

# City of Morro Bay

## City Council Agenda

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### *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.*

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**REGULAR MEETING  
TUESDAY, OCTOBER 13, 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 Summary Report

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 SEPTEMBER 22, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-2 APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING HELD ON SEPTEMBER 22, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-3 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON SEPTEMBER 22, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-4 APPROVAL OF MINUTES FOR THE JOINT MEETINGS OF THE CITY COUNCIL AND THE FOLLOWING ADVISORY BODIES: GENERAL PLAN ADVISORY COMMITTEE (GPAC), CITIZENS ADVISORY/CITIZENS FINANCE COMMITTEE (CFC), PUBLIC WORKS ADVISORY BOARD (PWAB), AND HARBOR ADVISORY BOARD (HAB) HELD ON SEPTEMBER 29, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-5 PROCLAMATION DECLARING OCTOBER 18-24, 2015 AS “FREEDOM FROM WORKPLACE BULLIES WEEK”; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-6 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC WORKS)

**RECOMMENDATION: Receive and file.**

A-7 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)

**RECOMMENDATION: Receive and file.**

A-8 APPROVAL OF A CONTRACT BETWEEN THE CITY OF MORRO BAY AND PG&E RELATED TO ACCESS AND USE FOR THE BMX BIKE PARK AND APPROVAL OF AMENDMENT TO MEMORANDUM OF UNDERSTANDING WITH CENTRAL COAST CONCERNED MOUNTAIN BIKERS, INC. RELATED TO MANAGEMENT OF BMX BIKE PARK; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

A-9 AWARD OF CONTRACT TO PACIFIC COAST EXCAVATION, INC. OF SANTA MARIA, CA FOR THE PROJECT NO. MB2016-WW06: INTER-STAGE VAULT AND BLENDING VALVE REPLACEMENT PROJECT; (PUBLIC WORKS)

**RECOMMENDATION: Approve as submitted.**

A-10 AWARD OF CONTRACT TO ENVIRONMENTAL SCIENCE ASSOCIATES FOR WRF ENVIRONMENTAL COMPLIANCE SERVICES; (PUBLIC WORKS)

**RECOMMENDATION: Approve as submitted.**

A-11 AUTHORIZATION TO FILE THE NOTICE OF COMPLETION FOR PROJECT NO. MB-2015-WW05, MMRP: DIGESTER # 1 COATING AND REPAIRS PROJECT; (PUBLIC WORKS)

**RECOMMENDATION: Approve as submitted.**

A-12 APPOINTMENT OF COUNCIL MEMBER JOHN HEADDING AS LIAISON TO THE CITIZENS FINANCE COMMITTEE; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

**B. PUBLIC HEARINGS**

B-1 PUBLIC HEARING FOR AND CONSIDERATION OF MORRO BAY GARBAGE SERVICE INTERIM RATE ADJUSTMENT APPLICATION AND ADOPTION OF RESOLUTION NO. 65-15; (PUBLIC WORKS)

**RECOMMENDATION: Conduct a Public Hearing and adopt Resolution No. 65-15 increasing the solid waste rates by 3.22% effective January 1, 2016.**

B-2 APPROVAL OF CONDITIONAL USE PERMIT (UP0-424) FOR THE CONCEPT AND PRECISE PLANS TO ERECT A FISHERMEN'S FAMILY SCULPTURE STATUE ON COLEMAN DRIVE NEAR TARGET ROCK AND SOUTHEAST OF MORRO ROCK; (COMMUNITY DEVELOPMENT)

**RECOMMENDATION: Adopt Resolution No. 68-15 approving the Conditional Use Permit (UP0-424) for the Concept and Precise Plans to erect a new Fishermen's Family Sculpture memorial.**

**C. UNFINISHED BUSINESS/SECOND READING AND ADOPTION OF ORDINANCES**

C-1 RESOLUTION NO. 63-15 ESTABLISHING A FEE SUBSIDY AND COST RECOVERY POLICY; (ADMINISTRATION)

**RECOMMENDATION: Adopt Resolution No. 63-15 Establishing a Fee Subsidy and Cost Recovery Policy.**

C-2 DISCUSSION OF UNWARRANTED TRAFFIC CONTROL DEVICES, RESCISSION OF RESOLUTION NO. 38-15 REGARDING PLACEMENT OF STOP SIGN AT THE INTERSECTION OF PACIFIC AND MAIN STREETS AND CONSIDERATION OF ALTERNATIVE TRAFFIC CALMING MEASURES: (PUBLIC WORKS)

**RECOMMENDATION: Discuss unwarranted traffic control devices and consider adoption of Resolution No. 67-15 rescinding Resolution No. 38-15.**

C-3 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 597 AMENDING SUBSECTION 5.08.220 C. OF THE MORRO MUNICIPAL CODE RELATING TO THE \$4,000 EXCEPTION: (ADMINISTRATIVE SERVICES)

**RECOMMENDATION: Move for introduction and first reading of Ordinance No. 597, by number and title only, and waive further reading.**

D. NEW BUSINESS

D-1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 596 ADDING CHAPTER 14.42 TO THE MORRO BAY MUNICIPAL CODE, PROVIDING A STREAMLINED PERMITTING PROCESS FOR SMALL RESIDENTIAL ROOFTOP SOLAR SYSTEMS AND FINDING THE ORDINANCE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; (COMMUNITY DEVELOPMENT)

**RECOMMENDATION: Move for introduction and first reading of Ordinance No. 596, by number and title only, and waive further reading.**

D-2 APPROVAL OF MEMORANDUM OF COOPERATION (“MOC”) BETWEEN THE CITY AND TRIDENT WINDS, LLC, A WASHINGTON LIMITED LIABILITY COMPANY (TRIDENT”), REGARDING A POSSIBLE WIND TURBINE PROJECT LOCATED OFF-SHORE FOR THE PRODUCTION OF ELECTRICITY; (ADMINISTRATION)

**RECOMMENDATION: Approve the Memorandum of Cooperation between the City and Trident Winds, LLC.**

D-3 DISCUSSION OF INTENT TO BE A HOST CITY FOR THE START OF ONE LEG OF THE 2016 AMGEN TOUR OF CALIFORNIA BICYCLE RACE; (ADMINISTRATION)

**RECOMMENDATION: Discuss and direct staff accordingly.**

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, October 27, 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.**



**AGENDA NO: A-1**

**MEETING DATE: October 13, 2015**

MINUTES – MORRO BAY CITY COUNCIL  
SPECIAL CLOSED SESSION MEETING –  
SEPTEMBER 22, 2015  
CITY HALL CONFERENCE ROOM – 3:15 P.M.

PRESENT:	Jamie Irons	Mayor
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Noah Smukler	Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	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.

Jane Heath spoke on behalf of her clients, Bill Martony and Bernadette Pekarek, and urged the City Council to assess the City's risk going forward versus resolving its responsibility for property damage. The next step is litigation is no other avenue is found.

Bill Martony added that normally if someone causes damage, they correct it. The next steps are involved and costly. He is just asking to have the problem corrected.

The public comment period was closed.

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

CS-1            **LIABILITY CLAIM**  
                  Claimant: William J. Martony  
                  Agency claimed against: City

The City Council reconvened to Open Session.

The Council did not take any reportable action pursuant to the Brown Act.

ADJOURNMENT

The meeting adjourned at 3:50 p.m.

Recorded by:

Dana Swanson  
City Clerk



MINUTES - MORRO BAY CITY COUNCIL  
SPECIAL MEETING – SEPTEMBER 22, 2015  
VETERAN’S MEMORIAL HALL  
209 SURF STREET - 4:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	John Heading	Councilmember
	Noah Smukler	Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	David Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Sam Taylor	Deputy City Manager
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief

ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established with and the meeting was called to order at 4:08pm.

PUBLIC COMMENT RE: ITEMS ON THE AGENDA

<https://youtu.be/egKNz42nPHo?t=2m>

Sandy Tannler, Morro Bay, shared she had read John Meyers’ report and supports the current tourism and marketing structure.

Susan Stewart, Morro Bay resident, business owner and former chairperson of the Community Promotions Committee (CPC), provided background information on the CPC and shared Mr. Haugen is a good resource for small businesses.

John Solu, Morro Bay resident and business owner, shared the hotelier business is unique and “heads in beds” is beneficial to the city and continued success in Morro Bay.

Sabin Grey, Morro Bay business owner, spoke in support of Brent Haugen and his staff and thanked them for supporting all Morro Bay businesses.

Liz Gilson, Chamber of Commerce Director of Operations, shared the Chamber recommends open collaboration between the Tourism Bureau, City officials and City Council, and healthy discussion among hoteliers, the City, the Tourism Bureau, and the Chamber of Commerce.

Homer Alexander, Morro Bay, researched business improvement districts prior to the Tourism Bureau being formed and took exception to certain comments and data provided in the staff report.

Jim Bray, Morro Bay resident and business owner, read a letter sent to the Tourism Bureau from Caroline Beteta, President/CEO of Visit California and leading expert in tourism.

Taylor Newton, Morro Bay resident, business owner and Tourism Business Improvement District (TBID) Advisory Board member stated creativity and talent are important for the city's future and having someone focused on tourism is worth the money.

Aaron Graves, owner of Pleasant Inn and Central Coast Hotel Brokers, spoke with several hoteliers and hoped to hear how the City's plan would improve performance.

Shawn Farmer, owner of Farmer's Kites and Surreys and founder of the Morro Bay Kite Festival noted that in the ten years of the festival, he has received help from City staff, the Chamber and Tourism Bureau preparing for the event, but City staff hasn't been there on the weekend. The Tourism Bureau has been involved in every aspect of the festival.

Michele Jacquez, Morro Bay TBID Advisory Board and Morro Bay Tourism Bureau member, spoke in support of the current tourism and marketing structure and urged the City Council to read Mr. Meyers' report.

Joan Solu, Morro Bay resident, business owner, TBID Advisory Board and Tourism Bureau member, spoke in support of the current operating plan, noting an increase in TOT tax revenue of 50.7% in six years; growth surpassing almost all government agencies in the county. She suggested a strong partnership between the hotelier consortium, regional partners in tourism and economic development, and City leadership.

Ashlee Akers spoke representing Verdin Marketing, the current the agency of record for Morro Bay, Atascadero and Cayucos for tourism marketing. Her firm has experience working with a variety of marketing management structures and have found the most successful to be those with the ability to make decisions and respond quickly in order to stay competitive.

Noreen Martin, Commissioner and Chief Fiscal Officer for the State of California, stated there is a bit of dysfunction to having eleven BIDs in this county and suggested the City look at other counties, such as Napa and Sonoma, where tourism marketing is run separately from the government.

Chuck Davison, President and CEO of Visit San Luis Obispo County, cautioned staff and the City Council to move through this process slowly and have further discussion so the needs of constituents are fairly represented.

Brent Haugen, Executive Director for the Morro Bay Tourism Bureau, stated he has been a resource since April 2014 for City Council, City staff, lodging and business community, event organizers, non-profits and citizens. He addressed one point in staff report which suggested money is being spent without any controls. Budgets are reviewed by the City Council annually

for approval, quarterly reports are provided to the City Council, and monthly reports to the Council-appointed advisory board. If there are concerns, he has not been made aware of them.

The public comment period was closed.

Councilmembers Headding and Johnson responded to comments and questions raised during the public comment period.

SPECIAL MEETING AGENDA ITEMS:

I. DISCUSSION OF GOAL 6 – TOURISM MARKETING & PROMOTIONS REVIEW  
<https://youtu.be/egKNz42nPHo?t=47m48s>

City Manager Buckingham and Deputy City Manager Taylor provided the staff report and responded to Council inquiries.

Councilmember Headding clarified the driver for this initiative is the 10-year strategic plan that shows the City must do things significantly differently or suffer in areas of basic services. He believes the model we're beginning to see gets us where we want to be.

Councilmember Smukler is supportive of the tourism effort and the structure that's been established and suggested taking time to engage with stakeholders and look at alternatives more clearly. The strategic planning component is important to pull together as a community and manage limited resources more effectively.

Councilmember Johnson looks forward to collaboration and having people understand the benefit of tourism in the community. The City has infrastructure challenges and it's important to seek collaboration between overnight stays and hoteliers, event creation and promotion, sales tax generating businesses, the Chamber, and the Merchant's Association, and communicate that very clearly with the public.

Mayor Irons noted the overall goal is to improve growth and the success of the TBID and tourism. He is in favor of moving forward at a diligent pace.

No action was taken by the City Council.

II. MODIFICATION OF MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT BOARD BYLAWS AND CONSIDERATION OF APPROVAL OF MORRO BAY TOURISM BUREAU BYLAWS MODIFICATION  
<https://youtu.be/egKNz42nPHo?t=2h10m11s>

Deputy Taylor presented the staff report.

The public comment period for Item II was opened; seeing none, the public comment period was closed.

MOTION: Councilmember Headding moved to approve Resolution No. 65-15 adopting modifications to the “Qualifications” section of the TBID Advisory Board By-Laws, and approve the request of the Morro Bay Tourism Bureau to modify its By-Laws to reflect the TBID By-Laws language. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

ADJOURNMENT

The meeting adjourned at 6:22p.m.

Recorded by:

Dana Swanson  
City Clerk

MINUTES - MORRO BAY CITY COUNCIL  
REGULAR MEETING – SEPTEMBER 22, 2015  
VETERAN’S MEMORIAL HALL – 6:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Noah Smukler	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	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
	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 6:35 p.m.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT – City Attorney Pannone reported that with regard to the Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS - None

PUBLIC COMMENT

<https://youtu.be/2YxJTLshRRs?t=2m50s>

Richard Rowe owner of Rowe Clayworks provided the business spot. His business is located at 387 B Quintana Road near the Couch Potato. He makes pottery that is affordable, functional, and oven, microwave and dishwasher safe. They are open Monday - Saturday from 10am - 5pm. For more information, please call 235-9721 or visit their website at [www.roweclayworks.com](http://www.roweclayworks.com).

Rosalie Valvo, Morro Bay, expressed concern about the wind energy project being proposed in Morro Bay due to potential collisions of birds with the turbines. She urged the City Council to carefully consider this project.

Rigmore, Morro Bay, was pleased to be able to order fish directly from the fisherman by sending an email to [fish@southbaywild.com](mailto:fish@southbaywild.com). She restated her positions on automated water meters and neighborhood design guidelines, stated support of a marine sanctuary, and opposition to boat haul-out.

Doug Claassen, manager and owner of Morro Dunes RV, expressed concern about homeless problems, and would like to see the creek cleared as has been done in the past. Trespassing signs and no overnight camping signs do not seem to help.

Melody DeMeritt, Morro Bay, participated in ECOSLO's Coastal Clean Up where they removed over 300 lbs. of trash from the creek bed. She suggested metal trash barrels locked to trees to prevent trash from being washed into the ocean.

Butch Powers, stated Mayor Irons will not be re-elected.

Emily Miggins, Los Osos, recommended the Council and staff explore community based strategies that use baseline reporting metrics and other reporting standards to deal with issues such as recycling infrastructure, volunteer cleanups, and determine whether marine sanctuaries are appropriate.

Trina Dougherty, ECO Rotary Club of Morro Bay, announced a free presentation, "Can I recycle this?" by Mike de Milo of IWMA, to be held on Thursday, Sept 24<sup>th</sup> from 5:30 - 7pm at the Morro Bay Community Center.

Robert Davis, Morro Bay, representing the San Luis Obispo Bicycle Club, announced the 44<sup>th</sup> Lighthouse Bicycle Ride on Saturday, September 26 beginning at 7am at Morro Bay High School. For more information, please call 543-5973.

Jon Elliott, Morro Bay business owner, announced the Morro Bay trick-or-treat event to be held on Saturday, October 31<sup>st</sup> from 2-5pm. All local businesses are invited to participate and can e-mail Jon at [morrobaybarbershop@gmail.com](mailto:morrobaybarbershop@gmail.com) for more information.

Betty Winholtz, Morro Bay, expressed concern about a recent case where the Grillis have been sued by a neighbor and now criminal charges have been filed by City Attorney. She reminded the Council they set policy for the types of cases the City spends money on. She also recommended the municipal code section related to the duties of the City Attorney be updated.

Fred Collins, Northern Chumash Tribal Council, thanked the Council for direction they've taken with the new wastewater treatment plant project as he believes they picked a location that will avoid cultural resources.

Rob Livick, announced "Cavalleria Rusticana" and "Pagliacci" will be presented on Saturday, October 10 at 7pm and Sunday, October 11 at 2pm at the Cal Poly Performing Arts Center. Tickets are available at [pacslo.org](http://pacslo.org).

The public comment period was closed.

Council and staff responded to issues raised during public comment.

- A. CONSENT AGENDA  
<https://youtu.be/2YxJTLshRRs?t=39m38s>

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 SEPTEMBER 8, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON SEPTEMBER 8, 2015; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-3 RESOLUTION 62-15 RESTATING REQUIREMENT FOR PARAMEDIC LICENSES, ALLOWING FIRE CHIEF DISCRETION TO CONDITIONALLY POSTPONE REQUIREMENT, AND RESCINDING RESOLUTIONS 19-91 AND 29-01; (FIRE)

**RECOMMENDATION: Adopt Resolution 62-15 as submitted.**

- A-4 TEMPORARY APPOINTMENT OF COUNCIL MEMBER JOHN HEADING AS LIAISON TO THE HARBOR ADVISORY BOARD; (ADMINISTRATION)

**RECOMMENDATION: Approve as submitted.**

- A-5 APPROVAL OF TWO NEW LICENSE AGREEMENTS BETWEEN THE CITY OF MORRO BAY AND GAFCO, INC. (GEORGE LEAGE, GREAT AMERICAN FISH COMPANY) FOR LEASE SITE 110W-112W & 111.5W, AND THMT, INC. (TROY LEAGE, HARBOR HUT) FOR LEASE SITE 122-123/122W-123W FOR USE OF PUBLIC PROPERTY IN THE FRONT STREET PARKING LOT AREA FOR TRASH ENCLOSURES; (HARBOR)

**RECOMMENDATION: Approve the two License Agreements for use of public property for trash enclosures at 1196 Front Street, as proposed.**

Mayor Irons pulled Item A-5.

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

**MOTION:** Mayor Irons moved the Council approve Items A-1 through A-4 of the Consent Agenda. The motion was seconded by Councilmember Heading and carried unanimously, 4-0.

- A-5 APPROVAL OF TWO NEW LICENSE AGREEMENTS BETWEEN THE CITY OF MORRO BAY AND GAFCO, INC. (GEORGE LEAGE, GREAT AMERICAN FISH COMPANY) FOR LEASE SITE 110W-112W & 111.5W, AND THMT, INC. (TROY LEAGE, HARBOR HUT) FOR LEASE SITE 122-123/122W-123W FOR USE OF PUBLIC PROPERTY IN THE FRONT STREET PARKING LOT AREA FOR TRASH ENCLOSURES; (HARBOR)  
<https://youtu.be/2YxJTLshRRs?t=40m18s>

Mayor Irons suggested this item be continued as the properties have not been cleaned up as required by the License Agreement.

MOTION: Mayor Irons moved to continue Item A-5 until the site is cleaned up. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

B. PUBLIC HEARINGS - NONE

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES

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

- C-1 WATER RECLAMATION FACILITY (WRF) PROPOSED OUTREACH PROGRAM; (PUBLIC WORKS)  
<https://youtu.be/zAwO6upcjgg?t=1h2m33s>

Mike Nunley, WRF Program Manager, provided the staff report and responded to Council inquiries.

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

There was Council consensus for the proposed outreach program. No formal action was taken by the City Council.

- C-2 RESOLUTION NO. 63-15 ESTABLISHING A FEE SUBSIDY AND COST RECOVERY POLICY; (RECREATION/HARBOR)

This item was continued to a future meeting.

D. NEW BUSINESS

- D-1 DISCUSSION OF NEXT STEPS FOR AUTOMATED WATER METER READING AND CONSOLIDATED BILLING; (ADMINISTRATION)  
<https://youtu.be/zAwO6upcjgg?t=1h24m26s>

City Manager Buckingham provided the staff report and responded to Council inquiries.

The public comment period for Item D-1 was opened.

Ric Deschler, Morro Bay, urged the Council to remove automated water meter concept from the goals list and focus on more important issues.

Nancy Bast, Morro Bay, opposed automated meter reading as it would mean a loss of local control and local jobs. She suggested speeding up the process to replace existing meters.

Betty Winholtz, Morro Bay, noted the goal was not to adopt smart meters but to explore feasibility and that has been accomplished. Consolidation isn't always the most cost-effective and this project comes across as more costly.

Debbie Hyfill, Morro Bay, expressed concern about the cost and potential health effects of smart meters.

The public comment period for Item D-1 was closed.

There was Council discussion and consensus to bring this item back to Council for decision. Council asked staff to provide a comparison and detailed cost analysis for updating water meter reading and billing, whether it's replacing analog meters over time, new smart meters, or a hybrid, and to show how each of those options affect rates. Councilmember Heading asked that the scientific issue and health concerns also be addressed.

**MOTION:** Councilmember Johnson moved the Council direct staff to bring the current Fathom proposal to Council for consideration and decision and that the report include the requested cost comparisons and analysis. The motion was seconded by Mayor Irons and passed unanimously, 4-0.

**D-2 COMMUNITY ENHANCEMENT (CODE ENFORCEMENT) PROGRAM UPDATE;  
(COMMUNITY DEVELOPMENT)**  
<https://youtu.be/zAwO6upcjgg?t=2h10s>

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

The public comment period for Item D-2 was opened

Betty Winholtz, Morro Bay, hoped there will be staff training on how to approach the public, suggested keeping the term code enforcement, and going after serious topics not cosmetic items.

The public comment period for Item D-2 was closed.

There was Council consensus for the proposed plan. No formal action was taken.

D-3 CONSIDERATION OF HARBOR ADVISORY BOARD RECOMMENDATION ON CHUMASH HERITAGE NATIONAL MARINE SANCTUARY NOMINATION, AND POSSIBLE CITY COUNCIL POSITION; (HARBOR)  
<https://youtu.be/2YxJTLshRRs?t=42m15s>

Harbor Director Endersby provided the staff report and responded to Council inquiries.

The public comment period for Item D-3 was opened.

David Georgie, Shell Beach, spoke in support of the National Marine Sanctuary, noting the oil drilling moratorium ends in 2017. He provided a list of over 600 individuals, businesses, and elected officials who support marine sanctuaries.

Carol Georgie, Pismo Beach/Shell Beach, spoke representing the San Luis Obispo Chapter of the Surfrider Foundation in support of a National Marine Sanctuary. The Surfrider Foundation worked with other local groups to ensure the proposed sanctuary will not include harbors, nor will it include additional fishing restrictions.

Liz Gilson, Morro Bay Chamber of Commerce Director of Operations, asked the Council to consider how their vote will affect local businesses and continue its opposition to National Marine Sanctuary designation.

Lori French, Morro Bay, spoke in opposition to National Marine Sanctuary and provided recent weather reports by NOAA stating the temperature in Morro Bay -328 degrees. She doesn't trust NOAA to be on-task and up to speed and feels local control is better.

Steve Rebuck, San Luis Obispo, spoke in opposition of the National Marine Sanctuary. He provided an excerpt from Measure A from the San Luis Obispo County LCP, and maps showing the current marine protected areas from Monterey to Point Conception.

Richard Scangarello, Shell Beach, shared the Council was getting ready to vote on something it doesn't have all the information about.

Bryan Snook, co-chair of San Luis Obispo County Surfrider Foundation, spoke in support of National Marine Sanctuary. Significant ground has been covered since 2012 and any issues of concern can be resolved.

Doug Tait, representing the Morro Coast Audobon Society, spoke in favor of the National Marine Sanctuary, noting the potential economic benefit of a central coast marine sanctuary.

Harvey Cajon, representing the San Luis Obispo Surfrider Foundation, spoke in support of National Marine Sanctuary and shared a 2-minute video showing the positive effects of a marine sanctuary.

Sandra Rakestraw, Atascadero, retired forensic toxicologist and scuba diver, spoke in support of the National Marine Sanctuary, noting open waters within marine sanctuaries provide the cleanest areas for diving.

Janet Megans, Morro Bay, shared her support for National Marine Sanctuary.

Robert Davis, Morro Bay, spoke in opposition of the marine sanctuary, questioning information provided in the supporting documents authored by Dr. Scorse and Dr. Kildow.

Ric Deschler, Morro Bay, spoke in support of a marine sanctuary as the only way to protect the Morro Bay coast. Local control will not stop oil development once the State approves it.

Andrew Christie, Director of Sierra Club, spoke in support of National Marine Sanctuary, noting the potential financial benefit to the central coast and Morro Bay.

Jim Haussener, Executive Director for the California Marine Affairs and Navigation Conference (C-MANC) and former Assistant Harbormaster at Pillar Point Harbor, did not take a position for or against the sanctuary but noted the Federal rule-making process does not happen in an open forum. Also, Oregon recently passed on a national marine sanctuary program and he would be interested to find out why.

Shoosh Crotzer, Morro Bay, voiced her support for having our coastline protected as a National Marine Sanctuary as it is the only way to stop oil drilling. This vote does not create sanctuary, all it does is continue the process so Morro Bay can be at the table.

Jesse Barrios, commercial fisherman, was offended they would call it a Chumash Heritage Sanctuary when controlled by the Federal government. The entire concept of local government is compromised when we give it to NOAA for control. He understands the environmental and economic intentions are honorable, but there are unintended consequences.

Brad Wilcox, commercial fisherman, spoke in opposition to a marine sanctuary, noted the protections already in place are working.

Tom Hafer, commercial fisherman, spoke in opposition to the marine sanctuary, noting there are 209 miles of reserves and a lot of research going on right now by Cal Poly, Sea Grant and others. A sanctuary isn't going to bring more fish, more whales, more tourists or more money.

Butch Powers, President of Port San Luis Fisherman Association, spoke in opposition to the National Marine Sanctuary and shared some misconceptions about the potential impact on commercial fishing industry.

P.J. Webb, volunteer advocate for this region and attorney on marine policy, spoke in support of marine sanctuary designation. There would be no charge for a permit for anything you would need a permit for, including dredging. The worst thing for the fishing industry is an oil spill and Measure A will not stop off shore oil drilling.

Colby Crotzer, Morro Bay resident and former Councilmember, spoke in support of National Marine Sanctuary and protecting the water.

Debbie Hyfill, Morro Bay, spoke in support of marine sanctuary to protect the community from oil drilling and spills.

Kelsey, Morro Bay, spoke representing a northern Chumash tribe, not affiliated with Fred Collins or the Northern Chumash Tribal Council, and has not been involved in planning process or proposal put together by Fred Collins and his group. She supported the idea of a marine sanctuary for many of the reasons stated and urged the Council to do its due diligence.

Emily Miggins, Los Osos, executive committee member of local Sierra Club, believes the Council needs more research and information before making a decision.

Bill Ward, Arroyo Grande, has been a commercial fisherman since 1968 and was appointed to the Central Coast Joint Cable/Fisheries Committee in 2003 shared history about Global Photon and stalled cable installation and that platform was later used for aquarium research.

Andrea Lueker, Los Osos resident, urged the Council to not support the Chumash National Marine Sanctuary. She provided a letter to John Armor, NOAA from Our Protected Coast Coalition for the record and reminded the Council the Harbor Advisory Board voted 7-0 recommending continued opposition to a marine sanctuary.

Janice Peters, Morro Bay, noted that given what is going on at the national level, oil drilling may become the next big thing. With regard to dredging, where will you put the spoils if it becomes more expensive and more difficult to get the funds? In the early 90s, a marine interest group was formed to research marine issues and that group could not come to agreement on marine sanctuary because we would lose local control.

Fred Collins, Northern Chumash Tribal Council, spoke in support of the marine sanctuary as a community-wide opportunity to stop offshore oil drilling, and seismic testing.

Debbie Wood, Morro Bay Landing, spoke in opposition to a marine sanctuary, noting there are 17 governing bodies that help make sure we have a clean ocean, we don't need another one. The sanctuary may not include the bay and harbor but it would have a lasting effect on the bay and the harbor and the ability to do business.

Wayne Moody, commercial fisherman for 40 years, was on board of the Pacific Coast Federation of Fisherman's Associations when the Monterey Bay Sanctuary was in its initial stages and urged the Council to continue its opposition to the National Marine Sanctuary.

Trudy O'Brien, Morro Bay resident and former commercial fisherman, asked the Council support the Harbor Advisory Board's 7-0 vote in opposition to the National Marine Sanctuary, noting the biggest issue is loss of local control.

The public comment period for Item D-3 was closed.

A brief recess was called at 9:28 p.m. and the meeting reconvened at 9:45 p.m.

Mayor Irons disclosed ex parte communications with Fred Collins, P.J. Webb, Jeremiah O'Brien, Mark Tognazzini, Port San Luis Harbor District staff, Monterey Harbor staff, Glen Boledovich - NOAA, Senator McGuire's staff, Senator Monning's staff, Jim Haussener - Executive Director for C-MANC, and Bill Luffee.

Councilmember Headding disclosed ex parte communications with Port San Luis Harbor staff, Monterey Harbor staff, Bill Luffee, several representatives from the fishing industry and Mr. Haas from Lois Capps' office.

Councilmember Smukler disclosed ex parte communications with Jeremiah O'Brien, Andrew Christie, Fred Collins, Kelsey from Chumash Tribe, Bill Luffee, Neal Maloney, Bill Douros - NOAA, and Dave Kirk - Port San Luis Harbor District.

Councilmember Johnson disclosed ex parte communications with Mark Tognazzini, Jeremiah O'Brien, Bill Douros - NOAA, and Dave Kirk - Port San Luis Harbor District.

Councilmember Smukler has concerns about the potential impacts to local fishery and marine environments but notes this proposal is much different than expansion of Monterey and we need to be at the table regardless of our stance. He suggests asking NOAA to host a forum to address concerns.

Councilmember Headding doesn't feel this has been significantly vetted to get to the truth. Economically, he hears the concerns about oil spills and rigs, however there is also a possibility of wind-generated energy and to potentially lock ourselves out of that is very concerning.

Mayor Irons is supportive of protecting our oceans but not in support of proposed Chumash marine sanctuary being discussed tonight and would like to see several issues be addressed to regain the trust of commercial fishermen and multiple users. He suggested reestablishing the marine interest group of regional significance, to lobby our legislators to make those changes. Senate Bill 788 (SB 788) prohibiting off-shore drilling failed, but it is not done. That bill will be re-authored and if approved next year, that would prohibit offshore oil drilling.

Councilmember Johnson is unable to support the 2012 resolution or Chumash Marine Sanctuary and needs more information before making a decision, including an analysis of how our current municipal code prohibits oil drilling.

**MOTION:** Councilmember Headding moved the Council let the existing document stand and invite representatives from NOAA to a public forum with community at large as well as City Council, after which time a resolution could be considered. The motion was seconded by Mayor Irons.

Councilmember Smukler was uncomfortable with some of the language contained in the 2012 resolution and would vote no on the motion as it stands.

The motion carried 3-1 with Councilmember Smukler voting no.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/zAwO6upcjgg?t=2h23m45s>

None

ADJOURNMENT

The meeting adjourned at 12:09am to a Special Joint City Council meeting to be held on **Tuesday, September 29, 2015** at 4:30 pm at the Veteran's Memorial Hall, 209 Surf Street, Morro Bay, California.

The next regular City Council meeting will be held on **Tuesday, October 13, 2015** at 6:00 p.m. at the Veteran's Memorial Hall, 209 Surf Street, Morro Bay, California.

Recorded by:

Dana Swanson  
City Clerk

MINUTES – SEPTEMBER 29, 2015  
JOINT MEETINGS OF THE MORRO BAY  
CITY COUNCIL AND THE FOLLOWING ADVISORY BODIES:  
GENERAL PLAN ADVISORY COMMITTEE (GPAC)  
CITIZENS ADVISORY/CITIZENS FINANCE COMMITTEE (CFC)  
PUBLIC WORKS ADVISORY BOARD (PWAB)  
HARBOR ADVISORY BOARD (HAB)  
MORRO BAY VETERAN’S HALL  
209 SURF STREET – 4:30 P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	John Headding	Councilmember
	Noah Smukler	Councilmember
	Robert Teft	GPAC Chair
	Robert Davis	GPAC Vice-Chair
	Rich Buquet	GPAC Member
	Susan Stewart	GPAC Member
	Susan Schneider	GPAC Member
	Jan Goldman	GPAC Member
	Melani Smith	GPAC Member
	Barbara Spagnola	CFC Chair
	Betty Forsythe	CFC Member
	Gregory Head	CFC Member
	Susan Schneider	CFC Member
	Stephen Shively	PWAB Vice-Chair
	Stewart Skiff	PWAB Member
	Chris Parker	PWAB Member
	Deborah Owen	PWAB Member
	Jan Goldman	PWAB Member
	David Sozinho	PWAB Member
	William Luffee	HAB Chair
	Dana McLish	HAB Vice-Chair
	Gene Doughty	HAB Member
	Judith Meissen	HAB Member
	Ron Reisner	HAB Member
ABSENT:	Matt Makowetski	Councilmember
	Glenn Silloway	GPAC Member
	Maryl McPherson	CFC Member & PWAB Chair
	Alan Alward	HAB Member
	Neal Maloney	HAB Member

STAFF:	David Buckingham	City Manager
	Brooke Austin	Deputy City Clerk
	Scot Graham	Community Services Manager
	Susan Slayton	Administrative Services Director
	Rob Livick	Public Works Director
	Eric Endersby	Harbor Director

#### ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established by the City Council with all members, but Member Makowetski, present.

A quorum was established by the General Plan Advisory Committee with all members, but Member Silloway, present.

The joint meeting of the City Council and General Plan Advisory Committee was called to order at 4:37 p.m.

<https://youtu.be/q8QIDIZBIUU?t=1m9s>

The Public Comment period was opened, seeing none the period was closed.

Mayor Irons read the first paragraph of the introduction section of the Advisory Boards Handbook and By-Laws and thanked the members for their service.

Councilmembers, committee members and staff discussed some housekeeping items regarding the committee, including meetings will generally be televised, regular meeting days and times will be established, the committee will decide how to communicate with Council through updates in person or by memorandum, a Vision, Values and Mission statement will be composed, consultant selection will be forthcoming, documents related to the General Plan Update will be available online and at the library, and committee members will receive training on the Brown Act.

Mayor Irons highlighted Council Resolution 18-15 committing to updating the City's General Plan and Local Coastal Plan by December 2017. He recommended and Council concurred that GPAC adopt their own resolution. The Committee agreed that a resolution would help define their vision and create a historical record of what went into their decision making for the General Plan.

City Manager Buckingham stated there will be a City update at the November 10<sup>th</sup> Council Meeting regarding the City goals and objectives, a 2014-15 budget year-end report, and review of Management Partners recommendations. The website update will also be completed around the same time and there will be many new community outreach tools available. All of this should help the GPAC moving forward.

He also stated that the City is currently recruiting for vacant positions and upcoming vacancies on all of the City's advisory boards and commissions and there is information available on the City's website.

The joint meeting of the City Council and General Plan Advisory Committee was adjourned at 5:15 p.m.

#### ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established by the City Council with all members, but Member Makowetski, present.

A quorum was established by the Citizens Advisory/Citizens Finance Committee with all members, but Member McPherson, present.

The joint meeting of the City Council and Citizen Oversight/Citizens Finance Committee was called to order at 5:19 p.m.

<https://youtu.be/q8QIDIZBIUU?t=42m59s>

Mayor Irons read the first paragraph of the introduction section of the Advisory Boards Handbook and By-Laws and thanked the members for their service.

Councilmembers, committee members and staff discussed the committee's work plan, their ability to take on special projects, the possibility of more members, improvements to provide budget information in a more publicly understandable format, utilizing the Management Partners report, and creating a Waterfront Master Plan Fund policy, based on the General Fund Maintenance Fund.

City Manager Buckingham suggested the committee tackle their annual work plan and work with staff on prioritizing Council's other requests.

Council discussed the need for a liaison to the committee.

**MOTION:** Councilmember Johnson moved the Council appoint Councilmember Headding to serve as liaison for the Citizens Finance Committee. The motion was seconded by Mayor Irons and carried unanimously, 4-0.

Council discussed the need for additional committee members. City Manager Buckingham reported that the term for this committee may be adjusted to coincide with the budget year. If so, Council could look at adding additional members at that time.

The joint meeting of the City Council and Citizen Oversight/Citizens Finance Committee was adjourned at 6:09 p.m.

#### ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established by the City Council with all members, but Member Makowetski, present.

A quorum was established by the Public Works Advisory Board with all members, but Member McPherson, present.

The joint meeting of the City Council and Public Works Advisory Board was called to order at 6:14 p.m.

<https://youtu.be/q8QIDIZBIUU?t=1h33m50s>

Mayor Irons read the first paragraph of the introduction section of the Advisory Boards Handbook and By-Laws and thanked the members for their service.

Councilmembers, board members and staff discussed items related to the Public Works Advisory Board, including developing an agenda planning guide to plan for upcoming items and allow sufficient time to thoroughly review and make recommendations. They also discussed getting e-mail addresses for all board and commission members, and making the Director's Report more publicly available on the website.

City Manager Buckingham stated that staff would aim to get agenda packets out on the Friday before the scheduled meeting. The Board will also be advised of upcoming items as soon as staff knows they are on the horizon so they can begin their research.

Public Works Director Livick announced that board meetings will be moving to the third Wednesday of each month at 5:30 p.m.

The joint meeting of the City Council and Public Works Advisory Board was adjourned at 6:52 p.m.

#### ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established by the City Council with all members, but Member Makowetski, present.

A quorum was established by the Harbor Advisory Board with members Luffee, McLish, Doughty, Meissen and Reisner present.

The joint meeting of the City Council and Harbor Advisory Board was called to order at 6:55 p.m.

<https://youtu.be/q8QIDIZBIUU?t=2h13m28s>

Mayor Irons read the first paragraph of the introduction section of the Advisory Boards Handbook and By-Laws and thanked the members for their service.

Councilmembers, board members and staff discussed the work of the board and its subcommittees, including developing a capital improvement plan to identify future infrastructure needs, improving communication between Council and the Board, developing an agenda planning guide to plan for upcoming items, do due diligence and prioritize board goals, There were also comments and discussion about the Marine Facility, the Marine Sanctuary, and the State Park Marina.

Chairperson Luffee announced that the Friends of the Harbor Department 501c3 nonprofit will hold a Drive-In Movie at the Rock on November 13<sup>th</sup> to support the Harbor Department and promote visibility of the Department as a vital important resource in our community.

City Manager Buckingham reported that Council goal setting sessions begin in January, so advisory boards should start providing Council input now.

Councilmember Heading indicated that his style as HAB liaison is not to attend meetings, but he will watch the meetings and meet with the Chair regularly to discuss items.

