a parklet (51%). Other benefits perceived to be of importance include encouraging social interaction, providing a place to sit and relax, and expanding the public realm.

Most people would like to see parklets in Downtown Raleigh (54%). Some people would like them to be located throughout the city wherever it was appropriate (20%). Others think they would work on Hillsborough Street (17%).

One surprising result of the survey was that the majority (52%) thought that parklets should be both public and private with the remaining wanting them to be public only.

52% [of survey participants] thought that parklets should be both public and private.

Attaining Comprehensive Plan Policy Goals

Parklets achieve several goals found within Raleigh's Comprehensive Plan regarding urban design. Listed here are applicable policies and what parklets do to meet that specific goal.

Policy UD 2.7 Public Open Space (page 239)

Parklets are functional places that provide both a focal point and a gathering space for the surrounding community.

Policy UD 4.1 Public Gathering Spaces (page 242)

Parklets activate the streetscape and correspond to adjacent retail uses. They enhance the public realm by providing more accessible space within the public right-of-way.

Policy UD 4.2 Streets as Public Spaces

Parklets are scaled for pedestrian use.

Policy UD 4.3 Improving Streetscape Design

Parklets enhance the appearance of the street by providing variety to the surface materials, additional landscaping, and street furniture.

Policy UD 4.5 Improving the Street Environment

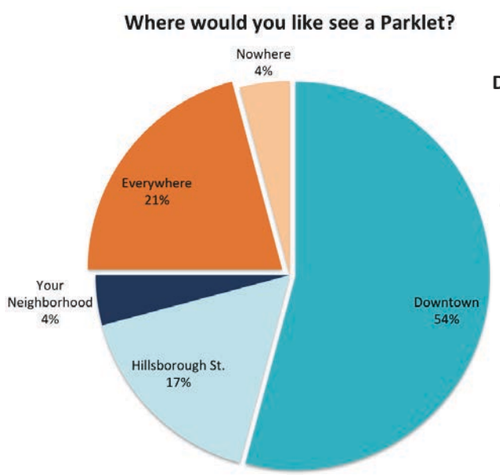
Parklets promote desirable street activities and make walking more comfortable and convenient.

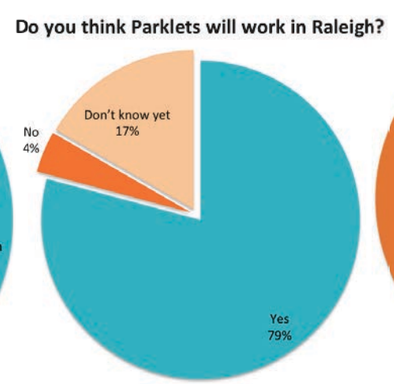
Policy UD 4.6 Activated Public Space (page 243)

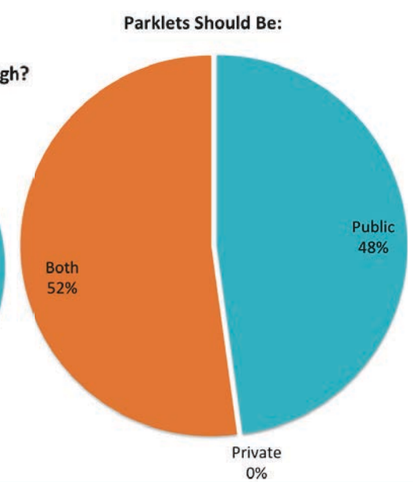
Parklets are spaces that stimulate pedestrian street life and provides a focus for community activities. They often corollate to adjacent shop fronts and outdoor dining.

Policy UD 4.8 Private Sector Public Space Improvements

Parklets are provided by the private sector for public use.







Chestnut Street, Bellingham, WA
Source: Jason Byal, Sustainable Connections

Precedent Study & Initial Questions

In order to arrive at the recommendations presented in the previous chapter, a precedent study was conducted on cities that have instituted parklet projects throughout the United States. The data collected in the following pages came from a focused effort to gauge social environment, understand the permitting process, and evaluate critical regulations.

This project began with an internal kick off meeting in the City of Raleigh where representatives from various departments met and discussed the opportunities and concerns regarding the possibility of adopting a parklet program for Raleigh.

These concerns were noted and used as a foundation for assimilating information from the various precedent cities. The questions raised are:

1. Who can submit a parklet proposal?
2. What should be included in the proposal?
3. What City departments are involved in reviewing proposals and designs?
4. What types of permitting are used?
5. Are there fees? If so, how much?
6. How were parklet pilots and policy initiated?
7. Are parklets for public or private use? Or both?
8. Does the City require a licensed design professional to seal parklet designs and a licensed contractor to build the parklet?
9. What happens to the parklet in case of a special event or need for emergency access?
10. How is the parklet maintained? Who is responsible?
11. How does the City deal with displaced revenue from parklets located in metered spaces?
12. How is the public involved? Is there a citizen denial process?
13. How is liability addressed? Is insurance require? If so how much and who is responsible?
14. How do cities deal with sponsorship? Can signs be used to promote the sponsor or is it considered advertisement and not allowed?
15. What is the overall parklet permitting and building process?
16. What are some of the site criteria used?
17. What are the design regulations?
18. What are some of the design guidelines?

Using these questions, as well as various factors that may influence the success of parklets (such as climate and population density), a collection of data from other cities was organized to help inform the City on how to address these initial concerns and move forward in developing a stance and approach to the idea of hosting parklets in Raleigh.

SAN FRANCISCO, CA

climate over a year: average temperatures (low-high): 42-71 °F • 0 in. of snow • 20 in. of rainfall • 64 days of rain • 259 days of sunshine

2000 Population: 776,733
2010 Population: 805,235
3.67 % Population Increase
48.6 Square Miles of Land
16,569 People/Square Mile

Introduction:

In 2009, after seeing the success of Park(ing) Day and being encouraged by NYCDOT's director to create more permanent high quality public spaces, the City started transforming underutilized pavement into small urban parks and, in 2010, began the nation's first parklet program. The goal of the program was to create a streamlined process that allowed for creative expression and community-initiated projects within the City's rights-of-way.

Application Process & Elements:

The City of San Francisco releases a Request for Proposal (RFP) twice a year (spring and fall) at which time any businesses, communities, organizations, or citizens wishing to build a parklet may apply. The submitted application is required to contain the following information:

- Application form
- Basic site plan (outline footprint relating to context)
- Photos of existing site showing surroundings
- Initial concept description (purpose, vision, features)
- Proof of notification to building and property owner
- Evidence of community outreach and support

Applicant Responsible for Maintenance

Site Selection Criteria:

- Speed limit of 25 mph (higher speed limits are reviewed on case-by-case basis)
- Active location with preexisting high pedestrian volume
- Surrounding land use that are conducive to heavy pedestrian traffic (retail or high-density residential)
- Preference to locations where surrounding neighborhood lacks public open space
- Prohibited in front of driveways (unless owner gives written permission), at street corners, along steep slopes, above manholes and other utility access, in front of fire hydrants, where there are programmed street improvements or resurfacing to occur in near future, in bus zones, too close to other parklets, or in disabled parking spaces

Design Requirements:

- Create buffers between adjacent parking spaces and the street
- Reflective elements at parklet corners
- Wheel stops between adjacent parallel parking space and parklet
- Set back from driveways
- ADA accessible
- No advertisement
- Must be public (distinguish from adjacent cafe furniture)
- Include public parklet sign
- Design for easy removal
- Meet safety requirements but be creative
- Must not impede curbside drainage

Design Guidelines:

- Visual connection to the street
- Fixed seating/benches
- Movable seating and tables
- Plantings
- Bicycle parking
- Use of local, sustainable materials

Number of pedestrians increased 13% after the parklet was installed by Mojo Bicycle Cafe

38 Parklets (as of June 2013)

Public Use Only

General public may object prior to initial application submission, after public notice, during public hearing, or after the permit is granted but prior to construction

$1 Million Liability Insurance Coverage
(City named co-insured)

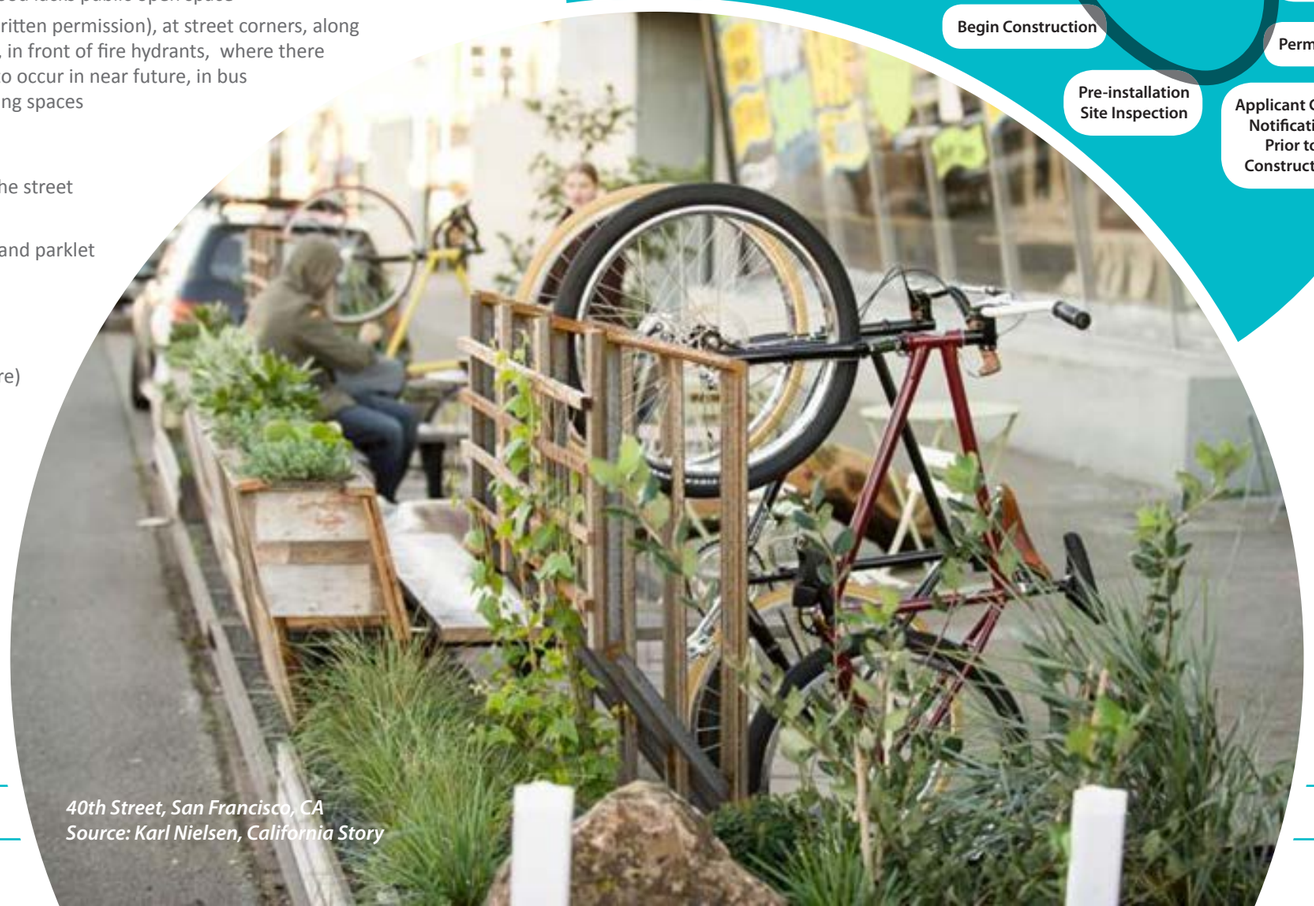
Licensed professional **not** required for design or construction - though city engineers review the design for structural and safety requirements

City Departments:

Planning Department (lead)
Municipal Transportation Agency
Department of Public Works

Street Closure Permit

Fee Type	Frequency	Amount
Application Fee	Once	$791
Meter removal (2)	Once	$650
Parking removal (each additional over first 2)	Once	$285
Meter removal (each additional over first 2)	Once	$325
Permit Processing Fee	Once	$231
Site Inspections	Once	$192
Permit Renewal	Yearly	$221



40th Street, San Francisco, CA
Source: Karl Nielsen, California Story

PHILADELPHIA, PA

climate over a year: average temperatures (low-high): 26-88 °F • 20 in. of snow • 44 in. of rainfall • 119 days of rain • 207 days of sunshine

2000 Population: 1,517,550
2010 Population: 1,526,006
0.55 % Population Increase
134.1 Square Miles of Land
11,380 People/Square Mile

Introduction:

In 2011, the University City District of Philadelphia worked with the City of Philadelphia to build the city's first parklets. This was made possible because the district had won a William Penn Foundation grant for innovative place-making program development. The City saw the opportunity and expanded the pilot project by providing $5,000 grants to five other organizations to build pilot parklets in 2012.

Application Process & Elements:

The City of Philadelphia has a rolling application process where any businesses and community organizations may apply to build a parklet. Once the location is approved by the city the following information must be submitted:

- Letters of support from the property owners, adjacent property owners, district council person, and a petition showing 51% approval of all property and/or business owners along the block where the parklet is proposed
- Design documentation showing that all guidelines are met
- Proof of Liability Insurance Coverage which indemnifies the City

Following approval from the City, the applicant must sign an agreement that the parklet operator will store the parklet off season (late autumn to spring), keep the parklet clean, and store furniture over-night or on an as-needed basis. Installation is coordinated 2-3 times per year to streamline the process and meet seasonal deadlines.

Applicant Responsible for Maintenance

Site Selection Criteria:

- Speed limit of 25 mph (higher speed limits are reviewed on case-by-case basis)
- Active commercial corridors or high-density residential neighborhoods
- Preference for locations outside of the Central Business District (due to parking demand conflicts)
- 51 % of the property and/or business owners on the block on which the parklet is to be located must approve of the conversion of parking space(s)
- Middle of the block is preferred
- Prohibited in front of locations that serve alcohol, on top of streets with historic paving materials, on top of manholes, in front of fire hydrants

Design Requirements:

- May not impede curbside drainage
- May not be longer than the length of the applicant/supporting property owner's property line/frontage on the street
- No wider than 6 feet with 18 inches buffer around edges
- ADA accessible
- Must have vertical elements visible to passing cars
- Streetside edge must be designed in away for passersby to see into the site
- Must support 100 lb. per square foot of live load, can withstand wind loads of 80 mph, and outer railing must withstand 200 lb. of horizontal force
- May not be attached to or damage the street
- Must be publicly accessible
- Must have reflective, flexible bollards, wheel stops

Design Guidelines:

- Should be built with quality materials
- Entrances placed to avoid tree pits

Revenue boosted by 20% after the parklet was installed by Green Line Cafe

6 Parklets (as of June 2013)

Public Use Only

Applicant Requests Parklet Location → Location Approved → Gather Letters of Support & Petition with 51% Approval from Neighbors → Design Development → Submission of Construction Documents → City Review → Final Application Submission → License Granted → Begin Construction → Parklet Opens

Parklets are removed for winter (late fall - spring)

The applicant is required to submit proof of support from immediate neighbors prior to approval and licensing.

Liability Insurance Coverage Required
(amount to be determined)

Licensed professional **is** required for design or construction - during the parklet stage it was not required as the design was reviewed by city engineers

City Departments:

Mayor's Office of Transportation (lead)
Street Department (design review)
Department of Licenses & Inspections (permit)

Temporary Lane Closure License

Fee Type	Frequency	Amount
No Information at this time - program still being formalized.		

43rd Street, Philadelphia, PA
Source: Ryan Collerd, University City District

CHICAGO, IL

climate over a year: average temperatures (low-high): 18-83 °F • 28 in. of snow • 36 in. of rainfall • 124 days of rain • 189 days of sunshine

2000 Population: 2,896,016
2010 Population: 2,695,598
6.92 % Population Decrease
227.2 Square Miles
11,864 People/Square Mile

Introduction:

In 2012, the City of Chicago started their "Make Way for People" initiative. The program was developed to turn underutilized right-of-way spaces into people places. Their parklets are called "people spots" to fit with the additional areas of the program (people streets, people allies, people plazas, and bike corrals). The City started their pilot project by seeking input from the various Business Improvement Districts to identify key locations and a merchant partner. They then utilized innovative loan programs to fund the projects.

Application Process & Elements:

Applications are due annually in early February and may be submitted by businesses, districts, or community organizations seeking to build a parklet. The submitted application is required to contain the following information:

- Application form
- Aerial image with footprint outlines and surroundings
- Description of existing activities and programs in the area
- Description of programming plan for the parklet
- Letters of support from local council member, adjacent business owners and/or residents
- Estimated budget for the project

Site Selection Criteria:

- Curb lane must not be traffic lane at any time of the day
- Preference for non-metered parking spaces, if metered it must be relocated or lost revenue must be recovered
- Prohibited within 5 feet of fire hydrant, at an intersection, where turning movements of vehicles would be restricted, at or adjacent to a bus stop, on top of manholes or other utility access, within 10 feet of existing planters, sidewalk cafe, or other street furniture

Design Requirements:

- Maximum dimensions of 80 feet long and 6 feet wide
- ADA accessible
- Structural stability and water resistance
- Must be public (implies city rule of no alcohol allowed)
- A perimeter containment frame that is attached to pavement
- Must be load-bearing to at least 750 lb. per square foot
- Must have a continuous barrier along the street side but with clear visual sight lines on the street
- Must include plantings within a stable planter
- Must allow for easy access under platform
- Must not impede curbside drainage

Design Guidelines:

- CDOT approved plantings
- CDOT to determine appropriate traffic safety improvements such as flexible bollards and wheel stops on a case-by-case basis
- Fixed seating/benches
- Movable seating and tables

CDOT CHICAGO DEPARTMENT OF TRANSPORTATION — MAKE WAY FOR PEOPLE Transforming the Public Way

Applicant Responsible for Maintenance

Business owner next to parklet on Lakeview has noticed an increase of revenue.

4 People-Spots (as of June 2013)

Public Use Only

RFP Released
Applicant Submits Initial Proposal
Proposal Approved
Design Development
Submission of Construction Documents
City Review
Final Application Submission
Applicant Pays Permit Fees
Permit Granted
Begin Construction
Parklet Opens

Parklets are removed for winter (Nov. - mid May)

Adjacent businesses and residents must approve prior to submission of application.

$1 Million Liability Insurance Coverage
(City is indemnified)

Licensed professional **is** required to seal the final construction documents

Clark Street, Chicago, IL
Source: Michelle BikeWalkLincolnPark, Flickr

City Departments:

Chicago Department of Transportation (lead)
(collaborates with other departments)

Right-of-Way Occupancy Permit

Fee Type	Frequency	Amount
Permit Fee	Yearly	$75

OAKLAND, CA

climate over a year: average temperatures (low-high): 45-72 °F • 0 in. of snow • 23 in. of rainfall • 64 days of rain • 261 days of sunshine

ATTACHMENT

2000 Population: 399,484
2010 Population: 390,724
2.19 % Population Decrease
55.8 Square Miles
7,002 People/Square Mile

Introduction:

Various advocacy groups approached the City of Oakland on many occasions to encourage them to create their own parklet program. The City launched its own pilot program in late 2011 after seeing the success of the San Francisco program and the popularity of Park(ing) Day within Oakland. The City's primary goals are to increase pedestrian activity and economic activity within commercial areas.

Application Process & Elements:

The City of Oakland releases an RFP twice a year. During the pilot phase the City sought to get a parklet in every City district, in the end they fell short by two (3 installed, 5 under design development). Applications may be submitted by Business Improvement Districts, non-profits, community organizations, and business owners. The submitted proposal is required to contain the following information:

- Application form
- Initial site plan showing foot print and surrounding elements
- Description of proposed parklet programming as well as photos and sketches
- Construction schedule
- Evidence of community support (letters of support and petitions)
- Evidence of maintenance capability
- Application fee payment

Site Selection Criteria:

- Speed limit of 25 mph (greater than are reviewed on case-by-case basis)
- Existing parking zone
- Surrounding land use that are conducive to heavy pedestrian traffic (retail or high-density residential)
- May be located in loading and 10-minute parking zones only if the original party to request the zones agree to the change
- Prohibited at street corners, in front of curb ramps, in front of fire hydrants, at access points to any public or private utilities, in front of or adjacent to a multi-space parking meter kiosk, on steep slopes, in disabled parking, at bus stops and passenger loading zones

Design Requirements:

- Must not take up more than two parking spaces if marked
- May not be located in angled or perpendicular parking spaces
- If metered parking is removed for a parklet, a new, nearby parking metered space must be created or the applicant must pay for the lost revenue
- Must have 42-inch high railings along street edge
- Must incorporate seating and place for relaxation
- Meet ADA accessibility requirements
- Must not impede curbside drainage

Design Guidelines:

- Similar to those found in San Francisco's Guidelines
- Design must contribute to the beauty and character of the neighborhood
- Material must be durable
- Design must be easy to maintain and remove

3 Parklets (as of June 2013)

Public Use Only

Applicant Responsible for Maintenance

RFP Released → Applicant Submits Initial Proposal → Proposal Selected → Design Development → City Reviews Design for Meeting Basic Safety Requirements → 17 Days Public Notice → Noticing Permit Granted → Applicant Applies for Encroachment Permit and Submits Full Construction Drawings → Permit Granted → Begin Construction → Parklet Opens

Current parklet permit is set up for maximum of 2 more years of renewal, after that the parklet should move to a new neighborhood

General public may raise objections or concerns during the 17-day public notice after the design meets safety requirements but prior to permit application.

$1 Million Liability Insurance Coverage
(City named co-insured)

Licensed professional **not** required for the design or construction - though city engineers review the design to ensure that safety guidelines are met

City Departments:

Planning Department (lead)
Building Department (inspections)

Minor Encroachment Permit

Fee Type	Frequency	Amount
Application Fee	Once	$150
Permit Fee	Once	$1,134
Lost parking revenue fee per space (max)	Yearly	$1,680
Permit Renewal	Yearly	TBD

40th Street, Oakland, CA
Source: Gene Anderson, Blog Our Oakland

NEW YORK, NY

climate over a year: average temperatures (low-high): 26-86 °F • 24 in. of snow • 46 in. of rainfall • 113 days of rain • 224 days of sunshine

2000 Population: 8,008,278
2010 Population: 8,175,133
2.08 % Population Increase
302.6 Square Miles
27,016 People/Square Mile

Introduction:

New York City had already developed its Plaza Program in 2008 to turn excess pavement into plazas when San Francisco launched their parklet program. In 2010, the City partnered with two cafes who were wanting to expand the sidewalk to have streetside seating and started their "Street Seats" program.

Application Process & Elements:

The New York Department of Transportation accepts applications on a rolling basis from business owners and operators. The submitted application is required to contain the following information:

- Completed application form
- Proof of property owner approval
- Proof of community board approval
- Letters of support and petitions from neighboring businesses and/or residents (recommended)

NEW YORK CITY DOT PEDESTRIANS Street Seats

Site Selection Criteria:

- Typically one way and one lane of moving traffic - low speed and volume
- Curbside lane must not be for moving traffic at any time of the day
- Adjacent to sponsoring commercial establishment
- Site must not be eligible for sidewalk cafe license
- Preference to locations where surrounding neighborhood lacks public open space
- Prohibited at intersections, driveways, turn lanes, bus stops, fire zones, no stopping zones, authorized vehicle only zones, in front of news stands, fire hydrants, and some underground utility access areas

Design Requirements:

- Beautify and enhance the streetscape
- Provide planting screening on the street side but remain visually permeable
- ADA accessible
- Continuous barrier between the street and the seating area
- No longer than the applicant's frontage and maximum of 6 feet wide
- Must be public (distinguish from adjacent cafe furniture)
- Load bearing to minimum of 750 lb. per square foot
- Design for easy removal
- Allow for access to any below-platform utilities
- Signage for no alcohol or smoking
- Maintain roadway drainage

Design Guidelines:

- Incorporate vertical elements
- Use quality materials that are preferably recycled or sustainably harvested
- Movable seating and tables

Number of sales increased 9-15% at the parklet located by Bombay and Fika

5 Street Seats (as of June 2013)

Public Use Only

Applicant Responsible for Maintenance

Parklets are removed for winter (mid Oct. - mid April)

Submission of Professionally Certified Design Plans
City Review
Design Approval
Applicant Pays Permit Fees
Submission of Annual Authorization Agreement
Prior to Construction NYCDOT Installs Parking Regulation Signage, Flexible Bollards, Wheel Stops
Construction by Licensed Contractor Begins on or After April 15
Parklet Opens
Sponsoring Business Applies to Street Seats Program
City Reviews Site for Technical Feasibility
Notice of Preliminary Approval

The immediate neighborhood is involved in order to get the approval of the local community board prior to submitting an application.

$1-3 Million Liability Insurance Coverage
(City named co-insured)

Licensed professional **is** required to design and construct - though to help with costs, the City has created design templates that may be used

City Departments:

NYCDOT, Traffic & Planning Division (lead)
Department of Public Works

Authorization Agreement

Fee Type	Frequency	Amount
No fee charged.		

West 22nd Street, New York, NY
Source: NYCDOT, Flickr, 2010

LONG BEACH, CA

climate over a year: average temperatures (low-high): 46-82 °F • 0 in. of snow • 12 in. of rainfall • 33 days of rain • 287 days of sunshine

2000 Population: 461,522
2010 Population: 462,257
0.16 % Population Increase
50.3 Square Miles
9,190 People/Square Mile

Introduction:

Many retail and restaurant operations had expressed interest to the City in having parklets as a means to provide streetscape improvements, attract more people into downtown, and accommodate more seating where outdoor spots were filled to capacity. The City recognized the success of San Francisco's Pavement to Parks Program and NYCDOT's pop-up cafes and wished to improve public space around downtown businesses so they started their parklet program in 2010. These parklets main goal is to provide outdoor dining to private businesses and they are not required to be public spaces but regulated at the discretion of the business owner.

Application Process & Elements:

The City of San Francisco releases a Request for Proposal (RFP) twice a year (spring and fall) at which time any businesses, communities, organizations, or citizens wishing to build a parklet may apply. The proposal should contain the following information:

- Location, surrounding uses, and streetscape furniture
- Proposed size

Site Selection Criteria:

- Along business corridors
- Where sidewalks are too narrow to sufficiently accommodate need for outdoor dining
- Reviewed on a case-by-case basis by various departments

Design Requirements:

- Minimum dimensions of 15 feet long and 7 feet wide
- Must not impede curbside drainage

Design Guidelines:

- San Francisco's Pavement to Parks Program cited as example
- None given

2 full time and 4 part time positions were created in the adjacent restaurants due to the first two parklet installations

3 Parklets (as of June 2013)

Private Use Only

Adjacent Property Owners Notified

Applicant Pays Permit Fees

Permit Granted by City Council

City issues Permit

City Review

Begin Construction

Applicant Submits Initial Proposal

Parklet Opens

Applicant Responsible for Maintenance

No official public vetting process required, City Council involvement does require general public approval.

$1-2 Million Liability Insurance Coverage
(City named co-insured)

Licensed professional **is** required installation of a parklet and must have insurance that is filed with the city

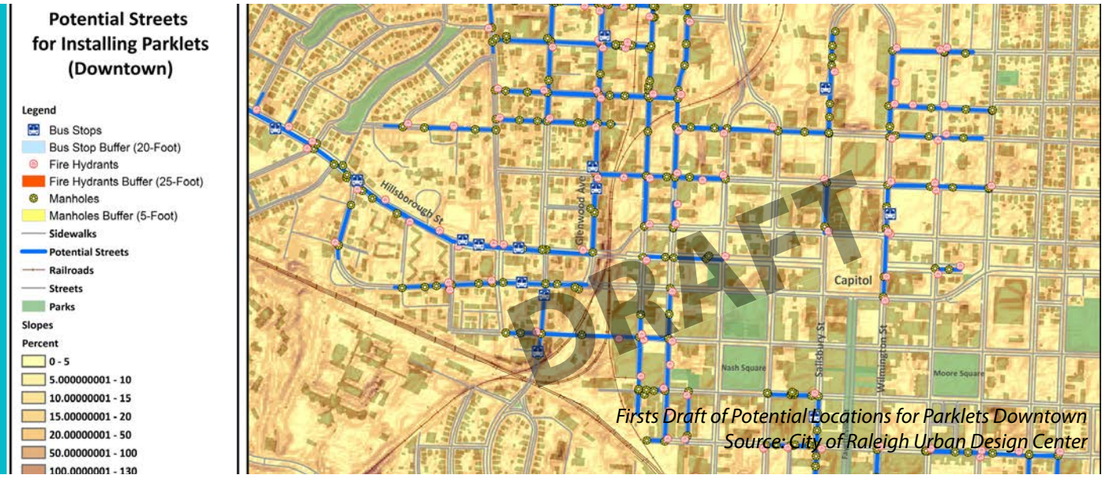
City Departments:

Department of Public Works (lead)
Department of Water & Power
Department of Traffic
Fire Department

Occupancy Permit

Fee Type	Frequency	Amount
Permit Fee	Yearly	$819

East 4th Street, Long Beach, CA
Source: Allen Crawford, Adventures in Livability



Firsts Draft of Potential Locations for Parklets Downtown
Source: City of Raleigh Urban Design Center

Process Recommendations

Several questions were raised during the process of researching the parklet programs. Each question is listed with a summary of solutions from other cities as well as the recommendations for the City of Raleigh.