Council would like to hold joint meetings on a regular basis, perhaps annually. They would also like advisory boards and committees to report to Council at least on a quarterly basis to provide updates either through memorandum or personal appearance.

The joint meeting of the City Council and Harbor Advisory Board was adjourned at 8:36 p.m.

Recorded by:

Brooke Austin  
Deputy City Clerk



**A PROCLAMATION OF THE CITY COUNCIL  
OF THE CITY OF MORRO BAY  
DECLARING OCTOBER 18-24, 2015 AS**

**“FREEDOM FROM WORKPLACE BULLIES WEEK”**

**CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, the City of Morro Bay has an interest in promoting the social and economic well-being of its employees and citizens; and

**WHEREAS**, that well-being depends upon the existence of healthy and productive employees working in safe and abuse-free environments; and

**WHEREAS**, research has documented the stress-related health consequences for individuals caused by exposure to abusive work environments; and

**WHEREAS**, abusive work environments are costly to employers with consequences including reduced productivity, absenteeism, turnover, employee dissatisfaction, and injuries; and

**WHEREAS**, protection from abusive work environments should apply to every worker, and not be limited to legally protected class status based only on race, color, gender, national origin, age, sexual orientation or disability.

**NOW, THEREFORE BE IT RESOLVED** that the City Council of Morro Bay does hereby proclaim October 18-24, 2015 as **“Freedom from Workplace Bullies Week”** and commends the California Healthy Workplace Advocates and the Workplace Bullying Institute, which raises awareness of the impacts of, and solutions for, workplace bullying in California and the U.S.; and encourages citizens to recognize this special observance.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the City of Morro Bay to be affixed this 13h day of October, 2015

---

JAMIE L. IRONS, Mayor  
City of Morro Bay, California





AGENDA NO: A-6

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 28, 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**

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.

This report includes a table that provides the MMRP budget and actual expenditures for each of the fiscal years 13/14, 14/15, and 15/16. Expenditures for MMRP projects to date have totaled \$1.226 million. The difference between fiscal year MMRP project budgets and expenditures is related to projects carrying over multiple fiscal years and budget being carried over from fiscal year to fiscal year, as well as project budgets being reduced (chlorine contact improvement project) and projects being completed for less than estimated costs, in which case the difference stays in the sewer reserve. For example, the MMRP budget for FY 13/14 contained \$500k for the purchase and installation of influent screens; the screening project was not completed until FY14/15, and the budget from FY13/14 was carried over to FY14/15 to cover project expenses.

Prepared By:   BK  

Dept Review:   RL  

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

Adopted MMRP Projects by Fiscal Year	Adopted Budget	Actual Cost	Project Status
<u>FY13/14</u>			
Influent Screening Project	500,000	0	Carried Over to FY14/15
Clean, Coat, and Repair Digester #2	250,000	253,312	Completed July 2014
Chlorine Contact Tank Improvements	200,000	0	Carried Over to FY 14/15
Interstage Pump and Valve Project	50,000	46,759	Completed April 2014
Reconditioning of the Chlorine Building	40,000	28,459	Completed June 2014
Total for FY 13/14	1,040,000	328,530	
<u>FY 14/15</u>			
Influent Screening Project Carryover from FY13/14	550,000	502,106	Completed October 2014
Clean, Coat, and Repair Digester #1	331,000	301,946	Completed July 2015
Primary Clarifier Rehabilitation	50,000	35,551	Completed June 2015
Biofilter Arms and Biofilter Improvements	215,000	0	Carried Over to FY 15/16
Chlorine Contact Tank Improvements – scope reduced from FY13/14	75,000	57,144	Completed April 2015
Total for FY14/15	1,221,000	896,747	
<u>FY 15/16</u>			
Clean, Coat, and Repair Digester #1 Carryover	50,000	0	
Metering Vault and Valve Replacement	125,000	0	Planning Process
Secondary Clarifier Rehabilitation	75,000	0	Planning process
Biofilter Arms and Biofilter Improvements Carryover	215,000	0	Planning process
Total for FY 15/16	465,000	0	
Total MMRP Project Expenses		1,225,277	

**BACKGROUND**

This staff report is intended to provide an update on the development and implementation of the MMRP for the WWTP since the September 8, 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.

## **DISCUSSION**

The following discussion provides an update of the FY 15/16 MMRP projects that are currently on-going or have been recently completed.

### **Digester #1 Repair**

The coating and repair project for Digester #1 was successfully completed in August. Staff filled the digester on August 17 and placed it back on-line as an operational secondary digester. It is currently operating as designed with no issues noted. The October 13 Council agenda includes a staff report requesting the Council approve the Notice of Completion for the Digester #1 Coating project. Staff will be requesting that the Cayucos Sanitary District Board members take a similar action in approving the Notice of Completion at their regularly scheduled meeting on October 15.

### **Metering Vault Removal and Blending Valve Replacement Project**

City staff worked with staff at Mike Nunley Associates (MKN) to develop and public notice a bid package for this project on September 20. Bids are due on October 6 and staff anticipates awarding the project contract at the October 13 and October 15 regularly scheduled meetings of the City Council and Cayucos Sanitary District, respectively.

### **Rehabilitation of the Secondary Clarifier #2**

Staff is in the process of developing a work plan for the needed repairs. Plant staff anticipates draining, cleaning, and inspecting the secondary clarifier during the month of October. Draining the tank will require numerous operational changes to ensure adequate time to drain, inspect, and perform any critical repairs while ensuring the plant stays in compliance with the requirements of the NPDES permit. Ultimately, this project could include 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. Staff has noted an issue with the chlorine contact tank and an increased accumulation of solids on the floor of the two contact chambers. Staff drained the tank in June, July, and September 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 continue to work 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.



- demonstrations, and requested a detailed quote from the top-ranked vendor
- Submitted a complete application for a State Water Resources Control Board (SWRCB) Planning Grant
- Initiated application process for a Clean Water State Revolving Fund (SRF) Planning Loan
- Presented the draft Program Outreach Plan at the September 22 Council Meeting
- Participated in conference calls with the Facility Master Plan team and reviewed progress reports
- Coordinated base mapping and survey along Highway 41/Atascadero Road including the Rancho Colina site

**Near-Term Schedule**

The following table identifies major deliverables, activities, or decision points through mid-November.

<b>Task</b>	<b>Approx. Date</b>
Completion of Survey/Base Mapping for Facility Master Plan and Design Phase	10/7/15
Review CEQA/NEPA Contract at WRFCAC	10/8/15
Council Award of CEQA/NEPA Contract	10/13/15
CEQA/NEPA Notice to Proceed	10/16/15
Technical Workshop #1 - Project Delivery	10/17/15
Community Workshop #1 – Facility Master Plan Overview & Community Input	October/November (Date TBD)
Technical Workshop #2 – Liquid Treatment Technologies (Joint WRFCAC/Council Study Session)	11/17/15

**ATTACHMENT**

1. Summary of Project Expenses and Estimated Costs

599-8312-6105 P0234-8312	Contract Amount (1)	Amount Paid (2)	Remaining Contract
<b>SITE ALTERNATIVES ANALYSIS - SITE PREFERENCE SELECTION</b>			
<b>JFR Consulting – Site Selection/Project Management Assistance</b>			
Original Contract	\$ 117,256		
Contingency	\$ 11,726		
Amendment #1	\$ 76,129		
Amendment #2	\$ 91,336		
Amendment #3	\$ 23,147		
Amendment #4	\$ 44,279		
<b>Total Contract - Final</b>	<b>\$ 363,873</b>	<b>\$ 362,646</b>	<b>\$ 56</b>
<b>Kestrel Consulting – Assessment Funding</b>			
<b>Total Contract</b>	<b>\$ 20,530</b>	<b>\$ 16,205</b>	<b>\$ 4,325</b>
<b>Larry Walker and Associates – Permitting Constraints</b>			
Original Contract	\$ 24,970		
Amendment #1	\$ 5,100		
<b>Total Contract + Direct Costs - Final</b>	<b>\$ 30,070</b>	<b>\$ 30,151</b>	<b>\$ (81)</b>
<b>Cleath-Harris Associates – Stream Flow Augmentation</b>			
Contract Amount	\$ 7,500		
Amendment #1	\$ 6,500		
Amendment #2	\$ 4,000		
<b>Total Contract - Final</b>	<b>\$ 18,000</b>	<b>\$ 18,348</b>	<b>\$ (348)</b>
<b>Carollo Engineers – CMC Capacity, Siting Evaluation and Cost Estimate</b>			
Total Contract + Direct Costs	\$ 101,945	\$ 87,361	
(Proposed to be Reimbursed by RWQCB using SEP Funds)		\$ (87,361)	
<b>Net Amount - Final</b>	<b>\$ 101,945</b>	<b>\$ -</b>	<b>\$ 14,584</b>
Outside Legal - Water Rights		\$ 8,119	
Water testing		\$ 6,900	
Appraisal - Righetti Site		\$ 5,500	
<b>Total Site Selection - Final</b>	<b>\$ 534,418</b>	<b>\$ 447,869</b>	<b>\$ 18,536</b>
<b>FATAL FLAWS</b>			
<b>Kevin Merk Associates – Preliminary Bio Assessment</b>			
Total Contract + Direct Costs	\$ 12,835	\$ 9,395	\$ 3,440
<b>Fugro - Hydrogeological</b>			
Total Contract + Direct Costs	\$ 38,600	\$ 22,775	\$ 15,825
<b>Farwestern Archeological</b>			
Total Contract + Direct Costs	\$ 12,000	\$ 3,725	
<b>Larry Walker Associates - Pretreatment (Salt) Assessment</b>			
Total Contract + Direct Costs	\$ 23,640	\$ 7,550	\$ 16,090
<b>Total Fatal Flaws</b>	<b>\$ 87,075</b>	<b>\$ 43,445</b>	<b>\$ 35,355</b>
<b>FACILITIES MASTER PLAN</b>			
<b>Black and Veatch</b>			
Total Contract + Direct Costs	\$ 710,123	\$ -	\$ 710,123
<b>JoAnn Head Surveying</b>			
Total Contract + Direct Costs	\$ 45,050	\$ -	\$ 45,050
<b>ENVIRONMENTAL REVIEW (CEQA/NEPA Compliance)</b>			
Consultant to be Determined			
<b>PROGRAM MANAGEMENT</b>			
<b>MKN &amp; Associates, Inc.</b>			
Total Contract Year One +	\$ 920,808	\$ 11,521	\$ 909,287
Estimated Amount for Eight +/- Years - Including Construction Management	\$9 - \$14 Million		
Kestrel Consulting - SRF and Prop 1 Support/Applications	\$ 65,752	\$ -	\$ 65,752
<b>Total Consultant Contract Amount (to date)</b>	<b>\$ 2,318,176</b>	<b>\$ 502,834</b>	<b>\$ 1,673,301</b>

## Notes:

- Does not include reimbursable costs, i.e. copies, travel and other direct expenses
- Includes reimbursable costs, i.e. copies, travel and other direct expenses





AGENDA NO: A-8

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** October 5, 2015

**FROM:** Sam Taylor, Deputy City Manager

**SUBJECT:** Approval of a Contract between the City of Morro Bay and PG&E related to access and use for the BMX Bike Park and Approval of Amendment to Memorandum of Understanding with Central Coast Concerned Mountain Bikers, Inc. related to Management of BMX Bike Park

### RECOMMENDATION

Staff recommends the City Council approve the contract with PG&E related to access and use of the BMX Bike Park and an amendment to the agreement with the Central Coast Mountain Bikers related to management of the park.

### ALTERNATIVES

The Council could decide not to approve the agreements, which would effectively end efforts for creation of the BMX Bike Park. The agreement with PG&E is necessary to move forward. The City cannot approve construction of the park by volunteers without the agreement in place.

### FISCAL IMPACT

The agreements presented place liability for costs of the park on the mountain bike group; however, if that group defaults on its agreement with Morro Bay, then the City would be responsible for a fee of \$500 annually for use of PG&E property.

### BACKGROUND

As part of the effort to construct a new BMX Bike Park in Morro Bay, the City Council approved a Memorandum of Understanding (“MOU”) with the Central Coast Concerned Mountain Bikers, Inc. on January 13, 2015, for the construction, repair and maintenance of the Bike Park.

As part of the original agreements with the organization, CCCMB was required to provide proof of consent from PG&E for property to be used for parking for the Bike Park. However, CCCMB was unable to obtain consent due to its inability to meet PG&E’s insurance requirements and CCCMB did not want to indemnify PG&E. The City of Morro Bay’s insurance policy is fully compliant with PG&E’s requirements. In discussions with our insurance pool, California Joint Powers Insurance

01181.0001/270784.1

Prepared By: ST

Dept Review: \_\_\_\_\_

City Manager Review: \_\_\_\_\_

City Attorney Review: JWP

Authority, it was determined the greatest concern about liability came from the Bike Park itself, not the parking, and so it was advised agreeing to provide insurance over the parking spaces (along with already providing insurance to the park itself) was appropriate.

To that end, the City initially reached out to PG&E to coordinate a three-party agreement between the two entities and CCCMB whereby the bikers would be responsible for all aspects of the agreement between except for insurance, which the City would provide. v However, PG&E preferred to only enter into a two-party agreement. In the interest of working to move the Bike Park forward, the City agreed to enter directly into the agreement with PG&E. The agreement outlines various responsibilities of the City, namely providing indemnification, insurance, paying a \$1,000 signing fee and a \$500 annual fee for use of the property and providing a work plan to PG&E related to use of the property. The City would then enter into an amended MOU with CCCMB in which that group would be responsible for all aspects of the PG&E agreement except indemnification and insurance.

### **DISCUSSION**

The two agreements before Council represent a compromise solution designed to ensure the Bike Park can move forward, and do so this year (the construction window is nearly closed, with the contractor needing to begin basically mid-month).

In the interest of moving forward, the City has sought to streamline the agreements so they are clear as to whom is responsible for which items. The MOU amendment with CCCMB is designed to place responsibilities for the agreement with PG&E on that group, except the insurance requirements. However, it should be noted if CCCMB defaults on its responsibilities, then the City would be required to fulfill the contract.

If it comes to that, then the City has the option to simply discontinue the Bike Park and cancel the contract with PG&E. Another option is for the City to determine it would take over management of the park. At this time, staff appreciates the volunteer organization providing overall management of this new facility.

Staff believes those agreements will provide assurance moving forward and are pleased to be able to continue to provide additional recreational opportunities for local youth.

### **CONCLUSION**

Staff recommends the City Council approve the two agreements.

### **ATTACHMENTS**

1. License Agreement for Parking Use – City & PG&E Agreement
2. Amendment to Memorandum of Understanding RE Bike Park

**LICENSE AGREEMENT**  
**FOR PARKING USE**

This License Agreement for Parking Use (this “**License Agreement**”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015 (the “**Effective Date**”) by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called “**PG&E**”, and **CITY OF MORRO BAY**, hereinafter called “**Licensee**.”

R E C I T A L S:

A. PG&E owns the real property commonly known as Morro Bay Fee Strip, Assessor’s Parcel Number 068-183-022, State Board of Equalization No. 135-40-6A, parcel 1, hereinafter called the “**Property**”, located in the City of Morro Bay, County of San Luis Obispo, State of California.

B. In conjunction with a Bike Park on the City of Morro Bay’s property adjacent to the Property, Licensee wishes to use a portion of the Property for parking on a portion of the Property as shown on **EXHIBIT “A”** attached hereto and by this reference made a part hereof (the “**License Area**”).

C. Licensee has requested permission for Licensee to enter the License Area for parking on the License Area as more fully described in this License Agreement, and PG&E is willing to grant such permission subject to the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, PG&E and Licensee hereby agree as follows:

1. Temporary Parking Use. Subject to the terms and conditions set forth in this License Agreement, PG&E grants to Licensee a temporary, personal, non-exclusive and non-possessory right and license to enter, and for Licensee to allow Licensee’s directors, officers, partners, members, managers, employees, contractors, subcontractors, consultants, representatives, agents, permittees and invitees (“**Licensee’s Representatives**”) to enter, at reasonable times, the License Area for the sole purpose of the parking of up to Six (6) personal passenger automobiles, and for no other purpose whatsoever, hereinafter referred to as “**Licensee’s Activities**”. Licensee shall not use the License Area for parking of trucks of a load weight of more than ten thousand (10,000) pounds gross vehicle weight, construction vehicle parking, house trailers or vehicle maintenance of any kind, nor shall the Property be used to transport or store materials, including, without limitation, any Hazardous Substances, as defined in Section 4(b) below. Licensee shall not use or permit the use of the License Area in any manner that would tend to create waste or a nuisance. All of Licensee’s Activities shall be performed at Licensee’s sole cost and expense. This License Agreement gives Licensee a license only and does not constitute a grant by PG&E of any ownership, leasehold, easement or other similar property interest or estate.

**Parking License (Rev. 02/10)**

Fees. Licensee has previously paid to PG&E its standard administrative fee of \$1,000. Licensee shall pay to PG&E a license fee of Five Hundred Dollars (\$500.00) per year payable on the schedule below. This License Agreement shall not become effective until the first year's license fee has been received.

<u>Period</u>	<u>Annual Fee</u>
From 09/01/15 to 08/31/16	\$500.00
From 09/01/16 to 08/31/17	\$500.00
From 09/01/17 to 08/31/18	\$500.00
From 09/01/18 to 08/31/19	\$500.00
From 09/01/19 to 08/31/20	\$500.00

2. Work Plan. Licensee shall discuss with PG&E any specific requirements for Licensee's Activities on the Property, and shall prepare a work plan that incorporates such requirements and that describes in detail and with specificity the nature, scope, location and purpose of all of Licensee's Activities to be performed on the Property and shall also include a map of the parking layout, specifications and locations for temporary parking signs, and a description of the method of marking parking and no-parking areas (the "**Work Plan**"). The Work Plan will be submitted to the following person at PG&E for approval: **Pete Dominguez, 4325 So. Higuera St., San Luis Obispo, CA 93401, 805-459-6255.** PG&E reserves the right to request Licensee to provide additional information, reports, studies or other documents not included in the Work Plan. Licensee acknowledges and agrees that PG&E's review of the Work Plan is solely for the purpose of protecting PG&E's interests, and shall not be deemed to create any liability of any kind on the part of PG&E, or to constitute a representation on the part of PG&E or any person consulted by PG&E in connection with such review that the Work Plan is adequate or appropriate for any purpose, or complies with applicable Legal Requirements, as defined herein. Licensee and Licensee's Representatives shall not enter the Property nor commence any activity whatsoever on the Property without the prior written consent of PG&E to the Work Plan as set forth above, which consent shall be in PG&E's sole and absolute discretion. Licensee agrees and covenants that all of Licensee's Activities shall be performed solely within the License Area and in strict accordance with the approved Work Plan.

3. Term; Termination; Surrender. This License Agreement shall be for a term of five (5) years commencing on September 1, 2015 and expiring August 31, 2020, unless sooner terminated (the "**Term**"). **Provided, however, that PG&E may terminate this License Agreement, at any time, for any reason or no reason, including, without limitation, pursuant to the provisions of General Order No. 69-C of the California Public Utilities Commission (the "CPUC"), upon twenty-four (24) hours written notice to Licensee.** Upon the expiration or termination of this License Agreement, Licensee shall remove all vehicles and personal property of Licensee and Licensee's Representatives, remove all debris and waste material resulting from Licensee's Activities, and repair and restore the Property as nearly as possible to the condition that existed prior to Licensee's entry hereunder to PG&E's satisfaction. Licensee shall bear the entire cost of such removal, repair and restoration, and PG&E shall have no liability for any losses or damages caused by or related to any termination of this License Agreement. In the event Licensee fails to comply with the requirements of this Section, PG&E may elect, at Licensee's expense, to

**Parking License (Rev. 02/10)**

remove such vehicles, personal property, debris and waste material and to perform such repair or restoration as necessary. Licensee shall pay such costs and expenses within ten (10) days after receipt of an invoice therefor. Licensee's obligations under this Section shall survive the expiration or termination of this License Agreement.

4. Condition of the Property. Licensee accepts the Property "as is", in its existing physical condition, without warranty by PG&E or any duty or obligation on the part of PG&E to maintain the Property. Licensee acknowledges that one or more of the following (collectively, "**Potential Environmental Hazards**") may be located in, on or underlying the Property:

(a) electric and magnetic fields, electromagnetic fields, power frequency fields and extremely low frequency fields, however designated, whether emitted by electric transmission lines, other electrical distribution equipment or by any other means ("**EMFs**");

(b) Hazardous Substances (as hereinafter defined). For purposes hereof, the term "**Hazardous Substances**" means any hazardous or toxic material or waste which is or becomes regulated by Legal Requirements, as defined herein, relating to the protection of human health or the environment, including, but not limited to, laws, requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of such substances into the air, surface water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of such substances. Without limiting the generality of the foregoing, the term Hazardous Substances includes any material or substance:

(1) now or hereafter defined as a "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "restricted hazardous waste" or "toxic substance" or words of similar import under any applicable local, state or federal law or under the regulations adopted or promulgated pursuant thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§9601 et seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901 et seq.; the Clean Air Act, 42 U.S.C. §§7401 et seq.; the Clean Water Act, 33 U.S.C. §§1251 et seq.; the Toxic Substance Control Act, 15 U.S.C. §§2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §§136 et seq.; the Atomic Energy Act of 1954, 42 U.S.C. §§2014 et seq.; the Nuclear Waste Policy Act of 1982, 42 U.S.C. §§10101 et seq.; the California Hazardous Waste Control Law, Cal. Health and Safety Code §§25100 et seq.; the Porter-Cologne Water Quality Control Act, Cal. Water Code §§13000 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code §§25300 et seq.); and the Medical Waste Management Act (Health and Safety Code §§25015 et seq.); or

(2) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as a Hazardous Substance by the United States, the State of California, any local governmental authority or any political subdivision thereof; or

(3) the presence of which on the Property poses or threatens to pose a hazard to the health or safety of persons on or about the Property or to the environment; or

**Parking License (Rev. 02/10)**

- (4) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or
- (5) which contains lead-based paint or other lead contamination, polychlorinated biphenyls ("**PCBs**") or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or
- (6) which contains radon gas;
- (c) fuel or chemical storage tanks, energized electrical conductors or equipment, or natural gas transmission or distribution pipelines; and
- (d) other potentially hazardous substances, materials, products or conditions.

Licensee shall take all necessary precautions to protect Licensee's Representatives from risks of harm from Potential Environmental Hazards, and Licensee shall be responsible for the health and safety of Licensee's Representatives. Licensee acknowledges that it has previously evaluated the condition of the Property and all matters affecting the suitability of the Property for the uses permitted by this License Agreement, including, but not limited to, the Potential Environmental Hazards listed herein.

5. Licensee's Covenants.

(a) Legal Compliance. Licensee agrees, at Licensee's sole cost and expense, promptly to comply, and cause all of Licensee's Representatives to comply, with (i) all laws, statutes, ordinances, rules, regulations, requirements or orders of municipal, state, and federal authorities now in force or that may later be in force, including, but not limited to, those laws which relate to Licensee's or any of Licensee's Representatives' generation, use, storage, handling, treatment, transportation or disposal of Hazardous Substances or to health, safety, noise, environmental protection, air quality or water quality, (ii) the conditions of any permit, occupancy certificate, license or other approval issued by public officers relating to Licensee's Activities or Licensee's or Licensee's Representatives' use or occupancy of the Property; and (iii) any liens, encumbrances, easements, covenants, conditions, restrictions and servitudes (if any) of record, or of which Licensee has notice, which may be applicable to the Property (collectively, "**Legal Requirements**") regardless of when they become effective, insofar as they relate to Licensee's Activities or the use or occupancy of the Property by Licensee. The judgment of any court of competent jurisdiction, or the admission of Licensee in any action or proceeding against Licensee, whether or not PG&E is a party in such action or proceeding, that Licensee has violated any Legal Requirement relating to the use or occupancy of the Property, shall be conclusive of that fact as between PG&E and Licensee. Licensee shall furnish satisfactory evidence of such compliance upon request by PG&E.

(b) Notification of Investigations, Orders or Enforcement Proceedings. Licensee agrees to notify PG&E in writing within three (3) business days after obtaining knowledge of any investigation, order or enforcement proceeding that in any way relates to the Property, or to the occurrence of any contamination or suspected contamination on, within or underlying the Property. Such notice shall include a complete copy of any order, complaint,

agreement, or other document that may have been issued, executed or proposed, whether draft or final.

(c) Use of Property. Licensee agrees that Licensee shall not in any way interfere or permit any interference with the use of the Property by PG&E. Interference shall include, but not be limited to, any activity by Licensee that places any of PG&E's gas or electric facilities in violation of any of the applicable provisions of General Order Nos. 95 (Overhead Electric), 112 (Gas), and 128 (Underground Electric) of the CPUC or of any other applicable provisions of the laws and regulations of the State of California or other governmental agencies under which the operations of utility facilities are controlled or regulated, including, without limitation, the CPUC or the Federal Energy Regulatory Commission ("**FERC**"). Licensee shall not erect, handle, or operate any tools, machinery, apparatus, equipment, or materials closer to any of PG&E's high-voltage electric conductors than the minimum clearances set forth in the High-Voltage Electrical Safety Orders of the California Division of Industrial Safety, which minimum clearances are incorporated herein by reference, but even if such orders allow it, under no circumstances closer than ten (10) feet from any energized electric conductors or appliances. Licensee shall not drill, bore, or excavate under any circumstances.

(d) Procedure for Entry. Licensee agrees that at least ten (10) business days prior to any entry by Licensee or any Licensee Representative upon the Property, Licensee shall notify **Pete Dominguez, 4325 So. Higuera, San Luis Obispo, CA 93401, 805-459-6255** so that a representative of PG&E may be present to observe Licensee's Activities to ensure compliance with the terms and conditions of this License Agreement. At the time of each such notification, Licensee shall inform PG&E's Representative whether a representative of any governmental entity or agency will be present during the planned activities.

(e) Licensee's Activities. Licensee agrees that Licensee and Licensee's Representatives shall notify PG&E, as part of the Work Plan, of any potential safety, environmental or other hazards to PG&E employees or property arising out of, or associated with, Licensee's Activities or stemming from conditions caused by Licensee, so that PG&E may take appropriate precautions. Licensee agrees that Licensee shall conduct Licensee's Activities in compliance with the Work Plan approved by PG&E and in such a manner so as to protect the Property, PG&E's utility facilities, the environment, and human health and safety. Licensee shall not make use of the Property in any way which will endanger human health or the environment, create a nuisance or otherwise be incompatible with the use of the Property by PG&E or others entitled to use the Property. Licensee shall post signs, as approved by PG&E as part of the Work Plan, at the entrance(s) to the License Area indicating that parking is temporary and limited to the types of vehicles authorized by this License Agreement and prohibiting trucks of a load weight of more than ten thousand (10,000) pounds gross vehicle weight. Licensee shall not cause or permit any Hazardous Substances, as defined herein, to be brought upon, produced, stored, used, discharged or disposed of on, or in the vicinity of, the Property, except for the fuel held within the tanks of vehicles parked on the License Area. Licensee agrees to be responsible for the clean up and remediation of any releases of Hazardous Substances resulting from Licensee's Activities, or any activity by Licensee or Licensee's Representatives, and shall immediately report the details of any such releases to PG&E and to the appropriate regulatory agencies as required by any and all applicable Legal Requirements. In the event PG&E determines that Licensee's Activities in any way endanger the Property, PG&E's utility facilities, the environment, or human health or safety,

PG&E may, in PG&E's sole and absolute discretion, require that Licensee halt Licensee's Activities until appropriate protective measures may be taken to eliminate such endangerment to PG&E's satisfaction. Licensee waives any claims against PG&E resulting from any delay under this Section. PG&E's right to halt activities under this Section shall not in any way affect or alter Licensee's insurance or indemnity obligations under this License Agreement, nor shall it relieve Licensee from any of Licensee's obligations hereunder that pertain to health, safety, or the protection of the environment.

(f) Non-Interference. Licensee agrees to coordinate Licensee's Activities to strictly avoid any interference with PG&E's use of the Property and any adjoining lands owned by PG&E, and;

(g) Site Security. Licensee agrees that Licensee and Licensee's Representatives shall comply with any and all of PG&E's on-site safety and security requirements and any other rules and regulations that may be applicable to Licensee's Activities at the Property. Licensee agrees to cooperate with PG&E and to abide by any and all orders or instructions issued by PG&E, its employees, agents or representatives. PG&E reserves the right to restrict access to the Property in the event of fire, earthquake, storm, riot, civil disturbance, or other casualty or emergency, or in connection with PG&E's response thereto, or if emergency repairs or maintenance are required to PG&E's facilities, wherever located, or otherwise when PG&E deems it advisable to do so, including in connection with events and emergencies occurring or affecting PG&E's business operations located elsewhere than in the immediate vicinity of the Property.

6. Indemnification; Release.

(a) Licensee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless PG&E, its parent corporation, subsidiaries, affiliates, and their officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (each, an "**Indemnitee**" and collectively, "**Indemnitees**") from and against all claims, losses (including, but not limited to, diminution in value), actions, demands, damages, costs, expenses (including, but not limited to, experts fees and reasonable attorneys' fees and costs) and liabilities of whatever kind or nature (collectively, "**Claims**"), including Claims arising from the passive or active negligence of the Indemnitees, which arise from or are in any way connected with Licensee's Activities, or the entry on, occupancy or use of, the Property by Licensee or Licensee's Representatives, or the exercise by Licensee of Licensee's rights hereunder, or the performance of, or failure to perform, Licensee's duties under this License Agreement, including, but not limited to, Claims arising out of: (i) injury to or death of persons, including, but not limited to, employees of PG&E or Licensee (and including, but not limited to, injury due to exposure to EMFs and other Potential Environmental Hazards in, on or about the Property); (ii) injury to property or other interest of PG&E, Licensee or any third party; (iii) violation of any applicable federal, state, or local laws, statutes, regulations, or ordinances, including all Legal Requirements relating to the environment and including any liability imposed by law or regulation without regard to fault. Without limiting the generality of the foregoing, Licensee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold Indemnitees harmless from and against Claims arising out of or in connection with any labor performed on the Property by, or at the request or for the benefit of, Licensee. In the event any action or proceeding is brought against any Indemnitee for any Claim against which Licensee is obligated to indemnify or provide a defense hereunder, upon

written notice from PG&E, Licensee shall defend such action or proceeding at Licensee's sole expense by counsel approved by PG&E, which approval shall be in PG&E's sole and absolute discretion.

(b) Licensee acknowledges that all Claims arising out of or in any way connected with releases or discharges of a Hazardous Substance, or the exacerbation of a Potential Environmental Hazard, occurring as a result of or in connection with Licensee's use or occupancy of the Property, Licensee's Activities or the activities of any of Licensee's Representatives, and all costs, expenses and liabilities for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remediation and other response costs, including reasonable attorneys' fees and disbursements and any fines and penalties imposed for the violation of any Legal Requirements relating to the environment or human health, are expressly within the scope of the indemnity set forth above. The purpose of the foregoing indemnity is to protect PG&E and the Indemnitees from expenses and obligations related to Hazardous Substances on the Property to the fullest extent permitted by law. The Licensee's obligation to defend includes, but is not limited to, the obligation to defend claims and participate in administrative proceedings, even if they are false or fraudulent.

(c) Licensee's use of the Property shall be at Licensee's sole risk and expense, and Licensee accepts all risk relating to Licensee's occupancy and use of the Property. PG&E shall not be liable to Licensee for, and Licensee hereby waives and releases PG&E and the other Indemnitees from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss resulting from or attributable to an occurrence on or about the Property.

(d) Licensee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold Indemnitees harmless against claims, losses, costs (including attorneys' fees and costs), liabilities and damages resulting from the failure of Licensee, or any of Licensee's consultants, contractors or subcontractors, to comply with the insurance requirements set forth in **EXHIBIT "B."**

(e) The provisions of this Section 6 shall survive the expiration or termination of this License Agreement.

7. Additional Activities. Licensee shall not perform any grading, paving or install any alterations, facilities or improvements in, on, under or over the License Area. Licensee shall not deposit or remove soil or gravel from or on the License Area. Licensee shall not perform any activities beyond Licensee's Activities specifically authorized by this License Agreement without the prior written consent of PG&E, which consent shall be in PG&E's sole and absolute discretion, and the prior consent, to the extent required by applicable Legal Requirements, of any governmental authority having jurisdiction, including, but not limited to, the CPUC or the FERC.

8. Reserved Rights. PG&E reserves the right to use the Property for any and all purposes whatsoever, including, without limitation, the right to use the Property for such purposes as it may deem necessary or appropriate if, and whenever, in the interest of its service to its patrons or consumers or the public, it shall appear necessary or desirable to do so. Licensee shall not make use of the Property in any way which will endanger human health or the environment, create a nuisance or otherwise be incompatible with the use of the Property by PG&E or others entitled to use the Property.

9. Compliance; Safety; Insurance. Licensee shall obtain, at Licensee's sole cost and expense, any and all necessary permits, authorizations and approvals applicable to Licensee's Activities and to evidence compliance with all Legal Requirements. PG&E shall have a right to observe Licensee's Activities at any time to confirm Licensee's compliance with the requirements of this License Agreement and applicable Legal Requirements. Licensee shall procure, carry and maintain in effect throughout the Term of this License Agreement, with respect to the License Area and the use, occupancy and activities of Licensee and Licensee's Representatives on or about the License Area, in a form and with deductibles acceptable to PG&E and with such insurance companies as are acceptable to PG&E, the insurance specified in **EXHIBIT "B"** and by this reference made a part hereof. All policies shall contain endorsements that the insurer shall give PG&E and its designees at least thirty-days' (30-days') advance written notice of any change, cancellation, termination, failure to renew or lapse of insurance. Upon Licensee's execution of this License Agreement, and thereafter at least thirty-days' (30-days'") prior to the expiration date of any policy, Licensee shall provide PG&E with evidence of the insurance coverage, or continuing coverage, as applicable, required by this License Agreement as more specifically set forth in **EXHIBIT "B."** This License Agreement shall not become effective, and Licensee and Licensee's Representatives shall not enter the Property nor commence or conduct any activity whatsoever on the Property unless and until the insurance coverage required by this License Agreement is in effect and current proof of insurance has been provided to PG&E. Licensee is also responsible for the compliance of Licensee's consultants, contractors and subcontractors with the insurance requirements, provided that Licensee may, with PG&E's written consent in PG&E's sole and absolute discretion, permit Licensee's consultants, contractors and subcontractors to maintain coverages and limits lower than those specified, so long as the coverages and limits required by Licensee are commercially reasonable in light of applicable circumstances. Licensee's consultants, contractors and subcontractors shall not enter the Property nor commence any activity whatsoever on the Property without the insurance coverage required by this License Agreement being in effect and current proof of insurance having been provided to PG&E from each such consultant, contractor and subcontractor, respectively. The requirements of this Section and **EXHIBIT "B"** shall in no event limit the liability of Licensee under this License Agreement. PG&E reserves the right to review and modify from time to time the coverages and limits of coverage required hereunder, as well as the deductibles and/or self-insurance retentions in effect from time to time. In the event that Licensee or any of Licensee's Representatives fail at any time during the Term to procure, carry or maintain, the insurance required under this Section and **EXHIBIT "B,"** or fail to deliver such policies or certificates as required, PG&E may, at its option, (i) procure such policies for the account of Licensee and Licensee's Representatives, and the cost thereof shall be paid by Licensee to PG&E within five (5) days after delivery to Licensee of an invoice therefor, and/or (ii) terminate this License Agreement, upon written notice to Licensee, in which event Licensee shall immediately vacate the Property and comply with the provisions concerning the condition of the Property on expiration or termination set forth in Section 3, above.

10. Mechanics' Liens. Licensee shall keep the Property free and clear of all mechanics' liens arising, or alleged to arise, in connection with any work performed, labor or materials supplied or delivered, or similar activities performed by Licensee or at Licensee's request or for Licensee's benefit. If any mechanics' liens are placed on the Property in connection with Licensee's use or activities, Licensee shall diligently pursue all necessary actions to remove such liens from title, either by payment or by recording a lien release bond in the manner specified in California Civil Code Section 3143 or any successor statute. Notwithstanding anything to the

**Parking License (Rev. 02/10)**

contrary set forth in this License Agreement, if any such lien is not released and removed within thirty (30) days, PG&E at its sole option, may immediately take all actions necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including attorneys' fees and costs, incurred by PG&E in connection with such lien shall be due and payable by Licensee within thirty (30) days after receipt of a written demand therefor, accompanied by reasonable supporting documentation.

11. Notices. Any notices or communications hereunder shall be in writing and shall be personally delivered, or sent by first class mail, certified or registered, postage prepaid, or by national overnight courier, with charges prepaid for next business day delivery, addressed to the addressee party at the address or addresses listed below, or to such other address or addresses as such party may from time to time designate in writing. Notices shall be deemed received upon actual receipt or refusal of the notice by the party being sent the notice.

If to PG&E by standard U.S. mail or by registered or certified mail, return receipt requested:

Manager, Land Management  
PG&E Land & Environmental Management  
P.O. Box 770000, Mail Code N10A  
San Francisco, CA 94177

With a copy to:

Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120  
Attn: Director & Counsel, Contracts Section (Real Estate)  
Telephone: (415) 973-4377  
Facsimile: (415) 973-5520

Land Agent  
PG&E Land & Environmental Management  
4325 So. Higuera St.  
San Luis Obispo, CA 93401  
805-546-3888

If to PG&E by personal delivery or overnight courier:

Manager, Land Management  
PG&E Land & Environmental Management  
245 Market Street, Room 1036  
San Francisco, CA 94105

**Parking License (Rev. 02/10)**

With a copy to:

Law Department  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B30A  
San Francisco, CA 94105  
Attn: Director & Counsel, Contracts Section (Real Estate)  
Telephone: (415) 973-4377  
Facsimile: (415) 973-5520

Land Agent  
PG&E Land & Environmental Management  
4325 So. Higuera St.  
San Luis Obispo, CA 93401  
805-546-3887

If to Licensee:

City of Morro Bay  
595 Harbor Street  
Morro Bay, CA 93442  
805-772-6290

12. Governing Law. This License Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California.

13. Entire Agreement. This License Agreement supersedes all previous oral and written agreements between and representations by or on behalf of the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This License Agreement may not be amended except by a written agreement executed by both parties.

14. Binding Effect. This License Agreement and the covenants and agreements herein contained shall be binding on, and inure to the benefit of, the parties hereto and their respective heirs, successors and assigns, subject to the limitations on assignment set forth in this License Agreement.

15. Assignment. This License Agreement is personal to Licensee, and Licensee shall not assign, transfer, convey or encumber the license and other rights herein granted or any portion thereof or interest herein.

16. Attorneys' Fees. Should either party bring an action against the other party, by reason of or alleging the failure of the other party with respect to any or all of its obligations hereunder, whether for declaratory or other relief, and including any appeal thereof, then the party which prevails in such action shall be entitled to its reasonable attorneys' fees (of both in-house and outside counsel) and expenses related to such action, in addition to all other recovery or relief. A party shall be deemed to have prevailed in any such action (without limiting the generality of the

foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. Attorneys' fees shall include, without limitation, fees incurred in discovery, contempt proceedings, and bankruptcy litigation. The non-prevailing party shall also pay the attorney's fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. The covenant in the preceding sentence is separate and several and shall survive the merger of this provision into any judgment on this License Agreement. For purposes hereof, the reasonable fees of PG&E's in-house attorneys who perform services in connection with any such action shall be recoverable, and shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the relevant subject matter area of the law, in law firms in the City of San Francisco with approximately the same number of attorneys as are employed by PG&E's Law Department.

17. No Waiver. Any waiver with respect to any provision of this License Agreement shall not be effective unless in writing and signed by the party against whom it is asserted. The waiver of any provision of this License Agreement by a party shall not be construed as a waiver of a subsequent breach or failure of the same term or condition or as a waiver of any other provision of this License Agreement.

18. No Offsets. Licensee acknowledges that PG&E is executing this License Agreement in its capacity as the owner of real property, and not in its capacity as a public utility company or provider of electricity and natural gas. Notwithstanding anything to the contrary contained herein, no act or omission of PG&E or its employees, agents or contractors as a provider of electricity and natural gas shall abrogate, diminish, or otherwise affect the respective rights, obligations and liabilities of PG&E and Licensee under this License Agreement. Further, Licensee covenants not to raise as a defense to Licensee's obligations under this License Agreement, or assert as a counterclaim or cross-claim in any litigation or arbitration between PG&E and Licensee relating to this License Agreement, any claim, loss, damage, cause of action, liability, cost or expense (including, without limitation, attorneys' fees) arising from or in connection with PG&E's provision of (or failure to provide) electricity and natural gas.

19. No Dedication; No Third Party Beneficiary. Nothing herein contained shall be deemed to be a gift or dedication of the Property or portion thereof to the general public, or for any public use or purpose whatsoever. The right of the public or any person, including Licensee and Licensee's Representatives, to make any use whatsoever of the License Area or any portion thereof, other than as expressly permitted herein or as expressly allowed by a recorded map, agreement, deed or dedication, is by permission and is subject to the control of PG&E in its sole and absolute discretion. The provisions of this License Agreement are for the exclusive benefit of the parties and their successors and assigns, and shall not be deemed to confer any rights upon any person, except such parties and their successors and assigns, subject to the limitations on assignment set forth in this License Agreement. No obligation of a party under this License Agreement is enforceable by, or is for the benefit of, any other third parties.

20. Captions. The captions in this License Agreement are for reference only and shall in no way define or interpret any provision hereof.

**Parking License (Rev. 02/10)**

21. Time. Except as otherwise expressly provided herein, the parties agree that as to any obligation or action to be performed hereunder, time is of the essence.

22. Severability. If any provision of this License Agreement shall be invalid or unenforceable, the remainder of this License Agreement shall not be affected thereby, and each provision of this License Agreement shall be valid and enforced to the full extent permitted by law, provided the material provisions of this License Agreement can be determined and effectuated.

23. Counterparts. This License Agreement may be executed in identical counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

24. Joint and Several Liability. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this License Agreement as Licensee, the liability of each such individual, corporation, partnership or other business association to perform Licensee's obligations hereunder shall be deemed to be joint and several, and all notices, payments and agreements given or made by, with or to any one of such individuals, corporations, partnerships or other business associations shall be deemed to have been given or made by, with or to all of them. In like manner, if Licensee shall be a partnership or other business association, the members of which are, by virtue of statute or federal law, subject to personal liability, then the liability of each such member shall be joint and several.

25. Survival. The waivers of claims or rights, the releases and the obligations of Licensee under this License Agreement to indemnify, protect, defend and hold harmless PG&E and other Indemnitees shall survive the expiration or earlier termination of this License Agreement, and so shall all other obligations or agreements of PG&E and Licensee hereunder which by their terms survive the expiration or earlier termination of this License Agreement.

26. Other Documents. Each party agrees to sign any additional documents or permit applications which may be reasonably required to effectuate the purpose of this License Agreement. Provided, however, that PG&E will not be required to take any action or execute any document that would result in any liability, cost or expense to PG&E.

27. Authority; Execution; Conditions to Effectiveness. The parties and the individuals executing this License Agreement on behalf of the parties, each represent, by executing this License Agreement, that he or she is duly authorized to do so and to bind the respective party to its terms. The submission of this License Agreement for examination or execution does not constitute an approval of the terms herein, or an offer to license the License Area in accordance with the terms and conditions contained herein, and this License Agreement shall not become effective unless and until it has been executed and delivered by both PG&E and Licensee, and Licensee delivers to PG&E the license fee as set forth in Section 2 above, and current proof of insurance for Licensee and its consultants, contractors and subcontractors as set forth in Section 10 above.

**Parking License (Rev. 02/10)**

IN WITNESS WHEREOF, the parties have executed this License Agreement as of the date set forth below each signature, effective upon the Effective Date first written above.

“PG&E”

“Licensee”

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

**City of Morro Bay**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

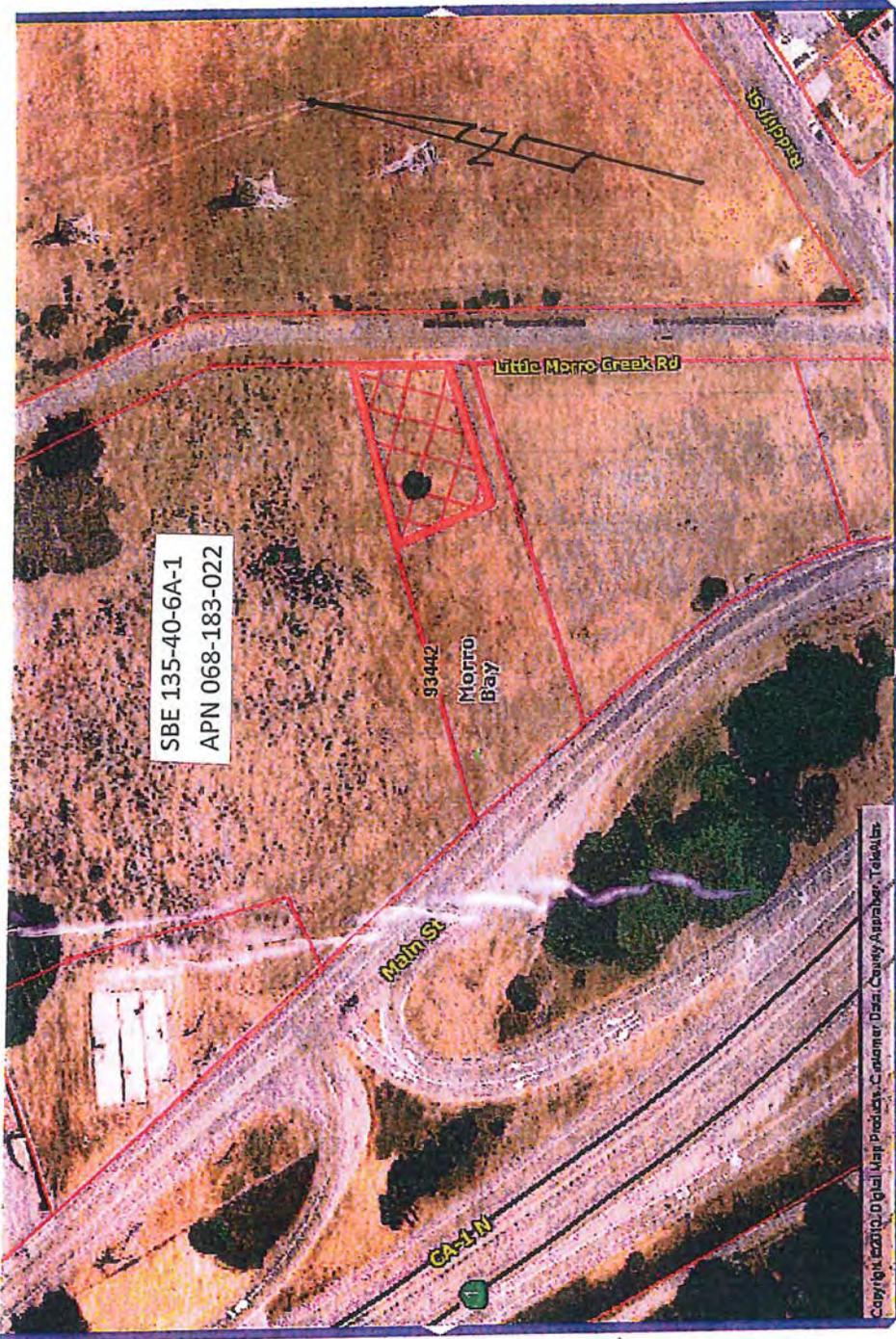
Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBITS “A” and “B” attached

EXHIBIT A  
THE LICENSE AREA



## EXHIBIT B

### INSURANCE REQUIREMENTS

Licensee shall procure, carry and maintain the following insurance coverage, and Licensee is also responsible for the compliance of Licensee's consultants, contractors and subcontractors with the insurance requirements:

A. Workers' Compensation and Employers' Liability

1. Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal.
2. Employers' Liability insurance shall not be less than One Million Dollars (\$1,000,000) each accident for injury or death.

B. Commercial General Liability

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.
2. The limit shall not be less than One Million Dollars (\$1,000,000) each occurrence/ Two Million Dollars (\$2,000,000) aggregate, for bodily injury, property damage and personal injury. In addition, such insurance shall insure the performance by Licensee of its indemnity and other contractual obligations under the License Agreement.
3. Coverage shall (a) by "Additional Insured" endorsement add as insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of work performed by or for the Licensee or any other obligation or liability under the License Agreement, and (b) be endorsed to specify that the Licensee's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute to it.

C. Business Auto

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."
2. The limit shall not be less than Two Million Dollars (\$2,000,000) each accident for bodily injury and property damage.

D. Additional Insurance Provisions

1. Upon execution of the License Agreement, Licensee shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Licensee.

**Parking License (Rev. 02/10)**

2. The documentation shall state that coverage shall not be changed, cancelled, terminated, failed to be renewed or lapsed, except after thirty (30) days prior written notice has been given to PG&E.
3. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to PG&E's Land Agent as specified under Notices in the body of the License Agreement.
4. PG&E may inspect the original policies or require complete certified copies, at any time.
5. Licensee shall furnish PG&E the same evidence of insurance for Licensee's agents, consultants, contractors or subcontractors as PG&E requires of Licensee, prior to entry onto the Property by such parties.

**CITY OF MORRO BAY**

**AMENDMENT TO MEMORANDUM OF UNDERSTANDING RE BIKE PARK**

This Amendment to that certain agreement related to a bike park ("this Amendment) is made and entered into this \_\_\_ day of \_\_\_\_\_ 2015 by and between the City of Morro Bay, a municipal corporation ("City") and Central Coast Concerned Mountain Bikers, Inc., a California non-profit corporation ("CCCMB") (sometimes collectively the "Parties").

**RECITALS**

- A. Effective January 13, 2015, the Parties entered into a memorandum of understanding for the construction, repair and maintenance of a Little Morro Creek Road Bike Park (the "Bike Park) (the "Agreement").
- B. The Agreement requires CCCMB to provide proof of consent from the owner (PG&E) of property to be used for parking for the Bike Park.
- C. CCCMB has requested City agree to a modification of that requirement.

Now, therefore, the Parties agree as follows:

- 1. Unless otherwise expressly stated or the context requires otherwise, all terms used herein shall be defined as in the Agreement.
- 2. Subsection 1. j. of the Agreement shall be amended in its entirety to read as follows:
  - j. The Parties understand a portion of the area to be used for parking for the Bike Park is not owned or controlled by the City and shall require written consent from that owner (PG&E). City and CCCMB shall work cooperatively to obtain that written consent prior to CCCMB or any of its volunteers taking possession of any portion of the LMCR. City agrees to enter into the license agreement with PG&E (attached hereto as Exhibit B) (the "License Agreement") that will be required to be entered into for that permission. As between City and CCCMB, except for the obligations of the Licensee, as stated in Sections 6. and 9. (except the first two sentences) and Exhibit B of the License Agreement, CCCMB will be obligated to meet any and all other requirements contained in the License Agreement or PG&E may place on the use of that area, including, specifically, but not limited to, the obligations to pay PG&E for use of its property; provided, that if for any reason PG&E withdraws permission to use that area for parking, then City reserves the right to require CCCMB to cease use of any or all of the LMCR.
- 3. Except as specifically provided herein, all provisions of the Agreement shall continue in full force and effect.
- 4. The effective date of this Amendment shall be \_\_\_\_\_, 2015.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Amendment to be executed.

**CITY OF MORRO BAY**

**CCCMB**

By: \_\_\_\_\_  
Jamie L. Irons, Mayor

By: \_\_\_\_\_  
Its \_\_\_\_\_

Attest:  
  
\_\_\_\_\_  
Dana Swanson, City Clerk

By: \_\_\_\_\_  
Its \_\_\_\_\_





AGENDA NO: A-9

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 25, 2015

**FROM:** Bruce Keogh, Wastewater Treatment Plant Manger  
Richard Sauerwein, PE, Capital Projects Manager

**SUBJECT:** Award of Contract to Pacific Coast Excavation, Inc. of Santa Maria, CA for the Project No. MB2016-WW06: Inter-Stage Vault and Blending Valve Replacement Project

### RECOMMENDATION

Staff recommends the Morro Bay City Council ("City") and Cayucos Sanitary District Board ("District") award the Project contract to Pacific Coast Excavation, Inc. of Santa Maria, CA in the amount of \$90,238.00.

### ALTERNATIVES

None

### FISCAL IMPACT

The Project is fully funded from the projects contained within the FY 15/16 WWTP budget that was adopted by both the City and District. The adopted budget contains \$465,000 in funding for MMRP projects presented during the budget hearing at the JPA meeting. \$125,000 was specifically allocated to the Inter-Stage Vault and Blending Valve Replacement.

### SUMMARY

The Invitation for Bids was posted in the San Luis Obispo Tribune on September 20<sup>th</sup> and 27<sup>th</sup>. Bids were opened on October 6<sup>th</sup> at 2 PM in the Public Works Conference Room. Bids were received from eight (8) contractors as noted in the attached Bid Summary Sheet. All bidders were deemed responsive. The bids ranged from a low of \$90,238.00 to a high of \$162,500. The Engineer's estimate for this project is \$85,000 to \$125,000. Upon successful award of contract, City and District staff anticipates a Notice to Proceed in early-November and completion of the project by January 2016.

Due to the scheduled City Council and Cayucos Sanitary District meetings, staff is bringing the award of contract to separate meetings of the City and District in October. Staff will bring the award of contract to the City Council on October 13<sup>th</sup>, and the District Board meeting on October 15<sup>th</sup>.

Prepared By:   BK   Dept Review:   RL  

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

**CONCLUSION**

Staff recommends the Morro Bay City Council and Cayucos Sanitary District Board award the Project contract to Pacific Coast Excavation, Inc. of Santa Maria, CA. in the amount of \$90,238.00. Staff will continue to report progress on this work as part of the regular MMRP status report at future JPA meetings.

**ATTACHMENTS**

Bid Summary Sheet

### **City of Morro Bay**

Inter-Stage Vault and Blending Valve Replacement Project MB-2016-WW06: Bid Summary

<b>Bidder</b>	Total Cost
Pacific Coast Excavation	\$90,238.00
Raminha	\$114,200.00
Whitaker	\$114,350.00
FRM	\$116,518.83
GM Engineering	\$132,594.70
Spiess Construction	\$138,500.00
V. Lopex Jr. & Sons	\$147,123.00
Souza	\$162,500.00





AGENDA NO: A-10

MEETING DATE: October 13, 2015

## Staff Report

**TO: Honorable Mayor and City Council**

**DATE: October 1, 2015**

**FROM: John Rickenbach, AICP – Water Reclamation Facility (WRF) Deputy Program Manager**

**SUBJECT: Award of Contract to Environmental Science Associates for WRF Environmental Compliance Services**

### **RECOMMENDATION**

Staff recommends, based on WRFCAC input, the City Council review and approve the proposed contract and scope of work prepared by Environmental Science Associates (ESA) to provide CEQA and NEPA compliance services for the WRF program and authorize the Public Works Director to execute the proposed contract.

### **Water Reclamation Facility Citizens Advisory Committee (WRFCAC) Recommendation**

The WRFCAC with input from its Environmental Subcommittee has determined ESA is the most qualified proposer to provide CEQA and NEPA compliance services for the WRF program and recommends the City Council authorize execution of the contract.

### **ALTERNATIVES**

No alternatives are recommended.

### **FISCAL IMPACT**

The proposed contract for \$346,578.40 is within the preliminary cost assumptions made as part of the overall cost to implement the WRF program. As with other aspects of the program, the City is seeking grants and loans to offset a portion of those costs, but it is anticipated either a water or wastewater rate increase will also be needed to fully offset the cost of the program beyond the first phase, in order to fully incorporate the most beneficial water reuse project that will provide additional water supply benefits. It is anticipated that rate increase, be it water and/or wastewater, will be implemented in 2021.

### **DISCUSSION**

In response to a Request For Qualifications (RFQ) for environmental compliance services sent on May 29, 2015, the City received six Statements of Qualifications (SOQs) on July 14, 2015. The

01181.0001/270388.1

Prepared By: JFR

Dept Review: RL

City Manager Review: \_\_\_\_\_

City Attorney Review: JWP

City's interview panel asked questions of the four most qualified firms on August 24 and 26.

The interview panel opined, while each team had strengths, ESA stood out for the following reasons:

1. Strong project management team
2. Excellent qualifications relative to water and wastewater projects
3. Focused answers to the interview questions, showing creative and practical application of their experience to this effort
4. Clear understanding of the CEQA+ process and how it may be applied to this project
5. Excellent coastal permitting experience
6. Balanced input from all members of the interview panel
7. Good team chemistry and interaction with the interview team
8. Past experience and familiarity with Morro Bay's wastewater treatment issues

Based on that process, ESA was determined to be the most qualified firm, and City staff entered into contract negotiations addressing the scope and fee associated with their effort.

The proposed contract, ESA's proposed Work Plan and associated fees are included as an attachment to this staff report.

The proposed not-to-exceed fee of \$346,578.40 includes all work necessary to provide CEQA and NEPA compliance for the WRF, including the project components associated with both the Facility Master Plan and Master Reclamation Plan. It also includes substantial time built in for various forms of outreach and coordination, whether with the WRFCAC, City Council, City staff, and the general public, as appropriate. The effort includes a formal public review process required under CEQA, and outreach to key public agencies as appropriate, including the California Coastal Commission and other responsible agencies that might be involved in the permitting aspects of the project.

As part of its effort, ESA anticipates the following technical issues will be examined in detail with respect to potential project impacts:

- *Aesthetics*
- *Agricultural Resources*
- *Air Quality*
- *Biological Resources*
- *Cultural Resources*
- *Paleontological Resources*
- *Geology and Soils*
- *Hazards/Hazardous Materials*
- *Hydrology/Water Quality*
- *Land Use and Recreation*
- *Noise and Vibration*
- *Transportation/Traffic*

- *Utilities and Public Services*
- *Growth Inducement*

It should be noted, through the Notice of Preparation (NOP) process, the list of key issues for study may be refined. ESA will help lead that required public process.

All technical aspects of ESA's effort will be prepared internally, without the use of subconsultants, which will enhance the City's ability to ensure cost control.

ESA has committed to a schedule that is consistent with the overall program schedule, all of which is based on the City Council's goal of fully implementing the first phase of the WRF within 5 years.

**ATTACHMENT**

Proposed contract including ESA Scope of Work and Fee (revised September 30, 2015)

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 Environmental Science Associates, Inc. (“Consultant”). In consideration of the mutual covenants and conditions set forth herein the parties agree as follows:

1. TERM

This Agreement shall commence on October 13, 2015, and shall remain and continue in effect until tasks described herein are completed, but in no event later than January 1, 2018, unless sooner terminated pursuant to the provisions of this Agreement, or extended by mutual written consent between City and Consultant.

2. SERVICES

Consultant shall perform the task as described and set forth in 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 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 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 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 satisfactorily performed. The total amount paid pursuant to this Agreement shall not exceed Three Hundred Fifty Thousand Dollars (\$350,000) for the total term of this 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 or City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by Public Work Director or City Manager; and Consultant at the time City's written authorization is given to Consultant for the performance of said services. Any additional work in excess of this amount shall be approved in accordance with City's Consultant Selection Policy.

(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 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 each 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 City's modification, misinterpretation, misuse or reuse 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 Indemnified Parties 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 contractor. 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 it or any of its officers, employees, or agents 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 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. Indemnified Parties 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 its 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: Rob Livick, PE/PLS  
Public Work Director

To Consultant: Environmental Science Associates  
626 Wilshire Blvd Ste 1100  
Los Angeles, CA 90017  
Attention: Tom Barnes  
Principal

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

CONSULTANT (2 Signatures Required)

By: \_\_\_\_\_  
Rob Livick, PE/PLS,  
Public Works Director

By: \_\_\_\_\_

Attest:  
\_\_\_\_\_  
Dana Swanson, City Clerk

\_\_\_\_\_  
Printed Name and Title

By: \_\_\_\_\_

\_\_\_\_\_  
Printed Name and Title

Approved As To Form:

\_\_\_\_\_  
Joseph W. Pannone, City Attorney

EXHIBIT A

SCOPE OF SERVICES



626 Wilshire Blvd  
Suite 1100  
Los Angeles CA 90017-2934  
213.599.4300 phone  
213.599.4301 fax

[www.esassoc.com](http://www.esassoc.com)

September 30, 2015

Mr. Rob Livick, PE/PLS  
City of Morro Bay  
Public Works Department  
955 Shasta Avenue  
Morro Bay, CA 93442

**Subject: Work Plan and Fee Estimate for CEQA/NEPA Compliance Services for a New Water Reclamation Facility Serving the City of Morro Bay**

Dear Rob:

We appreciate the opportunity to submit our proposed work plan and fee estimate to provide CEQA/NEPA compliance services to the City for the proposed Water Reclamation Facility (WRF). We've coordinated with John Rickenbach and Mike Nunley in preparing an updated work plan and level of effort that we hope is consistent with the City's expectations.

Let us know if you have any comments or suggestions on the attached work plan. We are excited to get started!

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Barnes', with a long horizontal line extending to the right.

Tom Barnes  
Vice President  
ESA Water, Southern California Director

Enc.



# CITY OF MORRO BAY WATER RECLAMATION FACILITY CEQA/NEPA COMPLIANCE SERVICES

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## Work Plan

The two primary components to ESA's Work Plan include:

- (1) **Project Planning and Development**, which involves coordination with City staff, WRF Citizens Advisory Committee, and consultants.
- (2) **CEQA/NEPA Compliance**, which involves the steps required for successful implementation of the CEQA/NEPA process.

Our Work Program anticipates an overall schedule of approximately 18 months to 24 months, starting in October 2015. We expect to participate in Project Planning and Development for the first four to six months, coordinating with the FMP team and General Plan/LCP team and facilitating agency consultations if needed, such as with the California Coastal Commission. At the end of this time period, we expect a draft FMP to be available with sufficient information to initiate the CEQA/NEPA process. This may be the draft deliverable for the FMP and less than 20-30 percent of the Master Reclamation Plan. We expect the CEQA process to be completed within about 12 months from the point of initiation. The NEPA process may also be completed within this time period if CEQA-Plus is the required compliance standard.

Critical drivers of the CEQA/NEPA schedule for this Project include the development of the FMP and the Master Reclamation Plan as well. We assume the Master Reclamation Plan will provide the information needed to decide on the recycled water end uses. The scope of technical studies that may be required to support the environmental analysis will depend on this outcome. If additional technical studies are required to evaluate the use of recycled water for groundwater recharge, the ultimate CEQA/NEPA schedule could be extended.

## Task 1: Project Planning and Development

### 1.1 *Team Coordination and Project Development*

We understand that the Program Manager has been hired to navigate the entire team toward the successful completion of the project. Under our proposed approach and scope of work, as discussed with the team, we anticipate partnering with the Program Manager in developing and maintaining an overall project outline that identifies project objectives, schedule risks, key milestones, and key team integration requirements. ESA will participate in this program management as directed. We anticipate participation in compliance strategy and design teams.

ESA will coordinate with the Facility Master Plan (FMP) team during preliminary design discussions including facility siting at the Rancho Colina site, treatment processes, pipeline alignment alternatives, discharge

alternatives including groundwater recharge, and location alternatives for other project components such as pump stations and recharge basins, and injection wells. ESA will coordinate with the Program Manager to identify environmental constraints associated with project alternatives being considered, including treatment processes, facility locations, and recycled water end uses.

We assume for purposes of this scope of work that the FMP team will identify a preferred alternative or a set of functionally equivalent alternatives. ESA will work with the team to identify environmental constraints of the project alternatives. At this time, we don't anticipate preparing a formal Constraints Analysis. The previous work conducted by the City evaluating multiple treatment plant sites included environmental constraints. Our understanding is that the design team will focus on the Rancho Colina Site as a preferred site, recognizing its benefits and constraints from the previous analysis. However, ESA will discuss with the team whether a formal constraints assessment would assist in substantiating the preferred alternative.

As a deliverable for this task, ESA will prepare a project description sufficient to initiate an Initial Study and Notice of Preparation. The project description will include project background, objectives, facility components, construction methods, and a permitting plan that outlines consultation schedules and necessary approvals. The project description will identify potential federal involvement and NEPA compliance strategies. In addition, ESA will prepare a narrative of the project background, leading to a set of project objectives. These objectives will guide the entire program and will need to be carefully considered by the entire team.

Coordination with the team will occur through a series of meetings during the development of the draft project description. Meetings will be attended by ESA's Project Manager, Jennifer Jacobus, along with technical team members if needed, based on the nature of the environmental constraints. Likely issues include coastal zone consistency, General Plan consistency and timing, land use compatibility, groundwater, biological resources, and cultural and tribal resources. We anticipate participation from Tom Barnes, Eli Davidian, and Kimiko Lizardi at these meetings, though other technical experts may also be invited.

## **1.2 General Plan/LCP Update Coordination**

We understand the City is in the process of preparing its GP/LCP Update, which is expected to be completed in the next two to three years. It is essential for ESA to coordinate with the GP/LCP team for several reasons. The new WRF design capacity will need to be sufficient to accommodate growth as planned for in the GP/LCP Update. In addition, annexation of the property into the City will need to be reflected in the GP/LCP Update process. The GP/LCP Update will undergo separate CEQA review, but the WRF environmental documentation will be published first and will need to be consistent with the GP/LCP Update and EIR. In Addition, the project will include decommissioning of the existing WWTP. The planned use for the existing WWTP site will be determined through the GP/LCP Update. Coordination with the GP/LCP team will be necessary to describe the likely planned land use for the WWTP site, to evaluate environmental impacts to the extent feasible and evaluate land use compatibility and the consistency of future uses with the GP/LCP.

We assume that a series of meetings describing the project status will be useful throughout the EIR process timeframe. Kimiko Lizardi and Eli Davidian will lead ESA's coordination with the GP/LCP team to share relevant information to ensure internal consistency.

### **1.3 Citizens Advisory Committee Coordination**

ESA will meet with the project team and the CAC to report on the project status periodically. As part of this task, ESA will prepare presentational materials as appropriate to convey project status effectively to the wider stakeholder community. The purpose of these meetings is to ensure a broad stakeholder involvement.

### **1.4 Agency Meetings**

ESA will participate in agency meetings to coordinate permitting strategies. Each agency may require separate meetings or a group meeting may be more effective. The Preliminary Project Description will outline the outreach strategy and schedule. This task includes meetings with regulatory agencies that may include the County, RWQCB, CCC, or wildlife agencies.

ESA will advise on matters of Coastal Act conformity and facilitate coordination with CCC staff. We expect this coordination will begin early in the project description development and continue through the CEQA/NEPA scoping and public review processes. We anticipate that meetings with the CCC will serve to brief the CCC on the project status and minimize risks to permissibility. ESA will prepare meeting materials and meeting minutes for each of the CCC meetings. Information provided by the CCC at these meetings will be incorporated into the Project Description or EIR Land Use impact analysis as appropriate to substantiate impact conclusions and mitigation requirements.

#### **Team Meeting Summary**

	<b>In Person Meetings</b>	<b>Phone/Video Meetings</b>
Task 1.1 EIR Team/Design Team Project Coordination	2	2
Task 1.2 GP/LCP Coordination Meetings	2	2
Task 1.3 CAC Coordination Meetings	2	2
Task 1.4 Agency Meetings	4	

## **Task 2: CEQA/NEPA Compliance**

### **2.1 Preparation of an Initial Study**

Once a preliminary project description has been developed, ESA will prepare an Initial Study (IS) to evaluate potential environmental impacts of the project. The IS will highlight environmental issues of the proposed project, informing the content of the EIR and supporting the need for technical studies. The preparation of an IS is optional since the City anticipates preparing an EIR, but the IS may provide additional justification for the impact analysis and enhance legal defensibility of the document. ESA will prepare one draft of the IS and incorporate team edits into a final version. The IS may be referenced within the Notice of Preparation.

## **2.2 Notice of Preparation**

ESA will prepare the NOP as required by the CEQA Guidelines including a brief description of the project, site map, and summary of potential environmental impacts of the project. ESA will conduct mailings to the State Clearinghouse, responsible and trustee agencies, affected property owners and persons requesting notice. ESA will post notices in local newspapers and with the County Clerk. ESA will prepare presentational materials and conduct one scoping meeting. ESA will prepare a scoping report summarizing comments received during the NOP review period.

## **2.3 Technical Studies**

No technical studies are included in this scope of work. We assume that a Biological Assessment and Cultural Resources Technical Report will be provided to ESA by the City. We also assume that any detailed hydrogeology investigations necessary to evaluate impacts to groundwater quality will be conducted by the City and relevant data provided to ESA.

## **2.4 Data Request**

ESA will prepare and submit a data request to the City for information needed to complete the CEQA process. The request will include planning estimates for construction methods and background material prepared by the City. The data received from the City will support the impact analysis within the EIR.

## **2.5 Prepare Administrative Draft EIR**

ESA will prepare an Administrative Draft EIR (ADEIR) in accordance with CEQA guidelines that accommodates the CEQA-Plus requirements of the State Water Resources Control Board (SWRCB) State Revolving Fund (SRF). The ADEIR will summarize environmental setting, regulatory framework, potential environmental impacts, and proposed mitigation by resource area. As required by CEQA, the setting will describe the study area “as it exists before the commencement of the project” and the effects of the project on existing conditions. The impact analysis will identify direct, indirect, and cumulative impacts based on thresholds of significance. Mitigation measures will be identified to avoid or substantially lessen potential environmental effects. The ADEIR will also provide an analysis of project alternatives. Following the SWRCB guidelines for CEQA-Plus assessments, the EIR will identify consistency with federal laws, including a robust cultural resources analysis and Native American consultation, substantial discussion on compliance with the federal Endangered Species Act, and a discussion of environmental justice. ESA will submit up to 10 hard copies of the ADEIR to the City for review.

The following issue areas will be addressed in the ADEIR.

### **Project Description**

ESA will finalize the project description using the preliminary project description prepared under Task 1. The project description will include more detailed information and figures on facilities, locations, construction methods and schedules. ESA will coordinate with the Program Manager and FMP team to ensure accurate depiction of the proposed project.

## **Aesthetics**

The EIR will summarize the aesthetic and visual impacts associated with construction and operation of the proposed project. The EIR will include a description of existing visual conditions in the project area and will evaluate if the proposed project will substantially degrade the existing visual character of the project area. The EIR will evaluate the potential effects to public view corridors resulting from the new facilities and will determine whether the proposed project would substantially alter the character of the site or create substantial new sources of light and glare. The evaluation will include photographs of the existing environment. Up to three visual simulations will be prepared based on preliminary design plans. Mitigation measures will be identified if necessary to reduce aesthetic impacts. We anticipate aesthetics to be an important assessment that may pose significant impacts.

## **Agricultural Resources**

The proposed project would be located on open space land. Impacts associated with the implementation of the proposed project would affect agricultural land uses on site and on adjacent parcels. The EIR will evaluate the project's potential to impact important farmland and Williamson Act parcels. The EIR will evaluate the significance of the loss of farmland in San Luis Obispo County based on the County General Plan thresholds.

## **Air Quality**

The EIR will summarize existing air quality in the area and will identify current attainment plans for criteria pollutants. Thresholds of significance will be identified for operational and construction activities. The EIR will evaluate short-term construction related air quality impacts and long-term operational impacts. The EIR will identify sensitive receptors in the project area and address any short term or long term odor impacts that could be associated with project implementation. ESA will prepare a data request to identify the types, number, and duration of use of equipment needed for operational and construction activities. Utilizing the California Emissions Estimator Model (CalEEMod), Version 2011.1.1 emissions model, ESA will estimate emissions of criteria pollutants resulting from the construction methods to be used in construction of facilities. The EIR will provide the setting and air quality impact assessment. Operational air emissions will be described qualitatively. The facility will be required to undergo a New Source Review assessment to obtain a Permit to Operate the new facility. We assume that the project will not increase regional emissions due to the elimination of the old treatment plant emissions. A Local Significant Thresholds analysis will be conducted to evaluate potential impacts to local sensitive receptors. Mitigation measures will be developed to minimize air pollutant emissions. The EIR will also evaluate the project's consistency with the regional air quality attainment plans and will address global climate change issues. The air emissions calculations will include total CO<sub>2</sub>-equivalent emissions associated with the construction and operation of the proposed project. The EIR will assess the project's effects on global climate change and evaluate consistency with AB 32 and the Governor's greenhouse gas emissions reduction goals.

## **Biological Resources**

ESA staff biologists will visit the site including the pipeline alignments and confirm existing biological resources. The EIR will incorporate information from the Biological Assessment provided by the City into the biological setting description. The EIR will identify the regulatory environment including any habitat conservation plan areas. Thresholds of significance will be developed from the CEQA guidelines and regulatory environment to

evaluate potential impacts. Potential impacts to sensitive species and habitats will be documented and mitigation strategies will be identified that would minimize the impacts. The analysis will include a comprehensive list of permits required from resource agencies to implement the project.

### **Cultural Resources**

ESA will incorporate information from the Cultural Resources Technical Report provided by the City into the EIR. ESA will assist with the City's AB52 Native American notification requirements and will request a list of interested Native American Groups from the Native American Heritage Commission. ESA will mail notices to local Native American groups to request whether the project is located in an area of cultural significance. The EIR will summarize information from the records search and site survey and identify the potential for impacts to archaeological, historical, and Native American resources. The EIR will identify potential impacts of the project and provide mitigation measures to minimize impacts.

### **Paleontological Resources**

ESA will conduct a records search of the project area to identify the potential for significant paleontological resources to be encountered during the construction. The EIR will summarize the results of the records search and identify mitigation measures necessary to minimize impacts.

### **Geology and Soils**

ESA will review and incorporate available geologic information of the project area. The EIR will summarize available regional and local geologic, seismologic, and geological data pertinent to the proposed project area, including information from the U.S. Geological Survey and California Geological Survey as well as data from other projects in the area. The EIR will identify potential geologic impacts of the project and will provide mitigation measures to minimize the effects where possible.

### **Hazards/Hazardous Materials**

The EIR will summarize known contamination sites within the construction areas and will list potentially hazardous materials used and stored during construction and operation of the project. The EIR will address potential soil contamination and groundwater contamination if applicable. Chemical storage proposed by the new facility will be identified. The EIR will develop mitigation measures for management of contaminated soils and on-site chemical usage, and will outline applicable hazardous materials handling and disposal requirements.

### **Hydrology/Water Quality**

The EIR will identify surface water resources within the project area and will evaluate potential impacts posed by the project. The EIR will describe storm water runoff control requirements and provide mitigation if necessary to meet construction and operational storm water runoff quality requirements.

ESA assumes that a detailed hydrogeological assessment will be conducted by the City to support the EIR. The assessment should include a modeled simulation of groundwater levels in the vicinity. The EIR will evaluate potential effects to groundwater and surface water resources resulting from the proposed project. Mitigation measures will be developed to ensure that the project would not result in significant impacts to surface water or groundwater resources or their beneficial uses.

If applicable, the EIR will provide a discussion on water quality and the potential effects of groundwater recharge on groundwater quality. The EIR will describe regulations to protect drinking water sources and evaluate the project's potential to impact drinking water quality. The EIR will provide a comprehensive review of recycled water regulations and the oversight responsibilities of the California Department of Public Health and SWRCB.

### **Land Use and Recreation**

The EIR will identify land uses in the project area and will summarize the current City and County General Plans and Local Coastal Plans. The EIR will describe the proposed method to incorporate the new facility within the City jurisdiction and will evaluate potential impacts to local land uses from the action. The EIR will summarize goals and policies of the applicable planning documents and evaluate the project's consistency as the GP/LCP is updated. This section will also include an assessment of recreational resources potentially affected by the project. The EIR will develop mitigation measures if necessary to reduce impacts to less than significant levels.

### **Noise and Vibration**

The EIR will evaluate potential short-term construction noise impacts and long-term noise effects associated with implementation of the proposed project. The EIR will evaluate the project's ability to comply with existing noise standards and policies. Sensitive receptors will be identified that could be affected by noise and vibration. ESA will conduct ambient noise measurements at the proposed site to confirm the baseline condition. Mitigation measures will be developed to minimize impacts to neighboring land uses by construction and operational noise. We anticipate operational noise and truck traffic noise to be an important assessment that may pose significant impacts.

### **Transportation/Traffic**

The EIR will characterize roadway traits, traffic flow, access, and circulation conditions on affected roadways and at major intersections in the project area. The EIR will assess the potential for construction traffic and operational traffic to affect local roadways. ESA will estimate the project construction traffic generation on the basis of estimates of earthwork quantities on-site, worker crew size, and equipment needs. The EIR will describe the potential for construction in roadways to temporarily disrupt traffic resulting in lane closures. Minimum standards for travel widths that would allow maintaining either uncontrolled two-way traffic flow, or alternate one-way traffic flow, will be applied to affected roadways to ascertain the significance of the impact. The impact analysis will be reviewed by an ESA in-house Traffic Engineer. The EIR will identify components to be included in traffic control plans for different segments of the pipeline construction. Alternative installation methods such as directional drilling will be evaluated to minimize traffic impacts if necessary. The analysis will not evaluate impact to levels of service at local intersections, but rather will estimate average daily trips during operations and construction on local roadways and compare with existing trips and roadway capacities. Temporary impacts to traffic flow from construction may reduce roadway capacity significantly for short periods of time. The EIR will evaluate the need for temporary traffic control mitigation measures to reduce impacts.