Who can submit a parklet proposal?

Business Improvement Districts, Central Business Districts, community advisory groups, non-profits, community organizations, schools, private citizens, and property or business owners adjacent to site.

Recommendation: Open applications to business and property owners who can partner with CACs, non-profits, and community organizations or sponsor the parklet alone.

What should be included in the proposal?

Completed application form, initial site plan showing parklet footprint and surrounding street elements, photos of the existing site taken from key angles, initial concept description and sketches, approval from the property owner where the parklet is to be located, and proof of neighborhood outreach.

Recommendation: All of these proposal elements should be included in the Raleigh parklet process.

What City departments are involved in reviewing proposals and designs?

Most cities review parklet proposals in a collaborated effort across various departments. Typically the leading department is the one that processes whichever type of permit that is issued. These are usually the Planning, Transportation, or Public Works Departments. Other groups involved in the review include the mayor's office, fire, police, utilities, community development, urban design, and/or the City Council.

Recommendation: The parklets program should be administered by the departments currently involved in the review of both major and minor encroachments.

What type of permit do parklets fall under?

All cities have started off using an existing permit; these typically are street closure, sidewalk or minor encroachment permits. Agreements are another method of legalizing parklets. Samples of such agreements include maintenance and occupancy agreements or a temporary use of right-of-way license.

Recommendation: The parklets program should be administered as a part of the minor encroachment program and incorporated into the Private Use of Public Space (PUPS) Manual.

Are there fees for applying for and permitting a parklet?

While some cities do not have fees, most cities charge fees to help cover various costs. Examples of the various fees and range of amounts include the following:

- Application fee ($150-791)
- Permit fee including processing ($230-2207) (high end is Montreal's long-standing Terrace Permit)
- Site Inspection ($192) - only once city charges this
- Seasonal or annual permit renewal ($75-$819)

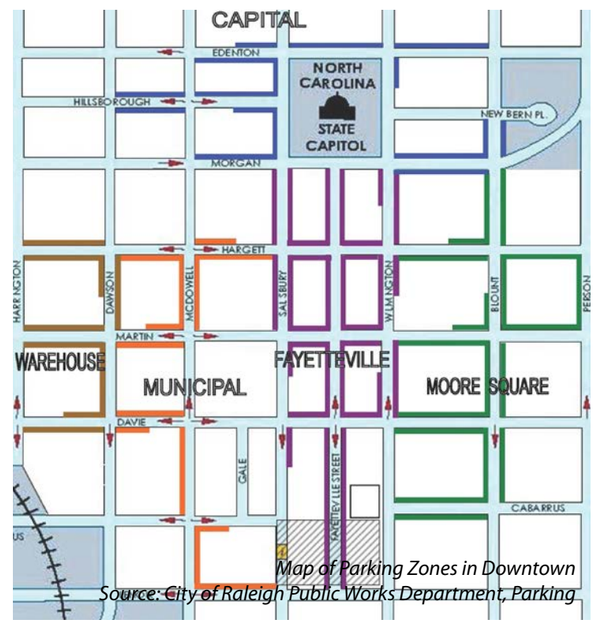
Recommendation: By utilizing the existing major encroachment process there is a $100 application fee and a $70 major encroachment agreement. The minor encroachment permit is $150 and would be renewed annually. A site and construction inspection fee may be considered at the discretion of the departments reviewing the agreements and permits.

How does the City deal with displaced revenue from parking meters?

Most cities charge parklet operators a fee for lost revenue if a nearby metered parking space cannot be created. These fees range from $325 to $5,481 for the loss of a single parking space.

Table 1. Calculations of Parking Meter Revenue

Weeks	52×2 (Saturday and Sunday)	104
Holidays in NC	New Year's Day/ Martin Luther King, Jr Birthday/ Good Friday/ Memorial Day/ Independence Day/ Labor Day/ Veteran's Day/ Thanksgiving Day/ Christmas	9
Total		104+9= 113 365-113= 252 days
Hours From 8 AM to 5 PM (The occupancy percentile-95%)		252×9=2268 hrs 2268×0.95= 2155 hrs
Fayetteville Zone Revenue: $ 1.25/hr in Fayetteville Zone From 9/30/2013		2155×1.25= $ 2694
Other Zone Revenue: $1/ hr		2155×1= $ 2155



Map of Parking Zones in Downtown
Source: City of Raleigh Public Works Department, Parking

Recommendation: Based on information listed in the adjacent table, the amount of a revenue recapture fee should be $2,155 per parking space annually outside of the Fayetteville Zone or $2,700 within. If a new space along the same block can be found, the fee should be reduced to the amount of the restriping cost.

How is the public involved? Is there a citizen denial process?

Most cities required evidence of community support at the time of application in the form of letters of support and signed petitions. This is an effort to avoid conflict later in the process. Some cities also provide a period of public notice followed by a public hearing to alert individuals who may not live in the area of the pending project but visit the site on a regular basis.

Recommendation: The City should require evidence of neighborhood support before initial approval as well as provide a period of public notice prior to a public hearing once the project has met initial requirements.

Regulation Recommendations

Based on regulation related questions, possible solutions were assimilated from the data collected from other cities who have implemented parklet pilot projects.

Are parklets for public or private use? Or a combination?

Only one city in the US has thus far set up parklets to be a space for private use. Long Beach's original goal was to assist downtown businesses in attracting commercial activity in order to compete with new malls who were drawing clientele away from downtown. Sidewalks on the main commercial streets were too narrow to accommodate the demand for outdoor dining so the City grants parklets through a temporary use license. All other parklet programs specify that parklets are for public use and that table service is not allowed nor asking non-patrons to leave parklet.

Recommendation: Raleigh might benefit by creating a program that is available for both public and private use with limitations on table service. The main reason for considering private parklets is that there may be more interest from businesses for expanding their narrow sidewalk space for serving customers. However, it is worth noting that there may be a way to maintain parklets as public space while allowing for nominal interaction between the parklet users and restaurant patrons such as bussing tables and bringing out an order placed inside for take out.

Does the City require a licensed design professional to sign off on parklet designs?

Cities are split on how they deal with this issue. New York, Chicago, Long Beach, Philadelphia, and Vancouver require a licensed professionals to design and construct a parklet. San Francisco and Oakland do not require a licensed professional in order to encourage creativity from a wider range of individuals and the City provides design requirements and review by city engineers to insure structural safety.

Recommendation: Parklet design should not require a professional license, however, one should be required when the review of the parklet determines that additional safety or drainage issues are present.

What happens to the parklet in case of special event or emergency?

In all cities, parklets are designed to be easily removed and the agreement stipulates that the parklet operator is in charge of removing and storing the parklet until it may be re-installed. If emergency access is required or pavement resurfacing is to occur, the parklet must be removed. In some northern climates where snow plows operate regularly, parklets must be removed and stored over the winter months. Parklets stay in place and in operation during special events on the street as they function as a sidewalk extension.

Recommendation: Parklets in Raleigh should follow the example of other cities and require parklet removal in cases of utility access, emergency, or inclimate weather.

How is liability insurance addressed? How much is required and who is responsible?

In every city studied, parklet operators are required to carry liability insurance for the duration of the parklet's presence. The City must be named co-insured or indemnified for anything that happens in the parklet. Operators are required to maintain insurance coverage of $1 to $3 million.

Recommendation: The City of Raleigh should require parklet operators to carry $1 million liability insurance coverage and to indemnify the City. Proof of insurance is required on a quarterly basis.

How do cities deal with sponsorship? Can signs be used to promote the sponsor or is it considered advertisement and not allowed?

Generally the only signage allowed in parklets is a standard sign stating that parklets are for public use and occasionally they list rules that apply to this type of space. San Francisco does outline that sponsors and project donors may be recognized in a small, tasteful plaque.

Recommendation: Raleigh should use existing signage codes to establish rules for signage in parklets. Signage from the adjacent business should not be allowed unless the parklet is private. Small signage identifying the applicant, donor and material donors should be permitted.

Potential Site Criteria for Raleigh Parklets

Most cities shared similar site selection criteria that took on a wide variety concerns to make parklets safe and feasible. Below is a list of criteria that may work in the City of Raleigh should it be decided that a pilot project program should be launched.

- Low speed limits, posted 35 mph or lower
- Streets with existing high pedestrian activity (unless the parklet is for private use, in which case the determining factor is demand for outdoor dining)
- Where street slopes are less than 5%
- Must be accessible from the sidewalk without too many barriers such as tree pits and existing sidewalk furniture
- Either where traffic congestion is not an issue or where there is an existing marked parking lane that does not become a travel lane at any time of the day
- Prohibited in front of active driveways, at street corners, in street curves or hills where sight-distance is an issue, on Fayetteville Street and limited in the Fayetteville Parking Zone, in bus lanes, in front of fire hydrants, at utility access points (like manholes), where there is a lot of short term in and out parking (like banks, post office, and reserved take out/delivery service parking), on NCDOT roads, on bridges, where pavement resurfacing is to occur in near future, or near other parklets
- Must have demonstrated community support

Resource Information

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Date Created	Active Participants	Total Participants
7/25/2013 4:24:07 PM	25	25

Results by Question

1. Sample Question: Who is your favorite Boy Band? (Multiple Choice)

	Responses	
	Percent	Count
The Monkees	43.48%	10
Bay City Rollers	13.04%	3
Menudo	8.70%	2
Backstreet Boys	30.43%	7
Jonas Brothers	4.35%	1
Totals	**100%**	**23**

2. Where do you live? (Multiple Choice)

	Responses	
	Percent	Count
Downtown Raleigh	8.33%	2
North of DT Raleigh	33.33%	8
South of DT Raleigh	8.33%	2
East of DT Raleigh	8.33%	2
West of DT Raleigh	20.83%	5
Not in Raleigh	20.83%	5
Totals	**100%**	**24**

3. Do you think Parklets will work in Raleigh? (Multiple Choice)

	Responses	
	Percent	Count
Yes	79.17%	19
No	4.17%	1
Don't know yet	16.67%	4
Totals	**100%**	**24**

4. Where would you like see a Parklet? (Multiple Choice)

	Responses	
	Percent	Count
Downtown	54.17%	13
Hillsborough St.	16.67%	4
Five Points	0.00%	0
Your Neighborhood	4.17%	1
Everywhere	20.83%	5
Nowhere	4.17%	1
Totals	**100%**	**24**

5. What is the most important benefit of a Parklet? (Priority Ranking)

	Responses	
	Percent	Weighted Count
Expand the public realm	11.63%	30
Increase and attract pedestrian activity	50.39%	130
Provide outdoor seating to sit and relax	11.63%	30
Benefit local economy	3.88%	10
Encourage social interaction	18.99%	49
Improve street safety, calm traffic	3.49%	9
Totals	**100%**	**258**

6. What are your top 3 concerns about Parklets? (Priority Ranking)

	Responses	
	Percent	Weighted Count
Loss of parking	17.32%	79
Safety	7.89%	36
Vandalism	28.95%	132
Maintenance	34.43%	157
Impeding traffic	11.40%	52
Totals	**100%**	**456**

7. Rank the top three most important design guidelines (Priority Ranking)

	Responses	
	Percent	Weighted Count
Provide some landscaping	14.92%	88
Visual permeability	10.51%	62
Space for people to sit (both permanent and movable seating)	27.80%	164
Open to the public	23.73%	140
Signage noting public access permitted	1.36%	8
Buffer between terrace and travel lane	15.42%	91
Minimum material and construction standards	6.27%	37
Totals	**100%**	**590**

8. Rank the top three most important site selection criteria (Priority Ranking)

	Responses	
	Percent	Weighted Count
35mph or less speed limit	11.21%	64
High pedestrian activity	28.90%	165
Set back from intersections and driveways	6.48%	37
Not at bus stops & fire hydrants	11.21%	64
Only in existing parking lane	1.75%	10
Only by active commercial and high density residential establishments	14.71%	84
Low demand for parking	6.48%	37
Where there is community support	19.26%	110
Totals	**100%**	**571**

9. Should Parklets be? (Multiple Choice)

	Responses	
	Percent	Count
Public	47.83%	11
Private	0.00%	0
Both	52.17%	12
Totals	**100%**	**23**

Summary of Parklet Public Discussion 7/25/2013

Concerns & Questions

- Perception that there is not enough parking in downtown
- Is there enough demand for parklets in Raleigh?
- It doesn't work to have a criterion for high pedestrian activity but not where there is a high demand for parking
- Safety because of traveling vehicle speed in the street
- Maintenance because it seems like it would be hard to ensure it's well maintained by the parklet operator
- Concern with parklets by restaurants might have confusion – make it clear to the business owner and staff that it is for public use/no table side service
- Pilot should be a 6 month temporary installment, plus more exposure through Park(ing) Day

Best locations for parklets & where parklets shouldn't occur

- On Hillsborough in front of NCSU (Porter's, Players Retreat, Bowling Alley, LocoPops) – one group however thought it was not a good location due to the fact there aren't any nearby decks to make up for lost spaces and that there already is a high amount of pedestrian traffic around the businesses
- On Hillsborough in front of the YMCA
- In Cameron Village
- On Morgan where there is high density residential
- On Boylan by brewery & Moonlight Pizza
- Glenwood South (in front of Helios)
- By the high rise residential in Glenwood South area
- Five Points by NoFo and by the Rialto and high rise residential
- Include area between City Market & Moore Square
- In front of TirNaNog
- Peace Street by Mellow Mushroom, McDonald's
- Along the Oakwood/Mordecai business district (Person St.)
- By City Farm
- In Seaboard Station area
- Warehouse District (by the Contemporary Art Museum, other galleries, new train station)
- Along West Martin Street (especially in front of King's)
- Hargett Street (especially in front of Raleigh Times)
- Along Salisbury between Capitol & Cabarrus
- Somewhere in Boylan Heights neighborhood where community gathering open space is lacking
- NOT on Jones, Wilmington or Salisbury by State Government buildings; either not enough pedestrian traffic because of plaza or parking demand is high and open space is sufficient and provides seating and greenery already
- NOT on Peace Street by the Capital Boulevard interchange at least until reconfigured
- NOT on the side streets off Hillsborough going into residential area east of Oberlin

Site Criteria

- Don't locate on streets that are heavily congested
- Should be where actual speed is 25 mph
- If the parklet is for private use, the high pedestrian activity criteria may not be as important as for public parklets
- Community support is very critical
- Where urban open space is lacking (narrow sidewalks, no nearby parks)
- Idea of locating where bump outs are needed (i.e. at bus stops since buses don't like to pull out of traffic) also possibly converting existing bump outs into parklets for the community
- Not where there is a business with high turn around parking – like delivery

Guidelines

- Integrate opportunity for activities (games: bocce)
- Must include vegetation
- Design that discourages vagrants who sleep on site
- Must have buffer space between street and parklet
- License professional only on a case-by-case basis depending on design and so long as safety and structural requirements are met
- High quality, durable materials
- Should work with surrounding architecture and community's style
- Encourage some kid-friendly designs and places
- If the community supports the parklet, design guidelines shouldn't be restrictive/prescriptive; encourage more creativity
- Not allow political or controversial designs or sponsors

Sponsorship signage

- Subtle, tasteful sign to recognize sponsors and designers is acceptable
- Signage to follow existing code based on square footage

Fees

- Smaller application fee/keep fees minimal to encourage parklet proposals
- For the pilot project, all fees should be waived
- If parklets become more popular then fees can gradually increase
- Provide incentives to non-profits

Community involvement process

- Avoid situations where the loudest person wins over the majority
- Some ideas to reach out to the community: CAC outreach, neighborhood websites, crowd sourcing, petition process, non-profit advertisement, create a community-themed parklet
- Non-profit sponsors are usually a good way to get community support
- Don't show favor to the property owner over the general public
- Provide public presentations; host charrettes

Los Angeles
Source: Sam Lubell, Architect's Newspaper

Vancouver
Source: Paul Krueger

San Francisco
Source: Mark Dreger, 2012

Buenos Aires
Source: Clara Rasore, 2012

AGENDA NO: D-4

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 5, 2016**

FROM: **David Buckingham, City Manager**

SUBJECT: **Morro Bay Strategic Planning and Budgeting Framework**

RECOMMENDATION

Staff recommends the City Council approve the proposed Strategic Planning and Budgeting framework for the City of Morro Bay. With approval of this recommendation, staff will use this staff report, presentation, enclosure and guidance to develop a short process paper / policy on strategic planning and budgeting framework in the City.

ALTERNATIVES

- Do not adopt the strategic planning framework and continue with the current ad hoc process in which Councils and staff propose various goal setting approaches and timelines along with our required annual budget.
- Modify the staff proposal.

FISCAL IMPACT

None

BACKGROUND

The City does not have any approved process that describes how we approach strategic planning, goal setting, set budget or other objectives for staff, or tie these to the annual budget cycle.

The City has used various approaches, including goal setting, on an annual and biennial and less frequent basis to help direct staff and the general improvement of the City.

In Dec 2014 and Jan / Feb 2015, the City Council directed and then conducted a series of goal setting workshops that affirmed our existing goals (with modest changes) and provided staff a clear set of annual objectives associated with each goal to complete in FY15/16. Staff and Council, following a management best practice, used those FY16 objectives to inform the FY16 Annual Budget.

The City currently has an approved set of FY15/16 Goals and Objectives that expire in June 2016, and

Prepared By: ____DWB_____ **Dept Review: ____DWB____**

an adopted budget for July 1, 2015 – June 30, 2016.

DISCUSSION

Staff believes the general approach achieved in the Jan/Feb 2015 goal setting process is useful and effective, especially as it informed creation of the FY16 budget. During goal setting, and in additional research, staff identified a number of areas the process could be improved. These include:

- Having an approved, "normal", routine planning process in the City.
- Tying goal and objective setting to "new" Councils. That is, providing an opportunity for each recently seated Council to influence the City's objectives, and, less frequently, to update the goals.
- Setting long term goals and shorter term objectives.
- Tying goals and objectives to the budget process.
- Ensuring the budget process is underpinned by a long-range budget forecast.
- Developing the City's Mission statement, and the community Vision and Values statements.

Staff considered these points, conducted additional research and recommends the Strategic Planning and Budgeting Framework found at Exhibit #1. Before describing the process, a few terms should be identified and defined.

Definitions.

- **City Mission Statement –** this is a Council-approved statement that describes the *basic / essential tasks the City must provide*, and a statement toward the purpose of executing these tasks. The *City* Mission statement, along with the *Community* Vision and Values, are being updated this year. A city mission statement might begin something like: "The City of Morro Bay provides Public Safety, Recreation, and other key municipal services in order to . . . ."
- **Core City Tasks** – these are things that we should always be doing well and they should be addressed in our *City mission statement*. A core task might be: "Maintain City Infrastructure."
- **City Goals** – these are *general things we want to accomplish over a long-term (4-6 year) period*, usually because they are big enough and broad enough they can't be accomplished in a year or two. An example of a goal is: "Improve Streets"
- **Budget (or Program) Objectives** – these are *specific, discreet, medium-term (1-2 year) objectives* that support a more general goal, are feasible and achievable if appropriately resourced, and can be directly budgeted against. An example of a Budget Objective related to the Goal "Improve Streets" could be: "Repave 10% of streets in FY16/17 and FY 17/18.

Proposed Process. Following is a brief written description of the proposed process.

- The process begins with the election and seating of a new Council in December of each election year.
- Following seating, the new Council begins a planning process to set biennial budget objectives for the upcoming two budget years.

- This planning process normally occurs in January and February with new, two-year budget objectives set by the last Council meeting in February.
- Those Council-approved objectives are then used by staff, and Council, to develop the annual budget in March – May of each year.
- Every four years (presidential election years of ’16, ’20, ’24, etc) the new Council also reviews and updates the City’s Goals. Most entities set goals for 4-7 years and four years should work well for Morro Bay. The City should work to ensure goals are items in which real improvement is needed and achievable. Generally, goals should not be to “maintain”, but should be to “improve”.
- On a regular (semi-annual) basis, staff should update the Council on the status of the two-year budget objectives. This should be tied to budget updates.
- The City should continue, for now, with 1-year budgets. So, there will be two 1-year budgets in every 2-year goal/objective period. 1-year budgets provide the Council a clear opportunity to reallocate resources to achieve, or “weight” specific City objectives.
- This entire process should be underpinned and informed by a continuing 10-year budget forecast process. The City’s 10-year budget forecast should be updated annually, every other year by an external professional consultant and in the off years internally by staff.

Biennial Budgeting. Staff considered recommending moving to a biennial (2-year) budget as part of this process. On review, staff recommends the City stick with annual budgeting for the next few years as we solidify our budgeting process, seek to provide additional transparency, work to incorporate more resident input, and work through the proposed Strategic Planning process. We can then reconsider biennial budgeting in a few years.

Strategic Planning Framework vs a Strategic Plan. Described above is a recommended strategic planning framework. It is not a full strategic plan. The City’s General Plan / Local Coastal plan (currently being updated) should provide the overall strategic direction for the City. Other strategic plans, such as the Economic Development Strategic Plan being written in FY15/16 and the proposed Downtown / Water Front strategic plan, provide strategic direction in discreet areas. When the General Plan is complete or near complete, and after a solid 2-3 years following this strategic planning model, staff and the Council should consider whether a 10-year strategic plan for the City of Morro Bay would be beneficial.

Transition to this new Planning Process. Finally, the strategic planning process described above would begin with the seating of the next new Council in December 2016, following the November 2016 election. As noted above, the City currently has approved Goals and Objectives that expire in June 2016 and an adopted budget also through June 2016. So, there is a gap between our current approved planning and budgeting documents and the seating of the next Council. To bridge the gap, staff recommends the Council conduct a Goal affirmation and FY16/17 Objective setting process in Jan / Feb 2016, nearly identical to the Jan / Feb 2015 process. This will allow staff and Council to further refine the process before beginning it with a new Council in December 2016, will extend the City’s Goals and set new objectives for an additional year as we transition onto the new Strategic Planning and Budgeting framework (see Exhibit #2).

The following table identifies the actions and outcomes of Council Planning and Budgeting for the next

two years:

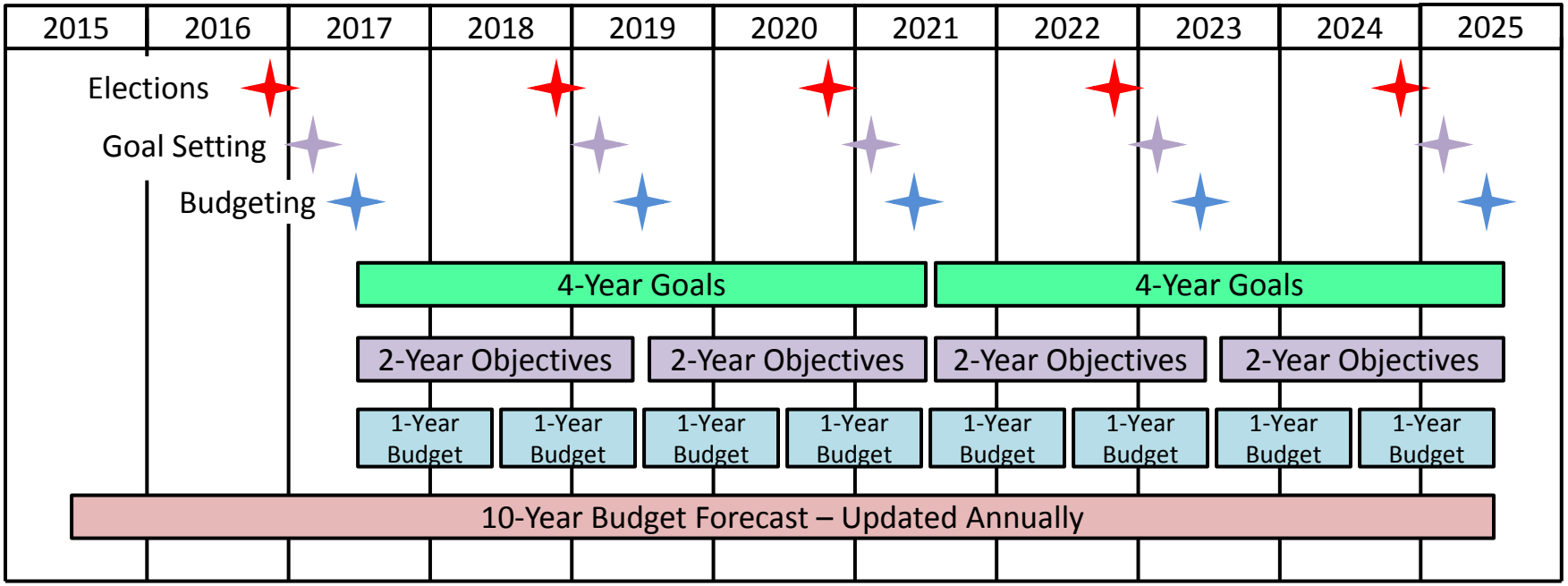
Jan / Feb 2015 (Complete)	Council Goal Setting	Affirmed existing Goals and set City Objectives for the period July 1, 2015 – June 30, 2016
May / Jun 2015 (complete)	FY16 Budget Process	Adopted City Budget for period July 1, 2015 – June 30, 2016
Jan / Feb 2016	Council Goal Setting	Affirm existing Goals and set City Objectives for the period July 1, 2016 – June 30, 2017
May / Jun 2016	FY17 Budget Process	Adopt City Budget for period July 1, 2016 – June 30, 2017
Nov 2016	2016 Elections	New Council Seated December 2016
Dec 2016 – Feb 2017	Council Goal Setting	Develop new set of 4-year City Goals. Set 2-year City Objectives for July 1, 2017 to June 30, 2019
May / Jun 2017	FY18 Budget Process	Adopt City Budget for period July 1, 2017 – June 30, 2018

CONCLUSION

The City does not have an approved, routine planning process that is linked with the established budgeting process. It should. The proposed Planning and Budgeting Framework provides a process for developing 4-year goals and 2-year City objectives that are linked to the budget process and synchronized with Council elections. Should the Council approve this framework, staff will develop a short Planning and Budgeting Framework policy for Council adoption at a future meeting.

EXHIBIT 1

Transition Plan for the Morro Bay
Strategic Planning and Budgeting Framework



Elections – Nov of even years, new Council seated in early January

Biennial Planning – Every other year in Jan and Feb Council updates 2-year objectives. every 4th year Council also updates 4-year goals.

Biennial Budgeting – Every other year in May and Jun Council updates approves a 2-year budget.