### **Utilities and Public Services**

The EIR will review the potential effects of the proposed project on utilities and public services resulting from both construction and operation of the project. The EIR will evaluate stormwater management, energy usage and efficiency, water and wastewater utilities, public services such as police and fire, telephone, and landfill

capacity and evaluate the project's consistency with federal, state, and local regulations related to solid waste. The EIR will identify beneficial impacts of the increased recycled water availability. The EIR will identify the effect to the local water supply portfolio resulting from the additional new recycled water source.

### **Growth Inducement**

The EIR will describe the project's relationship to growth and secondary effects of growth in the region. The EIR will evaluate the proposed treatment capacity with the General Plan growth forecasts. The EIR will identify secondary effects of growth and resource management agencies with responsibility for mitigating impacts from growth.

### **Other CEQA-Plus Requirements**

ESA will evaluate Environmental Justice issues as needed for CEQA-Plus compliance. Demographics information for component locations will be summarized. The document will also provide a summary of federal regulations that would apply to the project and will also identify irreversible impacts.

### **Cumulative Effects**

ESA will address potential cumulative impacts of implementing the proposed project in conjunction with past, present, and reasonably foreseeable public and private projects in the immediate project area. As allowed in Section 15130(b)(1)(B) of the CEQA Guidelines, the cumulative analysis will be based on General Plan consistency. The EIR will evaluate the project's consistency with the existing General Plan and LCP projections and will recognize that the General Plan update process underway is being coordinated to accommodate the proposed new treatment facility and location.

### **Alternatives**

ESA will coordinate with the Program Manager and City to develop and evaluate alternatives to the project including the No Project Alternative. The EIR will compare up to five alternatives to determine if any would substantially meet the project objectives and reduce impacts associated with the proposed project. As required by CEQA, ESA will consider any alternatives identified by agencies or others at scoping meetings or in response to the NOP and determine whether they should be included in the EIR. ESA will identify the environmentally superior alternative based on the conclusions of the analysis.

## **2.6 Prepare Administrative Draft EIR #2**

ESA will incorporate comments on the initial Administrative Draft EIR and prepare up to 10 copies of a second Administrative Draft EIR or review by the City.

## **2.7 Prepare Screencheck Draft EIR**

ESA will incorporate comments on the second Administrative Draft EIR and prepare up to 10 copies of a Screencheck Draft EIR for review by the City and other stakeholders as appropriate.

## **2.8 Prepare Draft EIR**

After the City has reviewed the Screencheck Draft EIR, ESA will incorporate comments and prepare the Public Draft EIR. ESA will compile the mailing list and conduct the mailing and public noticing required by CEQA. ESA

will prepare and file the Notice of Completion (NOC) with the State Clearinghouse and the County Clerk. ESA will prepare a Notice of Availability (NOA) of the Public Draft EIR which will also provide notice of public meeting on the Public Draft EIR. ESA will prepare up to 45 hard copies of the Public Draft EIR. ESA will prepare materials for the public meeting and will conduct a presentation describing the project.

### **2.9 Prepare Final EIR**

Following the close of the 45-day public review period, ESA will organize and summarize the comments received on the Draft EIR. ESA will meet with the City as necessary to discuss responses for each comment. ESA will prepare responses to each comment received on the Draft EIR. The Response to Comments in conjunction with the Draft EIR will constitute the Final EIR. After the City has reviewed the draft Final EIR, ESA will incorporate the necessary revisions into the document and will produce up to five hard copies of the Final EIR for the City.

### **2.10 Findings and NOD**

ESA will prepare Draft Findings of Fact and a Statement of Overriding Considerations (if necessary) for review by the City Counsel. ESA will incorporate the City comments and will prepare the final Findings. ESA will also attend one Planning Commission meeting and one EIR Certification Hearing. ESA will prepare and file the Notice of Determination (NOD) with the County Clerk and the State Clearinghouse following certification by the City.

### **2.11 Mitigation Monitoring and Reporting Program**

In compliance with Public Resources Code Section 21081.6, ESA will prepare a Draft Mitigation Monitoring and Reporting Program (MMRP) that describes the required mitigation necessary to avoid or reduce significant impacts, the responsible parties, tasks, and schedule necessary for monitoring mitigation compliance.

## **Task 3 Project Management**

ESA will manage the scope, schedule and budget performance and ensure consistency and accuracy in work products. Progress reports will be submitted monthly with invoices. The City will be billed monthly for project expenditures. We assume that ESA will be available for several meetings in person at the City, including an initial project kick-off meeting as summarized below. In addition, ESA would participate in regularly scheduled phone calls to discuss issues that affect all aspects of project implementation. For purposes of this scope of work, we assume that regular one-hour phone meetings would be scheduled bi-weekly for 12 months.

**TABLE 3-1. PRELIMINARY PRICING PROPOSAL**  
**ESA Labor Detail and Expense Summary**  
**Morro Bay Water Reclamation Facility CEQA/NEPA Compliance Services**

Employee Name										GIS / Graphics / Admin Staff			Subtotal	Hours	Labor Price											
	G. Ainsworth	M. Strauss	L. Rocha	M. Williams	H. Dubois	S. Spano				L. Uehara																
Title	M. Burns	J. Fontaine	E. Schneiwind	C. Ehringer	S. Champion	M. South	P. Anderson				J. Nielsen	G. Jafolla	S. Lewis													
	T. Barnes	K. Lizardi	J. Jacobus	T. Wong	E. Davidian	N. Steiner	M. Bray	M. Vader	C. Castillo	Senior Director II	Director II	Managing Associate III	Managing Associate II	Managing Associate I	Senior Associate II	Senior Associate I	Associate II	Associate I	Subtotal	Senior Associate II	Project Technician III	Project Technician II	Subtotal	Hours	Labor Price	
Task #	Task Name/Description	\$240	\$205	\$185	\$170	\$155	\$140	\$130	\$110	\$95		\$140	\$110	\$90												
<b>1</b>	<b>Project Planning and Development</b>																									
1.1	Team Coordination and Project Development	20	8	32		24		40			\$ 21,280	2		2	\$ 460	128	\$ 21,740									
1.2	General Plan/LCP Update Coordination	4	24	4		20		2			\$ 9,980	4			\$ 560	58	\$ 10,540									
1.3	Citizens Advisory Committee Coordination	16		16		12		4			\$ 9,180	4			\$ 560	52	\$ 9,740									
1.4	Agency Meetings	32	8	32		32					\$ 20,200	2		2	\$ 460	108	\$ 20,660									
<b>2</b>	<b>CEQA/NEPA Compliance</b>																									
2.1	Preparation of an Initial Study	4		8				32			\$ 6,600	2			\$ 280	46	\$ 6,880									
2.2	Notice of Preparation and scoping meeting	12		16				24		8	\$ 9,720	4	4	2	\$ 1,180	70	\$ 10,900									
2.3	Technical Studies [PLACEHOLDER]										\$ -				\$ -	-	\$ -									
2.4	Data Request			1	1	1		1		8	\$ 1,400				\$ -	12	\$ 1,400									
2.5	Administrative Draft EIR										\$ -				\$ -	-	\$ -									
	Project Description	8		12		4				24	\$ 7,040	12	4		\$ 2,120	64	\$ 9,160									
	Aesthetics	2		4		12				40	\$ 6,880	8	40		\$ 5,520	106	\$ 12,400									
	Agricultural Resources			2	4	4				40	\$ 5,470	2			\$ 280	52	\$ 5,750									
	Air Quality and GHG			2	4			40			\$ 6,250				\$ -	46	\$ 6,250									
	Biological Resources		2	2				24			\$ 3,900	4			\$ 560	32	\$ 4,460									
	Cultural Resources		2			4	4	24			\$ 4,710				\$ -	34	\$ 4,710									
	Paleontological Resources			2				16			\$ 2,450				\$ -	18	\$ 2,450									
	Geology and Soils		4	2	4				32		\$ 5,390	2			\$ 280	44	\$ 5,670									
	Hazards and Hazardous Materials		4	2	4				32		\$ 5,390				\$ -	42	\$ 5,390									
	Hydrology and Water Quality		4	2	4				32		\$ 5,390	2			\$ 280	44	\$ 5,670									
	Land Use and Recreation		4	2		4	32			8	\$ 7,050	4			\$ 560	54	\$ 7,610									
	Noise			2	4				16	32	\$ 5,850				\$ -	54	\$ 5,850									
	Traffic		4	2	4		8			32	\$ 6,030	2			\$ 280	52	\$ 6,310									
	Utilities and Public Services	2		4			8			32	\$ 5,380				\$ -	46	\$ 5,380									
	Cumulative Impacts			4		4		40			\$ 6,560	2			\$ 280	50	\$ 6,840									
	Growth Inducement	1	4	2		4		32			\$ 6,210				\$ -	43	\$ 6,210									
	Environmental Justice	1		2					24		\$ 3,250	2			\$ 280	29	\$ 3,530									
	Alternatives Analysis	4		8				40		16	\$ 9,160	8			\$ 1,120	76	\$ 10,280									
2.6	Administrative Draft EIR No. 2	16	4	24	4	8		24		32	\$ 17,180	8	4		\$ 1,560	124	\$ 18,740									
2.7	Screen Check Draft EIR	8		16				24		24	\$ 10,280	8	4		\$ 1,560	84	\$ 11,840									
2.8	Publish Public Draft EIR and public meeting	24		16				32		32	\$ 15,920	16	8	16	\$ 4,560	144	\$ 20,480									
2.9	Final EIR - Response to Comments	32	24	40		24		60		24	\$ 33,800	4	4	8	\$ 1,720	220	\$ 35,520									
2.10	Findings of Fact, SOC, and NOD	2		16						40	\$ 7,240				\$ -	58	\$ 7,240									
2.11	Prepare Mitigation Monitoring & Report Plan			4						16	\$ 2,260		4		\$ 440	24	\$ 2,700									
<b>3</b>	<b>Project Management</b>	36		68				52			\$ 27,980	24	32		\$ 6,880	212	\$ 34,860									
<b>Total Hours</b>		152	56	265	33	69	52	465	136	408		114	104	26	\$ 244	1,880										
<b>Subtotals - Labor Costs</b>		\$ 36,480	\$ 11,480	\$ 49,025	\$ 5,610	\$ 10,695	\$ 7,280	\$ 60,450	\$ 14,960	\$ 38,760	\$ 295,380	\$ 15,960	\$ 11,440	\$ 2,340	\$ 29,740		\$ 325,120									
Percent of Effort - Labor Hours Only		8.1%	3.0%	14.1%	1.8%	3.7%	2.8%	24.7%	7.2%	21.7%		6.1%	5.5%	1.4%		100.0%										
Percent of Effort - Total Project Cost		10.5%	3.3%	14.1%	1.6%	3.1%	2.1%	17.4%	4.3%	11.2%		4.6%	3.3%	0.7%												93.8%

<b>ESA Labor Costs</b>	<b>\$ 325,120</b>
<b>Communication Fee on Labor Cost (2%)</b>	<b>\$ 6,502</b>
<b>ESA Non-Labor Expenses</b>	
Reimbursable Expenses (Printing, Postage, Mileage, Cultural Records Search)	\$ 14,306
ESA Equipment usage (GIS)	\$ 650
<b>Subtotal ESA Non-Labor Expenses</b>	<b>\$ 14,956</b>
<b>Subconsultant Costs (None)</b>	<b>\$ -</b>
<b>TOTAL PROJECT PRICE</b>	<b>\$ 346,578.40</b>

**Attachment A  
Pricing Proposal Template  
ESA Non-Labor Expenses**

<b>Reimbursable Costs</b>	
Project Supplies	\$ -
Printing/Reproduction	\$ 5,000
Document and Map Reproductions (CD + Digital photography)	\$ 1,500
Postage and Deliveries	\$ 2,500
Mileage	\$ 1,440
Vehicle Rental	\$ -
Lodging	\$ 2,000
Airfare	\$ -
Other Travel Related	\$ -
<hr/>	
Subtotal Reimbursable Costs	\$ 12,440
15% Fee on Reimbursable Expenses	\$ 1,866
<b>Total Reimbursable Costs</b>	<b>\$ 14,306</b>

<b>ESA Equipment Usage</b>	
General Equipments:	
Company Vehicle Usage	\$ -
HP Plotter	\$ -
Computer Time (GIS)	\$ -
Trimble GPS	\$ 500
Tablet GPS	\$ -
Laser level	\$ -
Garmin GPS or equivalent	\$ -
Laptop Computers	\$ -
LCD Projector	\$ -
Noise Meter	\$ 150
Electrofisher	\$ -
Sample Pump	\$ -
Surveying Kit	\$ -
Total Station Set	\$ -
Field Traps	\$ -
Digital Planimeter	\$ -
Cameras/Video/Cell Phone	\$ -
Miscellaneous Small Equipment	\$ -
Stilling Well/Coring Pipe (3 inch aluminum)	\$ -
Hydrologic Data Collection, Water Current, Level and Wave Measurement Equipments:	
Culvert Flow Meter	\$ -
Logging Rain Gage	\$ -
Marsh-McBirney Hand-Held Current Meter	\$ -
Logging Water Level Logging-Stainless Steel Pressure Transducer	\$ -
Logging Water Level -Titanium Pressure Transducer	\$ -
Logging Barometric Pressure Logger	\$ -
Well Probe	\$ -
Bottom-Mounted Tripod / Mooring	\$ -
Water Quality Equipments:	
Logging Turbidimeter/Water Level Recorder	\$ -
Logging Temperature Probe	\$ -
Hach Hand-Held Turbidimeter Recording Conductivity Meter w/Datalogger	\$ -
Refractometer	\$ -
YSI Hand-Held Salinity Meter	\$ -
Hand-Held Conductivity/Dissolved Oxygen Probe	\$ -
Sedimentation / Geotechnical Equipments:	
Peat Corer	\$ -
60lb Helly-Smith Bedload Sampler with Bridge Crane	\$ -
Suspended Sediment Sampler with Bridge Crane	\$ -
Vibra-core	\$ -
Shear Strength Vane	\$ -
Auger (brass core @ \$ 5/each	\$ -
Boats:	
14 foot Aluminum Boas with 15 HP Outboard Motor	\$ -
Single or Double Person Canoe	\$ -
17' Boston Whaler w/ 90 HP Outboard	\$ -
<hr/>	
<b>Total Equipment Usage Costs</b>	<b>\$ 650</b>

## EXHIBIT B

### 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 \$1,000,000 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: A-11

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 29, 2015

**FROM:** Bruce Keogh, Wastewater Treatment Plant Manger  
Richard Sauerwein, PE, Capital Projects Manager

**SUBJECT:** Authorization to file the Notice of Completion for Project No. MB-2015-WW05,  
MMRP: Digester # 1 Coating and Repairs Project

### RECOMMENDATION

Staff recommends the City Council authorize staff to file the Notice of Completion of the MMRP: Digester # 1 Coating and Repairs Project.

### ALTERNATIVES

None

### FISCAL IMPACT

The Project is fully funded from the projects contained within the FY 14/15 WWTP budget that was adopted by both the City and District. Ellison Environmental, Inc. dba Fluid Resource Management was the lowest responsive bidder at \$132,653.05. Fluid Resource Management (FRM) completed the project for a total of \$143,728.08, including two Contract Change Orders, discussed below.

### SUMMARY

City and District staff, in coordination with Michael Nunley & Associates (MKN), finalized and public noticed an RFP for the sandblasting and coating of Digester #1 on March 22, 2015; proposals were due by April 7, 2015. FRM was the lowest responsive bidder at \$132,653.05 and was given the Notice to Proceed on May 26, 2015. The Project was completed on June 26, and Notice of Substantial Completion was delivered to FRM on July 10, 2015.

Contract Change Order #1 covered a zero-cost additional two-year warranty to the steel coatings, due to the steel piping being discolored in minor areas exposed to water while washing down the digester. FRM consulted the coatings manufacturer and stated no concerns with this discoloration as the surface profile is well beyond their specification requirements, and the surfaces have been wiped clean.

Shortly after the Notice of Substantial Completion, staff furnished a Request for Quote for additional

Prepared By:   BK   Dept Review:   RL    
City Manager Review: \_\_\_\_\_  
City Attorney Review: \_\_\_\_\_

concrete spalling repairs. FRM submitted a quote for \$11,075.03. Staff agreed to the lump sum cost and provided FRM with an additional 60 days to complete the contract.

Contract Change Order #2 was complete on September 8, 2015.

**CONCLUSION**

Filing of a Notice of Completion is a routine task for public works projects. FRM has completed the Project and staff recommends the City of Morro Bay and Cayucos Sanitary District accept the Project and authorize the filing of a Notice of Completion.

**ATTACHMENT**

Notice of Completion

Recording requested by:  
City of Morro Bay  
Public Works Department

When recorded mail to:  
City of Morro Bay – City Engineer  
595 Harbor Street  
Morro Bay, Ca. 93442-1957  
September 18, 2015

RECORDING FEES EXEMPTED  
G.C. §6103 & 27383

**NOTICE OF COMPLETION  
CITY OF MORRO BAY**

**NOTICE IS HEREBY GIVEN:**

1. The City of Morro Bay, a municipal corporation and the Cayucos Sanitation District, a public corporation, are the joint-owners of a certain public improvement known as the Waste Water Treatment Plant, Digester # 1 Coatings and repairs Project # 2015-WW05.
2. The City is responsible for operation and maintenance of said facility and its address is, 595 Harbor Street, Morro Bay, County of San Luis Obispo, California, 93442.
3. The general location of said public improvement is 160 Atascadero Road, Morro Bay, CA 93442.
4. On April 14, 2015, the Morro Bay City Council and on April 16, 2015, the Cayucos District Board approved the contract award to Ellison Environmental, Inc. dba Fluid Resource Management (FRM), 2385 Precision Drive, Arroyo Grande, CA 93420.
5. Work under that contract was completed on September 9, 2015, to the satisfaction of the City's Public Works Director, and the City and CSD hereby accept the project as complete.

I, the undersigned, declare under penalty of perjury under the laws of the State of California: I have read the above notice, I know and understand the contents thereof, and the facts stated therein are true and correct.

Executed at Morro Bay, California, this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Robert Livick, Public Works Director  
City of Morro Bay, California





AGENDA NO: A-12

MEETING DATE: October 13, 2015

# Staff Report

**TO:** Honorable Mayor and City Council                      **DATE:** October 6, 2015

**FROM:** Brooke R. Austin, Deputy City Clerk

**SUBJECT:** Appointment of Council Member John Headding as Liaison to the Citizens Finance Committee

## **RECOMMENDATION**

Staff recommends the City Council appoint Council Member Headding as the Council liaison to the Citizens Finance Committee.

## **ALTERNATIVES**

As Council discussed Member Headding serving as liaison at the Special Joint Meeting, there are no alternatives proposed.

## **FISCAL IMPACT**

There is no fiscal impact to this decision.

## **BACKGROUND**

At the September 29, 2015, Special Joint Meeting of the City Council and Citizens Finance Committee, Council discussed appointing Councilmember Headding as the liaison to the Citizens Finance Committee. Since the Special Joint Meeting Agenda did not indicate Council would be taking any actions at that meeting, the City Attorney recommends this matter be added as an agenda item on the Consent Calendar to formal Council Member Headding's appointment.

## **CONCLUSION**

Based on Council direction, staff recommends the Council appoint Council Member Headding as the liaison to the Citizens Finance Committee.

Prepared By: BRA

Dept Review: \_\_\_\_\_

City Manager Review: \_\_\_\_\_

City Attorney Review: JWP





AGENDA NO: B-1

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council                      **DATE:** October 1, 2015

**FROM:** Janeen Burlingame – Management Analyst

**SUBJECT:** Public Hearing for and Consideration of Morro Bay Garbage Service Interim Rate Adjustment Application and Adoption of Resolution No. 65-15

### **STAFF RECOMMENDATION**

Staff recommends the City Council hold a public hearing, consider all evidence and testimony presented and do the following:

1. Adopt Resolution No. 65-15 increasing solid waste rates by 3.22%, effective January 1, 2016; provided, that there is not a majority protest against such increase; and
2. Begin implementing an expanded organics diversion program that includes food waste as outlined in the staff report and end the use of green waste as alternative daily cover at Cold Canyon Landfill.

### **PUBLIC WORKS ADVISORY BOARD (PWAB) RECOMMENDATION**

The PWAB considered this item at its September 24, 2015 meeting and concurs with staff's recommendation.

### **ALTERNATIVE**

The alternative to the Staff and PWAB recommendations would be to request Morro Bay Garbage Service (MBGS) return to the City Council with other alternatives for organics recycling. Since it has taken many years of research to find the best long-term solution for the entire Waste Connections service area, which includes Morro Bay, the mandatory requirement for commercial food waste recycling, and the changing regulations for composting operations, this would not be a preferred alternative and therefore not recommended.

### **FISCAL IMPACT**

Attached in Resolution No. 65-15 are the proposed new rates effective January 1, 2016 with the 3.22% increase. The increases in rates will be borne by individual customers, and there will be a negligible increase to franchise fee revenue.

01181.0001/270269.1

Prepared By: JB

Dept Review: RL

City Manager Review: \_\_\_\_\_

City Attorney Review: JWP

## **BACKGROUND & DISCUSSION**

Waste Connections is the parent company of MBGS (as well as others such as South County Sanitary and San Luis Garbage) and owns Cold Canyon Landfill. Their entire service area is from San Simeon to Nipomo.

### **Organics Diversion Program**

With the closure of the green waste composting facility at Cold Canyon Landfill in late 2010, green waste has either been used as alternative daily cover at the landfill or transported to Engle and Gray in Santa Maria for composting.

Since 2010, there have been several new developments related to the management of organics.

- In 2014, AB 1826 and AB 1594 were enacted. AB 1826 established a mandatory organics management program which will require businesses to recycle all organics including food waste. This requirement phases in with the first deadline being April 2016 for businesses that generate 8 cubic yards or more per week of organics. AB 1594 eliminates the diversion credit for using green waste as alternative daily cover.
- CalRecycle and the State Water Resources Control Board both issued new compost regulations in August 2015.
- The Intergovernmental Panel on Climate Change now estimates the greenhouse gas potential of methane is 34 times greater than CO<sub>2</sub>.
- On April 29, 2015, Governor Brown set the goal of reducing greenhouse gas to 40% below 1990 levels by 2030.
- The Air Resources Board in a concept paper issued on May 7, 2015 set an initial goal of diverting 75% of organics from landfills by 2020 and diverting 90% of organics from landfills by 2025.

In early spring 2015, SLO Integrated Waste Management Authority (IWMA) staff presented to its Board a progress report on the management of organics in SLO County and identified 3 potential providers that could manage both green and food waste: Engle and Gray, Mid State Solid Waste and Hitachi Zosen Inova (HZI). Recognizing the need for a comprehensive long term organics management plan, Waste Connections issued a Request for Proposals and requested the three potential providers submit proposals structured to reflect the tonnages and needs of the entire service area. Engle and Gray and HZI submitted responsive proposals, while Mid State Waste failed to provide a responsive proposal.

At the May 13, 2015, IWMA Board Meeting, Waste Connections presented its plan for the long-term management of all organic waste, including food waste. The plan would incorporate Waste Connections' entire service area from San Simeon to Nipomo and cover a 22-year period, beginning in January 2016 through the end of 2037. The plan has two phases as described below.

### **Interim Phase (January 2016 to mid-2017)**

Beginning in January 2016, Waste Connections would expand in each of its service areas the existing residential green waste collection program to include food waste. Each home would be provided a small kitchen pail to collect food waste. The food waste in the pail would then be dumped into the existing green waste collection container. At the same time, the organics collection programs for commercial customers would start to be expanded with first priority being to start with businesses that are required to divert organics by April 2016.

The organic waste collected from residential and commercial customers would be taken to Cold Canyon Landfill, transferred into large semi-tractor trailers (transfer trucks) and taken to Engle and Gray's

composting facility in Santa Maria, which is permitted to compost both yard and food waste.

**Permanent Phase (mid-2017 to end of 2037)**

After evaluating proposals, Waste Connections selected HZI to provide a Kompogas Anaerobic Digestion Plant. HZI is a world-wide leader in the production of energy from waste. The group has annual revenues of \$3 billion, 8,000 employees and 80 years of experience.

The first Kompogas Anaerobic Digestion Plant was built in 1991 in Switzerland and is still in operation. Currently there are 75 plants operating throughout the world. Anaerobic digestion is different than composting in that the process of decomposition occurs in an oxygen-free environment. Unlike composting, that process produces energy in the form of biogas and minimizes the need for water. Among other things, the biogas can be used to generate electricity via a turbine or be processed as biogas fuel which is a clean energy source. In addition, all activities are inside a vessel and/or building, thus minimizing odors, storm water runoff and litter.

The Kompogas Facility would be located at Waste Connection’s existing yard on Old Santa Fe Road in San Luis Obispo. That industrial site is ideally located in that it is in the center of the service area, is the location where Waste Connections’ trucks start and end each day and has an existing building that can be used for the organics receiving area.

Waste Connections would enter into a long-term agreement with HZI, by which HZI would build a Kompogas plant at the Waste Connection’s yard using the existing building and agree to deliver organics to the plant through 2037. In return, HZI would design, finance, build, own and operate a Kompogas plant through 2037 for a negotiated fee, subject to cost of living increases and adjustments for the sale price of electricity and/or compost/compost tea and other uncontrollable costs.

**Rate Increase**

To implement the new comprehensive organics diversion program, Waste Connections will need a fee increase from each of its service areas for the expanded organics diversion program. For Morro Bay, MBGS has requested a fee increase of 3.22% for this. The fee increase will cover the cost of both the Interim and Permanent phases of the organics diversion program.

**Proposition 218 Noticing**

The City must follow Proposition 218 noticing and hearing requirements for the proposed solid waste rate increases. Per the Proposition 218 notification requirements, notices were mailed at least 45 days in advance of the public hearing to both property owners and customers of their right to protest the increase. That protest must be submitted in writing and received by the City Clerk before the close of the City Council public hearing on October 13, 2015. The person signing the protest must either be the property owner or the customer of record. In the event a protest is submitted by the owner and also by the tenant responsible for payment of the bill, one valid protest is counted for the parcel.

If valid written protests are filed by a majority (50%+1), then the applicable proposed rate may not be imposed. As of October 1, 2015, a total of two (2) written protests were received by the City Clerk’s office.

**Contract Amendment**

To implement the Permanent Phase, Waste Connections will need to enter into an agreement with HZI that guarantees delivery of organics through 2037 (20 years after the plant is up and running). That

guarantee is necessary for HZI to obtain the financing to build a plant that will cost more than \$12 Million. MBGS has requested the City's Garbage, Recycling & Green Waste Agreement be extended through 2037, conditioned on a Kompogas plant being built (the current agreement runs through December 2023). A similar commitment would be needed from the other cities in Waste Connection's service area. In August 2015, the City Council for the City of San Luis Obispo approved the expanded organics program and rate increase for its customers and is in the process of extending its agreement. The other jurisdictions will be considering this matter at their respective Councils' meetings in October.

Staff is in the process of reviewing the contract implications and will bring an item regarding consideration of extending the current Garbage, Recycling & Green Waste Agreement to a future City Council meeting for consideration.

### **CONCURRENCES**

The IWMA concurs with the recommendations in this report.

### **CONCLUSION**

Staff is supportive of the comprehensive organics diversion program plan developed by Waste Connections in response to changes in composting regulations, the Governor's goals for reducing greenhouse gas, and new State legislation enacted in 2014 related to organics management and recommends the City Council conduct a public hearing, consider all evidence and testimony presented and do the following:

1. Adopt Resolution No. 65-15 increasing solid waste rates on January 1, 2016, by 3.22 %, provided there is not a majority protest against such increase; and
2. Begin implementing an expanded organics diversion program that includes food waste as outlined in the staff report and end the use of green waste as alternative daily cover at Cold Canyon Landfill.

**RESOLUTION NO. 65-15**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF MORRO BAY, CALIFORNIA  
APPROVING ADJUSTING SOLID WASTE RATES RELATED TO  
EXPANDING ORGANICS COLLECTION SERVICES**

**THE CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, the City Council adopted Resolution No. 48-01 approving the Garbage, Recycling and Greenwaste Services Franchise Agreement with Morro Bay Garbage Service (MBGS) for collection services effective January 1, 2002 and setting the initial rates for collection for residential and commercial customers (the “Agreement”); and

**WHEREAS**, pursuant to Article 8.4, the City will use the guidelines and approach outlined in the City of San Luis Obispo’s “Rate Setting Process and Methodology Manual for Integrated Solis Waste Management Rates;” and

**WHEREAS**, with the closure of the green waste composting facility at Cold Canyon Landfill in late 2010, green waste has either been used as alternative daily cover at the landfill or transported to Engle and Gray in Santa Maria for composting while Morro Bay Garbage Service researched other alternatives; and

**WHEREAS**, since 2010 there have been several new developments related to composting and the management of organics, most notably in 2014 with the enactment of AB 1826 and AB 1594 establishing a mandatory organics management program requiring recycling organics, including food waste, and eliminating the diversion credit for using green waste as alternative daily cover; and

**WHEREAS**, Waste Connections, the parent company of Morro Bay Garbage Service, recognizing the need for a comprehensive long term organics management plan, issued a Request for Proposal (RFP) for proposals structured to reflect the tonnages and needs of the entire San Luis Obispo county service area, including Morro Bay; and

**WHEREAS**, Waste Connections, after review of the RFP proposals received, presented to the San Luis Obispo Integrated Waste Management Authority Board in May 2015, its plan for the management of all organic waste, including food waste; and

**WHEREAS**, beginning January 1, 2016, the residential and commercial green waste collection programs would be expanded to include food waste and transport collected organics to Engle and Gray’s composting facility; and

**WHEREAS**, on August 4, 2015, Bruce Bassfield, Waste Connections Division Controller, submitted an interim rate adjustment application in conformance with the franchise agreement and rate setting manual requesting a 3.22% increase to solid waste collections rates effective January 1, 2016; and

**WHEREAS**, notices regarding the requested rate increase for the expansion of the organics program were sent on August 28, 2015, to all property owners and customers and a public hearing regarding that matter was held on October 13, 2015; and

**WHEREAS**, sufficient protests were not received to prevent the rate increase.

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

Section 1. Morro Bay Garbage Service's Interim Year Rate Adjustment Application increase for the solid waste collection rates by 3.22%, as outlined in Exhibit A for the expanded organics program, is hereby approved.

Section 2. The increase solid waste collection rates approved in Section 1 shall become effective January 1, 2016.

**PASSED AND ADOPTED** by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13<sup>th</sup> day of October, 2015 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
JAMIE L. IRONS, Mayor

ATTEST:

\_\_\_\_\_  
DANA SWANSON, City Clerk

Exhibit A

Solid Waste Collection Rates Effective January 1, 2016

(Immediately behind this page)

# Morro Bay Garbage

SERVICE DESCRIPTION	PICK UPS PER WEEK	CURRENT MONTHLY RATE EFFECTIVE 1/1/2015	7/8/14 APPROVED RATE ADJUSTMENT % EFFECTIVE 1/1/16	7/8/14 APPROVED MONTHLY RATE EFFECTIVE 1/1/16	PROPOSED RATE ADJUSTMENT %	NEW MONTHLY RATE EFFECTIVE 1/1/2016
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## SINGLE-FAMILY AND MULTI-UNIT RESIDENTIAL (4 UNITS OR LESS)

Price per month for specified waste-wheeler container collected once each week. One Greenwaste and one recycling service are included at no additional charge once each week.

<b>MINI-CAN SERVICE</b>						
One 19 gallon waste wheeler container	1	\$9.86	1.21%	\$9.98	3.22%	\$10.30
<b>ECONOMY RATE</b>						
One 32 gallon waste wheeler container	1	\$15.79	1.21%	\$15.98	3.22%	\$16.49
<b>STANDARD RATE</b>						
One 64 gallon waste wheeler container	1	\$31.57	1.21%	\$31.95	3.22%	\$32.98
<b>PREMIUM RATE</b>						
One 96 gallon waste wheeler container	1	\$47.36	1.21%	\$47.93	3.22%	\$49.47
<b>SERVICE AWAY FROM THE STREET CURB</b>						
Additional per month per can or container charge		\$8.60	1.21%	\$8.70	3.22%	\$8.98

Polystyrene (Styrofoam, Plastic #6) is no longer collected for recycling and should be thrown away as trash.

Recycling and greenwaste containers should be placed near/next to your garbage bin for collection.

## COMMERCIAL WASTE WHEELERS SERVICE PER MONTH

One 32 Gallon Waste Wheeler	1	\$32.59	1.21%	\$32.98	3.22%	\$34.04
One 32 Gallon Waste Wheeler	2	\$63.62	1.21%	\$64.39	3.22%	\$66.46
One 32 Gallon Waste Wheeler	3	\$83.21	1.21%	\$84.22	3.22%	\$86.93
One 32 Gallon Waste Wheeler	4	\$102.82	1.21%	\$104.06	3.22%	\$107.41
One 32 Gallon Waste Wheeler	5	\$133.85	1.21%	\$135.47	3.22%	\$139.83
One 32 Gallon Waste Wheeler	6	\$164.88	1.21%	\$166.88	3.22%	\$172.25
One 32 Gallon Waste Wheeler	7	\$196.52	1.21%	\$198.90	3.22%	\$205.30
One 64 Gallon Waste Wheeler	1	\$47.30	1.21%	\$47.87	3.22%	\$49.41
One 64 Gallon Waste Wheeler	2	\$83.21	1.21%	\$84.22	3.22%	\$86.93

One 64 Gallon Waste Wheeler	3	\$120.78	1.21%	\$122.24	3.22%	\$126.18
One 64 Gallon Waste Wheeler	4	\$163.22	1.21%	\$165.19	3.22%	\$170.51
One 64 Gallon Waste Wheeler	5	\$204.07	1.21%	\$206.54	3.22%	\$213.19
One 64 Gallon Waste Wheeler	6	\$238.36	1.21%	\$241.24	3.22%	\$249.01
One 64 Gallon Waste Wheeler	7	\$280.72	1.21%	\$284.12	3.22%	\$293.27
One 96 Gallon Waste Wheeler	1	\$63.62	1.21%	\$64.39	3.22%	\$66.46
One 96 Gallon Waste Wheeler	2	\$110.95	1.21%	\$112.29	3.22%	\$115.91
One 96 Gallon Waste Wheeler	3	\$163.22	1.21%	\$165.19	3.22%	\$170.51
One 96 Gallon Waste Wheeler	4	\$217.12	1.21%	\$219.75	3.22%	\$226.83
One 96 Gallon Waste Wheeler	5	\$264.49	1.21%	\$267.69	3.22%	\$276.31
One 96 Gallon Waste Wheeler	6	\$323.26	1.21%	\$327.17	3.22%	\$337.70
One 96 Gallon Waste Wheeler	7	\$390.05	1.21%	\$394.77	3.22%	\$407.48
<b>COMMERCIAL DUMPSTER CONTAINER SERVICE - In cubic yards</b>						
1 Yd Dumpster	1	\$80.26	1.21%	\$81.23	3.22%	\$83.85
1 Yd Dumpster	2	\$124.35	1.21%	\$125.85	3.22%	\$129.90
1 Yd Dumpster	3	\$160.27	1.21%	\$162.21	3.22%	\$167.43
1 Yd Dumpster	4	\$201.09	1.21%	\$203.52	3.22%	\$210.07
1 Yd Dumpster	5	\$232.14	1.21%	\$234.95	3.22%	\$242.52
1 Yd Dumpster	6	\$289.27	1.21%	\$292.77	3.22%	\$302.20
1 Yd Dumpster	7	\$437.03	1.21%	\$442.32	3.22%	\$456.56
1.5 Yd Dumpster	1	\$98.22	1.21%	\$99.41	3.22%	\$102.61
1.5 Yd Dumpster	2	\$161.93	1.21%	\$163.89	3.22%	\$169.17
1.5 Yd Dumpster	3	\$217.46	1.21%	\$220.09	3.22%	\$227.18
1.5 Yd Dumpster	4	\$276.24	1.21%	\$279.58	3.22%	\$288.58
1.5 Yd Dumpster	5	\$331.77	1.21%	\$335.78	3.22%	\$346.59
1.5 Yd Dumpster	6	\$395.45	1.21%	\$400.23	3.22%	\$413.12
1.5 Yd Dumpster	7	\$580.14	1.21%	\$587.16	3.22%	\$606.07
2 Yd Dumpster	1	\$117.83	1.21%	\$119.26	3.22%	\$123.10
2 Yd Dumpster	2	\$206.00	1.21%	\$208.49	3.22%	\$215.20
2 Yd Dumpster	3	\$276.24	1.21%	\$279.58	3.22%	\$288.58
2 Yd Dumpster	4	\$351.36	1.21%	\$355.61	3.22%	\$367.06
2 Yd Dumpster	5	\$429.75	1.21%	\$434.95	3.22%	\$448.96
2 Yd Dumpster	6	\$508.13	1.21%	\$514.28	3.22%	\$530.84

2 Yd Dumpster	7	\$729.73	1.21%	\$738.56	3.22%	\$762.34
3 Yd Dumpster	1	\$152.15	1.21%	\$153.99	3.22%	\$158.95
3 Yd Dumpster	2	\$276.24	1.21%	\$279.58	3.22%	\$288.58
3 Yd Dumpster	3	\$388.93	1.21%	\$393.64	3.22%	\$406.32
3 Yd Dumpster	4	\$493.43	1.21%	\$499.40	3.22%	\$515.48
3 Yd Dumpster	5	\$638.78	1.21%	\$646.51	3.22%	\$667.33
3 Yd Dumpster	6	\$736.75	1.21%	\$745.66	3.22%	\$769.67
3 Yd Dumpster	7	\$995.33	1.21%	\$1,007.37	3.22%	\$1,039.81
4 Yd Dumpster	1	\$201.09	1.21%	\$203.52	3.22%	\$210.07
4 Yd Dumpster	2	\$374.21	1.21%	\$378.74	3.22%	\$390.94
4 Yd Dumpster	3	\$519.54	1.21%	\$525.83	3.22%	\$542.76
4 Yd Dumpster	4	\$694.31	1.21%	\$702.71	3.22%	\$725.34
4 Yd Dumpster	5	\$869.03	1.21%	\$879.55	3.22%	\$907.87
4 Yd Dumpster	6	\$983.34	1.21%	\$995.24	3.22%	\$1,027.29
4 Yd Dumpster	7	\$1,278.85	1.21%	\$1,294.32	3.22%	\$1,336.00
6 Yd Dumpster	1	\$301.24	1.21%	\$304.89	3.22%	\$314.71
6 Yd Dumpster	2	\$546.95	1.21%	\$553.57	3.22%	\$571.39
6 Yd Dumpster	3	\$770.07	1.21%	\$779.39	3.22%	\$801.61
6 Yd Dumpster	4	\$976.98	1.21%	\$988.80	3.22%	\$1,020.64
6 Yd Dumpster	5	\$1,264.79	1.21%	\$1,280.09	3.22%	\$1,321.31
6 Yd Dumpster	6	\$1,458.76	1.21%	\$1,476.41	3.22%	\$1,523.95
6 Yd Dumpster	7	\$1,970.74	1.21%	\$1,994.59	3.22%	\$2,058.82
8 Yd Dumpster	1	\$398.16	1.21%	\$402.98	3.22%	\$415.96
8 Yd Dumpster	2	\$740.93	1.21%	\$749.90	3.22%	\$774.05
8 Yd Dumpster	3	\$1,028.69	1.21%	\$1,041.14	3.22%	\$1,074.66
8 Yd Dumpster	4	\$1,374.75	1.21%	\$1,391.38	3.22%	\$1,436.18
8 Yd Dumpster	5	\$1,720.69	1.21%	\$1,741.51	3.22%	\$1,797.59
8 Yd Dumpster	6	\$1,947.02	1.21%	\$1,970.58	3.22%	\$2,034.03
8 Yd Dumpster	7	\$2,532.12	1.21%	\$2,562.76	3.22%	\$2,645.28
Sunday Service *		\$60.75	1.21%	\$61.49	3.22%	\$63.47

The rates shown above include the monthly container rental fee and are the same for bins and garwoods, when volume is identical. (Bins and garwoods are types of containers)

**Any additional recycling services are charged out at 25% of the garbage rate.**



AGENDA NO: B-2

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 28, 2015

**FROM:** Cindy Jacinth, Associate Planner

**SUBJECT:** Approval of Conditional Use Permit (UP0-424) for the Concept and Precise Plans to erect a Fishermen's Family Sculpture statue on Coleman Drive near Target Rock and southeast of Morro Rock

### **RECOMMENDATION**

Staff recommends the City Council adopt Resolution No. 68-15, accepting the Planning Commission's favorable recommendation for approval of Conditional Use Permit (#UP0-424) for both Concept and Precise Plans for a new Fishermen's Family Sculpture memorial on Coleman Drive near Target Rock and southeast of Morro Rock.

### **ALTERNATIVES**

Alternative 1. The City Council may move not to adopt the Resolution for approval and instead add additional conditions to the project and direct staff to return to the next Council meeting with a revised Resolution for approval.

Alternative 2. The City Council may move not to accept the Planning Commission's favorable recommendation and therefore deny the requested permits.

### **FISCAL IMPACT**

The City Council approved a fee waiver request for permit processing at its January 13, 2015, meeting. In addition, the Fishermen's Family Sculpture is intended to be a permanent memorial, which upon project completion would be dedicated to the City of Morro Bay. Maintenance costs of the statue would be absorbed by the City's consolidated maintenance budget.

### **BACKGROUND**

#### **Project Description and Location:**

As described in the Planning Commission staff report, the Applicant is requesting conditional use permit approval to allow the erection of a life size statue, known as the Fishermen's Family Sculpture proposed near Morro Rock and "Target Rock" off Coleman Drive. The bronze statue would include a mother, daughter, and son with a fishing pole depicted in various poses on a concrete pad facing towards the bay.

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Prepared By:  CJ  Dept Review:  SG

City Manager Review: \_\_\_\_\_

City Attorney Review:  JWP

The statue height would range from approximately 2 feet to 5 feet 9 inches tall with compacted base dimensions of 12 feet long by 7 feet wide. The height of the concrete base is proposed to be 18 inches tall to include area for 12" x 12" black granite sponsor tiles. Upon project completion, the applicant proposes to dedicate the statue to the City of Morro Bay. The project is located in the parking lot area southeast of Morro Rock (100 feet from the base) and west of Target Rock on Coleman Drive. Further dimension specifics and project details are explained in the discussion section of the Planning Commission staff report (Attachment C) and on the project plans (Attachment D).

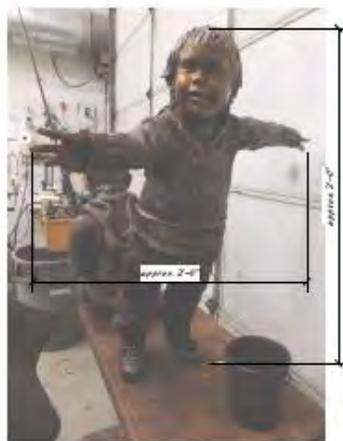
**Statue Location:**



**Statue Family Pieces:**



**MOTHER**  
*-connected to daughter at front right side of coat*

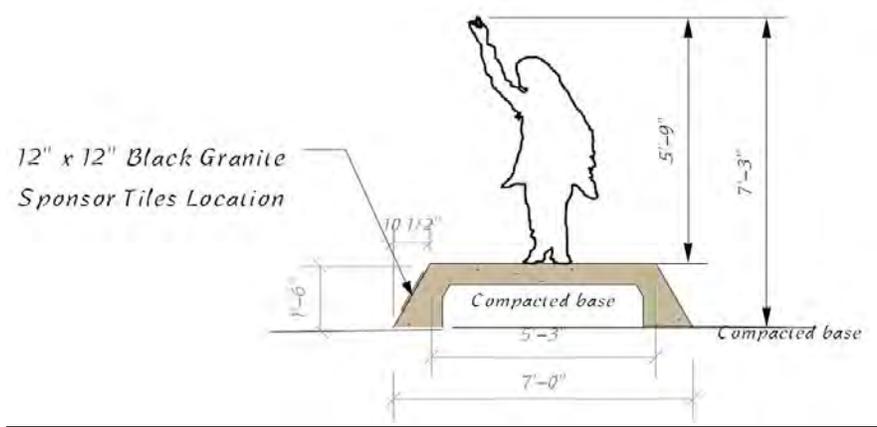


**2 YR OLD DAUGHTER**  
*-left hand pulls right side of mothers coat*



**SON WITH FISHING POLE**  
*-sits on rock*

**Statue on Base Detail:**



**DISCUSSION**

Section 17.40.030 (Planned Development overlay) of the Morro Bay Municipal Code (MBMC) requires both a Concept and Precise Plan for projects on publicly owned land. The Planned Development (PD) overlay zone provides standards for detailed and substantial analysis of development on parcels which, because of location, size or public ownership, warrant special review. Since both a Concept Plan and a Precise Plan are required for this project, staff is processing them concurrently. Staff has decided to process the project in this manner to expedite the processing and because the project has been fully designed at the concept level and no further refinement will occur between the Concept Plan and the Precise Plan.

Pursuant to the PD overlay requirements, at its meeting of September 1, 2015, the Planning Commission reviewed and adopted PC Resolution 30-15 forwarding a favorable recommendation to the City Council for approval of the project (See Attachment B). In recommending approval of the project, the Planning Commission did not add additional conditions, but did have brief discussion regarding lighting, vandalism, and whether the statue would be obscured by cars parked in front of the statue.

The Applicant, Central Coast Women for Fisheries, has long sought to create a memorial statue offering tribute to families of mariners. As early as 2008 and at multiple meetings, the City’s Recreation & Parks Commission and Harbor Advisory Board reviewed the project (see web link on page 3 to January 13, 2015 staff report). The proposed plans (Attachment D) show a statue of bronze material with a mother, daughter, and son with a fishing pole in various poses facing the bay. Because the project is located near the base of Morro Rock identified as an environmentally sensitive habitat area (ESHA), the City’s Local Coastal Plan (LCP) requires a minimum 100-foot setback, as denoted on sheet C-1 of Attachment D.

The City’s General Plan and LCP policies discuss the importance of this planning area with attention to Morro Rock as the City’s major landmark and visual focus for the entire area along with provision of visitor-serving facilities.

The memorial statue has been sited to not detract from this visually important area of Morro Rock by placing the statue across Coleman Drive on the bay-side and near Target Rock where there are existing benches. The height and scale of the statue has been sized also to not detract from the visual quality of the area with a proposed height of 5 feet 9 inches tall. The concrete base on which the family will be place is dimensioned at 12 feet long by 7 feet wide.

The statue, therefore, will offer a passive recreational opportunity for viewing by both pedestrian and motorists driving along Coleman Drive.

### **Coastal Commission**

Located within the original jurisdiction of the California Coastal Commission (CCC), the project will be required to obtain either a Coastal Development Permit from the CCC or apply for a waiver. Staff has had discussions with CCC staff who have favorably indicated the possibility of a waiver for this project subject to meeting the ESHA 100-foot buffer setback. The project has been appropriately conditioned to reflect those requirements (see Planning conditions 6 and 7).

### **CONCLUSION**

The proposed Fishermen's Family Sculpture would provide a lasting tribute to families of mariners that recognizes the fishing village character and heritage of Morro Bay. The project, located adjacent to Morro Rock and Target Rock, meets the required 100-foot ESHA setback and offers a passive recreational opportunity for passers-by, whether pedestrians or motorists. The small scale nature of the project will not obstruct or detract from views of the bay or Morro Rock. As proposed, the project is consistent with all required development standards of the Zoning Ordinance and all applicable provisions of the General Plan and LCP with incorporation of the recommended conditions of approval.

Based on the above analysis, staff recommends the City Council accept the Planning Commission's favorable recommendation and approve the requested Conditional Use Permit for the Concept and Precise Plans for the Fishermen's Family Sculpture with the incorporation of the conditions of approval attached hereto.

### **ATTACHMENTS**

- A. City Council Resolution 66-15
- B. Planning Commission Resolution 30-15
- C. Planning Commission staff report, September 1, 2015 meeting
- D. Plans/ Plan Reductions, dated June 12, 2015

### **LINK DOCUMENTS:**

1. Link to September 1, 2015 Planning Commission meeting packet, Agenda Item #B-3:  
<http://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/2521>
2. Link to January 13, 2015 City Council packet, Agenda Item A-7  
<http://ca-morrobay.civicplus.com/ArchiveCenter/ViewFile/Item/2301>

**RESOLUTION NO. 66-15**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF MORRO BAY, CALIFORNIA  
APPROVING CONDITIONAL USE PERMIT (UP0-424) FOR CONCEPT AND  
PRECISE PLANS TO ALLOW THE ERECTION OF A LIFE SIZE STATUE, THE  
“FISHERMEN’S FAMILY SCULPTURE,” ON COLEMAN DRIVE, 100 FEET FROM  
THE BASE OF MORRO ROCK AND WEST OF TARGET ROCK,  
AS A TRIBUTE TO FAMILIES OF MARINERS**

**THE CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, the Planning Commission of the City of Morro Bay (the “City”) conducted a public hearing at the Morro Bay Veteran’s Hall, 209 Surf Street, Morro Bay, California, on September 1, 2015, for the purpose of considering Conditional Use Permit UP0-424 for a proposed statue on Coleman Drive, 100 feet from the base of Morro Rock and west of Target Rock in an unpaved parking area within the original jurisdiction of the California Coastal Commission; and

**WHEREAS** on September 1, 2015, the Planning Commission adopted Resolution 30-15, which forwarded a favorable recommendation for approval to the City Council; and

**WHEREAS**, the City Council conducted a public hearing at the Morro Bay Veteran’s Hall, 209 Surf Street, Morro Bay, California, on October 13, 2015, pursuant to the Planned Development regulations found at Title 17.40.030 of the City’s Zoning Ordinance for the purpose of considering approval of Conditional Use Permit UP0-424 for Concept and Precise Plans for a proposed statue on Coleman Drive, 100 feet from the base of Morro Rock and west of Target Rock in an unpaved parking area within the original jurisdiction of the California Coastal Commission; and

**WHEREAS**, notice of the public hearing was provided at the time and in the manner required by law; and

**WHEREAS**, the City Council has duly considered all evidence, including the recommendations made by the Planning Commission, the testimony of the applicant, interested parties, and the evaluation and recommendations by staff, presented at said hearing.

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

**Section 1: Findings.** Based upon all the evidence, the Commission makes the following findings:

California Environmental Quality Act (CEQA) Finding

1. Pursuant to the California Environmental Quality Act, the project is categorically exempt

under Section 15303, Class 3(a), for construction of a limited number of new structures in an urbanized area. Additionally, none of the Categorical Exemption Exceptions, noted under Section 15300.2, apply to the project.

Conditional Use Permit Findings

1. As conditioned, the project is consistent with the General Plan and Local Coastal Program regarding a memorial statue in the Morro Rock area that is placed a minimum of 100 feet from the base of Morro Rock.
2. The project will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood in that the Fishermen's Family Sculpture is small in scale and intended to be a memorial dedicated to the City as a passive recreational use and is a permitted use within the zoning district applicable to the project site and said structure complies with all applicable project conditions and City regulations.
3. The project will not be injurious or detrimental to property and improvements in the area nor to the general welfare of the City because the Fishermen's Family Sculpture is a permitted use within the zone district and plan designation applicable to the site and said use is designed to be accordance with all applicable project conditions and City regulations.

Planned Development Overlay Findings

1. The Precise Plan is in substantial conformance with the Concept Plan because the project as submitted has been fully developed to include both Concept and Precise plan requirements.

**Section 2. Action.** The City Council does hereby approve Conditional Use Permit UPO-424 for the Fishermen's Family Sculpture located on Coleman Drive, 100 feet from Morro Rock and west of Target Rock subject to the following conditions:

**STANDARD CONDITIONS**

1. This permit is granted for the land described in the staff report dated September 28, 2015, for the Fishermen's Family Sculpture statue to be placed on Coleman Drive 100 feet from the base of Morro Rock and west of Target Rock as depicted on plans dated June 22, 2015, as part of Conditional Use Permit UPO-424, on file with the Community Development Department, as modified by these conditions of approval, and more specifically described as follows: Site development, including all statue structure and other features, shall be located and designed substantially as shown on plans, unless otherwise specified herein.

2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this Resolution and is diligently pursued, thereafter, this approval will automatically become null and void; provided, however, that upon the written request of the applicant, prior to the expiration of this approval, the applicant may request up to two extensions for not more than one (1) additional year each. Any extension may be granted by the City's Community Development Manager (the "Manager"), upon finding the project complies with all applicable provisions of the Morro Bay Municipal Code (the "MBMC"), General Plan and certified Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Minor changes to the project description and/or conditions of approval shall be subject to review and approval by the Community Development Manager. Any changes to this approved permit determined, by the Manager, not to be minor shall require the filing of an application for a permit amendment subject to Planning Commission review.
4. Compliance with the Law: (a) all requirements of any law, ordinance or regulation of the State of California, the City, and any other governmental entity shall be complied with in the exercise of this approval; and (b) this project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan for the City.
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees (the "Indemnified Parties"), from any claim, action, or proceeding against any of all of the Indemnified Parties, as a result of the action or inaction by any or all of the Indemnified Parties, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project or applicants failure to comply with conditions of approval. Applicant understands and acknowledges none of the Indemnified Parties are under any obligation to defend any legal actions challenging the City's actions with respect to the project. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: The applicant's establishment of the use or development of the subject property constitutes acknowledgement and acceptance of all Conditions of Approval. Compliance with and execution of all conditions listed hereon shall be required prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Manager or as authorized by the Planning Commission. Failure to comply with any of these conditions shall render this entitlement, at the discretion of the Manager, null and void. Continuation of the use without a valid entitlement will constitute a violation of the MBMC and is a misdemeanor.
7. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan of the City.

## **PLANNING CONDITIONS**

1. Archaeology: In the event of the unforeseen encounter of subsurface materials suspected to be of an archaeological or paleontological nature, all grading or excavation shall immediately cease in the immediate area, and the find should be left untouched until a qualified professional archaeologist or paleontologist, whichever is appropriate, is contacted and called in to evaluate and make recommendations as to disposition, mitigation and/or salvage. The developer shall be liable for costs associated with the professional investigation.
2. Construction Hours: Pursuant to MBMC subsection 9.28.030 I., Construction or Repairing of Buildings, the erection (including excavating), demolition, alteration or repair of any building or general land grading and contour activity using equipment in such a manner as to be plainly audible at a distance of fifty feet from the building other than between the hours of seven a.m. and seven p.m. on weekdays and eight a.m. and seven p.m. on weekends except in case of urgent necessity in the interest of public health and safety, and then only with a permit from the Community Development Department, which permit may be granted for a period not to exceed three days or less while the emergency continues and which permit may be renewed for a period of three days or less while the emergency continues. Notwithstanding the fact this project does not involve a building, that regulation shall be deemed to apply to this project.
3. Dust Control: That prior to issuance of a grading permit, a method of control to prevent dust and wind blow earth problems shall be submitted for review and approval by the Building Official.
4. Conditions of Approval on Building Plans: Prior to the issuance of a Building Permit, the final Conditions of Approval shall be attached to the set of approved plans. The sheet containing Conditions of Approval shall be the same size as other plan sheets and shall be the last sheet in the set of Building Plans.
5. Architecture: Statue color and materials shall be as shown on plans approved by the City Council and to the satisfaction of the Community Development Manager.
6. ESHA Buffer: The Fishermen's Family Sculpture statue, including foundation base, shall maintain a minimum buffer setback of 100 feet from the base of Morro Rock. The Applicant is responsible for verification of maintaining the required 100 foot ESHA setback from Morro Rock. Prior to concrete pouring of the foundation base, a licensed land surveyor shall submit verification of ESHA buffer setbacks to the satisfaction of the Community Development Manager.
7. Coastal Development Permit: Applicant shall provide evidence of either a Coastal Development Permit or a waiver as issued by the California Coastal Commission prior to issuance of a building permit.

**PASSED AND ADOPTED** by the City Council of the City of Morro Bay, at a regular meeting thereof held on this 13<sup>th</sup> day of October, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

JAMIE L. IRONS, Mayor

ATTEST:

---

DANA SWANSON, City Clerk

## RESOLUTION NO. PC 30-15

A RESOLUTION OF THE MORRO BAY PLANNING COMMISSION  
FORWARDING A FAVORABLE RECOMMENDATION TO THE CITY COUNCIL  
RECOMMENDING APPROVAL OF CONDITIONAL USE PERMIT (UP0-424) TO ALLOW THE  
ERECTION OF A LIFE SIZE STATUE, THE "FISHERMEN'S FAMILY SCULPTURE" PROPOSED  
ON COLEMAN DRIVE, 100 FEET FROM THE BASE OF MORRO ROCK AND WEST OF TARGET  
ROCK. STATUE TO INCLUDE A MOTHER, SON AND DAUGHTER FACING THE BAY AS A  
TRIBUTE TO FAMILIES OF MARINERS.

**WHEREAS**, the Planning Commission of the City of Morro Bay (the "City") conducted a public hearing at the Morro Bay Veteran's Hall, 209 Surf Street, Morro Bay, California, on September 1, 2015, for the purpose of considering Conditional Use Permit UP0-424 for a proposed statue on Coleman Drive, 100 feet from the base of Morro Rock and west of Target Rock in an unpaved parking area within the original jurisdiction of the California Coastal Commission; and

**WHEREAS**, notice of the public hearing was provided at the time and in the manner required by law; and

**WHEREAS**, the Planning Commission has duly considered all evidence, including the testimony of the applicant, interested parties, and the evaluation and recommendations by staff, presented at said hearing.

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of Morro Bay as follows:

**Section 1: Findings.** Based upon all the evidence, the Commission makes the following findings:

California Environmental Quality Act (CEQA) Finding

1. Pursuant to the California Environmental Quality Act, the project is categorically exempt under Section 15303, Class 3(a), for construction of a limited number of new structures in an urbanized area. Additionally, none of the Categorical Exemption Exceptions, noted under Section 15300.2, apply to the project.

Conditional Use Permit Findings

1. As conditioned, the project is consistent with the General Plan and Local Coastal Program regarding a memorial statue in the Morro Rock area that is placed a minimum of 100 feet from the base of Morro Rock.
2. The project will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood in that the Fishermen's Family Sculpture is small in scale and intended to be a memorial dedicated to the City as a passive recreational use and is a permitted use within the zoning district applicable to the project site and said structure complies with all applicable project conditions and City regulations.
3. The project will not be injurious or detrimental to property and improvements in the area nor to the general welfare of the City because the Fishermen's Family Sculpture is a permitted use

within the zone district and plan designation applicable to the site and said use is designed to be accordance with all applicable project conditions and City regulations.

**Section 2. Action.** The Planning Commission does hereby approve Conditional Use Permit UPO-424 for the Fishermen's Family Sculpture located on Coleman Drive, 100 feet from Morro Rock and west of Target Rock subject to the following conditions:

**STANDARD CONDITIONS**

1. This permit is granted for the land described in the staff report dated August 24, 2015, for the Fishermen's Family Sculpture statue to be placed on Coleman Drive 100 feet from the base of Morro Rock and west of Target Rock as depicted on plans dated June 22, 2015, as part of Conditional Use Permit UPO-424, on file with the Community Development Department, as modified by these conditions of approval, and more specifically described as follows: Site development, including all statue structure and other features, shall be located and designed substantially as shown on plans, unless otherwise specified herein.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this Resolution and is diligently pursued, thereafter, this approval will automatically become null and void; provided, however, that upon the written request of the applicant, prior to the expiration of this approval, the applicant may request up to two extensions for not more than one (1) additional year each. Any extension may be granted by the City's Community Development Manager (the "Manager"), upon finding the project complies with all applicable provisions of the Morro Bay Municipal Code (the "MBMC"), General Plan and certified Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Minor changes to the project description and/or conditions of approval shall be subject to review and approval by the Community Development Manager. Any changes to this approved permit determined, by the Manager, not to be minor shall require the filing of an application for a permit amendment subject to Planning Commission review.
4. Compliance with the Law: (a) All requirements of any law, ordinance or regulation of the State of California, the City, and any other governmental entity shall be complied with in the exercise of this approval, (b) This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan for the City.
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project; or applicants failure to comply with conditions of approval. Applicant understands and acknowledges the City is under no obligation to defend any legal actions challenging the City's actions with respect to the project. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: The applicant's establishment of the use or development of the subject property constitutes acknowledgement and acceptance of all Conditions of Approval.

Compliance with and execution of all conditions listed hereon shall be required prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Manager or as authorized by the Planning Commission. Failure to comply with any of these conditions shall render this entitlement, at the discretion of the Manager, null and void. Continuation of the use without a valid entitlement will constitute a violation of the MBMC and is a misdemeanor.

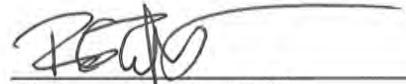
7. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan of the City.

### **PLANNING CONDITIONS**

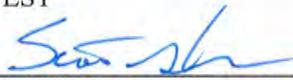
1. Archaeology: In the event of the unforeseen encounter of subsurface materials suspected to be of an archaeological or paleontological nature, all grading or excavation shall immediately cease in the immediate area, and the find should be left untouched until a qualified professional archaeologist or paleontologist, whichever is appropriate, is contacted and called in to evaluate and make recommendations as to disposition, mitigation and/or salvage. The developer shall be liable for costs associated with the professional investigation.
2. Construction Hours: Pursuant to MBMC subsection 9.28.030.I, Construction or Repairing of Buildings, the erection (including excavating), demolition, alteration or repair of any building or general land grading and contour activity using equipment in such a manner as to be plainly audible at a distance of fifty feet from the building other than between the hours of seven a.m. and seven p.m. on weekdays and eight a.m. and seven p.m. on weekends except in case of urgent necessity in the interest of public health and safety, and then only with a permit from the Community Development Department, which permit may be granted for a period not to exceed three days or less while the emergency continues and which permit may be renewed for a period of three days or less while the emergency continues.
3. Dust Control: That prior to issuance of a grading permit, a method of control to prevent dust and wind blow earth problems shall be submitted for review and approval by the Building Official.
4. Conditions of Approval on Building Plans: Prior to the issuance of a Building Permit, the final Conditions of Approval shall be attached to the set of approved plans. The sheet containing Conditions of Approval shall be the same size as other plan sheets and shall be the last sheet in the set of Building Plans.
5. Architecture: Statue color and materials shall be as shown on plans approved by the Planning Commission and to the satisfaction of the Community Development Manager.
6. ESHA Buffer: The Fishermen's Family Sculpture statue, including foundation base, shall maintain a minimum buffer setback of 100 feet from the base of Morro Rock. The Applicant is responsible for verification of maintaining the required 100 foot ESHA setback from Morro Rock. Prior to concrete pouring of the foundation base, a licensed land surveyor shall submit verification of ESHA buffer setbacks to the satisfaction of the Community Development Manager.

PASSED AND ADOPTED by the Morro Bay Planning Commission at a regular meeting thereof held on this 1<sup>st</sup> day of September, 2015 on the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

  
\_\_\_\_\_  
Chairperson Robert Tefft

ATTEST

  
\_\_\_\_\_  
Scot Graham, Community Development Manager

The foregoing resolution was passed and adopted this 1<sup>st</sup> day of September, 2015.



AGENDA NO: B-3

MEETING DATE: September 1, 2015

## Staff Report

**TO:** Planning Commissioners

**DATE:** August 24, 2015

**FROM:** Cindy Jacinth, Associate Planner

**SUBJECT:** Conditional Use Permit (UP0-424) to erect a Fishermen's Family Sculpture statue on Coleman Drive near Target Rock and southeast of Morro Rock.

**RECOMMENDATION:**

*Forward a favorable recommendation to the City Council to conditionally approve the project as both Concept and Precise plan by adopting a motion including the following action(s):*

- A. Adopt Planning Commission Resolution 30-15 which includes the Findings and Conditions of Approval for the project depicted on site development plans dated stamped June 22, 2015.

**APPLICANT/AGENT:** Central Coast Women's for Fisheries, Inc.

**LEGAL DESCRIPTION/APN:** Parking lot area southeast of Morro Rock & west of Target Rock, Coleman Drive – APN#066-461-011

**PROJECT DESCRIPTION:** The Applicant is requesting conditional use permit approval to allow the erection of a life size statue, known as the Fishermen's Family Sculpture proposed near Morro Rock and "Target Rock" off Coleman Drive. Statue to include a mother, son and daughter depicted in various poses on a concrete pad facing towards the bay. Statue height to range from approximately 2 feet to 5 feet 9 inches tall with compacted base dimensions of 12 feet long by 7 feet wide. Upon project completion, applicant proposes to dedicate the statue to the



City of Morro Bay.

**PROJECT SETTING:**

The project is located in the unpaved parking area off Coleman Drive across from Morro Rock. The proposed location is noted in the figure below and as shown on the attached plans which is within the Commercial/Recreational Fishing (CF) zoning district with a Planned Development (PD) overlay. The statue is west of Target Rock in between existing benches and the dirt parking area. Across Coleman Drive is Morro Rock which is designated as environmental sensitive habitat area (ESHA). Pursuant to LCP ESHA requirements, the statue is proposed to be set back 100 feet from the base of Morro Rock.

<b><u>Adjacent Zoning/Land Use</u></b>			
North:	Open Area (OA-2, PD)	South	Harbor (H)
East:	Commercial/Recreational Fishing (CF / PD)	West:	Open Area / Restricted (OA-1 / R)

<b><u>Site Characteristics</u></b>	
Overall Site Area	Statue in public parking area along Coleman Drive
Existing Use	Parking area
Terrain	Mostly flat, unpaved
Vegetation/Wildlife	None/ unpaved parking area
Access	Coleman Drive
Archaeological Resources	Statue location itself not within 300 feet of a known archaeological resource though Morro Rock has well documented history. Placement of the concrete pad as foundation for statue will be in previously disturbed dirt parking lot which is composed of compacted fill.

<b><u>General Plan, Zoning Ordinance &amp; Local Coastal Plan Designations</u></b>	
General Plan/Coastal Plan Land Use Designation	Commercial / Recreational Fishing
Base Zone District	C-F
Zoning Overlay District	PD
Special Treatment Area	N/A
Combining District	N/A

Specific Plan Area	N/A
Coastal Zone	Located within original jurisdiction of the Coastal Commission.

**PROJECT ANALYSIS:**

*Background / Discussion:*

The Fishermen's Family Sculpture as a memorial statue was previously reviewed by Recreation & Parks Commission and the Harbor Advisory Board as early as 2008. The Recreation & Parks Commission approved the concept of a memorial at their February 7, 2008 meeting. On January 13, 2015, the City Council reviewed and approved a request for a fee waiver of the conditional use permit.

The goal of the project is to create a sculpture as a tribute to the families of all mariners, notably commercial fishing families who wish their loved ones a bountiful trip and await their safe return. The statue consists of a mother and wife waving good-bye; a daughter standing with arm outstretched tugging on mother's coat while a son sits next to the mother and baits a fishing pole while sitting on a rock (Exhibit C – Applicant's Project Summary).

*Coastal Commission*

The project is located in the original jurisdiction of the Coastal Commission which has authority for issuance of coastal development permits. Applicant has contacted Coastal Commission staff regarding a request for a coastal development permit waiver. Coastal Commission staff has indicated a waiver may be possible subject to maintaining a 100 foot ESHA buffer from the base of Morro Rock.

*Project Specifics:*

Plans show the various figures of mother, daughter and son in various poses and sizes. The mother is positioned in a standing position at 5 feet 4 inches tall with outstretched hand height total of 5 feet 9 inches. To the left of the mother will be the daughter also standing and 2 feet in height. The son will be placed to the left of the daughter in a sitting position holding a fishing pole. The height of the son is approximately 2 feet tall with fishing pole height of 5 feet. Statue pieces are proposed to be bronze.

The family statue will be mounted on a colored concrete foundation base 12 feet by 7 feet with pad approximately 10 feet by 5 feet as shown on sheet S-1. The face of the foundation pad will be 1 foot 6 inches tall to allow space for 12" x 12" black granite sponsor tiles (sheet S-1).

**MOTHER**

-connected to daughter at front right side of coat

**2 YR OLD DAUGHTER**

-left hand pulls right side of mothers coat

**SON WITH FISHING POLE**

-sits on rock

General Plan / LCP Consistency / Zoning  
Environmentally Sensitive Habitat (ESHA)

The statue is located within Area 5 of the Coastal Land Use Plan. This area is located west of State Highway One and south of Atascadero Beach Planning Area, and includes the PG&E Morro Bay Power plant property line as the southernmost boundary. The LCP discusses potential development in this Planning area as varied and could include increase commercial fishing uses, increased energy development-related uses. Access to Morro Rock would not be hindered or precluded from the placement of this statue.

General Plan policy Program LU-55.4 states that “buffering setback areas a minimum of 100 feet from sensitive habitat areas shall be required. LCP Policy 11.06 contains this setback requirement.

Access and Recreation

The Land Use Element of the General Plan discusses the visitor-serving facilities with attention to Morro Rock as the City’s major landmark and visual focus for the entire area. It states that emphasis is placed on the provision of tourism related services. Visitor-serving facilities together with public parks and beaches, provide major opportunities for public access and recreation in the coastal area. The land causeway (Coleman Drive) that connects the Embarcadero to Morro Rock provides visitors as well as residents the opportunity for picnicking and other passive activities and view of the ocean

and bay. The addition of the memorial statue will serve to enhance these passive recreational opportunities.

Policy LU-65 states that public access and recreational opportunities shall be maximized along the waterfront. The applicant is proposing to dedicate the statue to the City. With existing nearby public benches, the statue would offer a passive opportunity for viewing whether by pedestrians walking or seated nearby, or motorists driving back along Coleman Drive.

### Zoning / Planned Development (PD) overlay

Section 17.40.030 of the Municipal Code requires a Concept plan for projects on publicly owned land. Since both a Concept plan and a Precise plan are required for this project, staff is processing them concurrently. Staff has decided to process the project in this manner to expedite the processing and because the project has been fully designed at the Concept level and no further refinement will occur between the Concept Plan and the Precise Plan.

### **ENVIRONMENTAL DETERMINATION**

Environmental review was performed for this project. The statue is proposed to be sited a minimum of 100 feet from Morro Rock on a dirt parking lot created from fill. As such, staff has determined the project is eligible for a Categorical Exemption Class 3, CEQA Guidelines Section 15303 (e), (New construction of small structures). This exemption applies to the construction and location of limited numbers of new, small facilities or structures and temporary use of land having no permanent effects on the environment. Additionally, none of the Categorical Exemption exceptions, noted under Section 15300.2, apply to the project.

### **PUBLIC NOTICE:**

Notice of a public hearing on this item was posted at the site and published in the Tribune newspaper on August 22, 2015, and mailed directly to all property owners and occupants of record within 500 feet of the subject site. The notices invited the public to attend the hearing and express any concerns they may have regarding the proposed project.

### **CONCLUSION:**

The project, as proposed, would provide a lasting memorial tribute for families of mariners as well as be consistent with the fishing village character and heritage of Morro Bay. The project is appropriately set back from identified Morro Rock ESHA and offers a passive recreational opportunity for passers-by, whether pedestrians or motorists. The project will not obstruct or detract from views of the bay or Morro Rock. As proposed, the project is consistent with all required development standards of the Zoning Ordinance and all applicable provisions of the General Plan and Local Coastal Plan with incorporation of the recommended conditions of approval.

Staff recommends that the Planning Commission forward a favorable recommendation to the City

Council to approve the requested Conditional Use Permit for the Fishermen's Family Sculpture with the incorporation of the conditions of approval attached herein.

**EXHIBITS:**

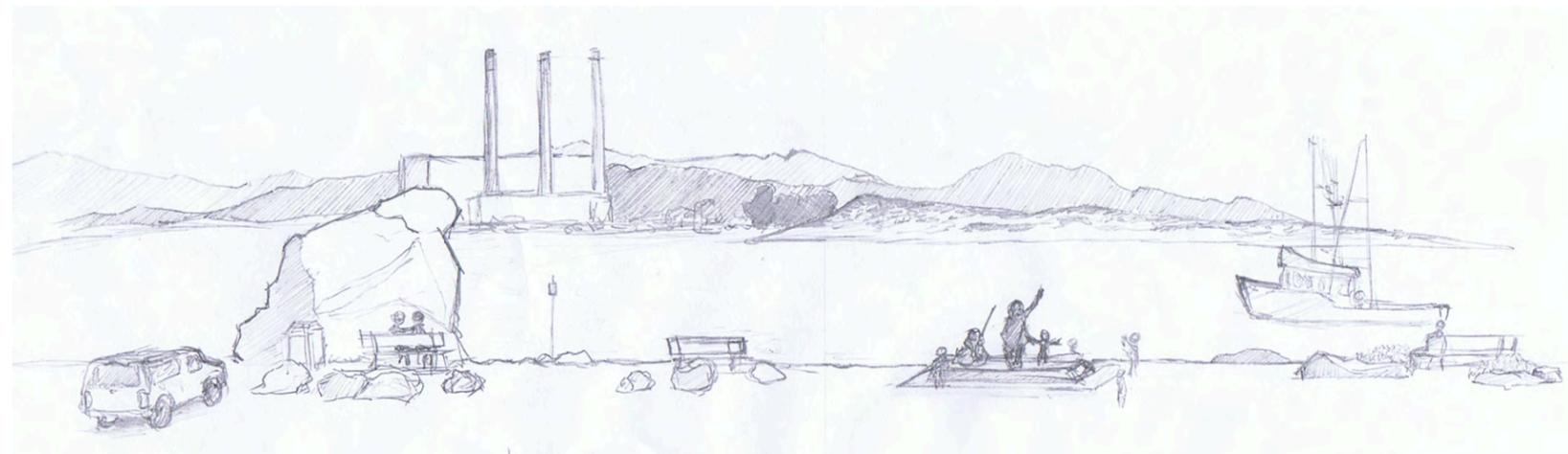
Exhibit A – Planning Commission Resolution 30-15

Exhibit B – Graphics/Plan Reductions dated June 22, 2015

Exhibit C – Applicant's Project Description summary

Link to City Council staff report for January 13, 2015 meeting, agenda item A-7:

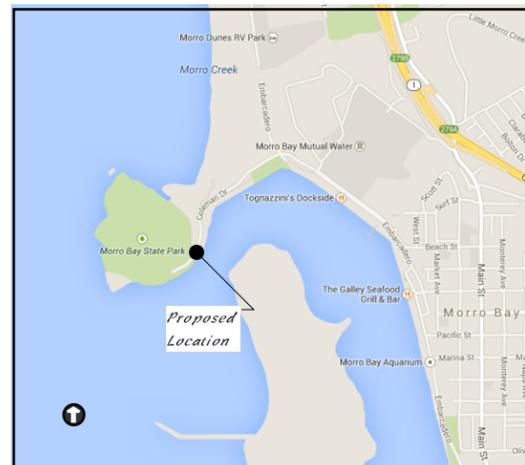
**<http://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/2301>**



# Fisherman's Family Sculpture

## Morro Bay, CA

### Vicinity Map



### Project Data

**SCOPE OF PROJECT:**

Proposed Fisherman's Family Sculpture featuring a wife waving good-bye to her husband, along with her two kids, as he heads out to sea on a fishing trip.

There will be an area on the concrete pad to display 12" x 12" black granite tiles with the names of the sponsors.