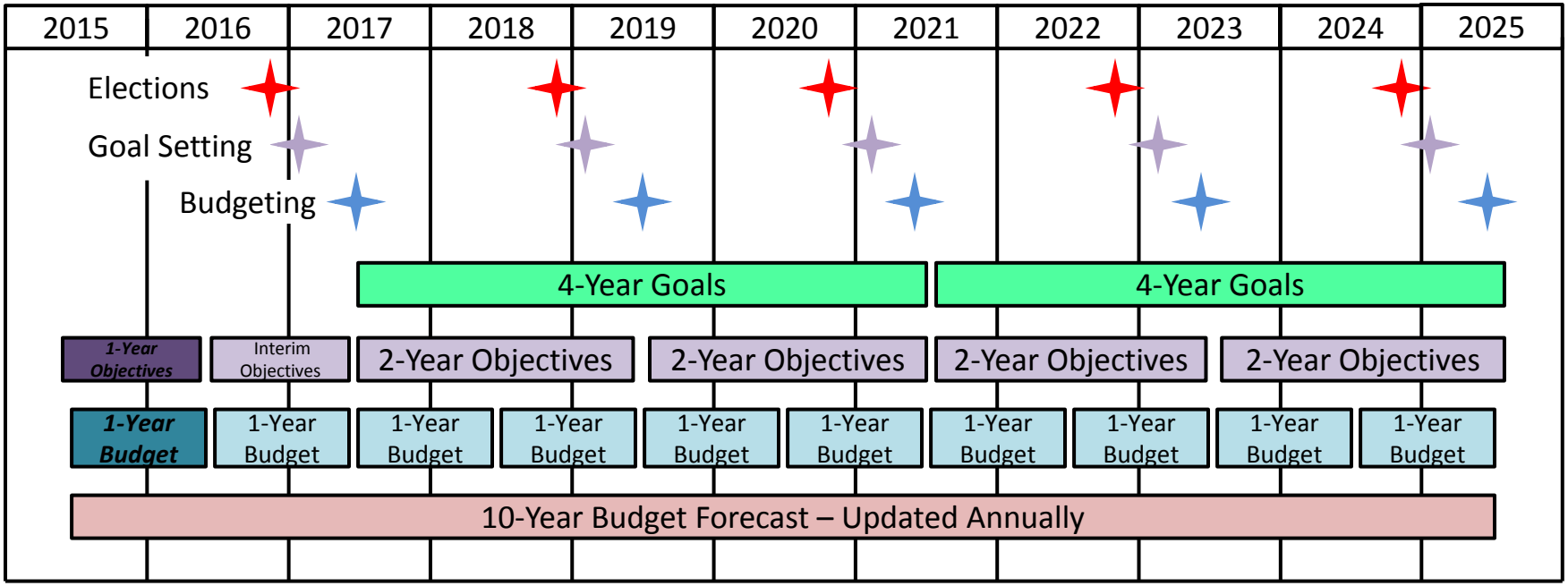
Overview. Beginning in December 2016 the City of Morro Bay executes a 4-2-1 Strategic Planning and Budgeting process.

- Following each election, the new council meets in Jan / Feb to establish 2-year objectives supporting each existing City Goal.
- Every four years this process begins in December and includes renewal of the City's goals.
- The staff then uses the new objectives to inform creation of the City's annual budget.
- The entire process is underpinned by a 10-year budget forecast that is professionally (externally) updated every other year and internally updated every year.

EXHIBIT 2

City of Morro Bay

Strategic Planning and Budgeting Framework



Elections – Nov of even years, new Council seated in early January

Biennial Planning – Every other year in Jan and Feb Council updates 2-year objectives. every 4th year Council also updates 4-year goals.

Biennial Budgeting – Every other year in May and Jun Council updates approves a 2-year budget.

Overview. Transition from currently approved Goals / Objectives / Budget to the proposed 4-2-1 Goal / Objective / Budget framework:

- Jan/Feb 2016: Council conducts goal setting to affirm existing goals and sets interim City Objectives for FY16/17
- Apr / May 2016: Council develops and adopts FY16/17 budget.
- Dec 2016 – Feb 2017: New Council develops new goals and sets FY17/18 objectives consistent with the proposed Planning and Budgeting Framework.

AGENDA NO: D-5

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 4, 2015**

FROM: **Scot Graham, Community Development Manager**
Rob Livick, PE/PLS - Public Works Director/City Engineer

SUBJECT: **Award of Consultant Contract for Implementation of Cityworks Permit Tracking and Asset Management Software Solution to Timmons Group, Inc.**

RECOMMENDATION

Staff recommends the City Council authorize staff to execute an agreement with Timmons Group, Inc., subject to the City Attorney's approval as to form, in the amount of $210,655 for implementation of Cityworks Permit Tracking and Asset Management system (see Implementation proposal provided as Attachment 1).

ALTERNATIVES

Review the report and provide direction to staff for revision, amendment or alteration to the agreement and continue this item to a future meeting.

FISCAL IMPACT

This expenditure was discussed and approved in the FY 16 budget process. The cost for implementation of Cityworks is $210,655. The Strategic Investment Spending Plan portion of FY 2015/2016 budget includes $85,000 for Web-based Planning, Permitting and Licensing Software.

The Public Works Department budget contains the remainder of the implementation funds for the Asset Management/Work Order component totaling $125,655, to be split between the Water, Wastewater and Public Works (PW) General Fund budgets in the following amounts: Water = $48,960, Wastewater = 72,560 and PW General Fund = $4,135.

BACKGROUND/DISCUSSION

The City has been using *HDL Permits* as its permitting software for Planning, Building and Encroachment Permit issuance and tracking since about 2000 without purchasing any upgrades. That software has many limitations, as it does not allow for easy permit tracking, has no customer facing (public) portal and does not use the permit workflow as its logic in permit tracking.

For work order and asset management software, the City uses disparate methods from SIMS/CUPPS

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Prepared By: SG & RL **Dept Review: SG & RL**

City Manager Review: DWB

City Attorney Review: JWP

in Wastewater Collections to paper work orders tracked in Excel in most of the remaining Public Works Operations. Due to increased tracking requirements in the areas of water, wastewater and stormwater, staff must enter and re-enter information for permit compliance, causing the loss of approximately two FTE in completion of normal field operations. Additionally, in order to maintain qualifications for Federal funds, including pass through funds from the Federal Highway Administration, for example, the City must maintain an asset management database tracking the retro-reflectivity of its street and regulatory signs. Currently, the City's sign database is a pencil and paper operation. Furthermore, the City's current system for Asset Management and Work Orders does not allow publically generated requests to be effectively tracked and communicated back to the originator of the request.

The Community Development and Public Works Departments were separately researching options for acquisition and implementation of new state-of-the-art Permitting and Asset Management/Work Order systems. Through the research process, both departments found benefit in combining efforts in an attempt to find an enterprise focused solution to solve the needs of both.

Community Development and Public Works Department staff conducted demonstrations of several different software solutions over a period of approximately six months. Out of that review process, both departments found the Cityworks solution to be the most comprehensive and customizable solution available for the price ($22,500.00 yearly combined subscription, normally $15,000 each for Permits and Asset Management/Work Order modules). Cityworks is a GIS centric computerized Permitting and Asset Management system that is workflow based and includes a public facing portal where project status can be publicly viewed/tracked. Eventually, the system will also allow for online submittal of permit and business license applications as well as code enforcement complaints. The Asset Management component includes work order management, recording of inspections and condition data, and reporting on a wide variety of data, including individual work requests. The two modules also communicate with each other. For example, a code enforcement graffiti complaint will ultimately result in a work order for Public Works staff to either clean up or paint over the graffiti.

The Cityworks system also supports the logging and tracking of service requests by the public using third party systems known as Citizen Request Management (CRM) systems that can be used for accepting and tracking service requests on the internet or through mobile phone apps. The City is currently working on acquisition of a CRM system that will eventually be integrated with Cityworks as part of a future implementation component.

Cityworks partners with outside firms for implementation of their product solution. To that end, the Timmons Group is a Cityworks Platinum Implementation Partner and the only such partner located on the West Coast. Staff obtained a proposal from the Timmons Group with an initial implementation cost of $278,400.00, which was well beyond the budgeted funds for implementation. When made aware of the City's funding resource limitations, the Timmons Group and Cityworks worked with staff to reduce the overall implementation cost by approximately $70,000.00.

Implementation

The proposed implementation includes a comprehensive 34-step process spread across two phases (see Implementation Proposal provided in Attachment 1).

Phase 1 will focus on implementation of the Asset Management component, which includes the following:

- Water distribution
- Water production
- Wastewater collection
- Wastewater treatment
- Stormwater
- Streets
- Traffic
- Street Trees
- Parks

Phase 2 will occur concurrently and in coordination with Phase 1 and develops the Permitting component of Cityworks including the following modules:

- Business licensing
- Building permits
- Encroachment permits
- Planning permits
- Inspections
- Code enforcement

It is anticipated implementation will take 6 to 9 months, with a projected "installation" start date of September 1, 2016. A preliminary implementation schedule is provided as Attachment 2.

CONCLUSION

Both Community Development and Public Works Departments have reviewed the Cityworks solution and more specifically the proposal for implementation from Timmons Group, Inc. and found the implementation cost to be commensurate with the scope of work proposed. Implementing the integrated permitting and asset management software will increase efficiency and provide better customer service to the public.

ATTACHMENTS

1. Timmons Group July 9, 2015 Revised Implementation Proposal
2. Timmons Group Preliminary Schedule

TIMMONS GROUP
ASSET MANAGEMENT SYSTEM IMPLEMENTATION

Contact:
Darrin Farmer
253.442.4706
Darrin.farmer@timmons.com
www.timmonsgis.com

TIMMONS GROUP
YOUR VISION ACHIEVED THROUGH OURS.

July 9, 2015

WHO IS TIMMONS GROUP?

Cityworks Platinum Implementation Partner

1001 Boulders Parkway, Suite 300 Richmond, Virginia 23225 • T. 804.200.6500 • www.timmonsgis.com

Timmons Group is a multi-disciplined engineering and technology firm recognized for nearly twenty years as one of Engineering News Record's (ENR) Top 500 Design Firms in the country. We provide civil engineering, environmental, geotechnical, GIS/geospatial technology, landscape architecture and surveying services to a diverse client base. Founded in 1953, we are a well-established firm with a pioneering spirit. Decades of experience allow us to lead our industry with an unwavering commitment to forward thinking, innovative design and complete solutions that help our clients be successful. Inspired by your vision, our client service teams solve your challenges in imaginative, cost-effective and constructible ways. As a 300+ person professional services consulting firm with nearly 2,000 clients, our extensive experience in technology, engineering, planning, and surveying enables us to design and implement innovative solutions to solve our clients' varied challenges.

As Timmons Group celebrates our next sixty years, we are extremely proud of the legacy we have established in solving the many challenges our clients have entrusted to us. However, we are not resting on our many accomplishments of the past; but rather, we are focusing on building our culture as community leaders and responsible corporate citizens, focused on understanding your specific challenges and helping you to realize your vision.'

Organization

Timmons Group is steadfastly committed to our mission – ***"To achieve unparalleled understanding of our clients, their businesses and their visions resulting in unrivaled client service and shared success."*** We carefully listen to our clients' precise needs, offer open minds and evaluate all available alternatives as we develop sound yet innovative solutions. Our clear communication, vision, and time-tested technical expertise propel us to see it differently. We tirelessly strive for solutions that express you, our client, the community, and your stakeholders.

Over the previous two decades, Timmons Group has been the proud recipient of numerous regional and national awards and honors. Ranked in Engineering News Records (ENR) list of the nation's "Top 500 Design Firms" for over ten years, we are tremendously honored to receive such recognition and are committed to delivering on the promise of dedicated service and innovative leadership – both now and in the future.

While Timmons Group enjoys a number of strategic relationships with industry-leading software and complimentary services providers, we maintain no financial interests in any of these companies. This allows Timmons Group to provide unbiased consulting services free and clear of any conflicts of interest.

Markets Served

- Colleges & Universities
- Commercial
- Economic Development
- Environmental
- Federal
- Forestry and Wildlife
- Healthcare
- K-12 Schools
- Local & State Government
- Mixed-Use & Retail
- Recreation
- Residential
- Stormwater Management
- Traffic & Transportation
- Water & Waste Water
- Industrial & Energy

Services Provided

- Geographic Information Systems (GIS)/Geospatial Technology
- **Asset Management**
- Site/Civil Engineering
- Landscape Architecture
- Geotechnical Engineering and Materials Testing
- Stormwater Management
- Transportation and Highway Design and Engineering
- Leadership in Energy and Environmental Design (LEED®)
- Water and Wastewater Facilities Design
- Economic Development
- Environmental Services
- Survey and Mapping

Geospatial Solutions

Greater than eighty-percent of all daily functions performed by individuals, businesses, utilities and government agencies are, in some way, impacted by geography. Geography helps to define our environment and provides the ability to obtain answers to questions related to when, where, why, and how long? For more than twenty years, Timmons Group has been developing Geospatial technology solutions to better assist our clients in answering their varied geography-based questions for over 22 years. GIS tools help us digitize, integrate, analyze, store, maintain, and map geographic layers (geospatial) of information. Employing these tools, and the associated geospatial data sets, our clients are examining many types of scenarios, solving complex challenges and ultimately making better-informed decisions.

As an award-winning and industry-leading Geospatial consultant, Timmons Group goes to great lengths to stay abreast of the ever-changing and increasingly complex information technologies and EAM/CMMS/WMS applications needed to design, build, implement, and maintain the integrated geospatial solutions required to solve our clients' varied challenges. Our firm employs a broad range of subject matter experts across all areas of the Engineering, Planning, Information Technology and Geospatial disciplines. From our GIS Technicians all the way up through our Database Managers, Programmers, Systems Engineers, Consultants and Project Managers, our staff prides itself on our unique ability to grasp your vision and then work with you to deliver a solution tailored to your individual business requirements.

Financial Stability

Our firm has been in business since 1953 and is recognized as one of the leading geospatial consulting firms in the United States. Headquartered in Richmond, Virginia, we employ more than 225 professionals and associated support staff located throughout the United States. The size of our firm and multidiscipline capabilities enable us to deliver a wide range of projects from planning and conceptual design, all the way through final design and implementation for both public and private sector clients. We have a solid financial posture with annual billings in excess of $37 million and shareholder equity in excess of $6 million.

We have been financially solvent since inception. Our solvency is based on fiscal restraint and cash reserves adequate to support operations without incurring any long-term debt. We have sustained growth over the past several years in gross revenues and workload. This stable environment sets the stage for our continuing operations for the foreseeable future as a financially-viable corporate entity.

MORRO BAY

Office Locations

Timmons Group operates nine offices in the Mid-Atlantic. All of our office locations are digitally connected, which allows us to tap into the collective experience of key staff, fully employing the support of all employees in the firm, as needed. Just as importantly, our teleconferencing, e-mail and Web-based communication capabilities allow us to easily and efficiently exchange graphical, drawing, and design information with other members of our design team and specialty consultants. Services for this project will be managed from our asset management project office in Seattle, WA.

The map below shows the locations of our Asset Management clients throughout the United States.

1 City of Garland, TX
2 Otay Water District, CA
3 City of Alpharetta, GA
4 City of Naperville, IL
5 City of Fayetteville, NC
6 Hamilton County, TN
7 Skagit County PUD #1, WA
8 City of Auburn, AL
9 Lafayette Consolidated Gov., LA
10 Town of Herndon, VA
11 City of Richmond, VA
12 City of Alexandria, VA
13 City of Jackson, MS
14 Washington, DC
15 Town of Colonie, NY
16 City of Newport News, VA
17 Montgomery County, OH
18 Waterford Charter Township, MI
19 Altoona City Authority, PA
20 City of Raleigh, NC
21 Allegheny County, PA
22 City of Chicago, IL
23 City of Winston-Salem, NC
24 Watsonville, CA
25 Pinellas County, FL
26 Carpinteria Valley Water District, CA
27 Shafter, CA
28 Alcoa, TN
29 Goochland County, VA
30 Petersburg, VA
31 Henderson, KY
32 SeaTac, WA
33 Sammamish, WA
34 Weston, FL
35 Seattle, WA
36 Grand Rapids, Minn
37 Upper St. Clair, PA
★ Timmons Group Office Locations

PROJECT APPROACH

We propose a phased approach to project planning, implementation and system deployment that will enable both flexibility and responsiveness throughout the duration of this project. This approach also enables our project team to focus on potential risks associated with such a complex program. In our experience, we have found that by investing in adequate pre-implementation planning (documenting current practices, data sets, technologies, workflows, staff responsibilities, etc.) and identifying related best practices and desired improvements, our implementation team will have the capabilities to offer an enhanced design, schedule and implementation process while addressing all of the workflow, technological and data requirements. Based on the information gathered and analyzed during this process, our team will develop the various components of the asset management and permit tracking system as outlined within the RFP, on time and within budget.

Through a phased implementation both by functionality and user groups, Morro Bay is able to more effectively adapt to changes in workflows associated with the new system. As the system becomes ingrained within the enterprise, additional users, groups and functionality, such as mobile solutions, are able to be introduced. The scalability of the Cityworks work management system will allow Morro Bay to build it out as needed over time. This approach also affords Morro Bay time needed to effectively analyze the implementation results and revise strategies, as required. In addition, a phased approach provides Morro Bay appropriate flexibility necessary to manage the costs associated with an enterprise work management system.

Phase I will focus on implementation of Cityworks Server AMS to support management of Morro Bay's infrastructure asset, including:

• Water distribution	• Stormwater
• Water production	• Streets
• Water treatment	• Traffic
• Wastewater collection	• Street Trees
• Wastewater treatment	• Parks

Phase I will also include migration of historic data from the three (3) information systems that have been identified:

- CUPSS
- SIMMS
- WWTP Access Database

Phase II will run concurrently and in coordination with Phase I. This Phase will involve implementation of Cityworks Server PLL to support the Development Services Department's management of:

• Business licensing	• Planning/Zoning
• Building permits	• Inspections
• Encroachment permits	Code enforcements

Approach

Our approach for each phase is centered on three major program components: Project Management, Core Software Configuration, and Department Specific Implementations. Successful implementation of Cityworks as a

core technology for Morro Bay's enterprise asset management program requires a thorough understanding of the individual processes and information management applications used throughout the organization. An appropriate level of planning and strategizing is required to ensure the end-users' needs are identified, understood, and designed for prior to implementation.

The success or failure of Cityworks implementations is most often not attributable to the technology components, but rather to implementing the organization's ability/inability to effectively manage the change associated with the implementation. We will assist Morro Bay in developing a strong body of users throughout the implementation process. The widespread adoption that is often anticipated by the project stakeholders during the planning and development of enterprise systems can quickly wane shortly after implementation if the change process is not effectively managed.

The failure to adequately train and support new users is often a cause for immediate and permanent resistance to the adoption of the system. *Incorporating a strong training and coaching program is an effective change management tool* and appropriate budget allocations should be made and adhered to throughout the system implementation and adoption life-cycles. In addition, Morro Bay would be well-served by identifying and empowering City staff responsible for the daily operations and administration of the system. This individual (or individuals) should have a broad understanding of the varied services each department provides, the technique in which services are delivered, and the manner of how Cityworks solution supports the delivery of each service. The responsibilities will also include coordination of various support mechanisms available to each end user for the assistance for expanding the user's knowledge of not just their role within the asset management program, but also in a broader context of the overall importance of the enterprise work management program to the organization.

Phase I – Cityworks AMS Implementation

During Phase I, we will implement Cityworks Server AMS.

Task 1: Project Management

Our Approach to Project Management

Timmons Group specializes in delivering asset management solutions for our clients. We have accumulated years of experience and lessons-learned that has shaped our project management and implementation approach. Our project manager will be responsible for:

- Facilitating meetings between the Timmons Group team and Morro Bay's project stakeholders;
- Preparing for, and conducting, all on-site and on-line meetings;
- Reporting risks and impediments to the team as issues arise and maintaining a risk registry on our web-based project portal;
- Maintaining the project work plan and project schedule;
- Managing change; and
- Monitoring and reporting project performance.

Project Management Plan

Shortly after we receive notice to proceed, we will prepare an initial Project Management Plan (PMP) document, and initiate initial data gathering to prepare for the kickoff meeting. This "primes the pump" for the kickoff meeting

and configuration workshops and ensures there will be no IT related bottlenecks related to hardware or software purchases.

Our project manager will employ a variety of controls and management tools designed to successfully complete this project in a timely manner while keeping Morro Bay informed of our progress throughout the duration of the project. The scope of this project will require our team to work with many different City staff on a number of project tasks.

The PMP integrates and consolidates all of the subsidiary management plans from the planning process. The PMP:

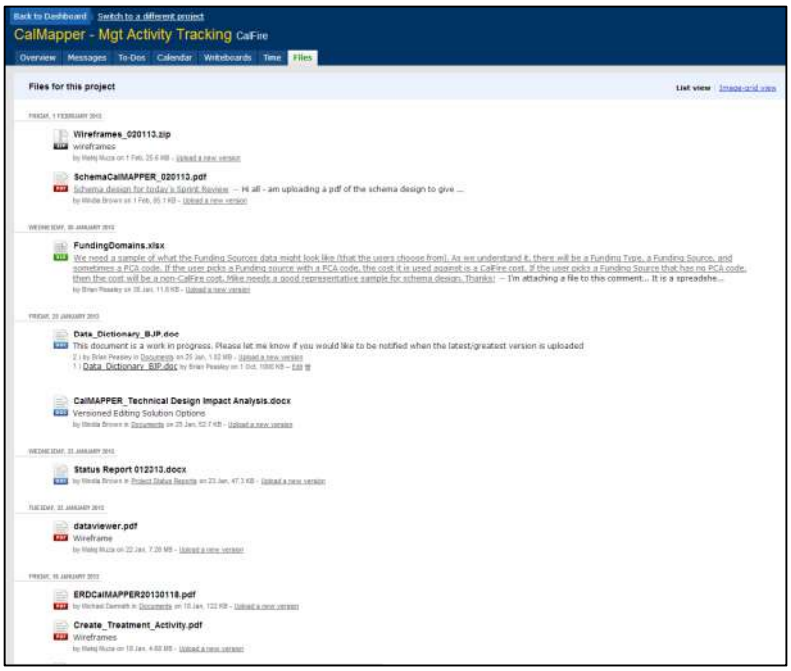
- Scope management plan (including the change management process)
- Schedule management plan
- Cost management plan
- Quality management plan
- Human resource plan
- Communications management plan
- Risk management plan
- Procurement management plan

Project baselines are established for schedule, cost and scope. These baselines are combined into a performance measurement baseline against which integrated performance can be measured throughout project execution.

Our project manager will develop and deliver a PMP outlining the tasks, schedule, deliverables/milestones, communication plan and the associated resources (internal/external) necessary for the project to be successful. *Our project manager will develop the plan using the guidelines and standards set forth by the Project Management Institute (PMI), the world's leading professional association for project management*.

Project Tracking and Reporting

Timmons Group will maintain procedures throughout the project for tracking and reporting progress. We will establish a dedicated, secure online project portal that provides centralized, on-demand access to project documents and status. Our approach to project management is very "hands-on" and will support constant communication to minimize project risk, remove impediments to progress, and to ensure that we are delivering the best possible solution.



Sample Project Portal

Standard project management documents that will be posted to the project portal include: status reports (MS Word), current and past versions of the project work plan (MS Project), key project decision log, risk register and a task/action item log.

At the end of each month we will provide Morro Bay with a project status report that document the activities performed during the previous month. At a minimum the report shall address the following:

- Status of all tasks
- Planned work to be carried out in the ensuing month
- Problems (risks and impediments) encountered
- Mitigation actions taken to resolve problems
- Key decisions (technical and administrative)
- Open action items
- Schedule update
- Financial update
- Project performance measurements

Questions and Issue Tracking

Timmons Group recognizes that communication between Morro Bay and our project team must follow a standard flow, if the project is to succeed. We will assume the primary role of controlling communication between our project team members as well as Morro Bay employees. Should issues arise during the course of the project, we will log and track issues and key decisions (administrative and technical), questions, action items in order to ensure that the decisions made during the communications are appropriate and that all resolutions are documented. The project tracking log will be maintained on the project portal

City Responsibility

Morro Bay Project Manager and team will review the Project Management Plan and ensure it meets Morro Bay's requirements.

Deliverables

The Timmons Group Project Manager will draft a project management plan for an initial review by Morro Bay's Project Manager and key staff, as deemed appropriate. The draft plan will be provided in advance of or during the project Kickoff meeting. The project management plan is a dynamic (living) document that will be managed over the life of the project. A project collaboration portal will be setup for the duration of the project and for support after Go-live.

Assumptions

Morro Bay will review all documentation in a timely manner.

Task 2: Implementation Planning

The goal of this task and its subtasks is to develop a System Design and Configuration Plan (SD&C) that consolidates the gathered data with workflows, data migration requirements, and interface requirements that will be identified and modeled during a series of configuration workshops.

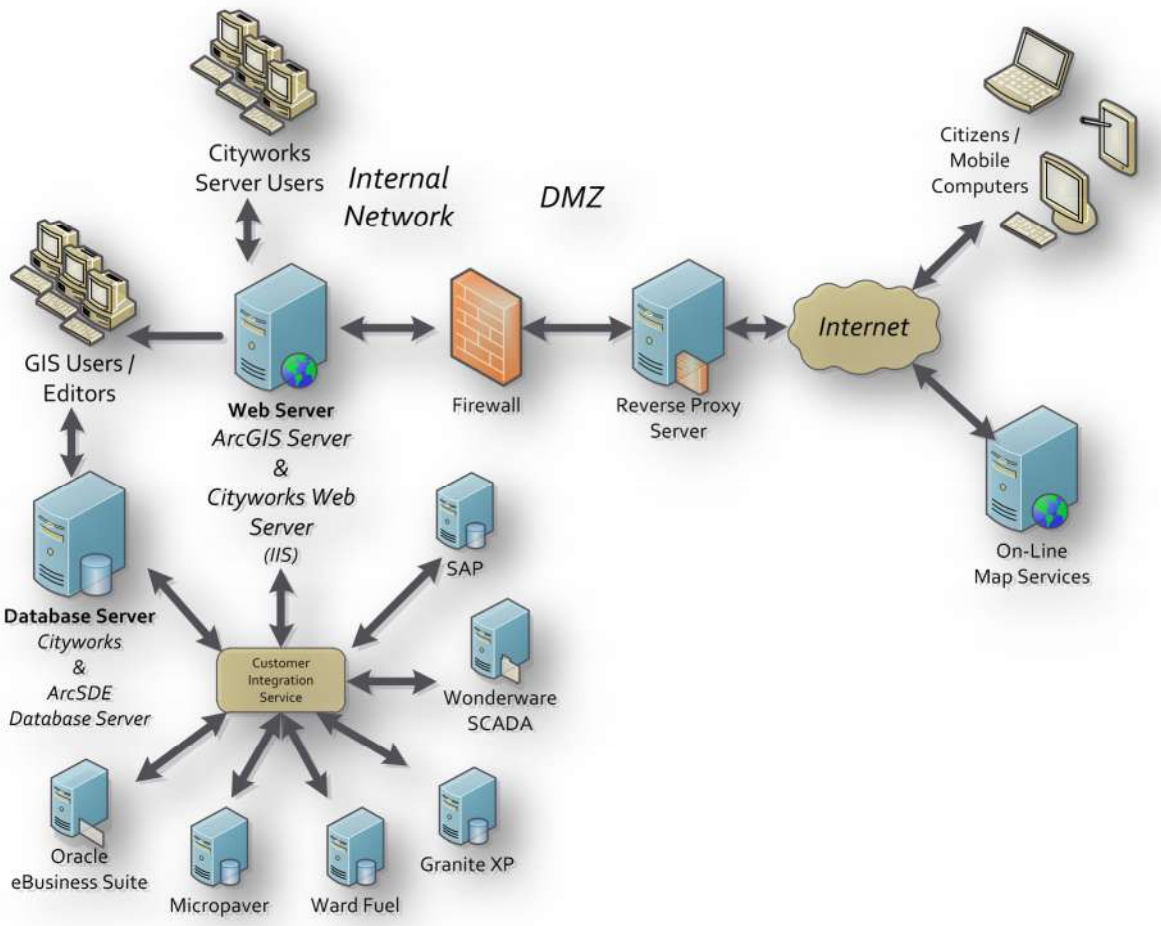
IT System Review

Our implementation team will meet with Morro Bay's project management and IT staff to discuss hardware and environment requirements for the Cityworks implementation. During this meeting, various system architectures and minimum requirements will be explored to ensure a stable implementation for Morro Bay. The goal is to ensure hardware is in place and that all related system and security policies are understood prior to initial software configuration.

The implementation team will document the Core System Design Plan components required to support the Cityworks implementation. The Core System Design Plan is developed in preparation for the configuration and implementation of Cityworks. This plan will include the following:

Network Requirements	**Hardware Requirements**
Peripheral Requirements	**Software Applications**
Internal Security	**DMZ**

Following is a standard Cityworks IT architecture:



Morro Bay Responsibilities *Morro Bay is responsible to have IT staff present for the meeting who are knowledgeable on the current infrastructure and any planned modifications during the life of the project.* ***Deliverables*** *Core System plan for Hardware, Software, and network configuration.* ***Assumptions*** *Morro Bay will review and comment on all documentation in a timely manner.*

Configuration Document Meeting

The implementation team will meet with Morro Bay Project Manager and key stakeholders to review the contents of the Cityworks Configuration Document. The Cityworks Configuration Document is a collection of spreadsheets related to information required for population of the Cityworks system. With our implementation team's assistance, Morro Bay will provide data to populate associated configuration spreadsheets prior to the Configuration Workshops. Any information Morro Bay can deliver prior to the workshops will be used by the implementation team to design, configure and implement the initial Cityworks configuration.