### Sheet Index

- T-1 Title Sheet
- C-1 Site Plan
- A-1 Statue Dimensions
- S-1 Foundation

### Consultants

**Owner:**

Central Coast Women for Fisheries Inc  
785 Quintana Rd. #106  
Morro Bay, CA. 93442

**Designer:**

Crizer Design Company, Inc.  
P.O. Box 6952  
Los Osos, CA 93412  
(805) 528-4812  
(805) 528-2325 (Fax)

**Agent:**

Cathy Novak Consulting  
P.O. Box 296  
Morro Bay, CA  
805-772-9499

Revisions:	
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B	
C	
D	

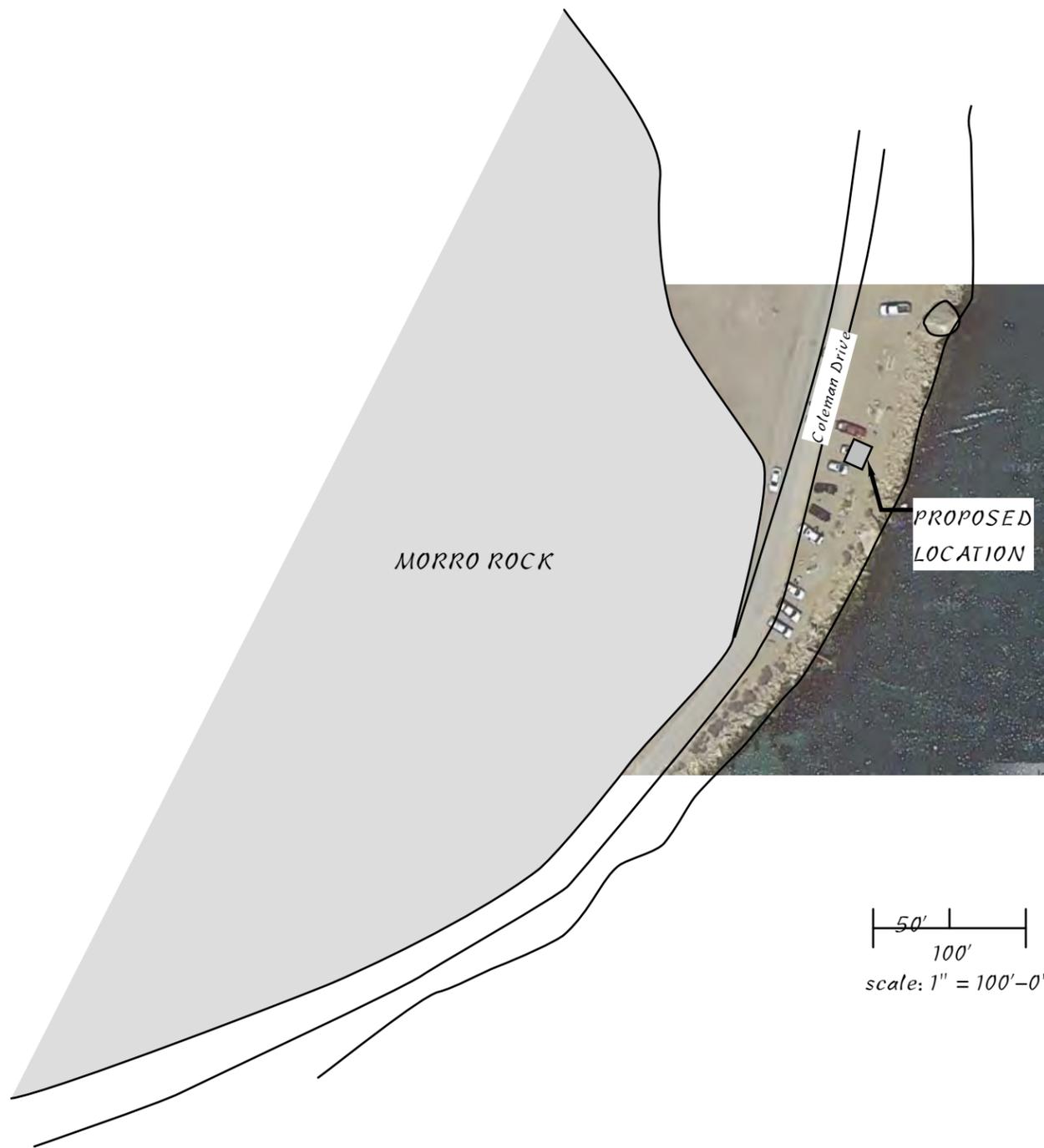
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APN: . Lot  
TR: City of Morro Bay

Fisherman's Family Sculpture  
Morro Bay, CA

Owner:  
Central Coast Women  
for Fisheries Inc.  
785 Quintana Rd. #106  
Morro Bay, CA 93442

Crizer Design  
Company, Inc.  
P.O. Box 6952 Los Osos, CA 93412  
Ph. (805) 528-4812 Fax 528-2325

Date: 6/12/15  
Scale: 1/4" = 1'-0"  
U.N.D.  
Drawn By: KDB, RCC  
Sht. T-1



SITE PLAN

Revisions:	
A	xx/xx/xx
B	
C	
D	

Legal Description:  
 APN: .Lot  
 TR: City of Morro Bay

*Fisherman's Family Sculpture*  
 Morro Bay, CA

Owner:  
 Central Coast Women  
 Fisheries Inc.  
 785 Quinana Rd. #106  
 Morro Bay, CA 93442

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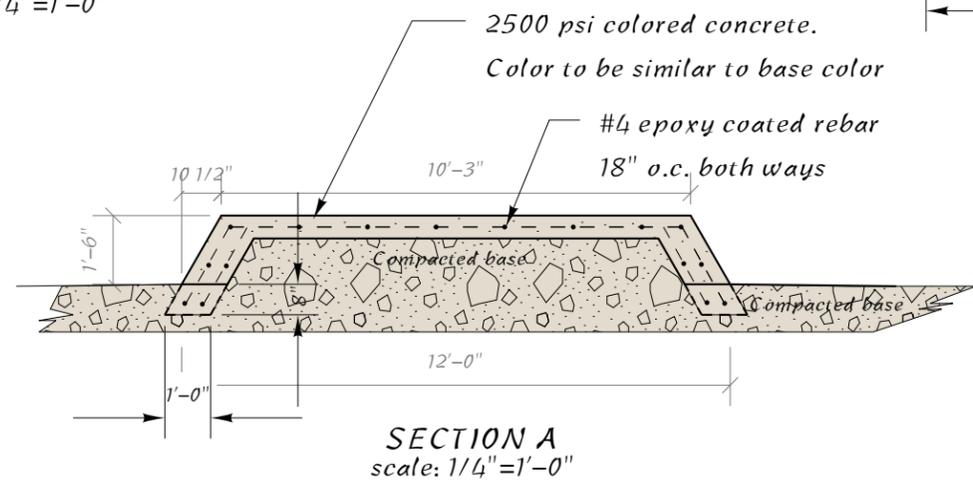
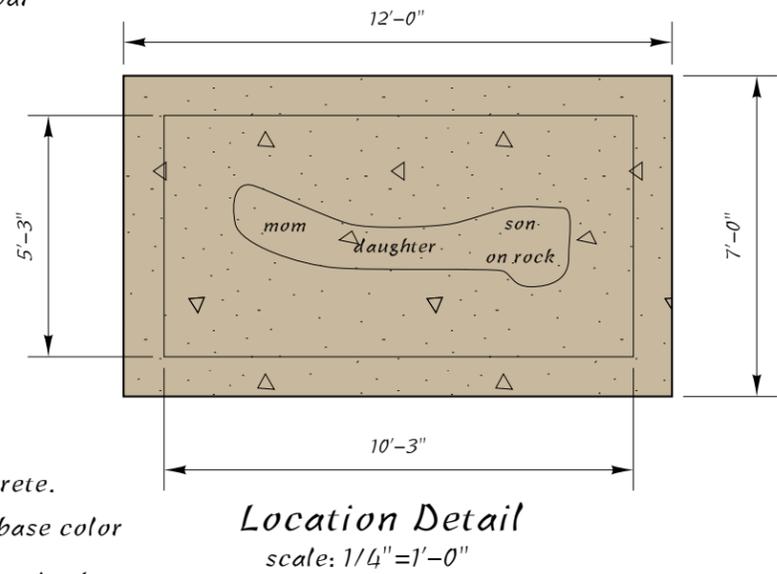
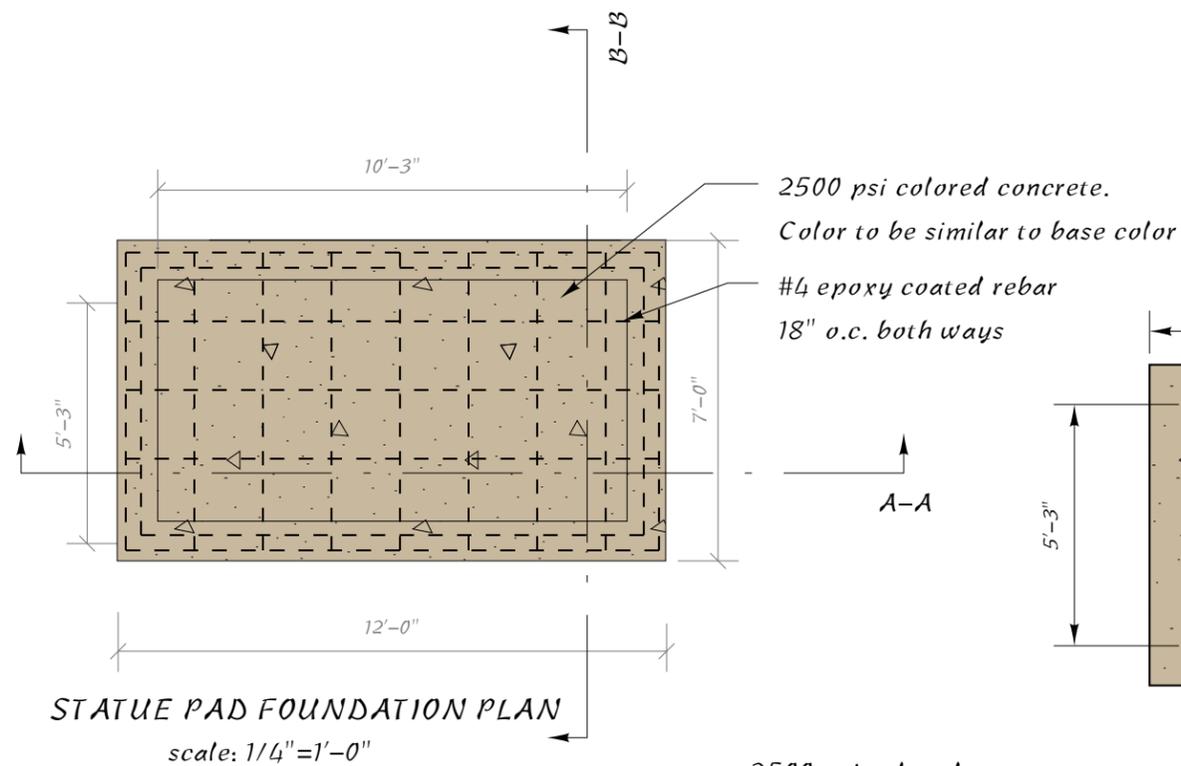
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 Drawn By: KDB, RCC  
 Sht. C-1

Revisions:	
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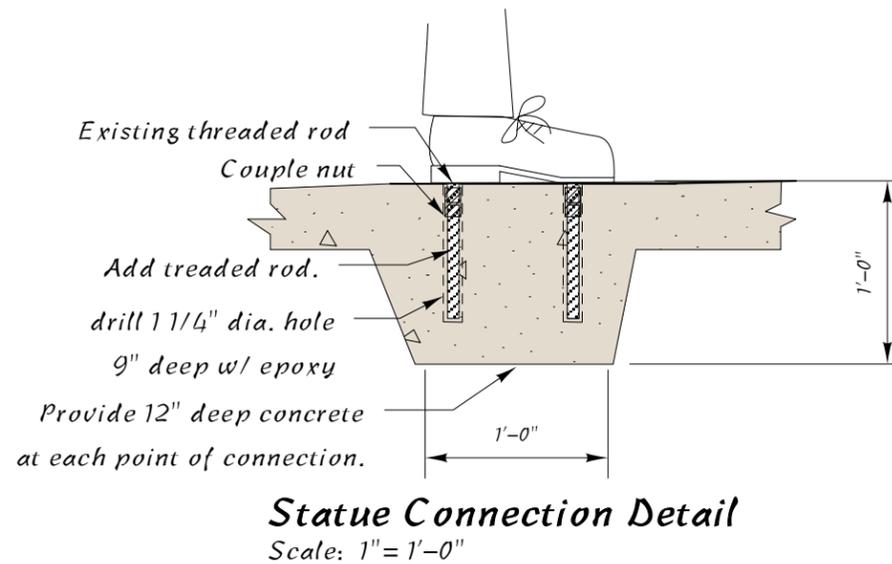
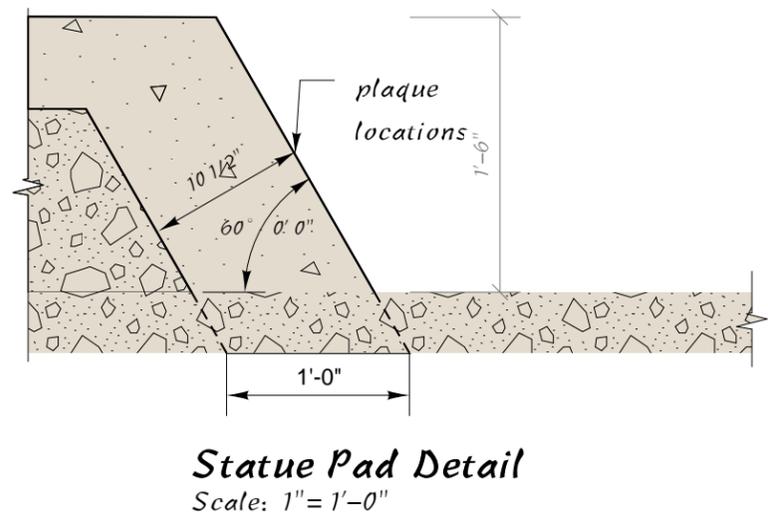
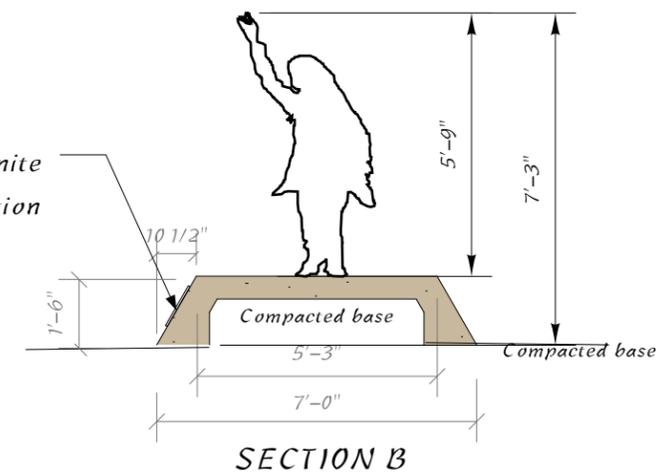
Legal Description:  
 APN: . Lot  
 TR: City of Morro Bay  
 Fisherman's Family Sculpture  
 Morro Bay, CA  
 Owner:  
 Central Coast Women  
 Fisheries Inc.  
 785 Quinana Rd. #106  
 Morro Bay, CA 93442

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Date:	6/12/15
Scale:	1/4" = 1'-0"
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Drawn By:	KDB, RCC
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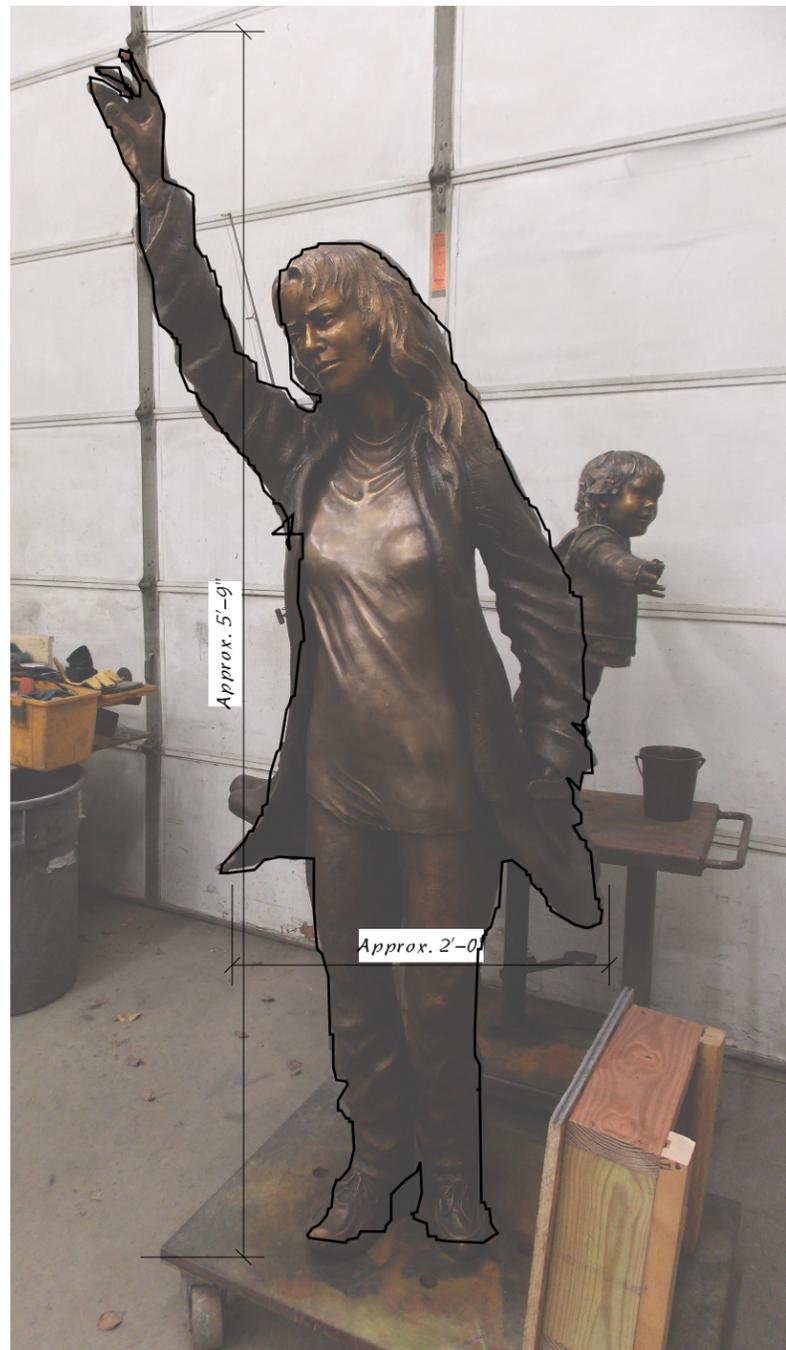


12" x 12" Black Granite  
 Sponsor Tiles Location



FOUNDATION  
 scale: Noted

Revisions:	
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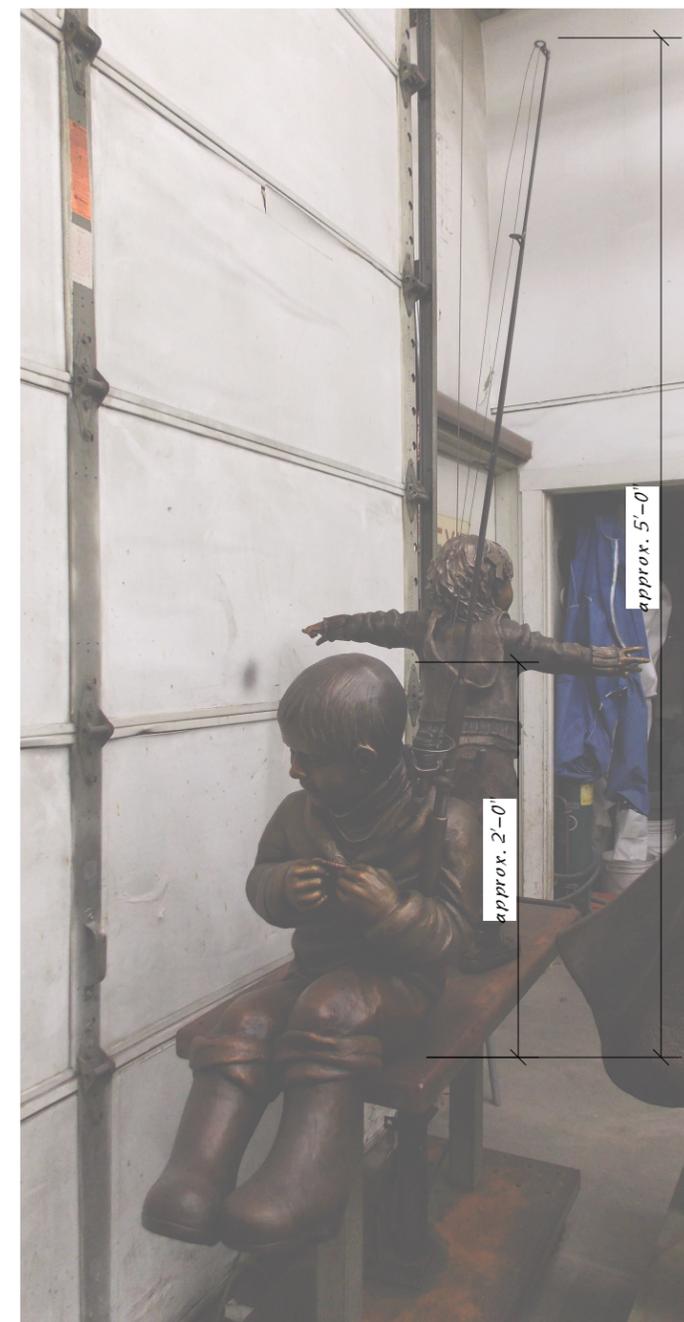
**MOTHER**

-connected to daughter at front right side of coat



**2 YR OLD DAUGHTER**

-left hand pulls right side of mothers coat



**SON WITH FISHING POLE**

-sits on rock

**STATUE DIMENSIONS**  
NOT TO SCALE

Legal Description:  
APN: .106  
TR: City of Morro Bay

*Fisherman's Family Sculpture*  
Morro Bay, CA

Owner:  
Central Coast Women  
Fisheries Inc.  
785 Quinana Rd. #106  
Morro Bay, CA 93442

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Date:  
6/12/15  
Scale: 1/4" = 1'-0"  
U.N.D.  
Drawn By:  
KDB, RCC  
Sht.  
**A-1**





AGENDA NO: C-1

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 30, 2015

**FROM:** Dana Swanson, City Clerk

**SUBJECT:** Resolution No. 63-15 Establishing a Fee Subsidy and Cost Recovery Policy

### **BACKGROUND**

This item was continued from the September 22, 2015 City Council meeting. The previous staff report is attached for reference and discussion purposes.

Prepared By: DS

Dept Review: \_\_\_\_\_

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_



AGENDA NO: C-2

MEETING DATE: September 22, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 8, 2015

**FROM:** Sam Taylor, Deputy City Manager

**SUBJECT:** Resolution No. 63-15 Establishing a Fee Subsidy and Cost Recovery Policy

### **RECOMMENDATION**

Staff recommends the City Council adopt Resolution No. 63-15 establishing a Fee Subsidy and Cost Recovery Policy.

### **ALTERNATIVES**

Instead of setting subsidy levels by policy, the Council could continue the present practice, which essentially validates the master fee schedule on which some fees have a subsidy included and others do not.

### **FISCAL IMPACT**

A general tightening up of our fee subsidy levels will have a measurable impact on City revenues. Simply establishing a standard of full cost recovery for Community Development and Public Works engineering fees will likely generate around \$200,000 per year in revenue required to improve those services.

### **BACKGROUND**

The City has two basic sources of revenue: taxes and fees. Fees are charged for various City services – from reviewing planning permits to issuing building permits to renting a City facility to participation in recreation programs.

By law, fees may not exceed the reasonable cost of providing the service in question, except to the extent the fee is to voluntarily purchase a City product, partake in a voluntary participation in a City-program or use of City-property. That reasonable cost should, however, include not only the staff time required to perform the service, but also a reasonable calculation of all of the additional operations, maintenance and capital replacement costs the City bears to provide the service.

“Cost recovery” is a term of art used to describe the establishment of fees to recover some or all of the costs of providing such services. “Full cost recovery” means the user of a service is charged the full cost the City bears for providing that service. “Fee subsidy” is a related term used to indicate to what level

Prepared By: ST

City Manager Review: DWB

City Attorney Review: JWP

the City may choose to subsidize some or all of the cost of a particular service.

In May 2015, the City of Morro Bay received an organization and financial study from Management Partners, Inc. (“MPI”), suggesting ways to improve the overall efficiency and effectiveness of City operations.

One of the major suggestions from MPI was the City needed to work on ensuring appropriate cost recovery for services provided. MPI noted there are cases in which the City is not capturing 100 percent of the cost of a service through the fees it charges to provide the work.

MPI did laud the Recreation Services Division for having adopted a cost recovery model, however. That model was adopted after MPI’s original report to the City in 2008.

The City should be very deliberate in determining what services might be subsidized, and to what extent. That is because the money used to subsidize any service comes from the City’s general revenues – the taxes paid by others who may not be directly benefitting from said service.

Based on previous discussions with the Council, departments reviewed their fees and, as appropriate, also held in-depth discussions with various advisory bodies. Staff has determined the majority of fees should, appropriately, be set to capture 100 percent of the costs to deliver services. That includes fees related to planning and building, Public Works, utilities, and most general fees.

Two areas in which advisory bodies have explicitly recommended fee subsidies are in the area of Harbor and Recreation.

As noted previously, the Recreation Services Division already had a cost recovery model for programming. The Recreation & Parks Commission held a special meeting on August 19, 2015, to consider an update to that model and unanimously adopted a modified version to recommend to the Council. The model is largely left intact, though Adults Sports has been moved to a tier designed to capture more costs from participants, Jr. Life Guards was moved down a tier to provide further relief to users and the Teen Center was brought to the lowest tier, intended for those programs that provide the greatest communitywide benefit.

The Harbor Advisory Board, in review with staff, noted nearly 100% cost recovery is occurring on most fees. Two fees, however, have been proposed for subsidization: the slip fee and T-pier fee. The HAB recommended fees that cover approximately 84.85% and 85.67% of costs, respectively.

## **DISCUSSION**

City Council members in 2015 have already adopted the most recent Master Fee Schedule. Within that schedule, most fees, including for Public Works, Community Development and most General fees, are already being captured at 100% cost recovery.

Morro Bay has a strong history of support for both the local fishing industry and recreation programming. Much of the discussion related to fee subsidies has focused on those two areas.

It is clear a lack of subsidy for recreational programming would substantially impact local children who want to participate in sports programs and youth activities provided by the Recreation Services program. More than 51 percent of the children who attend Del Mar Elementary School qualify for the free or

reduced lunch program.

At the same time, the City has an interest in providing recreational opportunities for adults. The Recreation & Parks Commission (the “RPC”) recommendations lean toward ensuring local children have continued affordable opportunities to participate in recreation programming, while ensuring adults have such opportunities, but pay their fair share. Staff supports that recommendation. The RPC has also moved the Teen Center from a category of potentially capturing up to 20% of its costs to the category in which it recovered 0-10%. At this time, the only revenue to the Teen Center is through the snack bar, and it basically breaks even. Staff is concerned attempting to recover additional fees from the Teen Center may discourage participation.

Having said that, both for the Teen Center and for general youth recreation programming, staff’s interest is in working to find additional cost saving measures so the programs remain inviting and worthwhile for local youth, but also more affordable, both for the participants and the City’s budget. Staff is working diligently now to reduce the costs of sports programs for this very reason. Rather than simply focusing on cutting the user fee, actually reducing the cost of the program benefits both the child and Morro Bay as a whole. For instance, rather than making all children pay for a basketball to participate, the City could purchase balls in bulk, allow use during the season and then collect them – and spread the cost of those balls out over many years, thereby reducing the equipment costs included within the fees. Staff is also seeking local business sponsorships of sports teams. If all basketball teams were sponsored by local businesses, then local children would see an additional 10 percent reduction in their costs to participate.

Cost recovery does not have to be an either-or proposition in terms of impact to the budget or the participant. The City will continue to work to be mindful of the impact to both the City’s budget and local youth and we will work to reduce the costs accordingly, while still providing the wonderful service.

As it relates to Harbor fees, the Harbor Advisory Board felt it appropriate to provide a minor subsidy for the slip fees and T-pier fees. With an 84.85% recovery, the slip fee would be set at \$4.65 per foot per month, per the HAB’s recommendation. A 100% recovery rate would be a fee of \$5.48 per foot per month.

While the T-pier rate would capture 100% of costs at 30 cents per foot per day, the HAB recommended a rate of 26 cents per foot per day. That would capture approximately 86.67% of those costs. Those recovery rates were recommended with the level of public benefit in mind.

Considering the HAB recommendation, staff recommends council set the Harbor slip and T-pier recovery as a straight and simple 85% for both fees instead of 84.85% and 86.67%.

## **CONCLUSION**

In general, the City should aim toward full cost recovery for most services, especially those for which the benefit is primarily individual. For services with a broader community benefit, some level of subsidy is reasonable.

With that in mind, staff recommends adoption of the attached resolution, providing for subsidies for certain Harbor and Recreation Services fees.

**ATTACHMENTS**

1. Fee Subsidy & Cost Recovery Policy Resolution No. 63-15 and Exhibit A
2. Recreation & Parks Commission/Harbor Advisory Board meeting support materials

**RESOLUTION NO. 63-15**

**RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MORRO BAY, CALIFORNIA,  
ESTABLISHING A FEE SUBSIDY AND COST RECOVERY POLICY**

**THE CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, the City Council of the City of Morro Bay recognizes the importance of collecting fees sufficient to cover program/activity costs; and

**WHEREAS**, the City Council of the City of Morro Bay also recognizes the importance of offering affordable fees for programs and activities to some segments of the citizenry through established cost subsidies; and

**WHEREAS**, the City Council of the City of Morro Bay recognizes the value and importance of the providing services, programs and activities to Morro Bay residents as well as the broader Estero Bay area.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Morro Bay, California, hereby establishes the following fee subsidy policy and cost recovery guidelines for each service category:

1. General Fees

**No subsidy.**

2. Community Development and Engineering Services  
    Planning and Building Services  
    Engineering Services  
    Appeals

**No subsidy.**

3. Recreation and Facility Rental Fees

Facility rental charges shall remain at the existing cost recovery rate of 100%. Recreation programming cost recovery shall be pursuant to the attached Exhibit A.

4. Harbor Enterprise Fund Fees

All fees except the slip fee and T-pier fee shall recover costs of service at 100%. The slip fee and T-pier fee shall recover 85% of costs.

5. Water and Sewer Enterprise Fund Fees

**No subsidy.**

**PASSED AND ADOPTED**, by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 22<sup>nd</sup> day of September 2015, by the following vote:

AYES:

NOES:

ABSENT:

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JAMIE L. IRONS, Mayor

ATTEST:

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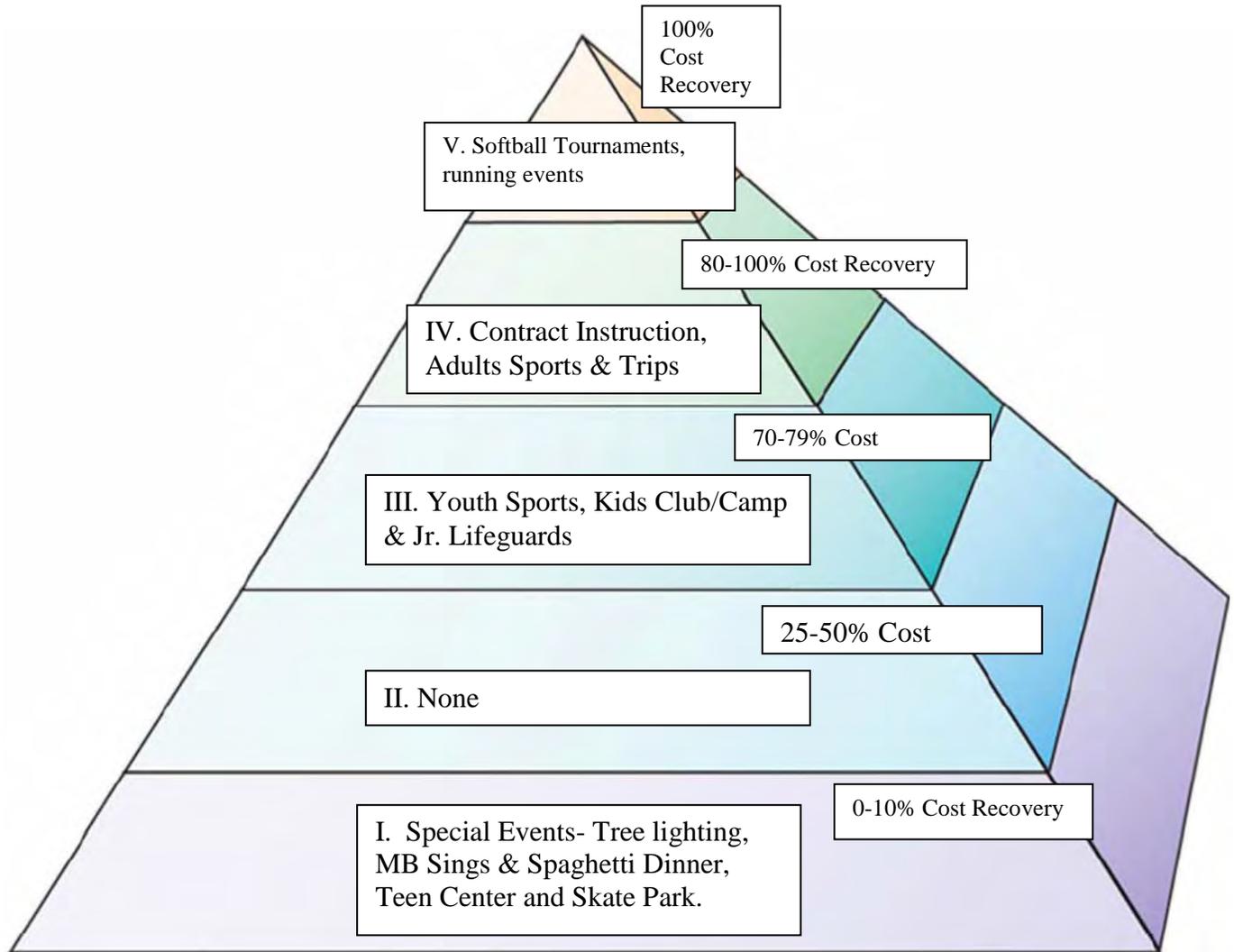
DANA SWANSON, City Clerk

# EXHIBIT A

2015

## Morro Bay Recreation and Parks: Cost Recovery and Subsidy Allocation

This Pyramid shows the Community Benefit and Individual benefit of the programs and services that Morro Bay Recreation and Parks offers. As well as the cost recovery level these programs and services have been set at.



Pyramid Level  
V- Mostly Individual (Enterprise Service)  
IV- Considerable Individual Benefit (Private Service)  
III. Individual/Community Benefit (Merit Service)  
II. Considerable Community Benefit (Enhanced Service)  
I. Mostly Community Benefit (Basic Service)



AGENDA NO: D-1

MEETING DATE: August 19, 2015

## Staff Report

**TO:** Recreation & Parks Commission Members      **DATE:** August 10, 2015

**FROM:** Sam Taylor, Deputy City Manager

**SUBJECT:** Program Fees & Cost Recovery

### **RECOMMENDATION**

The Recreation and Parks Commission (RPC) should provide a recommendation to the City Council regarding the Recreation Services Division's program cost recovery model as to whether it should remain the same or be modified in some way.

### **ALTERNATIVES**

No alternatives are recommended.

### **FISCAL IMPACT**

Fiscal impacts of modifying the cost recovery model vary. Lowering the individual cost recovery goals would mean the City's taxpayers would further subsidize recreational programming through the General Fund budget. Increasing the individual cost recovery goals would alleviate some burden on the General Fund, but it would likely have a negative impact on children and families, who may not be able to afford the full cost of participation.

### **BACKGROUND**

In May 2015, the City of Morro Bay received an organization and financial study from Management Partners, Inc., suggesting ways to improve the overall efficiency and effectiveness of City operations.

One of the major suggestions from our consultants at Management Partners was the City needed to work on ensuring appropriate cost recovery for services provided. They noted that there are cases in which the City is not capturing 100 percent of the cost of a service through the fees it charges to provide the work.

However, in the 2015 study, Management Partners did note that the Recreation Services Division had implemented a cost recovery model to establish targets for recovery levels based on program type. They lauded this best management practice by the Recreation Services Division.

Based on the recommendations of Management Partners, various departments are reviewing their cost

Prepared By: ST      Dept Review: \_\_\_\_\_  
City Manager Review: \_\_\_\_\_  
City Attorney Review: \_\_\_\_\_

recovery models and seeking adoption of updated models from the City Council. In the case of the Recreation Services Division, it is appropriate for the Recreation & Parks Commission to review the existing model and supplemental information and make a recommendation to the City Council.

## **DISCUSSION**

Staff has conducted a basic analysis of costs of programs based on available information. This process was not easy, nor perfect, in particular due to the limitations of the City's current budget software program. Much of this analysis had to utilize a minor error factor and also an individual program cost allocation was not possible with time available related to each individual sport. For that reason, the analysis is an average of most of the City's sports program offerings, as well as an average of Kids Camp and Kids Club. Staff believes, however, that this is an adequate snapshot of program costs in order to review the cost recovery model. In the future, staff intends to further refine and build program budgets (as opposed to line item budgets, which is the only actual option within the City's budget software, therefore a lot of work will be necessary to create detailed program budgets ... but it is feasible) over the next year.

As noted in Exhibit A (attached), the Division is doing well in most categories based on the existing cost recovery model, though technically not meeting all recovery goals.

Where the City excels is in cost recovery for softball tournaments (intended to capture 100 percent of the costs of staff time and materials) and Jr. Lifeguards, the minimum standards for sports programs, Kids Camp and Kids Club are very nearly met. The City does not meet the cost recovery model's goal for the Teen Center, and could not meet it under the existing operating plan for the Center (i.e. ~ no fees are charged for participation and the only revenue generated is from concessions at the Center).

It is crucial that the City of Morro Bay understand each of its programs and services, what they cost, and what funding sources are available to provide those programs and services. In the case of recreational programming, much of the costs are recovered through fees paid by users of those programs. However, as noted by the cost recovery chart, there are cases in which some programs are also supported by the City's General Fund. In other words, other taxpayer funds are used to supplement funding for these programs.

This is not a statement for or against such supplementation. Many cities spend community funds – as opposed to user fees – to pay for recreational programming. However, such a decision is a policy decision and should be borne out of thoughtful community conversation by our residents, the RPC, and the City Council.

The question, then, becomes, how much of each type of program should be paid by user fees and how much should be paid by the rest of the community.

There is no denying that recreational programming provides numerous benefits to the community. Recreational opportunities provide personal benefit to users; build family unity; increase health and fitness; work to provide children with activity opportunities that can help reduce incidents of crime, drug use; and more.

The community, the RPC and the Council must have a healthy community conversation about the costs versus those community benefits.

The City of Morro Bay's goal will be to continue to ensure our community has amazing recreational opportunities. The model for how to deliver those services will be one of innovation and creativity, and ever mindful of the expenditures we make on behalf of taxpayers.

Recreation Services Division staff has already begun to consider ways to provide services to the community in creative ways or to help reduce costs for participants, and we will continue to do so. For instance, staff is preparing to reach out to local businesses to be sponsors for youth basketball teams in the upcoming season. An entire team's T-shirts can be purchased for \$90, and this can save \$11.25 for each child who wants to play. If a business sponsors the team, children would receive nearly a 10 percent discount on registration. We will also not force every child to purchase their own ball, instead providing balls for use by teams and spreading the cost of those purchased balls over numerous years, further reducing the cost of participation. Every bit of savings goes a long way toward both helping more children participate.