The Cityworks Configuration Document contains eleven main configuration categories. Each is identified below and will be discussed in detail during the Configuration Document Meeting:

- **Domain Security** – a security structure and method of organization. The rest of the manual builds on this section; it should be done first.
- **Employee Hierarchy** – A list of all employees with login and domain information.
- **Work Orders** – Lists of all the primary activities each department handles.
- **Tasks** – Lists of all the tasks associated with the work orders.
- **Materials Hierarchy** – A list and organizational method for your work order materials.
- **Equipment Hierarchy** – A list and organizational method for your work order equipment.
- **Service Requests** – Details about all the service requests or calls that may come in.
- **Project Hierarchy** – Define any ongoing municipal and capital improvement projects.
- **Contractors List** – Details about contractors used for work activities.
- **Inspections** – A list of inspections completed against assets along with the information captured during the inspection.
- **Storeroom Configuration (If Applicable)** – Details concerning the storeroom names, stock on hand and security.

Our team's configuration manager, will work closely with Morro Bay Project Manager to ensure that Morro Bay understands the configuration documentation and data to be gathered.

Our configuration team will take information provided by Morro Bay along with the Esri geodatabase and configure the hosted Cityworks "sandbox" installation that will be used during the kickoff meeting and configuration workshops.

Morro Bay Responsibility

Morro Bay is responsible to have key staff present for the configuration meeting who is knowledgeable on the current work order, service request, and inspection workflows. Morro Bay will provide data that is easily accessible as defined in the configuration document webinar.

Deliverables

Configuration document with spreadsheets initially filled out from data supplied by Morro Bay.

Assumptions

Morro Bay will provide data as identified in the Configuration Document and supporting spreadsheets.

Task 3: Install Cityworks Server

We will install the core Cityworks software in our secure, cloud environment. The intent of the cloud Installation is to meet the initial Cityworks implementation requirements which include initial system configuration and configuration customization. We will work directly with Morro Bay's Project Manager to verify that all core system components are installed and appropriately configured. Our implementation team will facilitate Cityworks software installation, set-up, and initial configuration.

The purpose of installing this software at an early stage in the project is two-fold: It establishes the core system that will later be configured and tested, and is the ideal platform for familiarizing Morro Bay staff with the software as a sandbox for Morro Bay use. From experience, we have determined that it is important for potential end users to see the software prior to discussions about functional needs so that they have a basic understanding of the software's capabilities and limitations. This server will be linked with a copy of Morro Bay's Esri geodatabase.

Morro Bay Responsibility
Provide a copy of Morro Bay's Esri geodatabase.

Deliverables
The core Cityworks Server AMS software installed in our secure cloud environment

Assumptions
N/A

Task 4: Project Kickoff Meeting

Project team members and participating Morro Bay staff will participate in a Project Kickoff Meeting to be held for the purpose of introducing the project participants, to establish the roles and responsibilities of all Project Participants, validate City goals and objectives, establish the lines of communication to be employed throughout the duration of the project, and to answer any questions City staff may have.

Morro Bay Responsibility
Morro Bay stakeholders will attend the project kickoff meeting.

Deliverables
Project presentation and meeting minutes.

Assumptions
Morro Bay will provide a conference room appropriately sized for the number of participants.

Task 5: Cityworks Workshops

Our implementation team will conduct a series of workshops to cover configuration data for the asset categories, work order and inspection workflows, interfaces, reporting, and data migration identified herein. The five day period will be broken up into half day guided workshops. These workshops are designed to establish and assess the business requirements, user requirements, and functional requirements that must be considered when developing the SD&C Plan. It is expected that Morro Bay will provide the facility for the on-site workshops and coordinate staff attendance for all workshops. The workshops will be conducted by functional area that includes each department/functional group identified above. To meet the needs of Morro Bay, we have planned a total of 5 full days of workshops.

At the beginning of each workshop our implementation team will conduct a brief software training session (Casual User) using Morro Bay's data and maps (whenever possible) provided by the City. The session will give the workshop attendees an opportunity to review and understand the software, potential impacts and changes in their daily business processes, and the purpose of adopting the new tools. There are no prerequisites for this training. It has been our experience that successful adoption of Cityworks is supported by continued, repeated exposure of the software during the workshops and review meetings.

During the workshops, our implementation team will analyze the various technological, operational, and organizational elements of Morro Bay's business. This will be an essential procedure in order to ensure the planned Cityworks implementation and expected system interfaces are capable of delivering the feature-rich data needed to support the numerous complex operations and maintenance activities undertaken by the various departments. In support of these efforts, our implementation team will analyze with Morro Bay the following critical elements:

- **Business Drivers** – The core functions that will benefit from the implementation of the Cityworks solution. These may include inventory, custom billing, time tracking, engineering planning and design, construction inspection and administration, operations and maintenance, inspections, regulatory compliance, customer service, disaster preparedness and emergency response, executive decision processes, etc.

- **Workflows** – Current departmental (internal and external) business processes and work flows that will either contribute to, or be replaced by, the planned Cityworks implementation. Key workflows that should be analyzed include, but are not limited to, inventory / data capture and maintenance, data distribution, data consumption, system planning and analysis, customer inquiry, reporting, etc.
- **Systems and Applications** – Information technology and process automation tools currently deployed and maintained by Morro Bay should be investigated and analyzed in terms of their ability to support the increased network traffic, data loads, and application maintenance requirements introduced by the planned Cityworks program. Additionally, existing business applications such as network modeling, mobile computing, customer relationship management, etc., should be investigated to determine the best manner by which to integrate with the planned Cityworks system.
- **Data** – Existing data sets (spatial and tabular) and reports maintained for the purpose of supporting the daily operation and maintenance of the departments and their associated processes must be inventoried and analyzed for the purpose of supporting the development of any required data conversion/migration/development plans.
- **Best Practices** – Established asset management best practices, as they relate to Morro Bay's current operational mandates, contrasted with where the various departments currently fall within the spectrum, should be established and benchmarked for the purpose of establishing the required system implementation path needed to guide Morro Bay to its ultimate Cityworks deployment and adoption goals and objectives.
- **Interface Requirements** - During the configuration workshops, the need/desire to interface Cityworks with other systems is commonly identified. As these needs arise, we will note them for future consideration, but will not explore them in detail.

These core elements will provide our implementation team and Morro Bay an understanding of the needs and challenges the departments will face as they move to implement Cityworks. The initial business process analysis provides our implementation team with a detailed look into the everyday processes marshaled by City staff. A primary objective of this task is for our implementation team to review and understand how Morro Bay conducts business and manages its assets. The ultimate goal is to provide knowledge to support and enable our implementation team to properly address the technological impacts of the system deployment and Morro Bay in order to understand the technological impacts and the non-technological impacts related to business processes and workflows.

Morro Bay Responsibility

Morro Bay will be responsible for assisting our implementation team's Project Manager with the development of a comprehensive agenda based on department and key staff. In addition, it will be necessary for the participation in workshops to review the SD&C Plan drafts and to provide data and discuss workflows identified in the workshops.

Deliverables

Workshop meeting minutes.

Assumptions

Morro Bay will provide a conference room appropriately sized for the number of participants. Critical City staff will attend workshops and defined by the configuration workshop agenda.

Task 6: System Design and Configuration (SD&C) Plan

Once all required information regarding the current work order management, service request, and inspection processes are collected and organized, our implementation team will work together to analyze and document the current status of the primary components of the business process. Specifically, these components will be analyzed:

- **Current IT Systems and Applications –** This includes relevant computer, network and peripheral infrastructure that the Cityworks system would utilize. This also includes any existing software applications that the new system might need information from, or need to provide information to (e.g., financial, assessment, codes) and security requirements**.**
- **Current Data Sets –** Focus on data and best practices for Cityworks. Specifically, this would include the work order, service request, and inspection documentation and data. The Esri geodatabase will be mapped to Cityworks we expect limited modification will be necessary.
- **Current Workflows –** Define and model Work orders, Service Requests, Inspections, Interface Communication, and migration of existing data leveraging Cityworks and our team's best practices.
- **Required Outputs –** The required outputs of the current business process will be reviewed. Outputs can take many forms, and may include: reports, form letters, e-mails, export files, and receipts.
- **Required System Interfaces –** The RFP identifies the need for the Cityworks system to interface with the Esri GIS, and various other systems. Our project team will also look at additional system interfaces that may be beneficial for Morro Bay which includes implementing a Mobile solution.

Following the configuration workshops, our implementation team will develop a report that documents the "as-is" situation and puts forth the recommended, or "to-be" (future state), workflows of the new Cityworks system. The recommended changes will strive to enhance the efficiency of required tasks and follow industry best practices, as well as to enhance the satisfaction of the citizens/businesses being served. The resulting Software Design and Configuration (SD&C) plan will be the "floor plan" for the configuration of the Cityworks system.

Morro Bay Responsibility
Review of SD&C Plan drafts within five (5) business days.

Deliverables
SD&C Plan drafts.

Assumptions
Morro Bay will review all documentation in a timely manner.

Task 7: Cityworks AMS Configuration

The goal of this task is to configure Cityworks based on the SD&C Plan and deploy on the City's server for review prior to final implementation. The implementation team will take the information gathered and documented and configure the Cityworks database. This task will take place at Timmons Group's office within our computing environment. The configuration of Cityworks will be based on the Cityworks Configuration Document and the SD&C Plan developed from the onsite workshops.

Services for this task will include, but are not limited to:

Work order or request types	System Administration
Work tasks for each work order type	Login, concepts, data model, viewing
Employees and labor classifications in that department	Print Templates
Inventory (material) types	Creating and managing call center activities
Major equipment types	Advanced aspects of call center

Existing datasets used or slated to be used in the work order or request process	Creating and managing problem hierarchy
Samples of service request and work order printout forms	General Configuration Issues

Morro Bay Responsibility
Morro Bay will continue to review and comment on Cityworks environment.

Deliverables
Updated Cityworks Configuration Document and SD&C Plan.

Assumptions
Cityworks configuration will implemented in Timmons Group cloud environment. Key City staff will have full access to this environment for training and review.

The steps include Planning, Build, Training, Production Deployment, and Post Production System Review. These steps ensure that we include everyone and every system of record in the development of detailed requirements for the design of the interface(s). Once the interfaces are developed, a rigorous testing plan will be executed. Upon successful completion of this User Acceptance Testing (UAT), the interfaces are ready for deployment. However, prior to the final production deployment, user training is performed for those impacted directly by the project.

Morro Bay Responsibility
Morro Bay will be responsible for attending workflow definition meetings and review workflow diagram and application design document.

Deliverables
Workflow Diagram and Application Design Document

Assumptions
Morro Bay will provide a conference room appropriately sized for the number of participants and review all documentation in a timely manner.

Task 8: Data Migration

We will migrate data from the following systems currently in use at Morro Bay:

- CUPSS
- SIMMS
- Access database used at WWTP

OUR APPROACH

The legacy systems targeted for conversion span multiple software vendors, database schemas, database versions and even database formats, which implies that each will be handled in a unique way. While this is true in many ways, the fundamental approach to successfully migrating data from one system to the other is, in fact, the same.

Coordination

As is evident by this proposal, the migration effort is just one facet of the system implementation and cannot be undertaken independently. The foundation of the proposed Cityworks solution needs to be in place in order for the data migration to be performed, but even then the conversion may drive specific configuration items and changes. Coordination and communication between the project team members will be an ongoing element of the conversion process that starts with project kickoff and terminates with a successful migration of all data into the production environment.

Orientation Workshop

The conversion process of each legacy system will include a workshop wherein the proposed project team will meet with appropriate Morro Bay staff to review the specific implementations. The discussions will allow the project team to gain an understanding of how the applications are being used, what data has been recorded. At the same time, details associated with the data required as part of the conversion process will be reviewed, documented and approved.

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During the workshops, the project team will also initiate the process of gaining access to the underlying database and will work with Morro Bay staff to gather any available documentation (i.e., system specifications, entity relationship diagrams, etc.) specific to the software and specific versions being reviewed. This information will help to streamline the subsequent navigation and interpretation that will be necessary to perform the migration.

Database Schema Crosswalk

Perhaps the most critical task in a data conversion effort is performing a crosswalk of the source and target schemas to identify and document how various objects between the two systems are related, resulting in a documented “data map” that will guide the migration process.

While some of the source systems are well known commercial software packages, the software companies do not typically make database diagrams and workflows publicly available. Data structure even within commercial systems can vary across versions and, more importantly, each implementation can be setup differently based on workflow or data requirements. More data and custom solutions may have an even wider ranging or completely unknown schema. As such, the discussions and documentation resulting from the workshops will be critical to the completion of a highly detailed system crosswalk. Throughout the process, additional input or clarification may be solicited as needed and is vital to ensuring that the resulting data mapping will reflect an accurate foundation for all subsequent activities.

Translation Scripting

Following the schema crosswalks, the project team will develop a series of processes to facilitate the actual migration of the source system data into Cityworks. Depending on the complexity and volume of the source data, the process may be a mix of manual and a scripted solution, but will be established in a manner to ensure repeatability. The scripted solutions will be tailored to each specific data conversion effort and may range from native SQL Server scripts to third party migration tools, but will ultimately follow a pattern referred to as extract, transform and load (ETL). The ETL approach is common within the GIS industry, but applies much more generically to moving data between systems. The ETL process will be designed as a one-time process that will result in data migrated into a development Cityworks database.

NOTE: (1) The project team will be performing a data translation, but will not be completing any data generation as part of this process. (2) While the scripts are being developed and data is being translated into development, Morro Bay input or clarification may be solicited as needed and is vital to ensuring that the resulting data mapping will reflect an accurate foundation for all subsequent activities.

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> NOTE: (1) The project team will be performing a data translation, but will not be completing any data generation as part of this process. (2) While the scripts are being developed and data is being translated into development, City departments can use the source systems as always. At the time the data is ready for production conversion, the source systems will need to be taken offline or transitioned into a read only state.

Pilot Execution

The project team will need to test the scripts thoroughly through a pilot process. The exact nature and magnitude of the pilot effort will be driven by the volume and quality of the data. The pilot may represent a subset of data based on a defined time range or a specific work activity type (defined through a coordinated effort), but the pilot is ultimately intended to play a central role in validating the processes and scripts.

Although the details underlying each conversion may vary substantially, automation is assumed based on the volume indicated by Morro Bay within the RFP. As part of the pilot, the project team will be analyzing and evaluating the output to identify potential anomalies that are not sufficiently systematic to be detected or trapped by the scripts. The approach to addressing those anomalies will be documented and discussed with Morro Bay.

Validation & Quality Control

With the conversion process completed against a subset of the data, the project team will perform a series of validation and quality control processes to verify a successful migration. This task will largely focus on backend analytics that compare data in both the source and target systems, but will also consist of frontend testing prior to release to Morro Bay for testing. Results from this quality control process will be documented and shared with Morro Bay.

Acceptance Testing

In contrast with the validation and quality control phase, which is based on a review by the project team, the acceptance testing phase offers City staff the opportunity to review the data within the context of the proposed Cityworks system in contrast with the information contained in the source systems. The acceptance testing places more emphasis on the front end testing, wherein users will interact with, interrogate and visualize data through the Cityworks interface. Feedback will be incorporated into a revision process that will guide modifications to the scripts and processes that drove the conversion.

Upon completion of the testing process and acceptance by Morro Bay, the project team will prepare for the production conversion, which will coincide with the release of the proposed system and the retirement of the legacy solutions.

Production Conversion

The production conversion effort will encompass the migration of the full data sets from each of the source systems into Cityworks. The processes established through the crosswalk and encapsulated in the refined translation scripts will be executed as part of the production release management process. The conversion team will coordinate with Morro Bay to transition the source systems into a static to ensure that no further data entry occurs that could result in data loss. The automated aspects of the conversion will be applied followed by any documented manual processes that are required to address data anomalies.

The production conversion will wrap-up with a coordinated, but truncated, validation sufficient to verify a success data migration. Based on the preceding step-wise approach with multiple points of quality control and an ongoing feedback loop, the final conversion process is anticipated to adhere to the expectations of the project team and Morro Bay and will result in a more consolidated system with centralized access to a wealth of historic information.

Task 9: Configuration Review Meetings

The implementation team will conduct multiple onsite review workshops of the Cityworks configuration to gather information from each department/functional group. Review workshops will be held in 4 hour intervals and will cover the administrative configuration, system tools (service requests, work orders, and inspections), data loading/data migration, and interface requirements. For this project, we have planned 4 configuration review meetings related to AMS configuration.

Morro Bay Responsibility
Attend configuration review meetings.

Deliverables
Configuration meeting minutes and updated Cityworks Configuration Document and SD&C Plan.

Assumptions
Morro Bay will ensure attendance by staff and provide review comments in a timely manner.

Task 10: Install Cityworks Server On-site

Our implementation team will work with City IT staff to install and configure the Cityworks software at Morro Bay's facilities and migrate the Cityworks configuration from the Timmons Group computing environment. Our implementation team will work directly with Morro Bay's Project Manager to verify that all core system components (servers, clients, RDBMS, networking devices, and supporting software programs) are installed and appropriately configured. Our implementation staff will be onsite to facilitate Cityworks software installation, set-up, and configuration.

Morro Bay Responsibility
Software and hardware for Cityworks installation and configuration.

Deliverables
Cityworks configuration files migrated from the Timmons Group cloud environment.

Assumptions
Morro Bay's IT Department will ensure that software, hardware, and network connectivity meets Cityworks implementation specifications and specified in the Core System Design Plan. Morro Bay IT staff will be available to assist our implementation team during Cityworks installation.

Task 11: Develop Testing and Acceptance Plan

The implementation team will work with the Morro Bay to develop and administer a Testing and Acceptance Plan. Testing and Acceptance Plan objectives shall remain consistent with the application functionality detailed in the System Design and Configuration Plan and Application Design Document (for enterprise interfaces). The Testing and Acceptance Plan will address, in sufficient detail (as collectively deemed by Morro Bay and the implementation team) the elements required to support Morro Bay's testing of the Cityworks software functionality and database configuration, security matrix, data migration plan, documentation of application performance issues/errors experienced during the testing, documentation of the resolutions to noted issues/errors, and certification and acceptance of the final deliverable database configuration and software functionality.

The test server and final production server environments will be measured against the results of the testing performed in accordance with this Testing and Acceptance Plan, and it is the baseline to which the scoped projects tasks will adhere. The Testing and Acceptance Plan shall be subject to the review and acceptance as to its reasonableness for its intended effort, which is defined herein as the ability to support the logical and thorough testing of the Cityworks application functionality, platform stability, and database configurations.

Upon completion of development of the Testing and Acceptance Plan, the Team shall submit said plan to Morro Bay for review and approval. It is important for City staff to review the draft plan for technical accuracy and completeness. Our configuration team will update the Draft Testing and Acceptance Plan, incorporating City comments and re-submit said plan as Final.

Morro Bay Responsibility
Morro Bay will be responsible for assisting in development and review of the Testing and Acceptance Plan

Deliverables
Testing and Acceptance Plan drafts and final.

Assumptions
Morro Bay will review all documentation in a timely manner.

Task 12: Report Development

Cityworks provides several standard reports and has a customer driven report data repository on their www.mycityworks.com support website. Although we anticipate some custom report development, a complete

inventory of required reports is not known. Based on our current understanding, **we have estimated the need for 80 hours of report development**. If the desired number of custom reports exceeds our estimate, our project manager will alert Morro Bay's project manager, the issue will follow our change control process, and we will submit an estimate for the additional effort required.

Cityworks includes the following predefined reports:

Service Requests per Month	Service Requests per Work Order
Employee Summary	Material Report
Equipment Report	Report by Geography
Work Order Cost Summary	Budget Plan Report

In addition to the pre-defined reports, Cityworks contains ad-hoc search and report tools to query Cityworks data. Nearly every field in Cityworks is searchable, allowing for comprehensive data reporting. Ad-hoc reports can be sorted and grouped by field into multiple descriptive displays. Ad-hoc results can be exported to Microsoft Office products (Access, Excel, and Word) or other products for further analysis or presentation. Reports can be shared among enterprise users, departments and divisions.

Cityworks includes search and reporting by geography which is accessed through the fully integrated GIS interface. Searching by feature, feature type, map page, tile numbers, or any other data element is readily available as defined in the GIS.

Our implementation team will use a four step approach to meet Morro Bay's immediate reporting needs and ensuring they will be self-sufficient to create your own reports in the future.

1. **Catalog Existing Reports** –Our configuration team will work with Morro Bay to identify and catalog and prioritize required reports.
2. **Create Reports** – Our implementation team has estimated 80 hours for development of up to 5 reports.
3. **Ad-Hoc and Crystal Server Report Training** – We will train the designated Morro Bay report writers on a) how to best leverage the MyCityworks website, b) developing Ad-Hoc reports, and c) the process of developing additional Crystal reports. This will be included as part of the Admin training.
4. **Report Training Support** – Our implementation team will include report development in our Administrator training curriculum to assist Morro Bay staff on report writing questions and/or crate additional reports.

Morro Bay Responsibility

Morro Bay will be responsible for assisting our implementation team with the generation of a comprehensive catalog of existing reports.

Deliverables

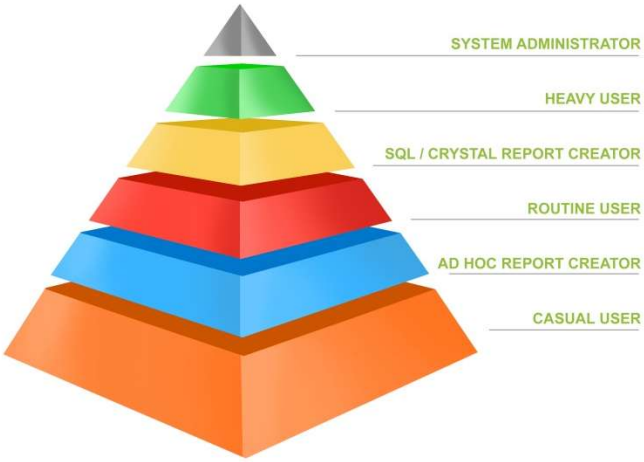
5 custom reports based on 80 hours in budget.

Assumptions

Morro Bay will designate a report writer/s who will work with our implementation team to generate the catalogued list of reports, review reports developed by our implementation team, and train on ad-hoc and Crystal report creation.

Task 13: Onsite Training

Our implementation team, in conjunction with Morro Bay Project Manager and key stake holders, will devise a training plan specific to Morro Bay's environment and data. A proactive training plan will ensure that City staff are equipped to undertake the system utilization and maintenance tasks immediately upon receipt of the system. We have budgeted a trainer for 80 hours to meet the needs of each functional group participating in this configuration.



The training plan will include:

- Product training curriculum descriptions
- Listing of instructors
- Training Materials
- City responsibilities
- Schedule

This training plan will be used as a guide—but may be modified when necessary to support the goals and techniques of your staff resources.

Cityworks training is modular. Students attend those sections that are relevant to the type of work that they are performing. All courses include relevant materials and sample data. Morro Bay will need to identify who will attend each session based upon the needs that will have been identified during the Configuration Workshops.

Training will be developed for the following user types (along with the Casual User and Report training identified earlier in the proposal):

- Routine User – Staff who will have the ability to update a request/work order after the crew has completed their work
- Heavy User – Staff who will create work orders, schedule work orders, create PM's, maintain the parts, create reports and generally will have the ability to use the whole system based on their security level
- System Administrator – Staff who have full system access and be responsible for the daily operations and maintenance of the Cityworks environment

It is assumed that Morro Bay will provide the training facility including computers and a high-resolution computer screen projector. Coming into training, the users will need to possess basic functional knowledge of Personal Computers and Windows. During each onsite meeting (kickoff, workshops, configuration review, etc.) our implementation team consistently exposes City staff to Cityworks and basic workflows within the software. This incremental training augments the training performed after final configuration.

Morro Bay Responsibility
Morro Bay Project Manager will assist our implementation team in the creation of a comprehensive training plan that meets Morro Bay's needs with minimal disruption of daily operations.

Deliverables
Training Plan and Training Documentation.

Assumptions
Morro Bay will provide a conference or training room appropriately sized for the number of participants. Morro Bay will

ensure attendance by identified staff. All City staff attending training should have basic functional knowledge of computers and the windows operating system.

Task 14: Acceptance Testing

Prior to Go-live there will be a thirty (30) day acceptance testing period (the acceptance period is flexible based on input from Morro Bay's Project Manager). During this period Morro Bay will test the Cityworks implementation and identify issues and opportunities and submit to the Timmons Group Help Desk. The Help Desk will be configured specific to Morro Bay's implementation requirements. The Testing and Acceptance Plan will frame and guide Morro Bay through the testing process.

Morro Bay Responsibility
Morro Bay Project Manager will work with staff to implement the Testing and Acceptance Plan.

Deliverables
Testing Plan, results, and modifications.

Assumptions
Morro Bay will be prepared to work through the Testing and Acceptance Plan and complete within a thirty (30) day period.

Task 15: Final Product Configuration

Our implementation team will conduct the final product configuration based on the System Design and Configuration Plan and Testing and results of the acceptance testing. Our implementation team will provide documentation for the key aspects of this project and Cityworks components. Proposed documentation is summarized below:

- **Cityworks configuration document** – Early on our configuration team with Morro Bay's input developed a Cityworks Configuration document that is maintained through the life of the project
- **Project Management Plan** – Our Team developed and maintained a project plan that included the scope of project services (and any changes), budget, schedule, risk management and communication approach.
- **Cityworks® Server AMS Software** – Azteca provides standard documentation for the latest product release. Separate documentation is provided for system administration and end users.
- **SD&C Plan** – Timmons Group will provide a copy of the plan resulting from the review, analysis and documentation of the organization and its current workflows, data sets, IT system and applications, system interface needs, output requirements, and public access and service request needs.
- **System Integration and Data Conversion specific documentation.**
- **Training Materials** – Timmons Group will provide a copy of the training plan and all training documents used during casual user, routine user, heavy user, ad-hoc reporting, management, and system administrator training.
- **Testing and Acceptance Plan** – Timmons Group will prepare and deliver a copy of the test plan and test results report to be used for system certification and acceptance by Morro Bay.

Morro Bay Responsibility
Acceptance of documentation.

Deliverables
All project documentation developed to date.

Assumptions
Morro Bay will receive all documentation in digital format.

Task 16: Go-live and Project Close Out

Having successfully completed all system upgrades, testing/acceptance procedures, production environment initialization, and Go-live preparation tasks specified above, the system is deemed prepared for Go-live. At such time that end-user access has been configured/re-directed to the newly initialized production environment, the system is deemed to be in "Live" status. Morro Bay's Cityworks users will now be executing work management tasks in a live configured Cityworks production environment. After five (5) days of initialization of the production environment, Morro Bay shall generate a certificate signifying the Cityworks application functionality and database configuration is operational in a "Live" production capacity. Morro Bay Project Manager shall sign said "Go-live Certificate" and submit it to Timmons Group.

Morro Bay Responsibility
Provide implementation team with a certificate of "Live" production capacity.

Deliverables
Last minute configuration and document modifications.

Assumptions
Work through the Timmons Group Help Desk to resolve and issues.

Task 17: Post Go-live Support

On-Site Coaching

Our team will provide one week of on-site assistance for the users in their day-to-day activities in using the Cityworks® software and modules. Once the software is on-line, the configuration staff will be on-site to assist users as they encounter day-to-day transactions. The purpose for this is to work with users on an individual basis as they use Cityworks® in their daily duties to discover and resolve configuration problems, training lapses or other issues that are keeping users from getting the most from the software.

Ad-Hoc Support

Once the system has been rolled out and is being used, our team will provide 80 hours of remote ad-hoc support to address any configuration, implementation, or software installation matters that may arise. For example, these might include the redesign of printout forms or changes in the content of the work management portion of the Cityworks® database. Morro Bay will have one year to utilize the remote support by department.

Phase II Cityworks® Server PLL Implementation

Our approach to Cityworks® Server PLL implementation and configuration is to work interactively with Morro Bay to identify and rank the workflows and interactively model the processes in PLL. Through this effort Morro Bay staff, who are designated to manage and maintain PLL, will participate in the development process and learn the nuances of building the workflows, templates, and cases. A comprehensive training program is focused on creation, maintenance, and administration of PLL using Morro Bay specific workflows created with Morro Bay staff. Our team has found this process to be cost effective and ensures our clients are comfortable in taking ownership of their PLL environment. At a minimum the configuration will include the following for the building inspection and land development processes:

• Planning and Zoning	• Building Permits
• Fee Calculation	• Encroachment Permits
• Building Plan Review	• Inspections
• Code Enforcement	• Business Licensing

The implementation team will facilitate a series of onsite workshops with identified Cityworks users for the purpose of establishing the necessary understanding of individual responsibilities, work processes, regulatory stressors, etc. By gathering and analyzing the end user requirements, the implementation team will best prepare us to implement Morro Bay's solution such that the individual user requirements are able to be met in the context of Morro Bay's over-arching strategies.

Task 18: Project Management

Our team utilizes a formal Project Management Plan (PMP) process for documenting, tracking and communicating the key elements of a project, which include: Project scope, schedule, work plan (including staff and other resources), budget, communication plan, definition of project goals and critical success factors, definition of team member roles and responsibilities, change management and risk management. The purpose of the PMP is to insure that the project objectives are clearly articulated and met, that tasks are completed on schedule, issues are identified and resolved promptly, and that project status is continuously communicated to project team members. Our Project Manager will draft a PMP for an initial review by Morro Bay's Project Manager and other staff during the kickoff meeting.

Morro Bay Responsibility
Morro Bay project manager/team will review the Project Management Plan and ensure it meets Morro Bay's requirements.

Deliverables
Project Management Plan that will be managed over the life of the project.

Assumptions
Morro Bay will review all documentation in a timely manner.

Task 19: Implementation Planning

As with Phase I, Task 2, we will carefully plan the implementation and document requirements in a SD&C Plan that memorializes the requirements for the PLL implementation.

Task 20: Project Kick-off Meeting

Project team members and participating City staff will participate in a Project Kickoff Meeting to be held for the purpose of introducing the project participants, to establish the roles and responsibilities of all Project Participants, validate City goals and objectives, establish the lines of communication to be employed throughout the duration of the project, and to answer any questions City staff may have.

Morro Bay Responsibility
Morro Bay stakeholders will attend the project kickoff meeting.
Deliverables
Project presentation and meeting minutes.

Assumptions
Morro Bay will provide a conference room appropriately sized for the number of participants.

Task 21: IT/GIS Systems Workshop

Our configuration team will meet with Morro Bay project management and IT staff to discuss hardware requirements for the Cityworks implementation. During this meeting various system architectures and minimum requirements will be explored to find the best fit for Morro Bay. The goal is to ensure hardware is in place prior to initial software configuration.

Our Team will document the core system design plan components required to support the Cityworks implementation. The core system plan is developed in preparation for the configuration and implementation of the Cityworks system. This plan will include the following:

- Network Requirements
- Hardware Requirements
- Peripheral Requirements

Software Applications ***Morro Bay Responsibilities***
Morro Bay is responsible to have IT staff present for the IT System Webinar that is knowledgeable on the current Morro Bay infrastructure and any planned modifications during the life of the project.
Deliverables
Core System plan for Hardware, Software, and network configuration.

Assumptions

Morro Bay will purchase Cityworks® Server PLL. Morro Bay will review all documentation in a timely manner.

Task 22: Data Gathering

The goal of this task is to meet with City departments and gather critical information that will be later loaded into the PLL environment. Data that will be gathered includes:

- Identify Database and Domain Administrators
- Identify PLL Users
- Select PLL login security model
- Define ArcGIS Services
- Identify email settings for PLL
- Identify Contractors

Morro Bay Responsibility
Morro Bay staff will be available to assist with obtaining all information identified during the data gathering process.

Deliverables
Systems Configuration Document (details which servers will be utilized by Cityworks and what software and the versions that will be installed on each server along with GIS services to be utilized for the Cityworks map). Morro Bay to provide a PLL user list along with employee details (login name, email address, title, and department/division). Morro Bay to provide list of contractors and a list of Code Violations.

Assumptions
Esri ArcGIS Server installed and configured. All necessary hardware and ancillary software available

Task 23: Identify, Prioritize, Define, Workflow, Report, & Data Migration

The goal of this task is to identify and prioritize the permit types and workflows based on complexity, commonality, and impact on Morro Bay. Our configuration team has found that a number of workflows are similar so our approach is to interactively develop the most complex workflows and train City staff in the process of maintaining and building future workflows.

- Workshop to identify and prioritize workflows & reports
- Introduction to PLL and security roles

Morro Bay Responsibility
Key Morro Bay staff will participate in the requirements definition and workshops.

Deliverables
Timmons Group will prioritize list of Morro Bay Workflows based on Department. Morro Bay will provide documentation on existing workflows.

Assumptions
Documentation on workflows will be provided prior to system design. Samples of reports will be provided by Morro Bay. All necessary Morro Bay staff will attend and participate in meetings and workshops. All necessary hardware and ancillary software available

Task 24: PLL Workflow Workshops

Our configuration team will conduct a series of workshops over a one-week period to gather the details of each case to be built in PLL. Workshops sessions are typically broken down by division or workgroup to discuss cases handled by each group. Occasionally, a representative from multiple divisions may need to be present for cases that have workflow tasks that span multiple workgroups.

Each workshop session begins with a brief of Cityworks Server PLL demonstration to provide context, and help familiarize participants with the core components and functionality of the software. The demonstration will give the workshop attendees an opportunity to review and understand the software, potential impacts and changes in their daily business processes, and the purpose of adopting these tool sets. It has been our experience that successful adoption of Cityworks is increased through repeated exposure of the software during the workshops.

During the workshops our configuration team will analyze the various technological, operational, and organizational elements of Morro Bay's business for the purpose of ensuring the planned Cityworks implementation and expected system integrations are capable of delivering the feature-rich data needed to support the numerous complex operations and activities undertaken by the various departments. In support of these efforts, our configuration team will analyze with Morro Bay the following critical elements:

- **Workflows & Tasks** – Identify the current tasks and decisions that are involved with the workflow for each PLL case. The implementation team will identify points of possible improvement in existing workflows and discuss how current business processes may change or be modified to fit within the Cityworks application. The workflow review will identify each task within the workflow, all of the possible outcomes for each task, and the party responsible for completing tasks. Task results can trigger changes in case status, dictate path that the workflow follows, and send email notifications.

- **Data Requirements** – Review of the current application forms, requirements for submittal, checklists, violation lists, contractor lists, and other data that needs to be tracked and recorded as part of a case. Existing documents are reviewed on-site and the configuration team will discuss with Morro Bay how various items will fit into the Cityworks system. This will help give Morro Bay some insight on what their data will look like in Cityworks.

- **Fee Calculations** – Identify the fees associated with each case and the information used to calculate the fees. The fee schedule is reviewed to ensure both parties understand all fees involved and how they are calculated and when they are assessed. This includes fees for application submittal, permits, and violations.

- **Reports/Printing/Notifications** – Reports, printing needs, and notification requirements are identified and documented during the review of the case workflows. The system will be configured to meet reporting requirements. Items like permit cards, notification letters, and notice of violations are also documented as these items will need to be developed as custom Crystal Reports that can be printed. Email notifications are also identified to be included in the configuration.

- **Systems and Applications** – Information technology and process automation tools currently deployed and maintained by Morro Bay should be investigated and analyzed in terms of their ability to support the increased network traffic, data loads, and application maintenance requirements introduced by the planned Cityworks program. Additionally, existing business applications such as network modeling, mobile computing, customer relationship management, etc., should be investigated to determine the best manner by which to integrate with the planned Cityworks system.

- **Data** – Existing data sets (spatial and tabular) maintained for the purpose of supporting the daily operation and maintenance of the departments and their associated processes must be inventoried and analyzed for the purpose of supporting the development of any required data conversion/migration/development plans.

- **Best Practices** – Established permitting and code enforcement best practices, as they relate to Morro Bay's current operational mandates, contrasted with where the various departments currently fall within the spectrum, should be established and benchmarked for the purpose of establishing the required system implementation path needed to guide Morro Bay to its ultimate Cityworks deployment and adoption goals and objectives.

These core elements are the major components that will provide our configuration team and Morro Bay an understanding of the needs and challenges the departments will face as they move to implement Cityworks. The initial business process analysis provides our configuration team with a detailed look into the everyday processes marshaled by Morro Bay staff. A primary objective of this task is for our configuration team to review and understand how Morro Bay conducts business and manages its processes. The ultimate goal is to provide knowledge to support and enable our configuration team to properly address the technological impacts of the system deployment and Morro Bay to understand the technological impacts and the non- technological impacts related to business processes and workflows.

This is an iterative process so for every workshop there will be a review and modifications made as identified in the project plan.

Morro Bay Responsibility
Our configuration team's Project Manager in developing a comprehensive agenda based on department and key staff. Participate in workshops and review SD&C Plan drafts. Provide data and discuss workflows identified in the workshops.

Deliverables
Workshop meeting minutes, workflow models, high level integration/interface document, and data migration plan that are all part of the PLL SD&C Plan.

Assumptions
Morro Bay will provide a conference room appropriately sized for the number of participants. Critical Morro Bay staff will attend workshops and defined by the configuration workshop agenda.

Task 25: System Design and Configuration (SD&C) Plan

Once all of the required information about the PLL case data and workflows are gathered and analyzed our configuration team will work together to analyze and document the current status of the primary components of the business process. Specifically, these components will be analyzed:

- **Case Data and Workflows and Fees** – This is the core of the PLL system. During the workshops detailed information will be documented that includes workflows, fees, case data, users, contracts, etc.
- **Historic Data Migration** – Analysis of existing historic data to be migrated and a determination of criticality, how far back the data needs to be migrated, and how clean the original data is to determine the best method to migrate that data into PLL.
- **Enterprise Interface/Integrations** – Define high level interface/integration requirements and model within Visio for interface/integration with Morro Bay's enterprise systems.

Following the PLL configuration workshops, our implementation team will develop a report that documents the "as-is" situation and puts forth the recommended, or "to-be" (future state), workflows of the new system. The recommended changes will strive to enhance the efficiency of required tasks and follow industry best practices, as well as to enhance the satisfaction of the citizens/businesses being served. The resulting Software Design and Configuration plan will be the floor plan for the configuration of PLL.

Morro Bay Responsibility
Review of SD&C Plan drafts within five (5) business days.

Deliverables
SD&C Plan drafts.

Assumptions
Morro Bay will review all documentation in a timely manner.

System Development

The goal of this phase is to configure Cityworks (based on the System Design and Configuration Plan) and deploy on Morro Bay's server for review prior to final implementation. All interfaces identified and agreed upon would occur during this phase.

Task 26: Cityworks PLL Database Configuration

The configuration team will take the information gathered and documented and configure the Cityworks database. This task will take place at Timmons Group's office within our Cloud environment. The configuration of Cityworks will be based on the Cityworks Configuration Document and the SD&C Plan developed from the onsite workshops. Services for this task will include, but are not limited to:

Users/Employees	Departments/Divisions
Case Templates	Case Types/Subtypes
Status Codes	Tasks/Workflows
Checklists	Case Data
Fee Setup	Violations Library
Conditions	Flags
Contractors	People

Morro Bay Responsibility
Morro Bay will continue to review and comment on Cityworks environment.

Deliverables
Updated Cityworks Configuration Document and SD&C Plan.

Assumptions
Cityworks configuration will implemented in Timmons Group cloud environment. Key Morro Bay staff will have full access to this environment for training and review.

Task 27: Configuration Review Meetings

The configuration team will conduct 4 four-hour web-based review workshops to demonstrate the Cityworks PLL configuration and gather feedback from Morro Bay departments. Review workshops will cover the administrative configuration, workflows, fees, data loading/data migration.

Morro Bay Responsibility
Attend configuration review meetings.

Deliverables
Configuration meeting minutes and updated Cityworks Configuration Document and SD&C Plan.

Assumptions
Morro Bay will ensure attendance by staff and provide review comments in a timely manner.

Task 28: Report Development

The goal of this task is to configure reports to support permitting and licensing. We have estimated that 80 hours of effort will be required to develop the needed reports. If additional reports are needed it will be considered a change in scope and will follow our change control process.

Morro Bay Responsibility
Morro Bay will review and comment on reports developed for this task.

Deliverables
80 hours of Crystal reports development.

Assumptions
Reports will be developed in either Crystal formats.

Task 29: Develop Testing and Acceptance Plan

The configuration team will work with Morro Bay to develop and administer a Testing and Acceptance Plan. Testing and Acceptance Plan objectives shall remain consistent with the application functionality detailed in the System Design and Configuration Plan. The Testing and Acceptance Plan shall address, in sufficient detail (as collectively deemed by Morro Bay and the configuration team) the elements required to support Morro Bay's testing of the Cityworks software functionality and database configuration, security matrix, data migration plan, documentation of application performance issues/errors experienced during the testing, documentation of the resolutions to noted issues/errors, and certification and acceptance of the final deliverable database configuration and software functionality. Additionally the testing would also include the movement of data and workflows between Cityworks Server AMS and PLL.

The test server and final production server environments will be measured against the results of the testing performed in accordance with this Testing and Acceptance Plan, and it is the baseline to which the scoped projects tasks will adhere. The Testing and Acceptance Plan shall be subject to the review and acceptance as to its reasonableness for its intended effort, which is defined herein as the ability to support the logical and thorough testing of the Cityworks application functionality, platform stability, and database configurations.

Upon completion of development of the Testing and Acceptance Plan, the Team shall submit said plan to Morro Bay for review and approval. It is important for Morro Bay staff review the draft plan for technical accuracy and completeness. Our configuration team will update the Draft Testing and Acceptance Plan, incorporating Morro Bay's comments and re-submit said plan as Final.

Morro Bay Responsibility
Assist in development and review of the Testing and Acceptance Plan

Deliverables
Testing and Acceptance Plan drafts and final.

Assumptions
Morro Bay will review all documentation in a timely manner.

Task 30: Migrate the Cityworks PLL Environment

Our configuration team will work with Morro Bay IT staff to configure the Cityworks PLL software at Morro Bay's facilities and migrate the Cityworks configuration from the Timmons Group cloud environment. Our configuration team will work directly with Morro Bay's Project Manager to verify that all core system components (servers, clients, RDBMS, networking devices, and supporting software programs) are installed and appropriately configured. Our configuration staff will be onsite to facilitate Cityworks software installation, set-up, and configuration.

Morro Bay Responsibility
Software and hardware for Cityworks installation and configuration. Software should already be setup from prior AMS project so task will be on running scripts for PLL configuration.

Deliverables
Cityworks configuration files migrated from the Timmons Group cloud environment.

Assumptions
Morro Bay IT will ensure that software, hardware, and network connectivity meets Cityworks implementation specifications and specified in the Core System Design Plan. Morro Bay IT staff will be available to assist our configuration team during Cityworks installation.

Finalize Configuration and Go-live

The goal of this phase is to finalize Morro Bay's Cityworks PLL configuration, train users on the use and administration of the system and data, conduct acceptance testing prior to Go-live.

Task 31: Onsite Training

During each onsite meeting (kickoff, workshops, configuration review, etc.) our configuration team consistently exposes Morro Bay staff to Cityworks PLL that includes the Inbox, Case Data, and Case Workflows within the software. This does not replace but augments the training performed after final configuration. Onsite training will consist of two (2) one week blocks of training that includes both Administration and User training specific the departments involved with this project.

Our configuration team, in conjunction with Morro Bay's Project Manager and key stake holders, will devise a training plan specific to your environment and data. A pro-active training plan will ensure that Morro Bay staff are equipped to undertake the system utilization and maintenance tasks immediately upon receipt of the system.

The training plan will include:

- Product training curriculum descriptions
- Listing of Instructors
- Training Materials
- Schedule

It is assumed that Morro Bay will provide the training facility including computers and a high-resolution computer screen projector. Coming into training, the users will need to possess basic functional knowledge of Personal Computers and Windows.

Morro Bay Responsibility
Morro Bay Project Manager will assist our configuration team in the creation of a comprehensive training plan that meets Morro Bay's needs with minimal disruption of daily operations.

Deliverables
Training Plan and Training Documentation.

Assumptions
Morro Bay will provide a conference or training room appropriately sized for the number of participants. Morro Bay will ensure attendance by identified staff. All Morro Bay staff attending training should have basic functional knowledge of computers and the windows operating system.

Task 32: Acceptance Testing

Prior to Go-live there will be a thirty (30) day acceptance testing period. During this period Morro Bay will test the Cityworks implementation and identify issues and opportunities and submit to the Timmons Group project management site. The Testing and Acceptance Plan will frame and guide Morro Bay through the testing process.

Morro Bay Responsibility
Morro Bay Project Manager will work with staff to implement the Testing and Acceptance Plan.

Deliverables
Testing Plan, results, and modifications.

Assumptions
Morro Bay will be prepared to work through the Testing and Acceptance Plan and complete within a thirty (30) day period.

Task 33: Final Product Configuration

Our implementation team will conduct the final product configuration based on the System Design and Configuration Plan and Testing and results of the acceptance testing. Our configuration team will provide documentation for the key aspects of this project and Cityworks components. Proposed documentation is summarized below:

Cityworks Configuration Document – Early on our configuration team with Morro Bay's input developed a Cityworks Configuration document that is maintained through the life of the project

Project Management Plan – Our Team developed and maintained a project plan that included the scope of project services (and any changes), budget, schedule, risk management and communication approach.

Cityworks® Server PLL Software – Azteca provides standard documentation for the latest product release. Separate documentation is provided for system administration and end users.

System Design and Configuration (SD&C) Plan – Timmons Group will provide a copy of the plan resulting from the review, analysis and documentation of the organization and its current workflows, data sets, IT system and applications, system interface needs, output requirements, and public access and service request needs.

Training Materials – Timmons Group will provide a copy of the training plan and all training documents used during casual user, routine user, heavy user, ad-hoc reporting, management, and system administrator training.

Testing and Acceptance Plan – Timmons Group will prepare and deliver a copy of the test plan and test results report to be used for system certification and acceptance by Morro Bay.

Morro Bay Responsibility
Acceptance of documentation.

Deliverables
All project documentation developed to date.

Assumptions
Morro Bay will receive all documentation in digital format.

Task 34: Go-live and Project Close-out

Having successfully completed all system upgrades, testing/acceptance procedures, production environment initialization, and Go-live preparation tasks specified above, the system is deemed prepared for Go-live. At such time that end-user access has been configured/re-directed to the newly initialized production environment, the system is deemed to be in "Live" status. Morro Bay Cityworks users will now be executing Permitting, Building

Inspection, and Code Enforcement tasks in a live configured Cityworks production environment. After five (5) days of initialization of the Production Environment, Morro Bay shall generate a certificate signifying the Cityworks application functionality and database configuration is operational in a "Live" production capacity. Morro Bay Project Manager shall sign said "Go-live Certificate" and submit it to Timmons Group.

Morro Bay Responsibility
Provide configuration team with a certificate of "Live" production capacity.

Deliverables
Last minute configuration and document modifications.

Assumptions
Work through the Timmons Group Help Desk to resolve and issues

Post Go-live Support

Once the system has been rolled out and is being used. Our configuration team will provide eighty (80) hours of ad-hoc support to address any configuration, implementation, or software installation matters that may arise. For example, these might include the redesign of printout forms or changes in the content of the work management portion of the Cityworks database. Morro Bay will have one (1) year after Go-live to utilize the remote support.

CITYWORKS MAINTENANCE AND SUPPORT

Azteca provides ongoing software updates, documentation and technical support as part of the license fees paid by Morro Bay. Therefore, Morro Bay should contact Azteca directly regarding ongoing system support issues. One of the most important aspects of software is the timeliness of user support. Azteca's goal is to have the very best customer support in the industry. They recognize that if a user cannot use the software to their fullest expectation, then it doesn't matter how great the software might be. They answer all questions as quickly as possible. If a question is due to a software problem that causes the software to not function as designed, the programming staff's number one priority becomes the resolution of the problem. See below for details.

Telephone Support

- Normal Business Hours 8:00 am – 5:00 pm MST
- Weekdays excluding holidays. Project manager will be available for handling severe problems during after hour periods.
- Phone numbers: (801) 523-2751, (888) 523-2751

Online and Dialup Support

- Normal Business Hours 8:00 am – 5:00 pm MST
- Weekdays excluding holidays.
- Internet support utilizes GoToMeeting software. An internet browser connected to the system is required
- VPN, dialup, and web access requires secure access through telephone to system

Website Support

- www.azteca.com (general information, links to other Cityworks support sites, news releases, event listings, white papers, partner information, contact information, etc.)
- www.mycityworks.com (User support site, includes latest documentation, support files, knowledgebase of known bugs and work around solutions, user forum, downloads of patches, etc.)

PROJECT BUDGET

Budget Summary:

AMS	
AMS Implementation	$84,180.00
AMS Data Migration	$23,600.00
AMS Expenses	$4,110.00
AMS Total	**$111,890.00**
PLL	
PLL Implementation	$90,400.00
PLL Expenses	$8,365.00
PLL Total	**$98,765.00**
Project Total	**$210,655.00**

Budget Detail:

RESOURCE	Project Manager	Sr. Consultant	Consultant
HOURLY RATE	$130.00	$ 125.00	$85.00
TOTAL HOURS	152	916	752
TOTAL LABOR COST	$19,760.00	$114,500.00	$63,920.00

TASK	NAME	LABOR COST	EXPENSES	TOTAL			
	Phase I - AMS						
1	Project Management	60			$7,800.00		$7,800.00
2	Implementation Planning		40		$5,000.00		$5,000.00
3	Install Cityworks		4		$500.00		$500.00
4	Kickoff Meeting	4	4		$1,020.00	$2,460.00	$3,480.00
5	Configuration workshop (Core Configuration)		8		$1,000.00		$1,000.00
5	Configuration workshop (Water Dist. & Prod.)		8		$1,000.00		$1,000.00
5	Configuration workshop (Wastewater)		8		$1,000.00		$1,000.00
5	Configuration workshop (WWTP)		4		$500.00		$500.00
5	Configuration workshop (Streets, Traffic, Parks)		8		$1,000.00		$1,000.00
6	System Design and Configuration Plan		40		$5,000.00		$5,000.00
7	Cityworks AMS Configuration		80	160	$23,600.00		$23,600.00
8	Data Migration from (CUPPS/SIMMS/WWTP DB)		80	160	$23,600.00		$23,600.00
9	Configuration Review Meeting		8		$1,000.00		$1,000.00
9	Configuration Review Meeting		8		$1,000.00		$1,000.00

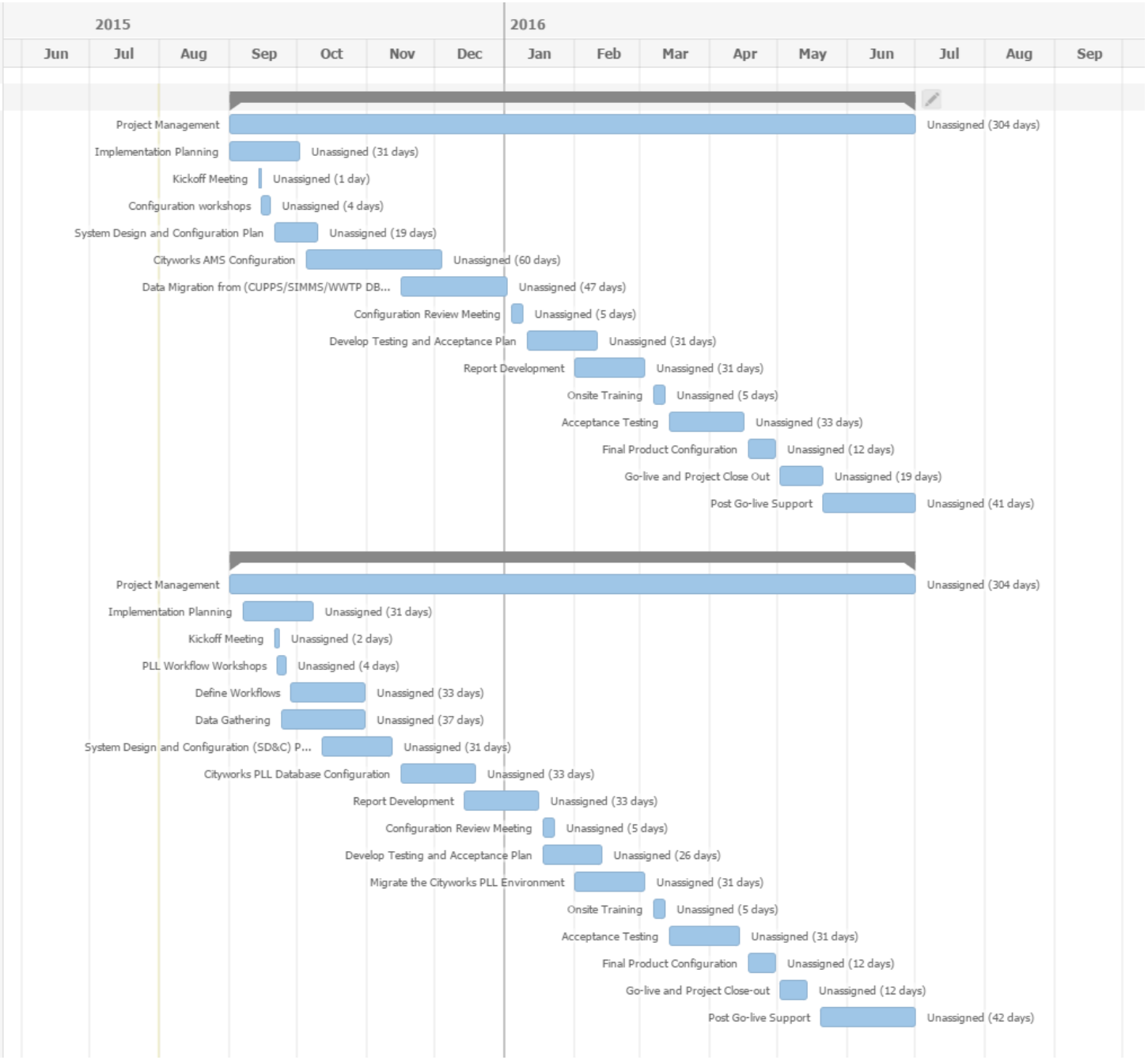
10	Install Cityworks Server On-site		8		$1,000.00		$1,000.00
11	Develop Testing and Acceptance Plan		8	8	$1,680.00		$1,680.00
12	Report Development		80		$10,000.00		$10,000.00
13	Onsite Training		40		$5,000.00	$1,650.00	$6,650.00
14	Acceptance Testing		24	32	$5,720.00		$5,720.00
15	Final Product Configuration		8	16	$2,360.00		$2,360.00
16	Go-live and Project Close Out	4	8	24	$3,560.00		$3,560.00
17	Post Go-live Support	8	8	40	$5,440.00		$5,440.00
	Phase II - PLL						
18	Project Management	60			$7,800.00		$7,800.00
19	Implementation Planning		40		$5,000.00		$5,000.00
20	Kickoff Meeting	8	8		$2,040.00	$1,650.00	$3,690.00
21	IT/GIS Systems Workshop		4	4	$840.00		$840.00
22	Data Gathering		16	24	$4,040.00		$4,040.00
23	Define Workflows		24		$3,000.00		$3,000.00
24	PLL Workflow Workshops		40		$5,000.00	$1,650.00	$6,650.00
25	System Design and Configuration (SD&C) Plan		16	40	$5,400.00		$5,400.00
26	Cityworks PLL Database Configuration		40	120	$15,200.00		$15,200.00
28	Report Development		80		$10,000.00		$10,000.00
29	Develop Testing and Acceptance Plan		12	24	$3,540.00		$3,540.00
30	Migrate the Cityworks PLL Environment		16	4	$2,340.00		$2,340.00
31	Onsite Training		40		$5,000.00	$1,650.00	$6,650.00
32	Acceptance Testing		24	40	$6,400.00		$6,400.00
33	Final Product Configuration		16	16	$3,360.00		$3,360.00
34	Go-live and Project Close-out	8	40	40	$9,440.00	$2,460.00	$11,900.00
					$198,180	**$12,475**	**$210,655**

PROJECT SCHEDULE

Projects of this size and scope typically take from 6 to 12 months to complete. Upon notice to proceed, we will prepare a detailed project schedule in conjunction with development of the overall Project Management Plan.