### **CONCLUSION**

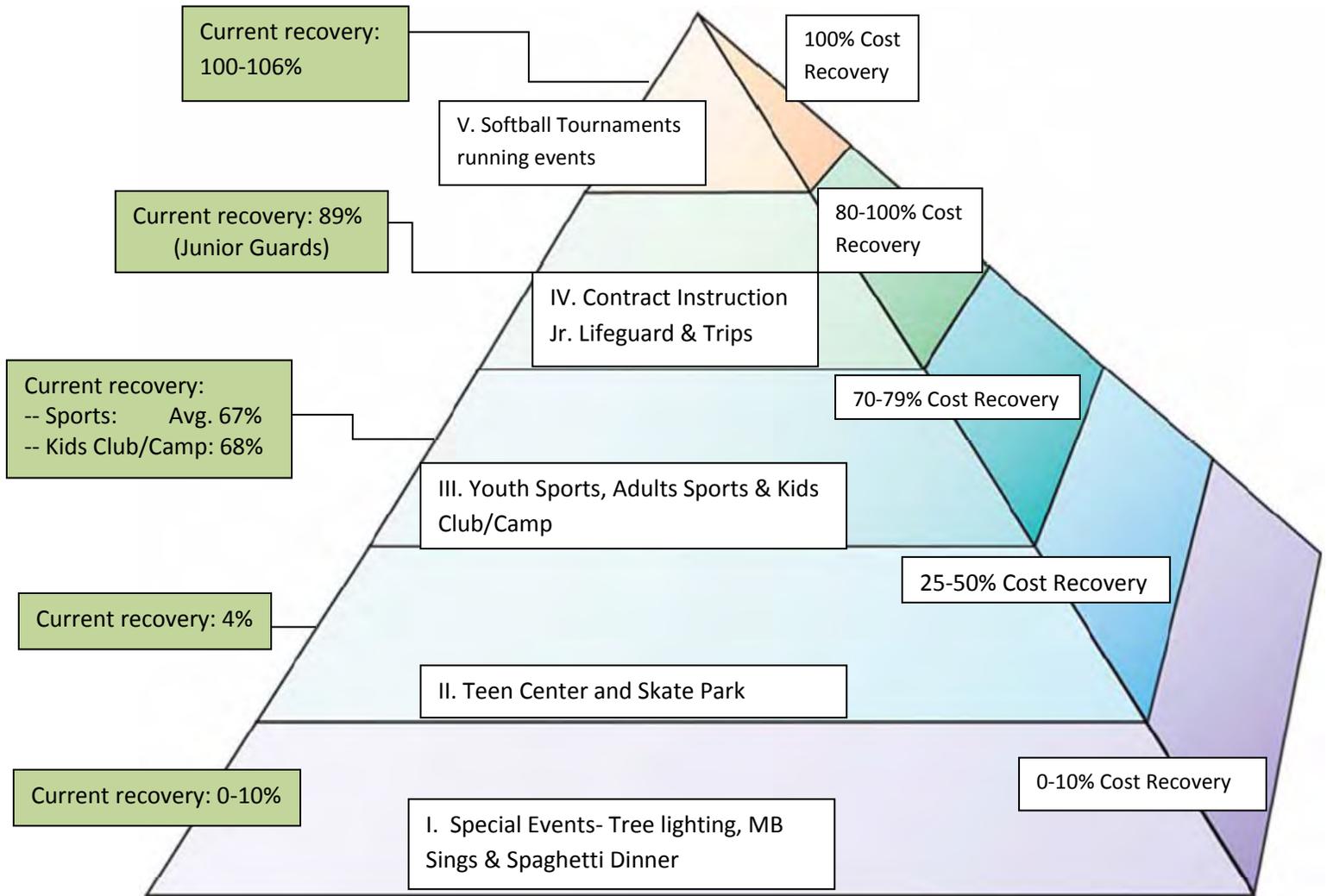
The RPC should review the cost recovery information provided and make a recommendation to the City Council about the model. This recommendation can be to leave the model where it is, to increase the recovery goals or to decrease the recovery goals. If the RPC increases or decreases the recovery goals, staff asks that RPC members provide a clear explanation of why so that can be transmitted to the City Council for their understanding.

# EXHIBIT A

## Morro Bay Recreation and Parks: Cost Recovery and Subsidy Allocation

This Pyramid shows the Community Benefit and Individual benefit of the programs and services that Morro Bay Recreation and Parks offers. As well as the cost recovery level these programs and services have been set at. This model was adopted after the 2008 Management Partners report.

This document shows the current model and how the City is meeting these goals.



Pyramid Level
V- Mostly Individual (Enterprise Service)
IV- Considerable Individual Benefit (Private Service)
III. Individual/Community Benefit (Merit Service)
II. Considerable Community Benefit (Enhanced Service)
I. Mostly Community Benefit (Basic Service)



AGENDA NO: C-3

MEETING DATE: June 4, 2015

## Staff Report

**TO:** Harbor Advisory Board

**DATE:** May 28, 2015

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Continued Discussion and Recommendations on Harbor Department Master Fee Schedule

### **RECOMMENDATION**

Consider the various Harbor Department fees for services and use of City facilities for fee recommendations to the department and City Council. Staff is recommending the fee schedule as proposed in the attached Harbor Department Master Fee Analysis spreadsheet.

### **FISCAL IMPACT**

Positive fiscal impact if greater cost recovery is implemented from current fee levels.

### **BACKGROUND**

At the May 7, 2015 Harbor Advisory Board meeting, agenda item D-2 was discussion and recommendation on the Harbor Department Master Fee Schedule. Of primary discussion at that meeting was the current commercial fishing vessel slip fees and the degree of cost recovery of those fees.

On May 7 the Board passed motions to recommend: not raising the commercial fishing slip fees from current levels - but to bring back further analysis on utility recovery, and to increase lease administration fees by 50%. No other motions were passed.

The Board concurred to continue the item to a future meeting and requested staff to bring back an analysis on a more global scale with total revenues based on overall fee levels rather than on a fee-by-fee basis. The staff report for the Master Fee agenda item from the May 7 meeting is attached to this staff report for reference.

Prepared By: EE

Dept. Review: EE

## **DISCUSSION**

The Harbor Department Master Fee Analysis spreadsheet includes all Harbor fees broken down into Current, 100% Recovery and Proposed rates, with calculating percentages and total revenue projections. At current fee levels, staff estimates 87.3% cost recovery and \$342,103 in total revenue. At 100% estimated cost recovery, revenues are \$393,212. At currently proposed rates, estimated recovery is 92.3% with \$362,932 in revenue.

Regarding utility recovery, as noted in the May 7 staff report, estimated utility cost for the commercial fishing slips is \$0.51 per foot per month if the utility costs are evenly distributed across all slips. While sets of slips are metered, individual slips currently are not.

If utility cost recovery is implemented, the simplest method is to evenly distribute those costs across all slips and build them into the monthly slip fees. It should be noted, however, that this method estimates utility costs based on an historic or “look-back” basis of the previous year’s actual costs. This is essentially how the t-pier electric is done, however, there is a separate flat fee for electricity for those vessels actually using it.

A second method of utility cost recovery is to regularly bill users in arrears on actual costs incurred and distributed evenly over all users, based on the metered usage at each set of slips for the set of slips that meter services.

The third method of utility recovery is to install individual electric and water metering on all the slips. While this is the most accurate method to recover actual costs from actual users, it is also the most expensive to implement, monitor and maintain. A very rough estimate for installing electric metering on all commercial fishing slips is \$25,000 for materials and labor. For water metering, the only practical method is to install coin or token-operated metering units serving multiple slips, the rough cost estimate of which is \$10,000.

The Master Fee Analysis spreadsheet as-presented includes totalized revenue columns and analysis on percent of cost recovery for the various items. Staff is seeking Board and public input, discussion and recommendation on the various fees.

## **CONCLUSION**

As currently presented under the existing fee structure, the Harbor Fund in sum total is estimated to generate approximately \$12,000 in excess revenue next year to “deposit” in the Harbor Accumulation Fund, which is the source of capital funding needs. Although a far cry from the financially dire situation a few years back, as currently projected and without a combination of new and/or enhanced revenue sources, including adequate cost recovery via our various fees, current revenues will not support the capital needs of the waterfront’s future.

Board input and recommendations will be brought back to the City Council at a future Council meeting for consideration in establishing and approving the 2015/2016 Master Fee Schedule.

**ATTACHMENTS**

1. Staff report from Master Fee item D-2 on the 5/7/15 Harbor Advisory Board agenda.
2. Harbor Department Master Fee Analysis spreadsheet.



AGENDA NO: D-2

MEETING DATE: May 7, 2015

## Staff Report

**TO:** Harbor Advisory Board **DATE:** April 28, 2015

**FROM:** Eric Endersby, Harbor Director

**SUBJECT:** Discussion and Recommendations on Harbor Department Master Fee Schedule With Regard to Subsidy Levels and Cost Recovery

### **RECOMMENDATION**

Consider the various Harbor Department fees for services and use of City facilities for fee cost recovery recommendations to the City Council.

### **FISCAL IMPACT**

Positive fiscal impact if greater cost recovery is implemented from current levels.

### **BACKGROUND**

At the April 14, 2015 City Council meeting, agenda item number D-2 was a discussion and direction on City-wide Master Fee rates as they relate to cost recovery and level of subsidy. A copy of that staff report is attached to this report for background and further information. At that meeting staff was seeking Council input and direction on the various fees for services charged by the City. Regarding Harbor fees, Council direction was to bring the item to the Harbor Advisory Board for input and recommendations to Council.

### **DISCUSSION**

All City-provided services and facilities have associated costs including long-term capital replacement, ongoing maintenance and repair, utilities, insurance and administrative overhead. Harbor Department staff have estimated the actual costs of the department's various services and facilities for Harbor Advisory Board consideration and recommendation to Council on what level of cost recovery/subsidy the Board considers appropriate for various fees. As a general rule, less than full cost recovery of fees for services and facilities is predicated on some degree of public benefit derived from that service or facility.

Prepared By: EE

Dept. Review: EE

### SLIP FEES

Currently there are three main rates for the City's 50 commercial fishing-assigned slips:

- \$4.15 per foot per month for qualified commercial fishermen in assigned slips.
- \$8.30 per foot per month for transient (commercial or recreational) subleases of vacant assigned slips when our fishermen are gone fishing.
- \$1.15 per foot per day up to seven days for transient subleases of vacant slips.

Current estimated average cost to provide the City's 50 commercial fishing slips over a 30-year amortized capital basis:

- \$5.48 per foot per month. This includes, on a per-month basis:
  - \$3.49 capital replacement and maintenance/repair
  - \$1.23 administrative overhead
  - \$0.25 insurance
  - \$0.40 electricity
  - \$0.11 water

Current California coastal commercial fishing vessel slip rate average for those harbors polled with discounted commercial rates (Santa Cruz, Monterey, Santa Barbara, Ventura – Harbor Village, Channel Islands – municipal, Oceanside):

- \$9.37 per foot per month.

Current recreational vessel slip average rate for above-polled harbors:

- \$11.20 per foot per month.

Current recreational vessel slip average rate in Morro Bay for those facilities polled (Morro Bay Marina, State Park Marina, Estero Landing, The Boatyard, Morro Bay Landing, Bay Front Marina, DeGarimore's Central Coast Fuel and Ice):

- \$13.36 per foot per month.

In addition, assigned commercial fishermen, when away from their slips for any calendar month, are eligible for a 75% "vacancy rate" discount from their regular slip rate. Although this results in a decrease in slip revenues from our assigned slip holders, by assigning these vacant slips to transient vessels at the higher transient rate, the net result is revenues sufficient to offset the vacancy loss.

Staff recommend the Board consider what degree of cost recovery is appropriate with the assigned commercial slip fees.

### T-PIER FEES

The City operates two "t-piers" on an unassigned, first-come, first-served basis. Pier usage fees do not distinguish between commercial and recreational, and currently are:

- \$.25 per foot per month.
- \$2.35 per day for electrical use.

Due to the piers' transient unassigned basis, it is impossible to quantify a vessel per-month basis of cost, therefore, annual cost versus overall pier revenues will be used. In addition, since the two piers are capitalized on a very different basis (the South T-Pier was rebuilt after a fire destroyed it in the early 1990's at full cost to the City with a \$2M loan, while the North T-Pier is "original" with no City capital acquisition costs and major maintenance and repair episodes occurring every 20 years), the average annual cost for the two piers (not including electricity) is:

- \$62,706

3-year per-pier average annual revenue from the two t-piers:

- \$63,000

For electrical use, on the North T-Pier in 2013/2014 we collected approximately \$4,480 in daily use fees, while we were billed \$4,868 from PG&E. On the South T-Pier we collected approximately \$6,310 while we were billed \$6,982 from PG&E. Therefore, on both piers there is an approximate 9% shortfall of revenue to expense for electricity.

Staff recommend the Board consider what degree of cost recovery is appropriate with the t-pier tie-up and electrical fees.

#### PRIVATE MOORING AGREEMENT FEES

Of the approximate 125 moorings in Morro Bay, 25 are leased in a block by Morro Bay Marina, and 25 are leased in a block by the Morro Bay Yacht Club. As such, both blocks have a set lease rate that was based on the current mooring agreement fees at the time of negotiation.

Of the remaining approximately 70 moorings under private ownership, all have full cost recovery with their \$81.10 monthly rate.

#### CITY-OWNED MOORING RENTAL FEES

The City's 6 moorings are currently at 100% cost recovery and at a near-market rate of \$215 per month. Current Morro Bay market rate is approximately \$260/month.

Staff recommend the Board consider whether our City-owned moorings be at or very near a full-market rate.

#### LIVEABOARD FEES

All liveaboards must be permitted per Morro Bay Municipal Code Section 15.40. Four fees currently exist for liveaboard permitting:

- \$120 biennial permit fee.
- \$69 vessel biennial permit inspection fee if done by Harbor Patrol (there is no City inspection fee if the liveaboard has an approved marine surveyor conduct their inspection).
- \$15.75 monthly service fee for vessels on moorings.
- \$32.45 for vessels in assigned City commercial fishing vessel slips

Current estimated costs associated with administering the liveaboard ordinance on a biennial basis are:

- \$160 administrative overhead for permit management.
- \$80 administrative overhead for permit vessel inspection.
- \$378 service fee for vessels on moorings (no change from current but billed on a biennial basis). The service fees are predicated on liveaboard use and impact on the City's vessel sewage pumpout, water and electrical usage and publicly provided trash services.
- \$778 service fee for vessels in assigned City commercial fishing vessel slips (no change from current but billed on a biennial basis).

Staff recommend the Board consider what degree of cost recovery is appropriate for liveaboard fees.

#### VESSEL ASSISTANCE

Emergency vessel assistance is not charged, except in very rare cases of willful negligence. Non-emergency vessel assistance is provided free of charge once to any given boater in any six month period. Second and subsequent vessel assistance fees are at a full cost-recovery basis billable on current hourly rates for personnel and equipment.

Staff recommend the Board consider whether the first non-emergency vessel assistance request for any given boater be at a full recovery basis or remain on a courtesy basis as is current policy.

#### LAUNCH RAMP PARKING

The current launch ramp parking fees are:

- \$1 per hour, or,
- \$5 maximum per day.

Current estimated annual costs for administration of the pay parking program are \$16,065 and consist of:

- \$13,565 administrative overhead.
- \$2,500 contract services and maintenance.

Current annual revenues (expected to increase with a longer recreational fishing season implemented this year) are:

- \$25,000

Current rates, although due for a modest increase, allow for full recovery of all personnel, contractual and basic maintenance costs, with a modest overage for capital and major maintenance fund accumulation.

#### LEASE ADMINISTRATION

Three fees currently exist for lease administration, they are:

- \$1,000 for Master Lease approval.

- \$500 for Council-approved lease actions (subleases, assignments and assumptions, deeds of trust).
- \$175 for administratively-approved lease actions.

Current estimated costs for lease administration are:

- \$2,000 for Master Lease approval. Based on current administrative overhead costs, this equates to a very conservative 25 hours of staff time on Master Lease approval from initial direction through negotiation and final approval.
- \$640 for Council-approved lease actions. Based on current costs this equates to 8 hours of staff time on these actions.
- \$240 for administratively-approved lease actions. Based on current costs this equates to 3 hours of staff time on these actions.

Staff recommend the Board consider what degree of cost recovery is appropriate for lease administration fees.

### **CONCLUSION**

Staff is seeking Harbor Advisory Board consideration and recommendations on appropriate levels of cost recovery for the various Harbor Department fees for services and facilities, taking into account, among other things the degree of public benefit derived from said services and facilities. Board input and recommendations will be brought back to the City Council at a future Council meeting for consideration in establishing and approving the 2015/2016 Master Fee Schedule.

### **ATTACHMENTS**

1. Staff report from Master Fee item D-2 on the 4/14/15 City Council agenda.

# HARBOR DEPARTMENT MASTER FEE ANALYSIS

SEE NOTES

A	B	C	D	E	F	G	H	I
<u>FEE</u>	<u>Current Rate</u>	<u>100% Cost Recovery Est.</u>	<u>% Recovery Current Rate</u>	<u>Proposed Rate</u>	<u>% Recovery Proposed Rate</u>	<u>Proj. Revenue Current Rate</u>	<u>Proj. Revenue Proposed Rate</u>	<u>Proj. Revenue 100% Recovery Rate</u>
1. Commercial fishing slips - per foot per month	\$4.15	\$5.48	75.73%	\$4.65 (Note 1)	84.85%	\$87,400	\$97,930	\$115,410
2. Transient slips - per foot per month	\$8.30	\$8.30	100.00%	\$8.30	100.00%	\$31,500	\$31,500	\$31,500
3. Transient slips - per foot daily rate	\$1.15	\$1.15	100.00%	\$1.15	100.00%	\$3,500	\$3,500	\$3,500
4. Head float berth - monthly	\$185.00	\$185.00	100.00%	\$185.00	100.00%	\$6,600	\$6,600	\$6,600
5. T-Pier - per foot per day	\$0.25	\$0.30	83.33%	\$0.25	83.33%	\$64,000	\$64,000	\$76,800
6. T-Pier electrical - per day	\$2.35	\$2.58	91.09%	\$2.58	100.00%	\$11,000	\$12,077	\$12,077
7. City moorings - monthly	\$215.00	\$235.00 (Note 2)	91.49%	\$235.00	100.00%	\$25,800	\$28,200	\$28,200
8. Private moorings - monthly	\$81.10	\$81.10	100.00%	\$81.10	100.00%	\$61,200	\$61,200	\$61,200
9. Anchorage area after 5 days - per foot per day	\$0.20	\$0.20	100.00%	\$0.20	100.00%	\$4,500	\$4,500	\$4,500
10. Guest moorings - per foot per day	\$0.25	\$0.25	100.00%	\$0.25	100.00%	\$100	\$100	\$100
11. Temp moorage, large vessels/equipment - per day	\$165.00	\$165.00	100.00%	\$165.00	100.00%	\$165	\$165	\$165
12. Dry storage - daily	\$2.85 (Note 3)	\$2.85	100.00%	\$2.85	100.00%	\$1,000	\$1,000	\$1,000
13. T-Pier hoist - per use	\$13.00	\$14.00	92.86%	\$14.00	100.00%	\$1,170	\$1,260	\$1,260
14. Wharfage - per ton	\$0.90	\$0.90	100.00%	\$0.90	100.00%	\$1,900	\$1,900	\$1,900
15. Liveaboard permit administration	\$120.00	\$160.00	75.00%	\$160.00	100.00%	\$3,600	\$4,800	\$4,800
16. Liveaboard permit inspection	\$69.00	\$80.00	86.25%	\$80.00	100.00%	\$2,070	\$2,400	\$2,400
17. Liveaboard service fee (on moorings) - per month	\$15.75	\$15.75	100.00%	\$15.75	100.00%	\$2,835	\$2,835	\$2,835
18. Liveaboard service fee (in City slips) - per month	\$32.45	\$32.45	100.00%	\$32.45	100.00%	\$0	\$0	\$0
19. Lease administration - master lease approval	\$1,000.00	\$2,000.00	50.00%	\$2,000.00	100.00%	\$3,000	\$6,000	\$6,000
20. Lease administration - action requiring Council approval	\$500.00	\$640.00	78.13%	\$640.00	100.00%	\$1,500	\$1,920	\$1,920
21. Lease administration - action requiring Admin approval	\$175.00	\$240.00	72.92%	\$240.00	100.00%	\$1,750	\$2,400	\$2,400

22. Vessel assistance, one officer, one boat - per hour	\$183.00	\$194.00	94.33%	\$194.00	100.00%	\$1,098	\$1,164	\$1,164
23. Vessel assistance, each additional officer - per hour	\$69.00	\$80.00	86.25%	\$80.00	100.00%	\$415	\$481	\$481
24. Launch ramp parking - per hour (5 hr max)	\$1.00	\$1.00	100.00%	\$1.00	100.00%	\$300	\$300	\$300
25. Launch ramp parking - max per day	\$5.00	\$5.00	100.00%	\$5.00	100.00%	\$22,270	\$22,270	\$22,270
26. Launch ramp parking - annual permit	\$110.00	\$110.00	100.00%	\$110.00	100.00%	\$4,430	\$4,430	\$4,430
						<b>Proj. Revenue Current Rate</b>	<b>Proj. Revenue Proposed Rate</b>	<b>Proj. Revenue 100% Recovery Rate</b>
					<b>TOTALS</b>	\$343,103	\$362,932	\$393,212
						DIFFERENCE	\$19,829	\$30,280
					<b>Total Revenue Percent of 100% Cost Recovery</b>	87.3%	92.3%	100.0%

Note 0 These cost recovery estimates should be considered bare minimums to account for quantifiable and measurable costs associated with the various fees and services, and other costs incurred on a more global and non-specifically quantifiable scale exist, such as general harbor patrol or customer services, that cannot be quantified on a fee-by-fee basis.

Note 1 Includes additional \$0.50 for utility recovery

Note 2 Based on fair market rate recovery

Note 3 \$2.85 per day per each 170 square feet (one standard 8.5' x 20' parking space) used



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# Harbor Department Master Fee Schedule



## Master Fee Schedule

# Purpose

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The purpose of this presentation is provide the Harbor Advisory Board with an overview of all department fees, including recommended fee levels, for Board consideration and recommendation to City Council.



## Master Fee Schedule

# Recommendation

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Staff Recommends the Harbor Advisory Board:

- Consider the various Harbor Department fees for services and use of City facilities for recommendation to the department and City Council.
- Department staff are recommending the fees as proposed in the attached Harbor Department Master Fee Analysis spreadsheet.
- Board recommendations will be brought to the City Council, along with Department recommendations, for Council consideration at the July 14, 2015 meeting for setting the City's 2015/2016 Master Fee schedule.



## Master Fee Schedule

# Discussion

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1. The City of Morro Bay has a commitment to provide a high level of facilities and services in a cost-effective and efficient manner.
2. All these facilities and services come at a cost from operational year-to-year costs to longer-term capital costs.
3. Based on recent analysis by the Harbor Department, it is clear that at current fee, permit and rental rates there are insufficient revenues to adequately cover all operational and capital needs in the long-term.



## Master Fee Schedule

# Discussion

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4. It is identified that, ideally, approximately \$425,000 of excess annual revenue over operational needs are required each year over the next five years to meet all of the department's capital needs.
  
5. These needs on a bare-minimum level are approximately \$250,000 annually.
  
6. Now that the power plant outfall lease revenues have ceased, excess revenues available for these needs have been averaging approximately \$90,000-\$160,000 per year in the most recent years.



## Master Fee Schedule

# Discussion

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7. All costs must be paid for in a number of ways and from a number of sources from user fees, permit fees and lease site rents.
  
8. The Harbor Department's estimated total 2016 revenues of approximately \$1,900,000 consist of approximately \$1,555,000 in lease site rents and \$345,000 in user and permit fees.
  
9. It is the City's duty and responsibility to ensure the revenues to cover costs are adequately and fairly levied from a various array of sources.



## Master Fee Schedule

# Discussion

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10. While further decreases in operational costs may be had by greater efficiencies or cuts in some services, cuts and efficiencies will not completely bridge the gap and a combination of greater cost recovery and new or enhanced fees are needed to get the department on a more solid financial footing for both operational but mainly long-term capital needs.

11. The City recognizes and honors the long-standing supportive and collaborative relationship it has with its commercial fishermen and the fishing industry.



## Master Fee Schedule

# Discussion

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12. Our approach is a sensible but tricky one to balance the three-legged stool of providing the excellent and high-level of service and facilities we do, our fiduciary responsibility to recover costs through fees, and recognizing and committing to the City's long-standing and important support of the commercial fishing industry.

13. For our slips, the bottom line is a bare minimum of \$139,000 is needed per year in combined slip and sublease revenue to meet our operational and capital commitment needs to provide our 50 commercial fishing vessel slips.



## Master Fee Schedule

# Discussion

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14. Current fee levels need a very modest increase in some areas, including commercial fishing slips in the amount of \$0.50 per foot per month, to ensure that everyone is paying their fair share to meet the overall operational and capital expense needs.

15. Other fees, such as lease administration fees and mooring fees also require increases to ensure full cost recovery or to keep up with current market rates.

16. For our slips, our goal is ensuring sufficient revenues in order to move....



# Master Fee Schedule

# Conclusion

FROM  
THIS:





# Master Fee Schedule

# Conclusion

TO  
THIS:







affirmative defense of design immunity applies. Such installation could also encourage other concerned citizens to seek installation of unwarranted traffic control devices in other areas of the City, which if approved, would result in expenditures for that installation and potential similar liability issues.

The cost for the design and construction of traffic calming measures at this intersection range from about \$4,000 for intersection painting to about \$86,000 for other heavier construction traffic calming measures. Those costs do not include modifications to the drainage system should that prove to be necessary. The costs listed with each of the measures is exclusive of any necessary soft costs such as survey, design, and construction management, and could be as much as 50-percent of the construction costs.

The City budgeted \$25,000 of “one-time money” for traffic calming; staff preliminarily estimates the design and construction of bulb-outs at this intersection at \$23,000 that leaves a modest \$2,000 contingency.

### **BACKGROUND/DISCUSSION**

Staff received requests for the installation of an all-way stop at the intersection of Pacific and Main Streets. On February 14, 2014, staff completed an intersection analysis to determine whether the installation of additional stop signs met the guidance (warrants) specified in the California Manual of Uniform Traffic Control Devices (MUTCD). The results of the study show:

- All eight of the warrants are not met at the intersection of Main and Pacific Streets.
- The vehicular and pedestrian volumes in the area, while high for Morro Bay, are too low to meet the requirements given in the MUTCD for the first four warrants, regarding vehicular and pedestrian volumes.
- Low collision history and absence of local schools and traffic control signals, the warrants for those issues are not met.
- The warrant for roadway network coordination is not applicable either, due to low volumes.

Based on the Engineering analysis, the intersection failed to meet typical standards for the installation of additional stop signs on Main Street. Notwithstanding the results of the foregoing analysis used by professional engineers in assisting communities with the determination of whether to install traffic control devices, a member of the public continued to request an all-way stop and petitioned the members of the community and visitors as an attempt to show additional stop signs were needed.

The petition, along with the engineering analysis and an update to the accident history, was presented to the City Council at the regular meeting of April 28, 2015. Due to compelling public testimony and a petition with 160 unverified signatures, the City Council directed staff to return with a resolution directing the installation of additional stop signs on Main Street.

On June 9, 2015, staff presented the City Council with Resolution 38-15 “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AUTHORIZING AND DIRECTING THE INSTALLATION OF ALL WAY STOP SIGNS ON MAIN STREET AT PACIFIC STREET” on the consent agenda. The item was pulled for discussion (see <http://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/2500> and [https://youtu.be/fLOvdeh\\_5-k?t=51m27s](https://youtu.be/fLOvdeh_5-k?t=51m27s)). Based on the petition, testimony from the public and discussion at the dais, the Resolution was passed 3-2 (Irons/Headding dissenting).

While staff was preparing for the installation of the additional stop signs as directed by Resolution 38-15, the City’s insurance provider and risk manager the California Joint Powers Insurance Authority (CJPIA) held their annual training for Public Works Officers at the Public Works Academy. The Academy was attended by several public works staff including the Director. Topics at the academy included: Risk

Management, Workers Compensation, Investigating Claims and Preserving Evidence, Risk Review and Transfer and **“The Little Mistakes that are Costing a Lot - Unwarranted Traffic Control Devices.”** That class was taught by Scott J. Grossberg, Esq. of Cihigoyenette, Grossberg and Clouse.

Mr. Grossberg’s section covered several topics including: Tort Liability Issues, Dangerous conditions on Public Property, Immunities available to Public Agencies, Traffic Control Objectives, Requirements; and Justifications, Adverse impacts to neighborhood Traffic, Increased exposure to lawsuits, risks associated with speed humps and arbitrary speed limits. Additionally, the class discussed the ineffectiveness of stop signs in controlling speeds along with the difficulties of convincing the public stop signs do not reduce overall speeds even though there are studies from the 1930’s to present day that show speed reduction is not a resultant of stop sign installation.

The major point Mr. Grossberg stressed was the use of “design immunity” in defense of City’s where a collision results in a significant claim. The California Government Code Section 830.6 states:

*Neither a public entity nor a public employee is liable under this chapter for an injury caused by the plan or design of a construction of, or an improvement to, public property where such plan or design has been approved in advance of the construction or improvement by the legislative body of the public entity or by some other body or employee exercising discretionary authority to give such approval or where such plan or design is prepared in conformity with standards previously so approved, if the trial or appellate court determines that there is any substantial evidence upon the basis of which (a) a reasonable public employee could have adopted the plan or design or the standards therefor or (b) a reasonable legislative body or other body or employee could have approved the plan or design or the standards therefor. Notwithstanding notice that constructed or improved public property may no longer be in conformity with a plan or design or a standard which reasonably could be approved by the legislative body or other body or employee, the immunity provided by this section shall continue for a reasonable period of time sufficient to permit the public entity to obtain funds for and carry out remedial work necessary to allow such public property to be in conformity with a plan or design approved by the legislative body of the public entity or other body or employee, or with a plan or design in conformity with a standard previously approved by such legislative body or other body or employee. In the event that the public entity is unable to remedy such public property because of practical impossibility or lack of sufficient funds, the immunity provided by this section shall remain so long as such public entity shall reasonably attempt to provide adequate warnings of the existence of the condition not conforming to the approved plan or design or to the approved standard. However, where a person fails to heed such warning or occupies public property despite such warning, such failure or occupation shall not in itself constitute an assumption of the risk of the danger indicated by the warning.*

The major factor for successfully using 830.6 as a defense is there is substantial evidence supporting the reasonableness of the plan or design. (*Cornette v Department of Transportation (2001) Alvarez v. State (1999) Dole Citrus v. State (1997)*). Paramount in that argument is, if a claim goes to court, a city needs to be able to show the design relied upon generally accepted standards and there is substantial reasonableness of the plan or design. With that evidence a judge would likely grant a summary judgment and find grounds for dismissal. If the immunity does not apply, then the alternative is to have a jury make a determination regarding the factual issues of a claim. The best way to show the reasonableness of design is reliance on accepted, professional standards, such as the MUCTD.

### Alternatives to Stop Signs to “Calm” Traffic

There are solutions to achieve the public desire to “calm,” *i.e.* slow down traffic, that are more effective than the installation of a stop sign. Studies show stop signs do not slow the overall speed of traffic and the MUTCD warns against using stop signs for the control of speeds, as being ineffective and causing other problems. The following traffic calming measures from the Institute of Transportation Engineers (ITE) tool box of traffic calming measures may be appropriate for the intersection of Pacific and Main Streets:

#### Neighborhood Traffic Circle

Description:

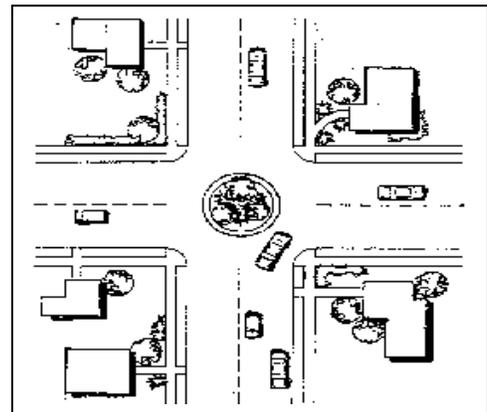
- raised islands, placed in intersections, around which traffic circulates
- motorists yield to motorists already in the intersection
- require drivers to slow to a speed that allows them to comfortably maneuver around them
- sometimes called intersection islands
- different from roundabouts

Applications:

- intersections of local or collector streets
- one lane each direction entering intersection
- not typically used at intersections with high volume of large trucks and buses turning left

Design/Installation Issues:

- typically circular in shape, though not always
- usually landscaped in their center islands, though not always
- often controlled by YIELD signs on all approaches, but many different signage approaches have been used
- key design features are the offset distance (distance between projection of street curb and center island), lane width for circling the circle, the circle diameter, and height of mountable outer ring for large vehicles such as school buses and trash trucks



Potential Impacts:

- no effect on access
- reduction in midblock speed of about 10 percent; area of influence tends to be a couple hundred feet upstream and downstream of intersection
- only minimal diversion of traffic
- intersection collisions have been reduced on average by 70 percent and overall collisions by 28 percent
- can result in bicycle/auto conflicts at intersections because of narrowed travel lane

Emergency Response Issues:

- emergency vehicles typically slow to approximately 13 mph; approximate delay of between 5 and 8 seconds per circle for fire trucks
- fire trucks can maneuver around traffic circles at slow speeds provided vehicles are not parked near the circle

Other/Special Considerations:

- large vehicles may need to turn left in front of the circle (which could be unsafe at higher volumes); legislation may be required to legally permit that movement
- quality of landscaping and its maintenance are key issues
- landscaping needs to be designed to allow adequate sight distance
- care must be taken to avoid routing vehicles through unmarked crosswalks on side-street approach

Typical Cost:

Average installation cost \$16,000 (2015 dollars)<sup>1</sup>

Choker/Bulbouts – Staff Recommendation

Description:

- curb extensions at midblock or intersection corners that narrow a street by extending the sidewalk or widening the planting strip
- can leave the cross section with two narrow lanes or with a single lane
- at midblock, sometimes called parallel chokers, angled chokers, twisted chokers, angle points, pinch points, or midblock narrowing
- at intersections, sometimes called neckdowns, bulbouts, knuckles, or corner bulges
- if marked as a crosswalk, they are also called safe crosses

Applications:

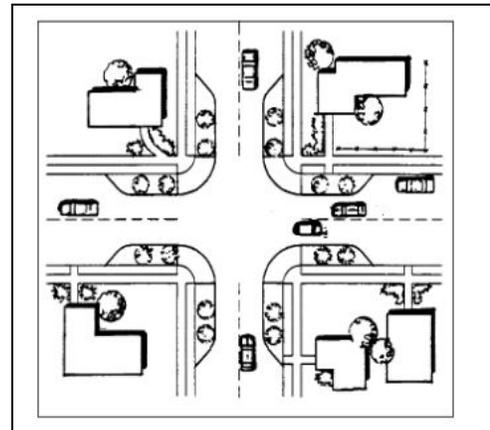
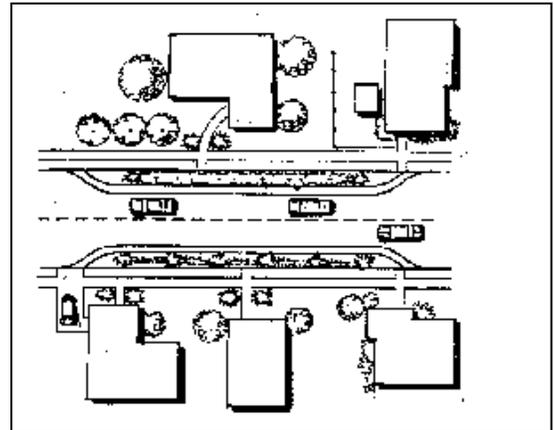
- local and collector streets
- pedestrian crossings
- main roads through small communities
- work well with speed humps, speed tables, raised intersections, textured crosswalks, curb radius reductions, and raised median islands

Design/Installation Issues:

- some applications use an island which allows drainage and bicyclists to continue between the choker and the original curb line
- typically designed to narrow road to 20 feet for two-way traffic; typically avoid the use of widths between 13 and 17 feet
- adequate drainage is a key consideration
- provides opportunity for landscaping

Potential Impacts:

- can impact parking and driveway access
- reduces pedestrian crossing width and increases visibility of pedestrian
- speeds have typically been reduced on average by 4 percent for two-lane chokers and 14 percent for one lane chokers
- minor decrease in traffic for two-lane and 20 percent



<sup>1</sup> Cost estimates are approximate and are typical national costs and are only meant for relative comparison and to get a sense of the typical installation. Costs do not include engineering, survey, storm drain modifications or site specific conditions.

- reduction for one-lane chokers
- collision data not available
- bicyclists prefer not to have the travelway narrowed into path of motor vehicles

Emergency Response Issues:

- preferred by many fire department/emergency response agencies to most other traffic calming measures

Typical Cost:

Average installation cost \$15,000 (2015 dollars)

Raised Intersection

Description:

- flat raised areas covering entire intersections, with ramps on all approaches and often with brick or other textured materials on the flat section and ramps
- sometimes called raised junctions, intersection humps, or plateaus

Applications:

- work well with curb extensions and textured crosswalks
- often part of an area wide traffic calming scheme involving both intersecting streets
- in densely developed urban areas where loss of parking would be unacceptable

Design/Installation Issues:

- typically rise to sidewalk level
- may require bollards to define edge of roadway
- Canadian installations typically have gentle 1:40 slopes on ramps
- storm drainage modifications are necessary

Potential Impacts:

- reduction in through movement speeds at intersection
- reduction in midblock speeds typically less than 10 percent
- no effect on access
- make entire intersections more pedestrian-friendly
- no data available on volume or safety impacts

Emergency Response Issues:

- slows emergency vehicles to approximately 15 miles per hour

Typical Cost:

Average installation cost \$57,000 (2015 dollars)

Intersection Mural

Though not included in the ITE tool box, but has seen some success calming traffic in many urban cities, is the intersection mural. The intersection mural is permanently painted on the pavement at an intersection. It is used as a community building tool. The murals are generally designed by the neighborhood, and represent local community. Experience from other cities shows intersection murals can



help calm traffic, and foster a sense of community identity. Such murals can be found in multiple cities, including Seattle, WA, Portland, OR and Ft. Lauderdale, FL.

Intersection murals have many benefits, including:

- Bringing neighbors together to create a sense of community
- Can be traffic-calming
- Place-making—murals can represent the communities that surround them
- Perhaps making streets more enjoyable

Typical Cost:

Average installation cost \$2,500 (2015 dollars)

## **CONCLUSION**

The installation of traffic control devices is an important decision for the community. Properly installed, they can add to the quality of life through the safe and consistent movement of traffic for commerce, recreation and the daily commute. At best, when improperly installed they can become an annoyance and, at worst, can cause an unsafe condition and result in increased liability to the City. Additionally, the installation or construction of anything within the public realm needs to be based on a reasonable design. Conformance to approved standards goes a long way to show reasonableness of design. In the immutable words of the CJPIA expert, Mr. Grossberg; “When should you install an unwarranted traffic control device? ... *Never!* Will it be the end of the world; no, but is the risk worth it?”