City of Morro Bay AMS/PLL

City of Morro Bay



AGENDA NO: D-6

MEETING DATE: August 11, 2015

Staff Report

TO: **Honorable Mayor and City Council** **DATE: August 6, 2015**

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

SUBJECT: **Consideration of Proposal and Contract Award to Michael K. Nunley & Associates, Inc. for Program Management Services for the Development and Construction Management of a New WRF**

RECOMMENDATION

Staff recommends the City Council:

1. Receive the report and staff presentation
2. Review the recommendation from staff and WRFCAC to award a five-year contract to Michael K. Nunley & Associates, Inc. (MKN) for Program Management for the development and construction management of a new WRF
3. Recommend the City Council authorize the Public Works Director to execute an agreement for the amount of $1,012,889, including a 10-percent ($92,081) contingency for this first task order.
4. Recommend contract review be conducted in six to eight months to allow staff to review scope and provide budgetary estimates for the next 12-month period and to sync it with the City's budgeting process, until project completion.

ALTERNATIVES

Review the proposed scope, budget, and schedule and provide any direction to staff for revision.

FISCAL IMPACT

A typical program management budget for project development is approximately 3 to 4% of total program costs. For a $102 million program that includes both the wastewater treatment and water reclamation components such as the one we have embarked upon for Morro Bay, costs could range from $3 to $4.1 million – with annual program management expenses that are often higher during design and planning phases of the project, then a little lower during construction and startup. The costs for items such as design-build contract documents, design services, the Master Reclamation Plan, and comprehensive public outreach are not included in that assumption, but the costs for these tasks along with the standard program management items are detailed in the budget.

Construction management can vary from 6 to 8% of the construction costs. Assuming construction

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

City Manager Review: ___DWB_____

City Attorney Review: _____

costs vary between $80 and $100M for both phases of the program, a range of $4.8 to $8 million would be expected.

Integrating the program management and construction management activities will reduce duplication of effort and cost for both types of services, ensure a high level of quality control throughout design and construction, and ensure consistency among the different Phase I (wastewater treatment) and Phase II (fully implemented water reclamation) program elements.

MKN proposes to complete all work under the Program Management contract on a time and materials basis with a budget per task order that will not be exceeded without receiving written authorization from the City.

The first task order for 12 months of the WRF project program management for Task Groups 100-300 up to task 304 is estimated at $920,808; staff is recommending a ten-percent contingency be included in the authorization, for a total FMP authorization of $1,012,889.

BACKGROUND/DISCUSSION

The Program Management team has a critical role in determining the necessary facilities and establishing a project budget for a new WRF that will meet the community's goals adopted by City Council. Successful Program Management will insure that no items on the critical path fail to be completed without a complete understanding of any delays to insure completion of a new WRF within five years, as directed by Council.

On August 5, 2015 the Water Reclamation Facility Citizens Advisory Committee (WRFCAC) received a presentation and voted 5-0-1, with Member Sadowski abstaining, to recommend that the City Council award the Program Management consultant contract to MKN. Discussion centered on the following areas:

- Why only one proposal was received?
- The cost and time line
- The changes to the scope of work as proposed
- The details for the Program Management System
- Were the contract costs included in the recent rate increase

Both staff and MKN addressed the questions to the satisfaction of the Committee including:

- There are many reasons why an engineering firm may attend a preproposal meeting and not propose on the work, including the quality of the other candidates.
- Staff and MKN clarified that some of the items addressed in the cost proposal will extend beyond the first year, but each item will be addressed during the annual contract review. One year represents an approximately timeline (+/-) within which most of these tasks should be initiated, not necessarily completed.
- Staff and MKN clarified Task 104 to mean 3, less technical, meetings not 3 less, technical meetings. Task 301 was clarified to eliminate the "MMRP" type projects from the scope.

- MKN will modify the proposal to state the assumptions for the Task 104L budget. Task 104L includes development of e-blasts, newsletters, and/or surveys related to public outreach and input.

- Staff and MKN explained that the permitting budget (Task 203) was increased to front-load more of the coordination effort within the first year.
- The Project Management System will be procured after consultation with staff. Options discussed during the meeting include simple file-sharing systems and more full-service document management, tracking, communication, and scheduling systems. Costs and capabilities can vary widely – therefore, the PM team and City should review alternatives and select the right system for the program.
- The cost of program management is included in the overall costs for the WRF project and therefore part of the rates.
- A review period of 8 months will be specified in the agreement for the Program Management contract and next phase of work. It is assumed the next authorization will go to council in 10 months.

On June 1, 2015, the City of Morro Bay released a Request for Proposal (RFP) for a Program Management for the new Water Reclamation Facility. In general the RFP requested the potential Program Management teams address the following:

> *Program Management services are required to ensure the successful completion of the new WRF on time and on budget. The Consultant will be accountable to the Public Works Director for overall program schedule, budget, and quality. It will be important the project proceeds in a smooth and integrated fashion, in accordance with all provisions listed in this RFP.*
>
> *It is anticipated that the services furnished by the Program Manager to the City will be performed under a series of task orders defining the specific services to be performed and the estimated cost for each phase of services.*
>
> *The City considers a Program Manager and a Project Manager different in that a Program Manager will spend significant time and effort integrating the various complex activities and sub-projects associated with the new WRF, communicating to stakeholders, and negotiating plan changes related to the work. There may be a project manager (or managers) who will be assigned to various tasks required by the project, who will report to the Program Manager. Fundamentally, the Program Manager will be involved with all aspects of the new WRF project from the Facilities Master Planning to project close out and ensure all of these efforts are integrated.*
>
> *Consultant shall furnish Program Management personnel, including a dedicated person or persons to provide full-time Program Manager Services as required for the new WRF project. The Program Manager shall be responsible for all matters related to this project and shall complete liaison activities among the City, the Contractor,*

Construction Management Consultants, and Citizens, such that the impact of the project on regular City operations is minimized.

The new WRF will be a long term project that has the major phases as follows:

- *Facility Master Planning*
- *Permitting and Environmental Review (Including Annexation)*
- *Development of Bridging Documents*
- *Design/Build*
- *Construction Management*
- *Project Close-out*

Additionally the program manager will maximize efforts to bring on the reclaimed water delivery phase of the program either concurrently with construction of the WRF or as a follow-on project.

The Program Manager shall be required to have significant experience in large project oversight and implementation with alternative delivery methods, which includes that of a Water Reclamation Facility (WRF) or similar facility. Additionally, while it is desired that the Program Manager be a licensed Civil Engineer, registered in the State of California, appropriate professionals in other closely related disciplines will be seriously considered. The Program Manager shall possess clear and effective verbal and written communication skills and have the interest and ability to work in a team-oriented, collaborative work environment. They should expect to work closely with and must demonstrate proficiency in communicating effectively with Council, Advisory Bodies, City staff and the public.

The following summarizes the timeline for the Program Management selection process:

- The RFP was released on June 1, 2015.
- WRFCAC reviewed the RFP and selected three members, Ginny Garelick, Barbara Spagnola and Bill Woodson, on June 10, 2015 to serve on the proposal review and selection committee.
- A mandatory preproposal meeting was advertised in the RFP and sponsored by the City on June 19, 2015 and was attended by representatives from eight consulting firms.
- One proposal was received on July 14, 2015 from MKN.
- On July 22, 2015 the Program Management review and selection team met to discuss the proposal and any questions that the team might want MKN to address during the interview process. Unfortunately, Mr. Woodson was unable to attend both the pre-interview meeting and the interview, but was able to provide the selection team with questions regarding maintaining the project schedule and schedule details.
- An interview of MKN was held on July 28, 2015.

The proposal and interview of MKN were evaluated based on the following criteria:

- Understanding of the scope of work
- Past performance and related experience of the firm

- Expertise of technical and professional team members assigned to the project
- Proposed project approach
- Recent experience in successfully performing similar services in the Coastal Zone
- Demonstrated ability to conform to City requirements

MKN submitted thorough and responsive proposals demonstrating they were fully capable of performing the work. MKN was selected unanimously by the selection committee, which consisted of Rob Livick, Bruce Keogh, Rick Sauerwein, Barbara Spagnola, and Ginny Garelick. Their review team offered the following commentary:

- *The diversity and depth of their staff is impressive*
- *The team to date has demonstrated good communication skills (the sub consultant) MNS brings value through being on board early*
- *Excellent team with relevant experience and proven ability to manage large budget projects and deliver projects on time and within budget*
- *Even knowing they were the only firm being interviewed, MKN put forth a complete effort in their presentation and interview. They were thoughtful and engaging throughout the process.*

One concern expressed by the review team was regarding back-up should key team members become incapacitated. MKN assured us that with JFR as deputy project manager and MKN's senior staff being fully engaged, the Program Management would continue seamlessly should an unforeseen circumstance occur.

City staff has spent the past few days reviewing and negotiating a scope, budget, and schedule with MKN. These items are attached to this staff report. The primary areas of negotiation included the following:

- Prior to these formal workshops, there will be three (3) less formal educational workshops at the outset of the program, focused on the long-term program overview, with anticipated follow ups focusing on possible delivery systems and the appropriate timing and application of technologies in the process, the latter aimed at industry outreach. These will be led by MKN and JFR, and are in addition to the City Council, Planning Commission, and WRFCAC meetings (which are shown as separate tasks). The first workshop is anticipated to be a City Council work session focused on the full work plan and major decision points for the WRF Program.

- Modifications to Task 301 to include the following work under this task:
    - Hydraulic modeling of the outfall to evaluate performance under various flow regimes (wet weather flow, wet weather and brine, and brine only if groundwater recharge is pursued to reduce wet weather flows)
    - Preliminary layout of connection to the outfall
    - Review of legal or permitting constraints associated with continuing use of the outfall under different management strategies. It is assumed City legal counsel will provide

an analysis of ownership and other legal constraints.

- Development of a technical memorandum summarizing the work described herein.

The City typically develops professional services authorizations with a 10% contingency to cover additional, unforeseen services that may be required as a project proceeds. The base fee requested by MKN for this first year is $920,808. With 10% contingency, the total authorization would be $1,012,889.

Staff additionally recommends the contract review be conducted in six to eight months. This will allow staff to review scope and provide budgetary estimates for the next 12-month period and to sync it with the City's budgeting process.

CONCLUSION

Staff and WRFCAC recommend award of the contract for the program management to the MKN based on the solicitation and review process that took place over the past two months.

ATTACHMENTS

1. Draft Contract Including Proposed Scope and Budget from MKN for Program Management
2. Proposal From MKN & Associates (Link to large file, please be patient)

CITY OF MORRO BAY

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made, by and between, the City of Morro Bay, a municipal corporation ("City") and MICHAEL K. NUNLEY & ASSOCIATES, INC., a California S-corporation, dba *MKN & Associates* ("Consultant"). In consideration of the mutual covenants and conditions set forth herein the parties agree as follows:

1. TERM

This Agreement shall commence on August 12, 2015, and shall remain and continue in effect until tasks described herein are completed, but in no event later than December 31, 2023, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

3. PERFORMANCE

(a) Consultant shall at all times faithfully, competently and to the best of their ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

(b) The first contract review will be conducted in six to eight months from issuance to allow staff to review scope and provide budgetary estimates for the next 12-month period and to sync it with the City's budgeting process, this will continue until project completion.

4. CITY MANAGEMENT

City's Public Works Director shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. City's Public Works Director shall also be authorized to act on City's behalf and to execute all necessary documents which enlarge the Tasks to Be Performed or change Consultant's compensation, subject to Section 5 hereof.

5. PAYMENT

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(a) City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit A, attached hereto and incorporated herein by this reference as though set forth in full, and based upon actual time spent on the above tasks. That amount shall not exceed Nine Hundred Twenty Thousand, Eight Hundred Eight Dollars and No Cents ($920,808.00) for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the Public Works Director. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by Public Works Director and Consultant at the time City's written authorization is given to Consultant for the performance of said services. The City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement, but in no event shall such sum exceed Ninety Two Thousand, Eighty Dollars and eighty cents ($92,080.80). Any additional work in excess of this amount shall be approved by the City Council.

(c) It is anticipated that this contract will be amended on an annual basis and the contract amount will be increased by the amount authorized through the City's budgeting process.

(d) Consultant will submit invoices monthly for actual services performed in sufficient detail so that the City can determine the personnel used on the project and the status of each task. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days after receipt of each invoice as to all non-disputed fees. If City disputes any of Consultant's fees, then it shall give written notice to Consultant within fifteen (15) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Consultant at least ten-days' (10-days') prior written notice. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City suspends or terminates a portion of this Agreement, then such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, City shall pay to Consultant the actual value of the work performed up to the time of termination. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to City pursuant to Section 3.

7. DEFAULT OF CONSULTANT

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(a) Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date Consultant is notified of default and can terminate this Agreement immediately by written notice to Consultant. If such failure by Consultant to make progress in the performance for work hereunder arises out of causes beyond Consultant's control, and without fault or negligence of Consultant, then it shall not be considered a default.

(b) If the City Manager of his/her delegate determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, then he/she shall cause to be served upon Consultant a written notice of the default. Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, and full payment by City for services performed pursuant to, this Agreement, all final work product such as documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of City and may be used, reused, or otherwise disposed of by City without the permission of Consultant. With respect to computer files, Consultant shall make available to City, as a service in addition to those set forth herein, at Consultant's office and upon reasonable written request by City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. INDEMNIFICATION

(a) Indemnification for Professional Liability. When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and

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agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including reasonable attorney's fees and costs to the extent same are caused by any negligent act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this agreement. City agrees to hold harmless and indemnify Consultant from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected with the modification, misinterpretation, misuse or reuse by others of the computer files or any other document provided by Consultant under this Agreement.

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subconsultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this agreement or this section.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached to and part of this agreement.

11. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of City. Consultant shall not incur or have the

power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant shall at all times observe and comply with applicable legal requirements in effect at the time the drawings and specifications are prepared. City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling City to any and all remedies at law or inequity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within City. Response to a subpoena or court order

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shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City if Consultant, or any of its officers, employees, agents, or subconsultants are served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within City. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate with City by providing the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City: Rob Livick, Public Works Director
City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

To Consultant: Michael Nunley
Program Manager
P.O. Box 1604
Arroyo Grande, CA 93421

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of City.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. GOVERNING LAW

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City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. CONTENTS OF PROPOSAL

Consultant is bound by the contents of the proposal submitted by Consultant, Exhibit A hereto.

22. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents he/she has the authority to execute this Agreement on behalf of Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF MORRO BAY	CONSULTANT
By: _____	By: _____
Rob Livick, PE/PLS - Director	Michael K. Nunley, PE - Principal
Attest:	
_____	Its: _____
Dana Swanson, City Clerk	(Title)
Approved As To Form:	
_____	
Joseph W. Pannone, City Attorney	

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PROJECT UNDERSTANDING

PROJECT OVERVIEW

Morro Bay's new Water Reclamation Facility (WRF) project is proposed to be constructed on an approximately 10 to 15-acre portion of a 187-acre property approximately one mile east of the Morro Bay City limits, on the north side of Highway 41, known as the Rancho Colina site. The project will require collection system modifications and a new force main to convey the raw wastewater to the site. The new WRF is proposed to be owned and operated by the City of Morro Bay, and will serve residents of the City as well as any customers under contract with the City.

The ultimate goal for the WRF is to produce the maximum amount of reclaimed water feasible to supplement the City of Morro Bay's water supply. The ultimate use of the reclaimed water is unknown at this time, but potentially includes groundwater recharge, agricultural offsets, and/or indirect or direct potable use to augment existing City water supplies.

A few key components of the project description and history are addressed here in further detail.

PROJECT COMPONENTS

The Morro Bay Water Reclamation Facility is part of a two-phase program for a complete reclaimed water processing and transmission system. Phase I of the program includes the following components:

- Development of the new WRF at the Rancho Colina site
- Lift station and pipelines needed to connect the facility with existing wastewater infrastructure within the area it will serve
- Pipelines and/or other facilities needed to reclaim and distribute treated wastewater for reuse in accordance with the Facility Master Plan and reclamation planning efforts currently underway
- Support facilities required for the operation of the New WRF; i.e., water main extension along with miscellaneous dry utilities
- Possible co-location of other City facilities at Rancho Colina, including a City corporation yard, community park, education center, or other facilities
- Actions needed to transfer wastewater treatment service from the current WWTP to the new facility.
- Decommissioning of the existing WWTP

The specific project components will be further refined in the Facility Master Plan, but conceptually, the project will replace the existing wastewater treatment plant (WWTP), and will be sized to accommodate future buildout under the General Plan/Local Coastal Plan in the City, including potential customers.

The new WRF will also be designed to disinfected tertiary treatment standards in order to facilitate water reclamation, and Phase II of the program will include the infrastructure necessary to distribute this reclaimed water offsite. It is not yet known what facilities will be needed to achieve this, but it can be assumed there will likely be a pipeline network and on- or off-site storage facilities, which may include surface or subsurface systems. These concepts will be further refined in both the Facility Master Plan and Master Reclamation Plan for the project. It is expected that the CEQA/NEPA analysis will

commence once the Facility Master Plan has been completed to a sufficient level of detail, in order to more fully understand the nature of the likely project components.

The City anticipates pursuing planning, design, and construction funds from various sources including the Clean Water State Revolving Fund (SRF), among others.

DETAILED WORK PROGRAM

Program management tasks are grouped by task type. While the program administration task group will occur for the entire duration of the project, the subsequent tasks have defined start and end times within the overall timeline of the project. Task groups are as follows:

- Task Group 100 – Program Administration
- Task Group 200 – Preliminary Planning
- Task Group 300 – Phase I Preliminary Engineering and Procurement
- Task Group 400 – Phase I Project Design
- Task Group 500 – Phase I Project Construction
- Task Group 600 – Phase I Facility Start Up, Testing, Commissioning
- Task Group 700 – Phase I Facility Operation And Project Close Out
- Task Group 800 – Phase II Project Design
- Task Group 900 – Phase II Project Construction
- Task Group 1000 – Phase II Facility Start Up, Testing, and Commissioning
- Task Group 1100 – Phase II Facility Operation and Project Closeout

TASK GROUP 100: PROGRAM ADMINISTRATION

Program administration tasks will extend throughout the entirety of the new WRF project. However, budget authorization for the *first 12 months* is requested at this time. The first 12 months is an approximate duration of the initial program phases detailed in our budget.

Some of these tasks included in the preliminary budget will continue beyond the initial 12 months of program management. Additionally, the Program Management team may want to begin other tasks, originally planned to occur in later phases, earlier in the project process which may not be reflected in the preliminary budget. *It is assumed future authorizations by task order will address the remainder of the program.*

<u>TASK 101 - SCHEDULE TRACKING AND PROGRESS REPORTING.</u> MKN will continue expanding and updating the existing program schedule as the project proceeds. This schedule will encompass and coordinate all phases of the project (identified above as Task Groups 100 through 1100), including:

- Planning
- Permitting
- Preliminary Design
- Design/Build Construction
- Construction
- Startup
- Commissioning

Both a detailed version and a presentation version of the schedule will be maintained. We will provide monthly written progress reports to the City. Monthly reports will include the status of the Program Management budget, work completed during the previous period, identification of any items that require attention from the City, and work planned for the upcoming period. Ten (10) hours per month is the assumed level of effort for this task.

TASK 102 – PROGRAM DOCUMENTATION. MKN will develop and maintain decision logs for all the major program efforts, including the following:

- Facility Master Plan
- Master Reclamation Plan
- Program Funding and Financing
- Public Outreach
- Phase I WRF Procurement
- Influent Lift Station Design
- Transmission Pipeline Design
- CEQA/NEPA Compliance
- Resource and Land Use Agency Permitting

Twelve (12) hours per month is the assumed level of effort for this task.

TASK 103 - MEETINGS. MKN will attend weekly project meetings with City staff, six (6) Public Works Advisory Board meetings per year, twelve (12) WRFCAC meetings per year, and twelve (12) City Council meetings per year.

It is assumed this task will be amended in the future to extend from Phase I of the program through implementation of the Master Reclamation Plan and Phase II Recycled Water Delivery System. The budget includes only the first year (+/-) of meetings.

TASK 104 - PUBLIC OUTREACH.

The program manager will oversee and coordinate all outreach efforts by the Program Management Team. Under the program manager's oversight, JFR will lead the public outreach effort for the entire program, in coordination with RRM Design Group. In general, the outreach effort is related to coordinating the following interrelated efforts and educational workshops to the general public:

- Reclamation Planning (outreach to growers)
- Public Agency outreach
- WRFCAC Coordination
- City Council presentations (JFR and RRM budget)
- Coordination with the GP/LCP Update

Task 104A: Outreach Kickoff/Scoping Meeting
This meeting will occur as soon as possible after the program management contract is in place with the intent of determining the overall project planning process, outreach strategies, and internal timeline of milestones. The Program Management Team will also use this meeting to obtain planning/design guidance from City staff, including initial comments for co-locating of City facilities, and to review

options and initial concepts for education center and park with City staff. This meeting would also include discussion of water reclamation planning and outreach strategies and would result in a list of stakeholders, subsequent workshop topics, workshop logistics (timing, location, advertisement), and any outreach concerns and ideas.

Task 104B: Project Website Development
The MKN team and Konig Media will develop a project-specific website. We will coordinate the design and content of the website with City staff through a series of meetings and provide draft content/outlines for review and approval.

Task 104C: Outreach Program
The MKN team will design and outline the outreach program. JFR will write outreach program memorandum with feedback from RRM. This will be a memo outlining the outreach program and will include elements such as:

- Outreach program master schedule, and detailed schedules for upcoming 12 months
- Strategy for transparency and develop project branding
- Defined outreach focus area topics
- Outline of workshops, workshop exercises, and topics
- List of public education program opportunities

This outreach process will need to be transparent and inclusive. The outreach strategy memo will outline this process and confirm that the City project team agrees on the approach and strategy before the outreach begins.

Task 104D: Stakeholder Outreach
Initial outreach to stakeholders will provide input to the master planning effort and inform the initial water reclamation planning process. The goal of this outreach effort is to obtain and document a clear understanding of the needs/desires of all project stakeholders in regards to project design of both facilities and water reclamation program. This task will build off of the stakeholder feedback received during the WRF Options Report process. The MKN team will conduct one (1) day of 30- to 60-minute interviews with property owners, growers, decision makers, and others with an interest in the project. City staff will be responsible for meeting notification, facility, and logistics. JFR will summarize meeting feedback and RRM will review and edit the summary.

Task 104E: Citizen Advisory Committee (WRFCAC) Coordination and Meetings
Following the kickoff meeting, a coordination schedule will be developed to ensure close working communication between the Program Management Team and the WRFCAC. The program manager will work with the WRFCAC to agendize current issues for discussion at their regular meetings.

Task 104F (1): Community Outreach Workshops
The MKN team will plan, coordinate and lead two (2) formal community workshops related to the Facilities Master Plan process, which will stem from the public education program developed following the outreach kickoff. These will be led by JFR and RRM. Detailed workshop topics will be developed as the project progresses, but it is anticipated that the initial workshop will include a general overview of the current project status, review of site location selected, and discussion of next steps through the environmental review, permitting requirements, and design processes, as well as providing a forum for

input on the Facility Master Plan. The workshops will be designed to be interactive and informative. Exercises may involve forms of polling participants through the use of tape dots, report cards, handheld remotes or similar methods. The Program Management Team will provide graphics and materials for each workshop (e.g., workshop flyer, nametags, sign-in sheets, agendas, and exhibits).

Prior to these formal workshops, there will be three (3) less formal educational workshops at the outset of the program, focused on the long-term program overview, with anticipated followups focusing on possible delivery systems and the appropriate timing and application of technologies in the process, the latter aimed at industry outreach. These will be led by MKN and JFR, and are in addition to the City Council and Planning Commission meetings and WRFCAC meetings (which are shown as separate tasks). The first workshop is anticipated to be a City Council work session focused on the full work plan and major decision points for the WRF Program.

Task 104F (2): Reclamation Planning Workshops

Our Program Management Team will work closely with the City, regulatory agencies, growers, and general public to address complex issues related to the potential development and use of reclaimed water within the framework of the Master Reclamation Plan. JFR and RRM will lead a robust outreach process to develop consensus on the best course of action. Specific tasks include two workshops focused on reclamation-related issues to address these key questions. We anticipate the workshops would address the following broad topics:

- Workshop #1 – Direct or Indirect Water Supply for the City:
  - Identify state and local requirements regarding reclaimed water use, focused on the customer or recipient of recycled water;
  - Present information we have learned about hydrogeological issues, including the potential for groundwater recharge, streambed recharge in Morro Creek, percolation, and subsurface injection;
  - Describe possible ownership and governance options for delivery and storage of reclaimed water, assuming the City will construct a transmission main but storage and distribution will be handled by the users to reduce the City's costs
- Workshop #2 – Agricultural Reclamation:
  - Identify and recap possible uses of reclaimed water related to agricultural use
  - Engage the growers and community in general about their willingness to participate in the reclamation process, given potential costs and logistics

The MKN team will plan, coordinate and lead these workshops, the results of which will inform our Master Reclamation Plan.

Task 104G: City Council Outreach and Updates

The MKN team will meet with Council on an ongoing basis throughout the duration of the project to discuss key aspects and issues. The first study sessions following the program manager contract execution and initial scoping meeting will review the overall design build process and appropriate timing of milestones and actions to be taken by Council members. The program manager will also provide ongoing monthly project updates to the Council.

104H: Outreach Coordination and Meetings

This task includes the ongoing coordination and meetings with City staff, stakeholders, and team members. Other outreach services, as identified in the initial scoping meeting or during the course of the project, will be executed under staff direction.

104I: General Plan/LCP Coordination
JFR will work with City staff and General Plan/Local Coastal Plan (GP/LCP) consultant team to most efficiently coordinate the outreach programs for this project and for the GP/LCP update process. The two efforts are highly related, since the new WRF must be sized to accommodate the future growth of the City, and the GP/LCP must be mindful of various constraints that development of the new WRF may pose. This task assumes up to three (3) workshops in support of this combined effort, and JFR's attendance and potential presentations at these workshops. The Program Management Team will provide set up materials for the workshop (e.g., workshop flyer, nametags, sign-in sheets, and agendas) and the GP/LCP consultant would provide workshop materials and presentation.

104J: Vendor/Industry Outreach
Members of the City Council have expressed interest in a workshop focused on the interested industry vendors who might have products or technologies that could be used in the new WRF. Although this forum could take many forms, we recommend an approach based on the following outline:

- Educate Council and Public about the FMP and DB processes
- Discuss when and how technology and project components will be selected
- Update schedule and efforts underway
- Invite industry representatives (potential vendors) to listen
- Allow any member of the public to provide input (not just industry)
- Approach is consistent with Council goals and outreach concept

This effort must be managed carefully, because an unfocused effort carries the following risks:

- Could undermine City goals and sidetrack FMP process
- Could derail the alternative delivery process for the new WRF
- Would lead to longer timeframe and likely higher costs

We believe that in order to have a successful outcome to this forum (and to minimize risks), several preparatory steps are needed, particularly with regard to educating the City Council and WRFCAC. These steps could include:

- Meeting one-on-one with Council members and WRFCAC reps
- Educate them on how the FMP and Design Build process work
- Explain how technologies are selected, and how contractors are selected

104K: Logo Design and Graphics
The project team will work closely with the City to develop provide a logo design to brand the project and use on documents, website, and exhibits. The team will also prepare graphics and exhibits throughout the process to put on the website, e-blasts, newsletters, and use during meetings.

104L: E-Blasts, Newsletters, and/or Surveys
The project team will provide e-blasts, newsletters and/or survey to keep the community informed or poll the community as the project progresses. The team will work with staff to draft articles and

information for the e-blasts, newsletters and/or questions for the surveys (using survey monkey or similar program), and will format and brand with the project logo. City will provide emails and addresses. The budget is based on production of one newsletter, one survey, and six (6) e-blasts.

104M: Visual Preference Survey (Optional – Budget included under Task 208)
A picture is worth a thousand words. Using photographs, the Visual Preference Survey allows participants to express their preferences on different architectural styles and elements that could be incorporated into the WRF architecture. The Visual Preference Survey can also poll participants on what community-focused elements they prefer to be considered as part of the WRF Site Plan's public realm. Each participant will be given a remote control device and will be asked to vote on projected architectural character images and public realm site features, similar to a PowerPoint presentation. Participants will vote on each image and the results will appear instantaneously. This is an exciting and interactive exercise that will give the team direction for the architecture and Facility Master Plan.

The Visual Preference Survey can be conducted at a community workshop or directed towards a smaller group, such as the WRFCAC or a Council study session.

RRM would prepare the survey from images collected in their image library. This task includes a round of edits to the survey to fine tune it for presentation, conducting the survey, and a summary of results.

TASK 105 - BUDGET TRACKING AND REPORTING. MKN will develop and maintain a budget tracking spreadsheet and s-curve for reporting project status of all team members' efforts throughout the program. A detailed version and a presentation version will be maintained. City will provide account ledgers monthly and all team members will provide a copy of invoices or payment requests to MKN for review and recommendation for payment. Their invoices and City ledgers will be used to update the budget spreadsheets.

MKN will provide a formal program-level budget report and cashflow projection on a quarterly basis. Six (6) hours per month is the assumed level of effort for this task.

TASK 106 – GRANT AND LOAN PURSUIT AND MANAGEMENT. Many issues will affect the City's ability to secure outside funding for the project. Our team, working closely with Kestrel Consulting, will perform the due diligence on the most promising funding leads identified through our team's research to date, so as to better position the City to be competitive for such funding when the time is right to make a formal application for grants and loans.

Based on our experience on the project to date, and on similar efforts, we anticipate the following grants and loans will be the most promising for the City of Morro Bay:

- Proposition 1 / CWSRF Planning and Construction Loans
- Proposition 1 / SWRCB Recycled Water Feasibility Study Grant
- WaterSmart Title XVI Bureau of Reclamation Recycled Water Grants
- Pacific Gas & Electric Energy Efficiency Grants (various)

TASK 107 –TECHNICAL SUPPORT FOR GRANT AND LOAN APPLICATIONS. MKN will provide engineering support for completion of grant and loan applications by Kestrel Consulting. This work is anticipated to

include technical, engineering, environmental, and financial submittals for the State Revolving Loan Fund; application materials for the SWRCB Recycled Water Planning Facilities Grant, and others. A budget allowance of 100 hours is recommended for this task but level of effort will depend on availability of information in the Facility Master Plan and reports by others.

TASK 108 – DEVELOP AND MAINTAIN PROJECT MANAGEMENT SYSTEM. MKN will evaluate alternatives and develop and manage an electronic project management file-sharing and document management system (ex. Procore and Bentley Projectwise). The systems that will be explored are readily-available, industry standard systems that are routinely used for project design and construction management. It is assumed the system will have scheduling, tracking, document control, and communication capabilities. By selecting the software, the City can identify the features that are appropriate for the program and can control the budget for the licenses or fees.

It is assumed the City will pay any software or license costs for each copy of the system recommended by MKN. As team members are added to the program, MKN will conduct a brief training session with each firm on proper use of the document management system.

An initial estimate of 40 hours to establish the system and monthly estimate of 8 hours per month is assumed for this task.

TASK 109 – ASSIST IN PLANNING AND DEVELOPMENT OF PROGRAM OFFICE. If desired, MKN can develop a scope and budget to assist the City in developing a program management office for co-location of program team members. This could occur during initial planning activities, during design-build execution, or during construction activities.

MKN will assist the City with space planning and coordination of furniture, utilities, signage, and development of protocol for use and security of the space. All costs would be paid by the City for the facilities, including furniture, lease (if required), utilities, and signage.

TASK 110 – DEVELOPMENT AND MAINTENANCE OF PROGRAM MANAGEMENT PLAN. MKN will prepare a Program Management Plan providing detailed planning steps for the upcoming 18 months. The Program Management Plan will include budget, schedule, cashflow projections, roles and responsibilities of program team members, risk registry, confirmation of major decisions or milestones, outreach strategy, and updates or reconfirmation of City Council goals and objective. It will be updated every six months with input from City staff.

Program Management Plan efforts will include tracking project alignment with city goals. On an ongoing basis during Program Management Plan updates, MKN will review the City's goals versus project process, decisions, and activity and confirm that those actions continue to support the City's goals and objectives for compliance, capacity, efficiency, operational flexibility, innovation, community outreach, and sustainability.

An initial effort of 80 hours and two updates at 40 hours each are assumed for this task.

TASK GROUP 200: PRELIMINARY PLANNING

TASK 201 – MASTER RECLAMATION PLAN. This promises to be a complex effort that involves prioritizing the various reclamation opportunities identified in our previous efforts. This Task will involve drilling down on several key questions:

- What are the State and local requirements that end users must follow for recycled water use?
- What approach maximizes the benefit to the City's water supply, either directly or indirectly?
- Is a combination of groundwater recharge along with directly providing access to reclaimed water for growers a good approach?
- If so, what will the growers be willing to pay to help offset costs of providing reclaimed water? Is a subsidy to growers fair to City ratepayers?
- How can reclamation costs be minimized? Should growers be responsible for extending their own reclamation infrastructure? Will onsite storage help?
- Can growers indirectly benefit through groundwater recharge that benefits the City's wellfield? *Among the challenges:* 1) What distance would be required between groundwater recharge locations and City wells, based on local hydrogeology? 2) How will increased groundwater pumping by the growers affect the City's wells? 3) Can a framework among the City and growers be established that protects water rights and water supply benefits for all users? 4) How will possible future regulations that relate to direct potable reuse affect this equation? 5) Are there opportunities to use state and federal funding to add a phased, direct potable reuse (DPR) strategy to the reclamation program?

Our management team will work closely with the City, regulatory agencies, growers, and general public to address these complex issues. We believe it will require a robust outreach process to develop consensus on the best course of action, which may take some time to complete.

The format will follow the draft outline provided in the grant application requirements for the SWRCB Recycled Water Feasibility Study Planning Grant Program in order to meet requirements. *If awarded, the grant will pay up to $75,000 of this effort as long as the state guidelines are followed. MKN has experience performing these studies and will ensure the Master Reclamation Plan meets state requirements.*

Specific tasks include:

- Identify state and local requirements regarding reclaimed water use, focused on the customer or recipient of recycled water (ex. cross-connection requirements and setbacks from potable water facilities)
- Manage the next phases of work by the City's project hydrogeologist, Fugro Consultants, as they assess the potential for groundwater recharge, including streambed recharge in Morro Creek, percolation, and subsurface injection
- Manage work by Larry Walker & Associates (LWA), a consultant to the City, to identify sources of salinity and develop a source control strategy
- Provide schematic layouts, capital cost opinions, and operation/maintenance cost opinions for the recharge alternatives explored by the hydrogeologist (including up to four scenarios)
- Guide evaluation of ownership and governance options for delivery and storage of reclaimed water, assuming the City will construct a transmission main but storage and distribution will be handled by the users to reduce the City's costs
- Conduct outreach to the growers and community in general about their willingness to participate in the reclamation process, given costs and logistics

- Identify and critically evaluate various reclamation strategies, especially with regard to timing, water rights, logistics
- Coordinate with Kestrel Consulting to identify funding opportunities
- Identify the strategy that best benefits the City's potential water supply while protecting property owner water rights
- Develop a phasing strategy for implementation of the recycled water distribution and/or groundwater recharge system
- Prepare a draft and final report summarizing the work described above.

TASK 202 – CEQA/NEPA COORDINATION PROCESS. All project-related activities must be considered in the CEQA/NEPA document for this project. This would include steps ranging from property acquisition, property design, grading, construction and operation. The Facility Master Plan must be sufficiently complete so a meaningful project description can be developed in adequate detail for thorough environmental impact analyses. The tasks below describe our team's approach to managing the CEQA/NEPA process, including the technical studies to support the process and permitting that will be needed (described in Task 203).

Task 202A. CEQA/NEPA Program Coordination. In coordination with the program manager, JFR will take the lead in developing the steps needed to hire and manage a third-party consultant who will prepare the CEQA/NEPA documentation for the proposed project. This task involves the entire process from working with various responsible agencies (including but not limited to the California Department of Fish and Wildlife, Regional Water Quality Control Board, Caltrans, and SLO Air Pollution Control District) developing a scope of work, evaluating consultant proposals, interviewing and providing a recommendation to the City for a selected consultant, and working with the consultant as they prepare the CEQA/NEPA document. We will work with the City's planning staff on these tasks, and coordinate closely throughout the entire CEQA/NEPA process. The specific steps involved in this task include:

a. Prepare Initial Study
b. Coordinate with Responsible Agencies to Develop the CEQA/NEPA Work Scope
c. Evaluate Consultant Proposals/Assist in Consultant Selection
d. Review Administrative Draft CEQA/NEPA Document
e. Coordinate with City Staff to Release Draft CEQA/NEPA Document
f. Coordinate with Staff and CEQA/NEPA Consultant to Respond to Public Input on Draft Document
g. Review and Coordinate Final CEQA/NEPA Document
h. Prepare Findings, Evidence and Project Conditions
i. Prepare Staff Report with City Staff Review
j. Present Project at Public Hearings (assume 2)
k. Ongoing Meetings with City Staff (cost assumed as part of Task 103)

Task 202B. Technical Studies Coordination. Several site surveys, studies, and other activities will be needed in support of the various permit applications and CEQA/NEPA process. Some of these, including those related to biological and cultural resources, are already underway. The needed studies include, but may not be limited to:

- Jurisdictional Determination (Waters of the United States and State of California)
- Focused Special-Status Species Surveys

- Biological Assessment
- Prepare Habitat Mitigation and Monitoring Plan (if any)
- Hydrologic and Hydraulic Analysis
- Phase I Archeological Survey (Section 106)
- Phase I / II Site Assessment
- Site Remediation (if necessary as a result of the Phase I/II Site Assessment)
- Air Quality Tech Report
- CDP/CUP Permit Application Review

The Program Manager will coordinate these technical studies with the selected CEQA/NEPA consultant and provide technical support as necessary.

TASK 203 – PERMITTING. This phase of the project includes all resource regulatory agency permitting, as well as any land use permitting that may be needed to support the project. In coordination with the Program Manager, JFR will coordinate these efforts, and work with City staff, others on the Program Management Team, or outside consultants to prepare or complete these processes or permits. Note that during the first 12-month phase of the process, the permitting process will be underway but not completed, so costs should be considered preliminary. The following permitting subtasks are included in this effort:

Task 203A. Resource Regulatory Agency Permitting. The project will require a variety of permits from state and federal resource regulatory agencies. It is not yet known whether the project design can locate the new WRF outside Waters of the United States, Waters of the State of California, and other resources under federal or state regulatory protection. However, if there is any discharge into Morro Creek as part of the reclamation effort, the project will be required to comply with RWQCB Waste Discharge regulations. Depending on the nature of the activity, it may also require a Streambed Alteration Agreement from the State Department of Fish and Wildlife, a Section 404 permit pursuant to the Clean Water Act from the U.S. Army Corps of Engineers, and Section 401 certification from the RWQCB.

Key resource regulatory permitting agencies for this project include:

- U.S. Army Corps of Engineers (pursuant to Section 404 of the Clean Water Act)
- Regional Water Quality Control Board (NPDES permit; meeting Porter-Cologne Act requirements; Section 401 certification)
- California Department of Fish and Wildlife (Streambed Alteration Agreement)
- California Environmental Protection Agency, Department of Toxic Substances Control (Site Assessment / Remedial Action Plan)
- San Luis Obispo County Air Pollution Control District (SLOCAPCD)

These agencies will use the final CEQA document to assist in their permitting processes. The 5-year schedule assumes that regulatory permits can be obtained with 6 months from the end of the CEQA process, which depends on the permit process being initiated during the CEQA evaluation, and assumes that resource agencies engage in a timely review within their permitting processes. *Although the permit process for these actions may be initiated during the CEQA process, their completion will depend to a large extent on agency evaluation and acceptance of the final environmental document.* If there are

disagreements between permitting agencies and the City, it may require additional supplemental CEQA studies to satisfy resource permitting agency concerns.

Task 203B. Land Use Permitting. The project will require a variety of permits from state and federal land use permitting agencies, notably the California Coastal Commission among others. Annexation of the project site will also require coordination with San Luis Obispo Local Agency Formation Commission (LAFCo). Coordination with San Luis Obispo County will also be required, because while the facility is allowed at that location under its LCP, a specific alternatives analysis will be required to support that finding. In addition, a Caltrans encroachment permit would be needed if pipelines will be located within the Caltrans right-of-way.

With respect to annexation, JFR, in coordination with the Program Manager, will coordinate with LAFCo staff, putting together the application for annexation, describing the project's service needs relative to LAFCo requirements, and evaluating the project's consistency with LAFCo policies, including those associated with the conversion of agricultural land and the provision of water supply. We understand that the ultimate determination of consistency with LAFCo policies must be made by LAFCo, but in our experience, it is useful to coordinate closely with LAFCo staff throughout the entire process to ensure that the project is on the right track, and that the application process will go in a more timely fashion. In this way, if there are issues to be resolved, then they can be addressed early in the process.

Key land use permitting agencies for this project could include:

- California Coastal Commission / San Luis Obispo County Department of Planning & Building (Local Coastal Plan Amendment)
- LAFCo (annexation to the City)
- City of Morro Bay (consistency with GP/LCP and local land use permits)
- San Luis Obispo County (coordination on LCP consistency)
- California Department of Transportation (Caltrans Encroachment Permit)

As with the resource regulatory permitting, these land use agencies will use the final CEQA document to assist in their permitting processes.

<u>TASK 204 – FACILITY MASTER PLAN COORDINATION.</u> MKN will organize weekly coordination meetings or calls and lead responses to issues that develop during the project. MKN will serve as the main point of contact for the Facility Master Plan team while also maintaining communications between the City and the Facility Master Plan team. MKN will review monthly progress reports submitted by Facility Master Plan team and coordinate formal progress meetings between the Facility Master Plan team and the City.

The Facility Master Plan team also anticipates public workshops. MKN will coordinate and attend all Facility Master Plan workshops. It is assumed the workshops would include the following:

- Initial Public Workshop for Public and City Council Input on Concepts
- Site Plan and Visual Simulation Presentation Workshop
- Treatment Alternatives Workshop

MKN will coordinate City reviews of deliverables and compile comments to provide to the Facility Master Plan consultant. It is assumed that approximately nine (9) draft and final Technical Memoranda and the 33%, 66%, 90%, and final Master Plans will be reviewed.

TASK 205 – DEVELOP PROJECT DELIVERY TECHNICAL MEMORANDUM. MKN will develop a memorandum and presentation for City Council and WRFCAC summarizing the potential project delivery methods for the Phase I project; advantages and disadvantages; recommended approach; and steps required for implementation.

It is assumed the City attorney and/or special legal counsel will provide a legal opinion on the different alternative delivery options. At this time, the methods are anticipated to include design-build, progressive design-build, design-build-operate, design-build-operate-finance, and construction management at risk (CMAR).

TASK 206 – COORDINATION OF SPREADSHEET MODEL DEVELOPMENT AND MODEL RUNS FOR CUSTOMER RATE IMPACTS. MKN will provide guidance to the City's rate consultant in developing a spreadsheet model (by rate consultant). The Program Management Team will run the model to determine impacts of the following on projected customer rates:

- Project financing rate and period
- Grants
- Alternative projects for both the Phase I and Phase II programs (ex. different WRF treatment technologies for the Phase I project or different reclamation facilities for the Phase II program)

It is assumed up to 12 model runs will be performed for public workshops and meetings and results will be summarized in those presentations.

TASK 207 – ALIGNMENT STUDY AND CALTRANS COORDINATION. MKN will identify the likely number and alignment of pipelines to and from the site (ex. recycled water main, City water supply, force main, and/or brine discharge line). We will coordinate with Caltrans to identify constraints associated with the various pipeline crossings. This work will also incorporate the findings of the Facility Master Plan team related to the force main and discharge pipelines.

Regulatory requirements for pipeline separation will have a significant impact on location and alignment of the City waterline and other utilities that are required for Phases I and II of the program, but will not be explored in detail in the Facility Master Plan. Division of Drinking Water will be contacted to discuss installation methods or pipeline design features that may be required if minimum separations cannot be cost effectively maintained.

A Technical Memorandum and preliminary alignment map will be prepared that identifies the number and possible alignments of the various pipelines, taking into account the surveyed base map (by others), environmental constraints, utility conflicts, regulatory requirements, and installation techniques.

TASK 208 – DATA COLLECTION AND ENGINEERING SUPPORT FOR PRELIMINARY PLANNING ACTIVITIES. A budget of 200 hours is recommended for the following activities:

- Market survey of available organic waste for Facility Master Plan
- Collection, organization, and summarization of influent water quality data from the City/CSD WWTP for use during design activities
- Coordination of sampling activities for salinity identification and source control of contaminants
- Other activities as needed

TASK GROUP 300: PHASE I PRELIMINARY ENGINEERING AND PROCUREMENT

TASK 301 – OUTFALL EVALUATION AND MANAGEMENT STRATEGY. MKN proposes performing the following work under this task:

- Hydraulic modeling of the outfall to evaluate performance under various flow regimes (wet weather flow, wet weather and brine, and brine only if groundwater recharge is pursued to reduce wet weather flows)
- Preliminary layout of connection to the outfall
- Review of legal or permitting constraints associated with continuing use of the outfall under different management strategies. It is assumed City legal counsel will provide an analysis of ownership and other legal constraints.
- Development of a technical memorandum summarizing the work described herein.

TASK 302 – PHASE I WRF DESIGN/BUILD PROCUREMENT. It is assumed, for budgeting purposes, that the City will follow a “best-value” design-build process. The City Council will select a delivery method and based on their selection, the budget and scope for this task may require revision. It is anticipated the procurement process will generally follow the steps identified below. The assumed level of effort for each step is also provided. MKN will prepare all deliverables in draft and final form for City review.

- Request Expression of Interest (EOI) from potential design-build proposers (8 hours assumed)
- Prepare and facilitate a 4-hour workshop for respondents to the EOI (8 hours assumed)
- Prepare Request for Qualifications for design-build procurement (24 hours assumed)
- Review Statements of Qualifications from design-build proposers (24 hours assumed)

- Coordinate a review workshop with the City selection committee and prepare a draft response to short-listed teams (16 hours assumed)
- Prepare DB Procurement Documents, including coordination with contract documents and development of bridging documents. Coordinate with City attorney and/or special legal counsel for preparation of contract documents. It is assumed documents will be based on standard agreements available from Design Build Industry Association (DBIA) and other professional organizations but will be modified as directed by City legal counsel. (100 hours assumed)
- Meet with potential proposers and coordinate regular communication and outreach protocols documented in the Program Management Plan (40 hours assumed)
- Develop bridging documents including performance requirements, available geotechnical studies, topographic and boundary survey, and the following preliminary plans for two (2) conceptual treatment alternatives to allow the design-build teams to develop a bid while maximizing opportunities for innovation. At this time a budget cannot be developed for the bridging documents since the level of effort will depend on the treatment process and other site uses identified during the Facility Master Plan. (Level of effort TBD and not included in the budget, depending on the recommendations from the Facility Master Plan.)

    1. 20% Preliminary site plan
    2. Preliminary grading plans
    3. Detailed layouts of site amenities such as community park or corporation yard (if desired by City) to prevent conflicts with the WRF
    4. Process flow diagram
    5. Two (2) site elevation views
    6. Process and instrumentation diagrams
    7. Electrical single-line diagrams
    8. Architectural design standards
    9. Highway 41 access improvements

- Prepare Request for Proposals for Design-Build Procurement (40 hours assumed)
- Review proposals from proposers (60 hours assumed)
- Coordinate a review workshop with the City selection committee and prepare a recommendation for City Council (12 hours assumed)
- Coordinate review by City legal counsel (8 hours assumed)
- Lead final negotiations with the selected proposer (40 hours assumed)

TASK 303 – PROCUREMENT OF INFLUENT LIFT STATION AND TRANSMISSION PIPELINE DESIGN TEAM. MKN will perform the following services for procurement of a design team:

- Develop Request for Proposals and present to WRFCAC and Council for review and approval (12 hours assumed)
- Coordinate and attend pre-proposal meeting (8 hours assumed)
- Respond to Requests for Information and issue addenda as needed (12 hours assumed)
- Review proposals (12 hours assumed)
- Coordinate City review and interview process (12 hours assumed)
- Negotiate scope and budget with preferred consultant (8 hours assumed)
- Prepare staff report and recommendation for WRFCAC and City Council review (4 hours assumed)
- Meet with potential proposers and coordinate regular communication and outreach protocols documented in the Program Management Plan (24 hours assumed)

TASK 304 – DATA COLLECTION AND ENGINEERING SUPPORT FOR PRELIMINARY ENGINEERING AND PROCUREMENT ACTIVITIES. A budget of 200 hours is requested for support activities that may be required by the Program Management Team during execution of this phase of the WRF development.

TASK GROUP 400: PHASE I PROJECT DESIGN

TASK 401 - COORDINATION OF PHASE I WRF DESIGN DEVELOPMENT - MKN will organize weekly coordination meetings and lead responses to issues that develop during design development. MKN will serve as the main point of contact for the Design-Build Contractor (DBC) while also maintaining communications between the City and the DBC.

MKN will review the Concept Design Report and coordinate response from City. It is assumed that MKN will also coordinate up to six (6) design workshops with City staff to review progress of design development.

TASK 402 - COORDINATION OF INFLUENT LIFT STATION AND TRANSMISSION PIPELINES DESIGN DEVELOPMENT - MKN will organize weekly coordination meetings and lead responses to issues that develop during design development. MKN will serve as the main point of contact for the Design Team while also maintaining communications between the City and the Design Team.

MKN will review draft deliverables including up to four (4) Technical Memoranda, the Concept Design Report; 30% Design Plans and Estimates; 60% Design Plans; Draft Final Plans and Specifications; and Final Plans, Specifications, and Estimates.

TASK 403 – VALUE ENGINEERING REVIEWS – Based on the process and design alternatives selected for the WRF and lift station, MKN will assemble a value engineering team consisting of a qualified Value Engineering facilitator (per SRF requirements) and technical experts.

Our subconsultant, Value Management Strategies, Inc, will serve as the facilitator. It is assumed value engineering will be performed at the following milestones:

- Phase I WRF –30% Value Engineering Review
- Influent Lift Station and Transmission Pipelines - 30% Value Engineering Review
- Influent Lift Station and Transmission Pipelines – 60% Value Engineering Review

In our experience, the procurement process for engineering services is a good way to identify experts in various disciplines who can serve as members of the Value Engineering team. The technical experts will be identified after technologies are selected for the Phase I WRF.

TASK 404 - REPORT OF WASTE DISCHARGE – MKN will prepare a Report of Waste Discharge (ROWD) for the Phase I WRF to request Waste Discharge Requirement Orders and a National Pollutant Discharge Elimination System (NPDES) permit and submit the ROWD to Regional Water Quality Control Board (RWQCB).

It is assumed an administrative draft, draft and final ROWD will be prepared. Draft documents will be reviewed by the Design-Build team and City prior to submittal to RWQCB. The ROWD will include a summary of water supply (quality and source), wastewater flows and characteristics, treatment process components, monitoring and alarms, reliability features, solids handling, and the treated effluent reuse strategy.

TASK 405 - TITLE 22 REPORT FOR DDW – MKN will prepare a Title 22 Report for Division of Drinking Water review. It is assumed the Title 22 Report will include the Phase I WRF and initial reclamation opportunities that are identified in the Master Reclamation Plan. The report will include recycled water project design criteria; responsible parties for production, delivery. and use; Phase I WRF description, reliability features, monitoring program, transmission system components, use area and type, setbacks, signage, training, and a contingency plan.

TASK GROUP 500: PHASE I PROJECT CONSTRUCTION

MKN will mobilize the field staff to the project site as soon as MKN receives authorization to proceed and construction is ready to begin. The Resident Engineer (RE) and the field staff will maintain field offices (for both the Phase I WRF and influent lift station and transmission pipelines) provided by the Phase I WRF contractors (see task 3000). The Project Management Team will implement the record-keeping documentation, and contract administration systems. MKN will be the City's focal point (agent) for correspondence related to the construction phase of the project.

TASK 501 – CONSTRUCTION ADMINISTRATION PROCEDURES MANUAL. Compile a Construction Administration Procedures Manual for each of the two projects. The manual will define project administration team responsibilities and assignments and to what degree and frequency the tasks will be executed. Emergency contacts and action plans will be compiled. The primary purpose of this manual is to define the appropriate level of project administration, coordination, and communication. As part of this task, MKN will work closely with City staff to develop a plan for how resident and business inquiries will be handled during construction activities. The plan, which will be approved by the City, will be incorporated into the manual as an Appendix.

TASK 502 – PRE-CONSTRUCTION CONFERENCE. Conduct a pre-construction conference with the City, City's consultants, involved agencies, utilities, and the Contractor's team as they prepare to mobilize for each project. The RE will review plans and specifications with the Contractor in an effort to facilitate the Contractor's understanding of the project. The RE will review the Contractor's construction schedule for the project, including equipment, labor, and supervision planning. The RE will review appropriate protocols and procedures detailed in the Construction Administration Procedures Manual. The RE will

apprise the Contractor of contract requirements regarding security matters such as fences, lighting, and posting of signs. MKN will prepare meeting minutes for the pre-construction meeting.

TASK 503 – WEEKLY PROGRESS MEETINGS. Conduct weekly progress meetings at the City's wastewater treatment plant with the Contractors, permit agencies (if applicable), and the City's design representatives. The principal purpose of the project coordination meetings will be to:

- Review progress and quality and work planned for the next week
- Progress of critical path schedule items and task critical to project success (e.g., status of long lead time items)
- Review submittal and RFI logs.
- Notify the attendees of any construction deficiencies.
- Discuss labor, material, and equipment related to upcoming work.
- Address team coordination matters.
- Review maintenance of "as-built" drawings throughout construction.

MKN will prepare for these meetings (i.e., review the most current schedule ahead of the meeting), chair these meetings, and conduct each meeting according to a published agenda and have meeting summaries prepared and promptly distributed. Meeting summaries will detail action items, the discussions that ensued, and announce the time and date of the next meeting.

TASK 504 –WEB BASED CENTRALIZED DOCUMENT AND CHANGE MANAGEMENT SYSTEM. MKN will provide administrative support and management of the Web Based Centralized Document and Change Management System (ex. Primavera) to include regular updates of:

- Correspondence (letters and e-mail)
- Submittals/Shop Drawings
- Requests for Information (RFI)
- Change orders and change order requests
- Meeting Agendas and Minutes
- Daily Reports
- Inspection Reports
- Project Schedules

TASK 505 – RFIS. Review, coordinate (with City and design engineer), and respond to (up to 200) Contractor's Requests for Information (RFI). When appropriate, recommendations, suggestions and alternatives shall be provided to the Contractor, and/or the City.

TASK 506 – SCHEDULING. Review the Contractor's schedule on a monthly basis to verify that the project is being executed in general accordance with the requirements of the contract documents. Monitor the Contractor's compliance with the agreed-upon scheduling requirements.

- MKN's major task associated with the overall schedule requirements will be to:
- Review the Contractor's schedule to determine that it is properly prepared, that the milestones dates meet the overall schedule, and that no major conflicts exist.

- Review progress attained against the approved schedule to adequately record work-in-place, detect any potential delays, and review the Contractor's plan for implementation of remedial measures when appropriate, to recover or maintain progress.
- If changes are made to the critical path items review changes in assumptions and logic.
- In conjunction with the City, negotiate schedule adjustments with the Contractor, which may be required due to weather, change orders, or other impacts requiring schedule adjustments

TASK 507 – COMPLIANCE. Review Contractor's safety program for compliance with the contract documents. MKN shall not be responsible for Contractor's implementation of or compliance with its safety program or for initiating, maintaining, monitoring or supervising the implementation of such programs or the procedures and precautions associated therewith, or for the coordination of any of the above with the Contractor.

TASK 508 – CONSTRUCTION ADMINISTRATION. Maintain a set of contract files per the procedures identified in the Construction Administration Procedures Manual. If resident/business inquiries are received MKN will log them and work with the City staff to implement a response based on the procedures outlined in the Construction Administration Procedures Manual.

TASK 509 – MONTHLY PROGRESS PAYMENTS. Review Contractor's monthly progress payment requests, and construction contract records and reports specified to be submitted, for compliance with contract documents. Compile recommendations and forward to the City.

TASK 510 – CHANGE ORDERS. Investigate proposed change orders and RFIs submitted by the Contractor or requested by the City. Change order submittals will include supporting records. MKN's investigation will include the impacts on the project schedule and budget, and will include a recommendation for approval or disapproval. MKN will:

- Assemble documentation to include such items as inspection reports, test reports, drawings, sketches, photographs, and other materials as required.
- Review change order estimates compiled by the City's Design Consultants consisting of a cost estimate conforming to the City's procedures and forms; assess the impacts of the proposed change on the Contractor's schedule and operations; and prepare a written report summarizing the impact of the proposed change in terms of extra cost, cost savings, schedule, and effect on Contractor's obligations.
- Evaluate the Contractor's price proposals for reasonableness and accuracy of construction quantities, rates and unit prices, and time and schedule impacts.
- Maintain a change order log as a means to tracking change order proposals through the review and approval process. MKN will establish files for potential change orders or claims such as to accumulate documentation should the issues result in a change order or claim.

TASK 511 – SUBMITTALS. Receive from Contractor specified submittals and O & M manuals. Transmit these to design engineer for review, if appropriate (Influent Lift Station and Transmission Pipelines only). Maintain a log (Web Based) and manage shop drawings and sample/submittal review process to determine the following:

- All short-term look-ahead schedules contain critical submittal dates, and the logs reflect the same.
- Submittals are reviewed in a timely fashion and returned to the Contractor to minimize lost production time.
- Logs are updated on a regular basis.
- Shop drawings have been reviewed and returned before associated work has begun.
- A copy of all submittals is maintained in the file.
- Subsequent to the review, return submittal to the Contractor and forward a copy to the City.

MKN shall conduct an administrative review of worker safety protection/excavation plans and dewatering plans prepared by the Contractor's registered civil or structural engineer to assist the City with the acceptance of detailed plans developed by the Contractor for the design of excavation, bracing, sloping or other provisions necessary for the protection of existing facilities and for the protection of workers from the hazard of caving ground during the excavation of any trench 5 feet or more in depth (hereinafter referred to as "Excavation Plan").

MKN's review does not include an independent review of the Contractor's calculations or of the materials used by the Contractor. Nothing contained in the Scope of Work shall be construed as relieving the Contractor of the full responsibility for providing an Excavation Plan(s) that is adequate for worker protection, nor for the liability resulting from the failure to do so.

<u>TASK 512 – PERMIT COORDINATION</u>. Act as liaison (for communications) between the City and representatives of permitting agencies. Assist the City with finalizing permit coordination. All permit fees are to be paid by Contractor and/or City.

<u>TASK 513 – FIELD OBSERVATION.</u> Implement observation guidelines for monitoring the quality of the Contractor's work. Conduct field observation and prepare documentation (daily reports) of construction tasks including but not limited to construction staging, utility coordination, process, mechanical, electrical, instrumentation, traffic access, pedestrian access, drainage, NPDES requirements, concrete, grading, pipeline, building construction, base and surfacing, lighting, landscaping, and erosion control.

Upon witnessing (and discussing with City) materials, erection or installation process, or levels of quality that do not meet the requirements of the construction contract documents, issue a Non-Conformance Report notifying the Contractor of such deviation and inquire about the Contractor's proposed corrective action. Copies will be forwarded to the City.

The Contractor has sole responsibility for compliance with safety requirements on the construction contract. MKN's staff will monitor the Contractor's general compliance with its safety program and advise the City of observed deficiencies.

Maintain a photographic log of construction activities and provide the City copies of significant photographs.

<u>TASK 514 – PUNCH LIST.</u> Punch lists shall be developed to permit City acceptance of each segment of work to occur after the Contractor attains substantial completion. Conduct a final project review with the City. Submit a recommendation for project acceptance.

TASK 515 – RECORD DRAWING. Collect construction record drawings from Contractor and transmit to design engineer for processing.

TASK 516 – TECHNICAL SUPPORT. MKN will provide technical support with the following disciplines:

- Civil Engineering
- Structural Engineering
- Wastewater Processes
- Instrumentation and Controls
- Electrical

TASK 517 – LABOR COMPLIANCE. MKN and its state-certified subconsultant, Golden State Labor Compliance, will provide a Labor Compliance Program to monitor the Contractor's labor compliance, which includes the following:

- Pre-Job Conference. Conduct a pre-job conference with the Contractor and subcontractors listed in the bid before commencement of the work. Labor compliance requirements will be discussed and copies of the suggested reporting forms furnished. Records of the conferences will be kept on file.
- Monthly Audit of Contractor Certified Payroll. Review certified payrolls submitted by the Contractor and his subcontractors to verify compliance with the requirements of prevailing wage. Monitor that Apprenticeship requirements are being met.
- Monthly On-Site Interview. Conduct random on-site Contractor employee interviews on a monthly basis as required by the Labor Compliance Program.
- Violation Enforcement and Recommendations. Communicate potential violations to City and provide recommended action.
- Annual Reporting to the Department of Industrial Relations (DIR). Compile and submit a summary report to the DIR. The report will be submitted annually during construction and at the conclusion of the project.

TASK GROUP 600: PHASE I FACILITY START UP, TESTING, AND COMMISSIONING

TASK 601 – STARTUP AND COMMISSIONING COORDINATION. MKN will serve as the start-up and commissioning liaison coordinating the services of the design consultant and contractor for the Influent Lift Station and Transmission Pipelines; and contractor for the Phase I WRF (as well as the contractor's subconsultants and suppliers) to develop and implement both start-up and commissioning plans. .

It is assumed the contract documents will require the Design-Build Contractor for the Phase I WRF and the contractor for the Influent Lift Station to provide startup services, such as demonstrations of proper system operation, adjustments to the equipment as needed to meet requirements in the contract documents, warranty support and service, vendor training, operations & maintenance manual(s), and required guarantees. These requirements will be evaluated during constructability review of the contract documents for each project component. It is further assumed that the respective design engineers will provide technical assistance and overall system review.

It is assumed the contract documents will also require the Contractor to submit an acceptance test plan and protocol that defines the following:

- Specific measurements that will be made, including identification of permanent and temporary measurement devices
- Calibration procedures for measuring devices
- Redundancy of any measuring devise to demonstrate accuracy
- Organization of the testing team, including responsibilities
- Testing schedule
- Operations and maintenance schedule during the testing period (if not in the Operations Plan discussed below)
- Specific detailed sampling protocols to be used in conducting the acceptance test

It is also assumed the Design-Build Contractor will provide an Operations Plan for the Phase I WRF, and the Plan will identify the schedule and steps for startup and commissioning of each system component.

MKN will perform the following tasks:

- Coordinate Contractors' startup and commissioning activities and compare to contract document requirements, Operations Plan and Acceptance Plan. Advise City of nonconformance issues. MKN will coordinate with City staff, Contractor(s), design team(s), systems integrator, and Construction Management team startup specialists.
- Review Operations Plan and Acceptance Plan and advise the City as to status of the scheduled tasks
- Coordinate Contractor/Client meetings to review startup status
- Coordinate vendor training sessions for attendance by appropriate City staff, design team, and Contractors. Provide input during training sessions regarding design and operation of equipment based on startup team's experience

<u>TASK 602 –TRAINING</u>. MKN will prepare and deliver supplemental on-site and classroom instructional training sessions on equipment and process systems. The training will be relative to the process operation of the facility. The content of the session shall be mutually agreed upon by both MKN and the City. Instruction will be performed at a location approved by City. Prior to training, equipment and systems preparation and checkout will be completed and demonstrated to the satisfaction of an MKN representative.

Training instruction sessions for the Client's personnel will include maintenance and operation personnel.

TASK GROUP 700: PHASE I FACILITY OPERATION AND PROJECT CLOSE OUT
<u>TASK 701 – FINAL PROJECT REVIEW</u>. For each of the construction projects, conduct final project review with the City and Design Engineers and submit a recommendation for project acceptance.

<u>TASK 702 – FINAL REPORT.</u> For each of the construction projects, prepare final report, with testing records, and submit to City.

<u>TASK 703 – FINAL SUBMITTAL PACKAGE.</u> For each of the construction projects, compile a final submittal package (field records) and submit to City.

TASK 704 – TECHNICAL SUPPORT DURING OPTIMIZATION. MKN will provide engineering and process support on an as-needed basis during commissioning and optimization of the WRF, Influent Lift Station, and conveyance pipelines.

Task Groups 800 through 1100 address the planning and design of the Phase II Reclamation System. A detailed scope and budget for these task groups will be provided as the Master Reclamation Plan is developed and implemented. The MKN team is committed to provide the same high level of program management throughout the development, implementation, and startup of all phases of the City's Water Reclamation Program.

TASK GROUP 800: PHASE II PROJECT PRELIMINARY AND FINAL DESIGN

TASK GROUP 900: PHASE II PROJECT CONSTRUCTION

TASK GROUP 1000: PHASE II FACILITY START UP, TESTING, AND COMMISSIONING

TASK GROUP 1100: PHASE II FACILITY OPERATION AND PROJECT CLOSE OUT

EXHIBIT A

Morro Bay WRF Program Management Services

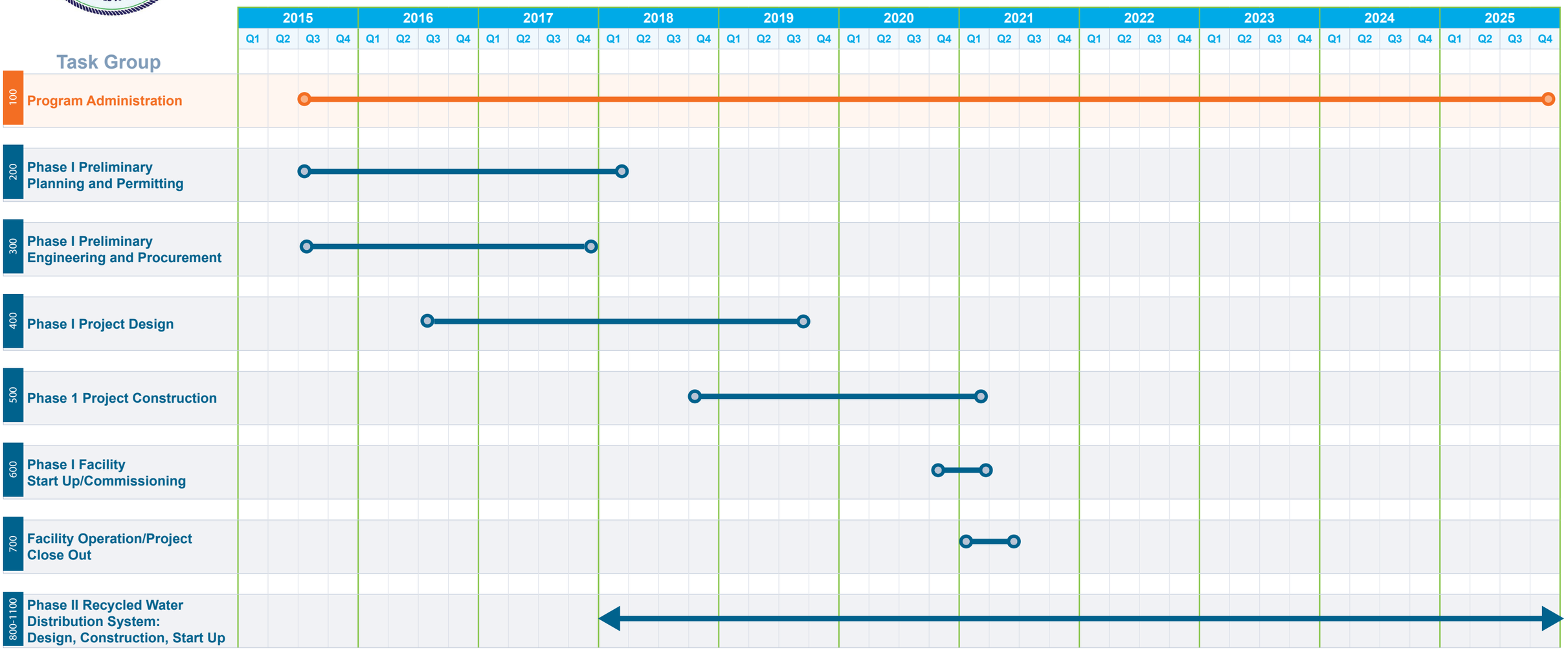
	Project Manager	Senior Project Engineer	Project Engineer	Assistant Engineer	Administrative Assistant	Total Hours (MKN)	Subtotal Labor (MKN)	ODCs (MKN)	JFR	RRM	MNS	Laquidara (TAT)	Konig Media	Total Subconsultant Cost	Total Cost
Task Group 100 Program Administration															
Task 101-Schedule tracking and progress reporting	48		48			96	$ 14,400	$ 432	$ 3,780					**$ 3,780**	**$ 18,612**
Task 102-Program Documentation	40		80			120	$ 17,400	$ 522	$ 3,780					**$ 3,780**	**$ 21,702**
Task 103-Meetings	300		104			404	$ 63,540	$ 1,906	$ 50,400					**$ 50,400**	**$ 115,846**
Task 104-Public outreach	104		16			120	$ 19,320	$ 580	$ 31,605	$ 68,250			$ 5,000	**$ 104,855**	**$ 124,755**
Task 105-Budget tracking and reporting	48					48	$ 7,920	$ 238	$ 3,780					**$ 3,780**	**$ 11,938**
Task 106-Grant and loan pursuit and management	40		0	0		40	$ 6,600	$ 198						**$ -**	**$ 6,798**
Task 107-Grant and loan support	50		25	25		100	$ 14,500	$ 435						**$ -**	**$ 14,935**
Task 108-Develop and maintain project management system	12		24	50	12	98	$ 11,510	$ 345	$ 2,520					**$ 2,520**	**$ 14,375**
Task 109-Assist in planning and development of Program Office	12		16		16	44	$ 4,860	$ 146	$ 630					**$ 630**	**$ 5,636**
Task 110-Development and Maintenance of Program Management Plan	80		40			120	$ 18,600	$ 558	$ 6,300					**$ 6,300**	**$ 25,458**
Subtotal	**734**	**0**	**353**	**75**	**28**	**1190**	**$ 178,650**	**$ 5,360**	**$ 102,795**	**$ 68,250**	**$ -**	**$ -**	**$ 5,000**	**$ 176,045**	**$ 360,055**
Task Group 200 Preliminary Planning															
Task 201-Master Reclamation Plan	100	160	240	240	40	780	$ 103,100	$ 3,093	$ 18,270		$ 10,500	$ 5,250		**$ 34,020**	**$ 140,213**
Task 202-CEQA	40		40			80	$ 12,000	$ 360	$ 68,670					**$ 68,670**	**$ 81,030**
Task 203-Permitting	40		40			80	$ 12,000	$ 360	$ 58,800					**$ 58,800**	**$ 71,160**
Task 204-Facility Master Plan coordination	240	40	24			304	$ 49,040	$ 1,471				$ 5,250		**$ 5,250**	**$ 55,761**
Task 205-Develop Project Delivery Technical Memorandum	40		24	24		88	$ 12,600	$ 378						**$ -**	**$ 12,978**
Task 206-Coordination of Model Development and Model Runs	16		60	60		136	$ 17,640	$ 529						**$ -**	**$ 18,169**
Task 207-Alignment Study and Coordination with Caltrans	8		60	12		80	$ 10,800	$ 324						**$ -**	**$ 11,124**
Task 208 - Data Collection and "As-Needed" Services	40	20	70	70		200	$ 27,200	$ 816	$ 5,050	$ 5,250				**$ 10,300**	**$ 38,316**
Subtotal	**524**	**220**	**558**	**406**	**40**	**1748**	**$ 244,380**	**$ 7,331**	**$ 150,790**	**$ 5,250**	**$ 10,500**	**$ 10,500**		**$ 177,040**	**$ 428,751**
Task Group 300 Phase I Preliminary Engineering and Procurement															
Task 301-Outfall Evaluation and Management Strategy	24	24	40	24	8	120	$ 16,200	$ 486						**$ -**	**$ 16,686**
Task 302-Design-Build Procurement (Bridging Documents/Concept Design TBD)	300		80			380	$ 60,300	$ 1,809			$ 5,000			**$ 5,000**	**$ 67,109**
Task 303-influent Lift Station and Transmission Pipeline Design Procurement	76		16			92	$ 14,700	$ 441						**$ -**	**$ 15,141**
Task 304 - Data Collection and "As-Needed" Services	40	20	70	70		200	$ 27,200	$ 816	$ 5,050					**$ 5,050**	**$ 33,066**
Subtotal	**440**	**44**	**206**	**94**	**8**	**792**	**$ 118,400**	**$ 3,552**	**$ 5,050**	**$ -**	**$ 5,000**	**$ -**		**$ 10,050**	**$ 132,002**
TOTAL BUDGET	**1698**	**264**	**1117**	**575**	**76**	**3730**	**$ 541,430**	**$ 16,243**	**$ 258,635**	**$ 73,500**	**$ 15,500**	**$ 10,500**	**$ 5,000**	**$ 358,135**	**$ 920,808**

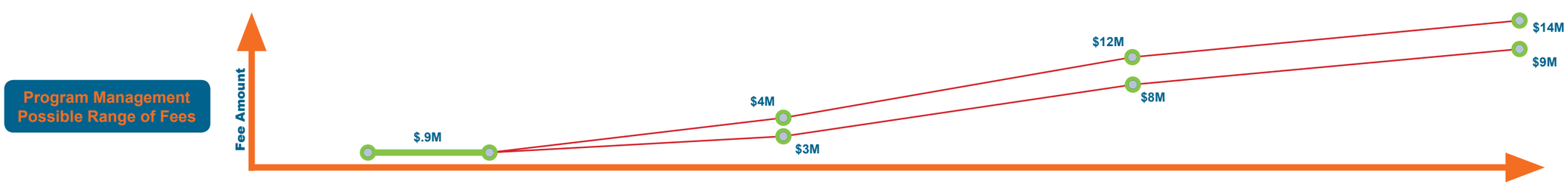
Contingenc **10%** **$ 92,080.79**

$ 1,012,889

EXHIBIT A

Morro Bay WRF Program Schedule





AGENDA NO:	**D-7**
MEETING DATE:	**August 11, 2015**

Staff Report

TO: **Honorable Mayor and City Council** **DATE:** **July 14, 2015**

FROM: **Susan Slayton, Administrative Services Director**

SUBJECT: **Ordinance No. 594 Amending Various Sections of Chapter 3.08 of the Morro Bay Municipal Code, Relating to Contract Authority and the Purchasing Process**

RECOMMENDATION

Staff recommends the City Council review Ordinance No. 594, accept public comment on this issue, and make a motion for the introduction and first reading of Ordinance No. 594, by number and title only, amending various sections of Chapter 3.08 of the Morro Bay Municipal Code, relating to contract authority and the purchasing process.

BACKGROUND

The Municipal Code Section 3.08 *Purchase and Sale of Supplies and Equipment* was established in 1979 by Ordinance 164, and few changes have been made since then:

1) 3.08.100 Formal contract procedure had changes made in 1980 Ord 184, 1988 Ord 335, 1990 Ord 371 and 1991 Ord 391;
2) 3.08.110 Open market procedure had changes made in 1990 Ord 371; and
3) 3.08.140 and 3.08.170 were charged, in part, in 2004 Ord 500.

DISCUSSION

As part of its ongoing duty to improve government operations and with guidance from the City Manager, Staff and the City Attorney have reviewed the City's contracting procedures and determined modifications are needed to provide better efficiency, while still ensuring expenditures of public revenues are safe from errors and worse.

Some changes are updates to unnecessary provisions. Some are increases in administrative authority to approve contracts and amendments. One is to update the City's code to be consistent with the State Public Contracts Code. Another is to establish a purchase order system. All authority is limited to expenditures included in the Council-approved budget.

The sections that are changing are listed below in their original wording, red-lined to indicate the changes:

Prepared By: __SS_____	Dept Review:_____
City Manager Review: ___DWB_____	
City Attorney Review: __JWP_____	

~~3.08.060 Requisitions.~~

~~Using agencies shall submit requests for supplies and equipment to the purchasing agent by standard requisition forms, or by other means as may be established by the purchasing rules and regulations. (Ord. 164 § 6, 1979)~~

~~3.08.080 Purchase orders.~~

~~Purchases of supplies and equipment shall be made only by purchase orders. Except as otherwise provided in this chapter, no purchase order shall be issued unless the prior approval of the purchasing agent or his designated representative has been obtained. (Ord. 164 § 8, 1979)~~

3.08.80 – Purchase order system

The purchasing agent is directed to implement a purchase order system for all contracts and purchases for which city expenditures will be made; provided, that real property purchases, utility expenses, payments to governmental agencies, claim or litigation settlements or judicially required payments would not be subject to the purchase order system.

3.08.100 Formal contract procedure.

Except as otherwise provided in this chapter, purchases of supplies ~~and~~or equipment, of an estimated value greater than ~~ten~~Fifty ~~t~~Thousand ~~d~~Dollars ($50,000), shall be by written contract with the lowest responsive and responsible bidder, pursuant to the procedure hereinafter prescribed:

~~3.08.110 Open market procedure.~~

~~Purchase of supplies and equipment of an estimated value in the amount often thousand dollars or less may be made by the purchasing agent in the open market pursuant to the procedure hereinafter prescribed and without observing the procedure prescribed in Section 3.08.100; provided, however, all bidding may be dispensed with for purchases of supplies and equipment having a total estimated value of less than five hundred dollars.~~

3.08.110 – Open market procedure.

The city manager, or his/her written designee, is authorized to sign a written contract or purchase order to purchase supplies and equipment, from the same vendor, for a total dollar amount of Fifty Thousand Dollars ($50,000) or less in the open market, pursuant to the procedure hereinafter prescribed, and without observing the procedure prescribed in Section 3.08.100; provided, that, all bidding may be dispensed with for purchases of supplies and equipment from the same vendor for a total dollar amount of Two Thousand Five Hundred Dollars ($2,500) or less; provided, further, that such authorizations are only effective to the extent the expenditure for the contract/purchase order has been approved by the City Council by adoption of, or amendment to, the City's budget.

~~A. Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three quotations, and shall be awarded to the entity submitting the lowest responsible quotation.~~

~~B. The purchasing agent or his designee shall solicit quotations for the purchases of all goods and services above five hundred dollars. The quotations may be solicited by telephone or in writing but must be documented and attached to each purchase order at the time of issuance. (Ord. 371 § 4, 1990: Ord. 164 § 11, 1979)~~

A. Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three written quotations, and shall be awarded to the entity submitting the lowest responsive and responsible quotation.

B. The purchasing agent, or her/his designee, shall solicit quotations for the purchases of all goods and services above Two Thousand Five Hundred Dollars ($2,500). The quotations may be solicited by telephone, or in writing, but must be documented and attached to each purchase order, at the time of issuance.

~~3.08.140 Informal bid procedures.~~

~~Public projects, as defined in Section 22000, et seq., of the Public Contract Code, of one hundred thousand dollars or less may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code. (Ord. 500 (part), 2004)~~

3.08.140 - Informal public project bid procedures.

Public projects, as defined in Sections 22000, *et seq.*, of the Public Contract Code, of One Hundred Seventy-five Thousand Dollars ($175,000) or less may be let to contract by informal procedures, as set forth in Sections 22032, *et seq.*, of the Public Contract Code.

~~3.08.170 Award of contracts.~~

~~The city manager, or his designee, is authorized to award informal contracts pursuant to this section. (Ord. 500 (part), 2004).~~

3.08.170 - Award and amendment of contracts.

A. The city manager, or his/her written designee, is authorized to award and sign any contract or purchase order for supplies, services or equipment with a total dollar amount that does not exceed One Hundred Twenty-five Thousand Dollars ($125,000) or is subject to the bid procedures, as described in Section 3.08.140; provided, that such authorizations are only effective to the extent the expenditure for the contract has been approved by the City Council, by adoption of, or amendment to, the City's budget.

B. Any contract or purchase order, approved in accordance with this code, may be amended by the city manager, or his/her written designee, so long as each amendment does not exceed the lesser of 25 percent of the contract/purchase order amount or Fifty Thousand Dollars ($50,000).

CONCLUSION

Staff recommends the City Council introduce Ordinance No. 594, by number and title only, and schedule the date of the public hearing to adopt this Ordinance.

ORDINANCE NO. 594

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA AMENDING VARIOUS SECTIONS OF CHAPTER 3.08 OF THE MORRO BAY MUNICIPAL CODE RELATING TO CONTRACT AUTHORITY AND THE PURCHASING PROCESS

THE CITY COUNCIL
City of Morro Bay, California

NOW, THEREFORE, the City Council of the City of Morro Bay does ordain as follows:

SECTION 1: Section 3.08.60 of the Morro Bay Municipal Code is hereby repealed.

SECTION 2: Section 3.08.80 of the Morro Bay Municipal Code is hereby amended, in its entirety, to read as follows:

3.08.80 – Purchase order system

The purchasing agent is directed to implement a purchase order system for all contracts and purchases for which city expenditures will be made; provided, that real property purchases, utility expenses, payments to governmental agencies, claim or litigation settlements or judicially required payments would not be subject to the purchase order system.

SECTION 3: The opening phrase of Section 3.08.100 of the Morro Bay Municipal Code is hereby amended, in its entirety, to read as follows:

> Except as otherwise provided in this chapter, purchases of supplies or equipment, of an estimated value greater than Fifty Thousand Dollars ($50,000), shall be by written contract with the lowest responsive and responsible bidder, pursuant to the procedure hereinafter prescribed:

SECTION 4: Section 3.08.110 of the Morro Bay Municipal Code is hereby amended, in its entirety, to read as follows:

3.08.110 - Open market procedure.

The city manager, or his/her written designee, is authorized to sign a written contract or purchase order to purchase supplies and equipment, from the same vendor, for a total dollar amount of Fifty Thousand Dollars ($50,000) or less in the open market, pursuant to the procedure hereinafter prescribed, and without observing the procedure prescribed in

Section 3.08.100; provided, that, all bidding may be dispensed with for purchases of supplies and equipment from the same vendor for a total dollar amount of Two Thousand Five Hundred Dollars ($2,500) or less; provided, further, that such authorizations are only effective to the extent the expenditure for the contract/purchase order has been approved by the City Council by adoption of, or amendment to, the City's budget.

A. Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three written quotations, and shall be awarded to the entity submitting the lowest responsive and responsible quotation.

B. The purchasing agent, or her/his designee, shall solicit quotations for the purchases of all goods and services above Two Thousand Five Hundred Dollars ($2,500). The quotations may be solicited by telephone, or in writing, but must be documented and attached to each purchase order, at the time of issuance.

SECTION 5: Section 3.08.140 of the Morro Bay Municipal Code is hereby amended, in its entirety, to read as follows:

3.08.140 - Informal public project bid procedures.

Public projects, as defined in Sections 22000, *et seq.*, of the Public Contract Code, of One Hundred Seventy-five Thousand Dollars ($175,000) or less may be let to contract by informal procedures, as set forth in Sections 22032, *et seq.*, of the Public Contract Code.

SECTION 6: Section 3.08.170 of the Morro Bay Municipal Code is hereby amended, in its entirety, to read as follows:

3.08.170 - Award and amendment of contracts.

A. The city manager, or his/her written designee, is authorized to award and sign any contract or purchase order for supplies, services or equipment with a total dollar amount that does not exceed One Hundred Twenty-five Thousand Dollars ($125,000) or is subject to the bid procedures, as described in Section 3.08.140; provided, that such authorizations are only effective to the extent the expenditure for the contract has been approved by the City Council, by adoption of, or amendment to, the City's budget.

B. Any contract or purchase order, approved in accordance with this code, may be amended by the city manager, or his/her written designee, so long as each amendment does not exceed the lesser of 25 percent of the contract/purchase order amount or Fifty Thousand Dollars ($50,000).

SECTION 7: This Ordinance shall take effect 30 days after its adoption. The City Clerk, or her duly appointed deputy, shall attest to the adoption of this Ordinance and shall cause this Ordinance to be published and posted in the manner required by law.

INTRODUCED at a regular meeting the of the City Council of Morro Bay, held on the 11th day of August, 2015, by motion of Councilmember _____, seconded by Councilmember _____.

PASSED AND ADOPTED on the ____ day of _____ , 2015.

_____
JAMIE L. IRONS, Mayor

ATTEST:

_____
DANA SWANSON, City Clerk

APPROVED AS TO FORM:

_____
JOSEPH W. PANNONE, City Attorney

I, Dana Swanson, City Clerk for the City of Morro Bay, hereby certify that the foregoing ordinance was duly and regularly introduced at a meeting of the City Council on the 11th day of August, 2015, and that hereafter the said ordinance was duly and regularly adopted at a meeting of the City Council on the _____ day of_ _____, 2015, by the following vote, to wit:

Ayes:
Noes:
Abstain:
Absent:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this _____day of _____, 2015.

_____
City Clerk of the City of Morro Bay