Since installing an unwarranted traffic control device is not a recommend option, what can be done to satisfy the request from the public to slow traffic down? We can borrow from the law enforcement field and use the concept of Crime Prevention through Environmental Design or CEP-TED. Using the concept of CEP-TED, staff recommends using a “traffic calming” measure to change the street geometry which should result in reduced vehicular speeds. Those traffic calming measures are not without their disadvantages, one being a reduction in emergency response speed through the traffic calming zone, the other being initial cost. That cost must be weighed against the low cost of the installation of an unwarranted traffic control device against the typically astronomical cost of defending a claim due to a collision where an unwarranted traffic control device has been installed.

To that end, staff is recommending the concept of intersection bulb-outs be pursued as a traffic calming and entrance feature to the downtown. Intersection bulb outs are very common in the area, most if not all of this County’s downtowns have incorporated bulb outs as a part of their down town fabric.

**RESOLUTION NO. 67-15**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF MORRO BAY, CALIFORNIA  
RESCINDING CITY COUNCIL RESOLUTION 38-15 THAT AUTHORIZED  
AND DIRECTED THE INSTALLATION OF ALL-WAY STOP SIGNS ON  
MAIN STREET AT PACIFIC STREET AND ADOPTING A POLICY OF ONLY INSTALLING  
WARRANTED TRAFFIC CONTROL DEVICES**

**THE CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, Morro Bay Municipal Code Section 10.08.020 states the City traffic engineer shall determine the installation of traffic-control devices, signs and signals based on engineering and traffic investigations of traffic conditions; and

**WHEREAS**, the City traffic engineer did perform such investigation at the intersection of Main Street and Pacific Street; and

**WHEREAS**, the investigation per the guidelines contained in the latest California edition of the Manual of Uniform Traffic Control Devices (MUTCD) indicated the installation of an all way stop at that intersection was not warranted; and

**WHEREAS**, Morro Bay Municipal Code Section 10.08.080 states, the City Council shall also have the power to place and maintain or cause to be placed or maintained official traffic- control devices when and as required as it deems necessary to regulate traffic under this chapter or under the state law, or to guide or warn traffic; and

**WHEREAS**, on June 9, 2015, lacking a study that indicated an all-way stop was warranted, the City Council determined it is appropriate to place all-way stops signs at the intersection of Main Street and Pacific Street, based on a petition of concerned citizens and other public testimony; and

**WHEREAS**, the City Council adopted Resolution 38-15 “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AUTHORIZING AND DIRECTING THE INSTALLATION OF ALL WAY STOP SIGNS ON MAIN STREET AT PACIFIC STREET”.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Morro Bay that:

1. Resolution 38-18 is hereby rescinded.
2. Within 180-days after adoption of this Resolution, the Public Works Director/City Engineer shall present to the Public Works Advisory Board and City Council the alternative design for “traffic calming” measures for the intersection of Main Street and Pacific Street for recommendations and consideration respectively.
3. No unwarranted traffic control devices shall be allowed within the rights-of-ways within the jurisdictional boundaries of the City, whether installed by the City forces or private parties.

**PASSED AND ADOPTED** by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of October, 2015 by the following vote:

AYES:

NOES:

ABSENT:

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JAMIE L. IRONS, Mayor

ATTEST:

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DANA SWANSON, City Clerk



**AGENDA NO: C-2**

**MEETING DATE: October 13, 2015**

**THE FOLLOWING PUBLIC CORRESPONDENCE  
WAS RECEIVED BY THE CITY COUNCIL  
FOLLOWING POSTING OF THE AGENDA.**

Agenda Item C-2  
Meeting date: 10/13/15

Dana Swanson - Fwd: Item C-2

**From:** Christine Johnson <cjohnson@morro-bay.ca.us>  
**To:** DSwanson@morro-bay.ca.us  
**Date:** 10/9/2015 3:54 PM  
**Subject:** Fwd: Item C-2

RECEIVED  
City of Morro Bay

OCT 12 2015

Administration

Hi,  
FYI, agenda correspondence.  
Thanks!

Christine Johnson  
Council member, City of Morro Bay  
805-305-3759  
[cjohnson@morro-bay.ca.us](mailto:cjohnson@morro-bay.ca.us)

Sent from my iPad.

Begin forwarded message:

**From:** "<[flamingos@charter.net](mailto:flamingos@charter.net)>" <[flamingos@charter.net](mailto:flamingos@charter.net)>  
**Date:** October 8, 2015 at 12:14:21 AM PDT  
**To:** "Christine Johnson" <[CJohnson@morro-bay.ca.us](mailto:CJohnson@morro-bay.ca.us)>, "Matt Makowetski" <[MMakowetski@morro-bay.ca.us](mailto:MMakowetski@morro-bay.ca.us)>, "Noah Smukler" <[NSmukler@morro-bay.ca.us](mailto:NSmukler@morro-bay.ca.us)>, "Jamie Irons" <[jirons@charter.net](mailto:jirons@charter.net)>, "John Headding" <[johnrxdoc@yahoo.com](mailto:johnrxdoc@yahoo.com)>  
**Cc:** "Amy Christey" <[AChristey@morro-bay.ca.us](mailto:AChristey@morro-bay.ca.us)>, "David Buckingham" <[DBuckingham@morro-bay.ca.us](mailto:DBuckingham@morro-bay.ca.us)>, "Rob Livick" <[RLivick@morro-bay.ca.us](mailto:RLivick@morro-bay.ca.us)>, "Sam Taylor" <[STaylor@morro-bay.ca.us](mailto:STaylor@morro-bay.ca.us)>  
**Subject:** Item C-2

Hello, All,

I don't favor un-needed stop signs, and I opposed putting them on every block of Morro Bay Blvd. I was out-voted on that and since it happened, Harbor and Pacific streets take most of the traffic in our downtown area. There is a stop sign at Harbor and Main, and I think it is appropriate to put one at Pacific and Main also because of the volume of east/west traffic.

I don't know what the required number of collisions to justify a stop sign is, but I personally have seen several collisions at this intersection. I don't think it's a matter of speed as much as visibility for those cars crossing Main on Pacific. So I do favor the stop sign.

However, if that is rescinded, please don't put in bulb outs. They would have a negative effect by reducing parking in what is a combination business/residential area (shades of the parklet) and, more importantly, they would further impede cross traffic visibility. I'm not sure about center islands. I think they tried them on Chorro St. in SLO some years ago and then removed them. They were recently put in on Santa Ysabel in Los Osos...it would be interesting to know if they are considered successful.

The stop sign seems to be the most practical solution to what many of our residents consider a hazardous intersection. And we all know that public perception is important to consider!

Thanks for your consideration,  
Janice





AGENDA NO: C-3

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** October 1, 2015

**FROM:** Susan Slayton, Administrative Services Director  
Joseph W. Pannone, City Attorney

**SUBJECT:** Introduction and First Reading of Ordinance No. 597 Amending Subsection 5.08.220 C. of the Morro Municipal Code relating to the \$4,000 Exception

### RECOMMENDATION

Staff recommends the City Council review Ordinance No. 597, accept public comment, and make a motion for the introduction and first reading of Ordinance No. 597, by number and title only, amending Subsection 5.08.220 C. of the Morro Bay Municipal Code (MBMC) relating to the \$4,000 exception.

### BACKGROUND

Council recently adopted Ordinance 595 amending various sections of Title 5 of the MBMC regarding business taxes. In reviewing and implementing those changes, staff became aware of language in MBMC Subsection 5.08.220 C. that limited the application of the Council's intent for providing an exemption from the City's business tax regulations for businesses who gross receipts are less than \$4,000.

### DISCUSSION

The attached Ordinance is presented to amend Subsection 5.08.220 C. of the MBMC in an effort to comply with Council's intent to provide an exception for businesses whose gross receipts are less than \$4,000.

### CONCLUSION

Staff recommends the City Council introduce Ordinance No. 597, by number and title only, and schedule the date of the second reading and adoption of this Ordinance.

01181.0001/270185.1

Prepared By: BA

Dept Review: JWP

City Manager Review: \_\_\_\_\_

City Attorney Review: JWP

**ORDINANCE NO. 597**

**AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF MORRO BAY, CALIFORNIA AMENDING  
SUBSECTION 5.08.220 C. OF THE MORRO BAY MUNICIPAL CODE  
RELATING TO THE \$4,000 EXCEPTION**

**THE CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, the City Council recently adopted Ordinance No. 595 that made various amendments to Title 5 of the Morro Bay Municipal Code (MBMC), which establishes the tax regulations for businesses operating within the City;

**WHEREAS**, in reviewing and implementing those changes, staff became aware of language in MBMC subsection 5.08.220 C. that limited the application of the Council's intent for providing an exemption from the City's business tax regulations for businesses whose gross receipts are less than \$4,000; and

**WHEREAS**, this Ordinance rectifies that situation.

**NOW, THEREFORE, the City Council of the City of Morro Bay does ordain as follows:**

**SECTION 1:** Subsections 5.08.220 C. of the MBMC shall be amended to read as follows:

C. Except as provided herein and pursuant to Section 5.04.060, each low revenue business shall obtain a current business tax certificate in accordance with this title and pay a processing fee in accordance with the Business Tax Rate Schedule; provided, that (i) the business tax certificate processing fee for each low revenue business shall not be greater than the amount necessary for the city to recover some or all of the costs incurred by the city in processing and issuing that business tax certificate, and (ii) if the aggregate annual gross receipts from all the low revenue businesses operated at one location or by the same operator are less than four thousand dollars, then a business tax certificate is not required for any of those businesses; provided, that this subsection shall not ~~apply to any business that would otherwise be required to pay a business tax only pursuant to Section 5.08.020 nor shall it~~ waive any other requirements of this code, including, but not limited to, a requirement for a home occupation permit.

**SECTION 2:** 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 13th day of October, 2015 by motion of Councilmember \_\_\_\_\_, seconded by Councilmember \_\_\_\_\_.

**PASSED AND ADOPTED** on the \_\_\_\_ day of October, 2015.

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
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 13<sup>th</sup> day of October, 2015, and 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





AGENDA NO: D-1

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** September 28, 2015

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

**SUBJECT:** Introduction and First Reading of Ordinance No. 596 adding Chapter 14.42 to the Morro Bay Municipal Code, Providing a Streamlined Permitting Process for Small Residential Rooftop Solar Systems and finding the ordinance exempt from the California Environmental Quality Act

### RECOMMENDATION

Staff recommends the City Council introduce, by title only, and waive the full reading, an ordinance amending Title 14 of the Morro Bay Municipal Code by addition of Chapter 14.42 providing a streamlined permitting process for small residential rooftop solar systems and finding the project exempt from the California Environmental Quality Act (CEQA).

### FISCAL IMPACT

None, other than for staff time spent preparing the Ordinance for adoption (approximately 15 hours).

### BACKGROUND/DISCUSSION

In September 2014, the California State Legislature passed, and the Governor signed, Assembly Bill 2188 (AB 2188), which requires local agencies to implement an expedited permit process for small residential rooftop solar energy systems.

This legislative action revised two parts of the California Solar Rights Act, specifically Section 714 of the Civil Code and section 65850.5 of the California Government Code, related to solar energy.

Section 714 of the Civil Code was amended to alter the definition of what is a reasonable restriction on a solar energy system as it pertains to restrictions that would *significantly* increase the cost of the system or significantly decrease its efficiency or specified performance, or that would not allow for an alternative system of comparable cost, efficiency, and energy conservation benefits. Specifically, “significant” means an amount not to exceed \$1,000.00 over the system cost as originally specified and proposed, or a decrease in the systems efficiency of an amount exceeding 10 percent.

Government Code Section 65850.5 mandates adoption of an ordinance by the City of Morro Bay, which

Prepared By: SG Dept Review: SG

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

outlines an expedited permit and inspection process for small residential rooftop solar energy systems on or before September 30, 2015. The proposed ordinance, found in Attachment 1, satisfies the content requirement of AB 2188 while falling somewhat short on the adoption deadline. While adoption of the ordinance did not take place prior to September 30, 2015, implementation of the streamlined review process, outlined in AB 2188, was implemented on or about August 17, 2015.

The City of Morro Bay Building Division currently meets the time-frame required by AB 2188 for same day, over the counter, issuance of small photovoltaic (solar power collector) permits, as well as the requirement for a single, timely inspection to finalize the permit.

### **ENVIRONMENTAL**

The ordinance is exempt from environmental review pursuant to CEQA guidelines Section 15061(b)(3). The activity is covered by the general rule which exempts activities that can be seen with certainty to have no possibility for causing a significant effect on the environment. The project involves updates and revisions to existing regulation and the code amendments consistent with California State Law, specifically Government Code Section 65850.5 and Civil Code section 714.

### **CONCLUSION**

Staff suggests that the City Council introduce the ordinance as identified in the Recommendation section of the staff report.

**ORDINANCE NO. 596**

**AN ORDINANCE OF THE CITY COUNCIL  
OF THE CITY OF MORRY BAY, CALIFORNIA  
AMENDING TITLE 14 TO ADD CHAPTER 14.42 TO THE MORRO BAY MUNICIPAL  
CODE ESTABLISHING AN EXPEDITED PERMITTING PROCESS FOR SMALL  
RESIDENTIAL ROOFTOP SOLAR SYSTEMS**

**THE CITY COUNCIL  
City of Morro Bay, California**

**WHEREAS**, the City Council of the City of Morro Bay seeks to implement AB 2188 (Chapter 521, Statutes 2014) through the creation of an expedited, streamlined permitting process for small residential rooftop solar energy systems; and

**WHEREAS**, the City Council wishes to advance the use of solar energy by all of its citizens, businesses and industries; and

**WHEREAS**, the City Council seeks to meet the climate action goals set by the State; and

**WHEREAS**, solar energy creates local jobs and economic opportunity; and

**WHEREAS**, the City Council recognizes that rooftop solar energy provides reliable energy and pricing for its residents and businesses; and

**WHEREAS**, it is in the interest of the health, welfare and safety of the people of Morro Bay to provide an expedited permitting process to assure the effective deployment of solar technology.

**NOW, THEREFORE, the City Council of the City of Morro Bay does hereby ordain as follows:**

SECTION 1: The City Council has performed a preliminary environmental assessment of this project and, pursuant to CEQA Guidelines Section 15061(b)(3), has determined with certainty that there is no possibility that this Ordinance may have a significant effect on the environment. The Ordinance involves updates to the City's regulations as required by the mandates of California law, specifically AB 2188 including Government Code Section 65850.5 and Civil Code Section 714. This is also consistent with CEQA's recognition that solar systems do not have a substantial impact on the environment, as set forth in Public Resources Code Section 21080.35, which provides that certain solar energy systems are statutorily exempt from environmental review under the California Environmental Quality Act, as well as the inherit recognition in CEQA Guidelines section 15301 (Existing Facilities). Additionally, the City Council has determined pursuant to CEQA Guidelines Section 15308 (Actions by Regulatory Agencies for Protection of the Environment) the adoption of the Ordinance, which had been directed by the State, would assure the enhancement of the environment, including climate action goals, and would not allow environmental degradation. Further, none of the exceptions to the exemptions under CEQA Guidelines Section 15300.2 are applicable. Therefore, this project is not subject to CEQA.

SECTION 2: There is hereby added to the Morro Bay Municipal Code, a new Chapter 14.42 to Title 14 to read, in its entirety, as follows:

**Chapter 14.42**  
**RESIDENTIAL SOLAR**

**14.42.010 - Definitions.**

- A. A “Solar Energy System” means either of the following:
  - 1. Any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating.
  - 2. Any solar collector or other solar energy device whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating.
  - 3. Any structural design feature of a building, whose primary purpose is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating or cooling, or for water heating.
- B. A “small residential rooftop solar energy system” means all of the following:
  - 1. A solar energy system that is no larger than 10 kilowatts alternating current nameplate rating or 30 kilowatts thermal.
  - 2. A solar energy system that conforms to all applicable state fire, structural, electrical, and other building codes as adopted or amended by the City and all state and City health and safety standards.
  - 3. A solar energy system that is installed on a single or duplex family dwelling.
  - 4. A solar panel or module array that does not exceed the maximum legal building height as defined by the City.
- C. “Electronic submittal” means the utilization of one or more of the following:
  - 1. Email;
  - 2. The Internet;
  - 3. Facsimile.
- D. An “association” means a nonprofit corporation or unincorporated association created for the purpose of managing a common interest development.
- E. A “common interest development” means any of the following:
  - 1. A community apartment project.
  - 2. A condominium project.
  - 3. A planned development.
  - 4. A stock cooperative.
- F. “Specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.
- G. “Reasonable restrictions” on a solar energy system are those restrictions that do not significantly increase the cost of the system or significantly decrease its efficiency or specified performance, or that allow for an alternative system of comparable cost, efficiency, and energy conservation benefits.
- H. “Restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance” means:

1. For Water Heater Systems or Solar Swimming Pool Heating Systems: an amount exceeding 10 percent of the cost of the system, but in no case more than one thousand dollars (\$1,000), or decreasing the efficiency of the solar energy system by an amount exceeding 10 percent, as originally specified and proposed.
2. For Photovoltaic Systems: an amount not to exceed one thousand dollars (\$1,000) over the system cost as originally specified and proposed, or a decrease in system efficiency of an amount exceeding 10 percent as originally specified and proposed.

#### **14.42.020 – Purpose.**

The purpose of the Ordinance is to adopt an expedited, streamlined solar permitting process that complies with the Solar Rights Act and AB 2188 (Chapter 521, Statutes 2014) to achieve timely and cost-effective installations of small residential rooftop solar energy systems. The Ordinance encourages the use of solar systems by removing unreasonable barriers, minimizing costs to property owners and the City and expanding the ability of property owners to install solar energy systems. The Ordinance allows the City to achieve these goals while protecting the public health and safety.

#### **14.42.030 – Applicability.**

- A. This Ordinance applies to the permitting of all small residential rooftop solar energy systems in the City.
- B. Small residential rooftop solar energy systems legally established or permitted prior to the effective date of this Ordinance are not subject to the requirements of this Ordinance unless physical modifications or alterations are undertaken that materially change the size, type, or components of a small rooftop energy system in such a way as to require new permitting. Routine operation and maintenance or like-kind replacements shall not require a permit.

#### **14.42.040 - Solar Energy System Requirements.**

- A. All solar energy systems shall meet applicable health and safety standards and requirements imposed by the state and the City.
- B. Solar energy systems for heating water in single-family residences and for heating water in commercial or swimming pool applications shall be certified by an accredited listing agency as defined by the California Plumbing and Mechanical Code.
- C. Solar energy systems for producing electricity shall meet all applicable safety and performance standards established by the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

#### **14.42.050 - Duties of Building Division and Building Official.**

- A. All documents required for the submission of an expedited solar energy system application shall be made available on the publicly accessible City Internet Website.
- B. Electronic submittals of the required permit application and documents by email and the Internet shall be made available to all small residential rooftop solar energy system permit applicants.

- C. An applicant's electronic signature shall be accepted on all forms, applications, and other documents in lieu of a wet signature.
- D. The City's Building Division shall adopt a City standard plan and checklist of all requirements with which small residential rooftop solar energy systems shall comply to be eligible for expedited review.
- E. The small residential rooftop solar system permit process, City standard plan(s), and checklist(s) shall substantially conform to recommendations for expedited permitting, including the checklist and standard plans contained in the most current version of the *California Solar Permitting Guidebook* adopted by the Governor's Office of Planning and Research.
- F. All fees prescribed for the permitting of small residential rooftop solar energy system must comply with Government Code Section 65850.55, Government Code Section 66015, Government Code Section 66016, and State Health and Safety Code Section 17951.

#### **14.42.060 - Permit Review and Inspection Requirements.**

- A. The Building Division shall adopt an administrative, nondiscretionary review process for the Department to expedite approval of small residential rooftop solar energy systems within 30 days of the adoption on this Ordinance. The Department shall issue a building permit or other nondiscretionary permit the same day for over-the-counter applications or within three business days for electronic applications of receipt of a complete application and meets the requirements of the approved checklist and City standard plan. The building official may require an applicant to apply for a use permit if the official finds, based on substantial evidence, that the solar energy system could have a specific, adverse impact upon the public health and safety. Such decisions may be appealed to the City Planning Commission per Section 17.60.130 of this Code, except references to "Director" shall instead refer to the "building official."
- B. Review of the application shall be limited to the Building Division's review of whether the application meets local, state, and federal health and safety requirements.
- C. If a use permit is required, the building official may deny an application for the use permit if the official makes written findings based upon substantive evidence in the record that the proposed installation would have a specific, adverse impact upon public health or safety and there is no feasible method to satisfactorily mitigate or avoid, as defined, the adverse impact. Such findings shall include the basis for the rejection of the potential feasible alternative for preventing the adverse impact. Such decisions may be appealed to the City Planning Commission per Section 17.60.130 of this Code, except references to "Director" shall instead refer to the "building official."
- D. Any condition imposed on an application shall be designed to mitigate the specific, adverse impact upon health and safety at the lowest possible cost.
- E. "A feasible method to satisfactorily mitigate or avoid the specific, adverse impact" includes, but is not limited to, any cost-effective method, condition, or mitigation imposed by the City on another similarly situated application in a prior successful application for a permit. The City shall use its best efforts to ensure that the selected method, condition, or mitigation meets the conditions of subparagraphs (A) and (B) of paragraph (1) of subdivision (d) of Section 714 of the Civil Code defining restrictions that do not significantly increase the cost of the system or decrease its efficiency or specified performance.

F. The City shall not condition approval of an application on the approval of an association, as defined in Section 4080 of the Civil Code.

G. If an application is deemed incomplete, a written correction notice detailing all deficiencies in the application and any additional information or documentation required to be eligible for expedited permit issuance shall be sent to the applicant for resubmission.

H. Only one inspection shall be required and performed by the Building Division for small residential rooftop solar energy systems eligible for expedited review.

I. The inspection shall be done in a timely manner and should include consolidated inspections. An inspection will be scheduled within one business day of a request, or within five business days if an inspection cannot occur on the next business day.

J. If a small residential rooftop solar energy system fails inspection, a subsequent inspection is authorized but need not conform to the requirements of this Ordinance.

SECTION 3. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Morro Bay hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

SECTION 4. This Ordinance shall be in full force and effect thirty (30) days after its adoption following second reading.

SECTION 5: The City Clerk shall certify to the adoption of this Ordinance and cause it to be published, in accordance with Government Code, section 36933.

**INTRODUCED** at a regular meeting of the City Council of Morro Bay, held on the 13<sup>th</sup> day of October, 2015, by motion of Councilmember \_\_\_\_\_, seconded by Councilmember \_\_\_\_\_.

**PASSED AND ADOPTED** on the \_\_\_\_ day of October, 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 of the 13<sup>th</sup> day of October, 2015, and 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:

ABATAIN:

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



AGENDA NO: D-2

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** October 5, 2015

**FROM:** Dave Buckingham, City Manager  
Joseph W. Pannone, City Attorney

**SUBJECT:** Approval of Memorandum of Cooperation (“MOC”) between the City and Trident Winds, LLC, a Washington Limited Liability Company (Trident”), Regarding a Possible Wind Turbine Project Located Off-shore for the Production of Electricity

### RECOMMENDATION

Staff recommends the City Council approve the MOC with Trident for the parties to cooperate regarding a possible wind turbine project located off-shore for the production of electricity with access to the existing distribution facilities at the former Morro Bay Power Plant.

### ALTERNATIVES

Alternative 1. The City Council can decide not to authorize the MOC.

Alternative 2. The City Council can request modifications to the MOC be discussed with Trident.

### FISCAL IMPACT

There is no immediate financial impact of the MOC, except for staff and legal efforts during the period of the MOC.

### BACKGROUND

The former Morro Bay Power Plant (the “MBPP”) is an inoperable 650 MW gas and oil fired power operation owned by Dynegy Morro Bay, LLC, a Delaware limited liability company, a wholly-owned affiliate of the publicly traded independent power company known as Dynegy Inc. (“Dynegy”). Dynegy representatives have advised it is actively attempting to sell and otherwise dispose of its portfolio of California power plants, including the MBPP. The MBPP has been closed and rendered inoperable since January 2013. The City has experienced significant negative economic impacts as a result of expired MBPP operational agreements, including, but not limited to, because a vacant power plant on the City’s waterfront is a visual and economic detriment to the future growth and prosperity of the City. Since the closure of the MBPP, various parties have suggested site re-use concepts to the City.

01181.0001/270390.1

Prepared By: JWP

City Manager Review: DWB

Staff and Trident understand the necessity to evaluate and address potential impacts to the marine ecosystem, specifically, water quality and migratory and resident species of concern, as well as other issues, such as visual resources, recreational opportunities, navigable channels, cultural resources and the fishing industry for any proposed re-use of the MBPP. It is also well known, California has a public policy to significantly increase the use of renewable power in the State and to significantly decrease the emission of carbon in the power, industrial and transportation sectors of the California economy.

## **DISCUSSION**

Trident is an Offshore Wind Development (“OSD”) company formed to permit clean, renewable energy projects, and has advised the City it is engaged in the permitting of a utility scale, deep water, anchored wind project on the central coast of California in the general vicinity of Morro Bay. Part of that potential project would require a means of transmitting electricity created by the wind project. The City owns and controls the cooling water outfall structure formerly utilized by the MBPP, which structure may be effectively re-utilized by an offshore wind project to electrically connect a wind project to the PG&E electric substation located adjacent to the MBPP, and which substation provides for an interconnection to the high voltage transmission system operated by the California Independent System Operator located in Folsom, California.

Trident approached the City about cooperatively exploring the possibility of the wind project and use of the City-owned outfall facility. The MOC would provide the parties a path for that cooperative effort. The MOC does not commit the City to any reuse of its outfall structure of the MBPP or position on the project.

The MOC has no specific time period during which the parties are agreeing to cooperate. The MOC does clearly provide the City can determine, at any time, to discontinue operations under the MOC. The MOC expressly states the City “will, subject to its own rules and regulations and applicable law, and following significant public review and participation, cooperate with Trident to the extent it deems reasonable and in the public interest.” Therefore, at any time the City Council decides the public interest would be better served by no longer cooperating with Trident, the City has the right to withdraw that cooperation.

## **CONCLUSION**

Staff believes exploring the possible reuse of the former MBPP for distribution of electricity from an environmentally and commercial and recreational fishing industry friendly off-shore wind turbine project is a worthy effort, at this time. Such exploration in no way commits the City to allow use of its outfall facilities or the MBPP for such use or approval of such a project. Based on that foregoing, staff recommends the Council approve the MOC.

## **ATTACHMENT**

Proposed Memorandum of Cooperation

OCTOBER 5, 2015

**MEMORANDUM OF COOPERATION BY AND BETWEEN THE CITY OF MORRO BAY CALIFORNIA (the "City") AND TRIDENT WINDS LLC ("Trident"), AN OFFSHORE WIND DEVELOPMENT COMPANY ORGANIZED IN WASHINGTON STATE, collectively (the "Parties")**

**Whereas**, The City of Morro Bay in San Luis Obispo County California is the location of an inoperable 650 MW gas and oil fired power plant (the "Plant") owned by Dynegy Morro Bay, LLC, a Delaware limited liability company, a wholly-owned affiliate of the publicly traded independent power company known as Dynegy Inc. ("Dynegy"), located in Houston Texas, that owns and operates a coal-fired dominated portfolio of power plants across the U.S.; and

**Whereas**, Dynegy representatives have advised the City Dynegy is actively attempting to sell and otherwise dispose of its portfolio of California power plants, including the Plant; and

**Whereas**, the Dynegy power plant located on the Morro Bay waterfront has been closed and rendered inoperable since January 2013, thereby producing significant negative economic impacts on the City's revenue streams as a result of expired plant operational agreements; and

**Whereas**, the Parties understand the necessity to evaluate and address potential impacts to the marine ecosystem, specifically, water quality and migratory and resident species of concern, as well as other issues, such as visual resources, recreational opportunities, navigable channels, cultural resources and the fishing industry; and

**Whereas**, a vacant power plant on the City's waterfront is a visual and economic detriment to the future growth and prosperity of a California coastal city; and

**Whereas**, since the Plant's closure, various parties have suggested Plant site re-use concepts to the City; and

**Whereas**, it is the public policy in the State of California to significantly increase the use of renewable power in the state and to significantly decrease the emission of carbon in the power, industrial and transportation sectors of the California economy; and

**Whereas**, Trident, an Offshore Wind Development ("OSD") company formed to permit clean, renewable energy projects, has advised the City that it is engaged in the permitting of a utility scale, deep water, anchored wind project on the central coast of California in the general vicinity of Morro Bay; and

**Whereas**, the City owns and controls the cooling water outfall structure formerly utilized by the closed and inoperable Plant which structure may be effectively re-utilized by an offshore wind project to electrically connect a wind project to the PG&E electric substation located adjacent to the Plant, and which substation provides for an interconnection to the high voltage transmission system operated by the California Independent System Operator located in Folsom, California; and

**Whereas**, the City may control or have influence over the use or re-use of other built infrastructure within its jurisdiction, that may be useful to facilitate the development of a renewable energy offshore wind project that could contribute to the economic prosperity and development opportunities for the City.

**Now**, in consideration of the mutual undertakings of the Parties set forth below, the Parties agree as follows:

1. Trident will, subject to any confidentiality agreements or applicable law and regulation, provide the City with progress reports concerning, among other matters:
  - (i) its preparation of an application to the Bureau of Ocean Energy Management (“BOEM”) to lease certain areas of the ocean floor off the coast of central California;
  - (ii) its engagement with environmental and other non-governmental organizations that may be parties in interest with respect to a proposed offshore wind project;
  - (iii) its engagement with commercial and recreational fishing interests that may be affected by a proposed offshore wind project;
  - (iv) its engagement with Native American interests that may be affected or that may participate in the development of an offshore wind project;
  - (v) its engagement with the California Coastal and Lands Commissions;
  - (vi) its engagement with the California Energy Commission;
  - (vii) its engagement with the California Public Utilities Commission;
  - (viii) its engagement with the California Air Resources Board;
  - (ix) its engagement with the California Independent System Operator;
  - (x) its engagement with other state and local elected officials, community at large and local businesses; and,
  - (xi) its engagement with Dynegy and/or others with respect to Trident’s wind project development endeavors.
  
- 2, Trident will use its reasonable best efforts to help educate City representatives and the citizenry of Morro Bay about the technology of the proposed wind project, its various environmental impacts, its economic development attributes for the City and its ideas for the possible re-use of Plant facilities and property.
  
3. The City will, subject to its own rules and regulations and applicable law, and following significant public review and participation, cooperate with Trident to the extent it deems reasonable and in the public interest:

- (i) to explore a long-term commercial relationship for the use of the City's outfall structure in order to interconnect an offshore wind project to the PG&E substation;
- (ii) to consider supporting Trident's Plan of Permitting with respect to the federal, state and local permits it will need to construct an offshore wind project, and,
- (iii) to work with Trident on such other activities as the Parties may wish to jointly consider.

In witness thereto the below sign on behalf of their respective parties.

City of Morro Bay

Trident Winds LLC

By: \_\_\_\_\_  
Jamie Irons, Mayor

By: \_\_\_\_\_  
\_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Dana Swanson, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Joseph W. Pannone,  
City Attorney



AGENDA NO: D-2

MEETING DATE: October 13, 2015

**THE FOLLOWING PUBLIC CORRESPONDENCE  
WAS RECEIVED BY THE CITY COUNCIL  
FOLLOWING POSTING OF THE AGENDA.**

Agenda Item: D-2  
Meeting date: 10/13/15

**Dana Swanson - Fwd: D2 , NO to Windturbines off MB**

**RECEIVED**  
City of Morro Bay

OCT 13 2015

Administration

**From:** Christine Johnson <cjohnson@morro-bay.ca.us>  
**To:** DSwanson@morro-bay.ca.us  
**Date:** 10/9/2015 3:54 PM  
**Subject:** Fwd: D2 , NO to Windturbines off MB

FYI...agenda correspondence.  
Thanks,  
Christine

Christine Johnson  
Council member, City of Morro Bay  
805-305-3759  
[Cjohnson@morro-bay.ca.us](mailto:Cjohnson@morro-bay.ca.us)

Sent from my iPad.

Begin forwarded message:

**From:** "Merrill" <996Porsche@charter.net>  
**Date:** October 7, 2015 at 10:54:21 PM PDT  
**To:** "Christine Johnson" <CJohnson@morro-bay.ca.us>, "John Headding" <JHeadding@morro-bay.ca.us>, "Noah Smukler" <NSmukler@morro-bay.ca.us>, "Jamie Irons" <jirons@charter.net>  
**Subject:** D2 , NO to Windturbines off MB

**Dear Mayor and Councilmembers,**

**environmentally and commercial and recreational fishing industry friendly off-shore wind turbine project**  
**is a worthy effort, at this time**

**This sentence is loaded. We all know that environmentally....friendly isn't possible with wind turbines!! Hundreds of thousands of birds are killed every year by 'off shore' wind turbines. The toll for wildlife is just too great. It seems like there is just one after another of these 'venders' waiting to exploit our precious natural resource...our ocean. We know how valuable it is to us and these industrial giants need to be told our beautiful coast isn't for sale.**

**You must reject this idea of wind turbines. The danger is huge**

for destroying what we all value the most, our special way of life. We elected you thinking that you would protect us from these dangers.

This can not possibly benefit us.

Sincerely, Lynda Merrill

#### CONCLUSION

Staff believes exploring the possible reuse of the former MBPP for distribution of electricity from an environmentally and commercial and recreational fishing industry friendly off-shore wind turbine project is a worthy effort, at this time. Such exploration in no way commits the City to allow use of its outfall facilities or the MBPP for such use or approval of such a project. Based on that foregoing, staff recommends the Council approve the MOC.





AGENDA NO: D-3

MEETING DATE: October 13, 2015

## Staff Report

**TO:** Honorable Mayor and City Council

**DATE:** October 6, 2015

**FROM:** Sam Taylor, Deputy City Manager

**SUBJECT:** Discussion of Intent to be a Host City for the Start of One Leg of the 2016 Amgen Tour of California Bicycle Race

### **RECOMMENDATION**

Staff recommends City Council authorize the City Manager to submit a Letter of Intent to AEG Sports / Amgen Tour of California for the City of Morro Bay to host the start of one leg of this major, worldwide bicycle race. If so authorized, then staff will negotiate a contract with AEG Sports to host the event and return to the Council with the contract for approval.

### **ALTERNATIVE**

The City Council could choose for Morro Bay not to participate in this event.

### **FISCAL IMPACT**

Visit SLO County will provide \$30,000 in funding for Morro Bay to participate in the event. Based on discussions with Pismo Beach, a previous host City, they spent approximately \$45,000 on the event. Thus, the “cost” to the City will be around \$15,000. The City Council has already authorized City Manager expenditure of up to \$30,000 for economic development initiatives so no further spending authorization is required. To further share the cost, City staff intends to request the Morro Bay Tourism Bureau designate funds to support this event. As we understand it, this event will ensure every hotel room in the community is booked the night before making it a major “heads in beds” event. Should the MBTB designate \$10,000 for this event, the total general fund cost will be around \$5,000. As about 1.1 million people worldwide will also be introduced to Morro Bay, this equates to an additional major tourism marketing and promotions advantage relevant to the expenditure of TBID funding to assist with destination marketing (that is, hosting this event provides direct destination marketing opportunities, as outlined below).

### **BACKGROUND**

The Amgen Tour of California can be thought of as the “Tour de France” of the State. In fact, the company that manages the famous French race now manages Amgen’s race as well. It is a major, eight-leg race that runs from Sacramento to San Diego in most years. For the second time ever, the

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Prepared By: ST

Dept Review: \_\_\_\_\_

City Manager Review: DWB

City Attorney Review: JWP

event is being flipped, with the initial starting leg in San Diego and the finish in Sacramento.

The previous starting city of Pismo Beach cannot host this year due to adjustments to the course because of the race being flipped. The racers can only go a certain distance each day, and Pismo is too far away from the planned end point in Monterey.

Morro Bay was approached, first, by Visit SLO County, San Luis Obispo County's tourism marketing and promotions arm, to find out if we would be interested in listening to the potential for the start to come here.

Staff was provided materials related to the overall race (including benefits and opportunities) as well as requirements by the host city (attached). Those materials provide a general guideline for the contents of the contract staff would be negotiating for Council approval. In consultation with Pismo Beach and other jurisdictions that have hosted the race in previous years, City staff determined the requirements were not so onerous that being a host city was out of the question.

In late September, staff from Police, Fire, Public Works, Harbor, and Administration met with the technical director for the race to discuss the potential starting point and details about the impacts to the community.

Those details include:

- The race would start at the Morro Rock parking lot. This location also provides the only area of the community where the required amount of parking is available for the Amgen staff, racers, and media.
- Amgen estimates perhaps 3,000 spectators would come to town. This is less than half of the number of people that attended one day of the Avocado & Margarita Festival this year.
- The race course through town can be as short or as long as we would like it to be. After discussions with Amgen, all staff, including police and fire, recognize the benefit of this event to the community from a tourism marketing and promotions standpoint (as well as a community celebration in general), and believe a course that goes a longer route through town would give more people the opportunity to participate.

The City would be responsible for numerous initiatives that generally require funding. For instance, the City must guarantee the availability of 80 hotel rooms the night before the race. Those rooms would not cost the race organizers or the racers any money (thus, they would be the City's responsibility). We already coordinated those rooms being held for the race with Morro Bay Tourism Bureau Director Brent Haugen, who has been a major asset to the initial coordination of event feasibility.

The City would be responsible for security, managing street closures, all permits that may be required, providing restrooms, providing meals at various times and locations, and more. Most of

that is a financial cost. For instance, other cities have simply hired catering firms to provide the food. Local tourism bodies have provided funding for the hotel rooms.

In exchange for the provisions of the City, Morro Bay will be showcased worldwide – with an average viewer rate of 1.1 million seeing the community. That’s more than 1 million advertising impressions, in essence, for Morro Bay, in more than 200 countries and territories globally. We also will be able to provide one 30-second commercial to broadcast during the event, the City will be showcased on the Amgen website, we will receive official host city marketing and advertising benefits that are too numerous to list (the document is attached for review), and opportunities to fundraise during the event to offset costs (i.e. ~ auctioning off an autographed jersey, VIP experiences, etc.) will be available.

### **DISCUSSION**

As noted above, staff has researched the potential impacts to municipal services and the community by speaking with other jurisdictions that have hosted the race before. That includes communities that have both been starting points and finishes.

It is our understanding, based on that research, a start has much less impact on a community and is much easier to plan. The race will be through the City quickly, as street closure points will only occur for 15 minutes.

Mentioned above in the fiscal impact section, all necessary funding is generally already secured for the event, which will ensure we can handle all requirements as outlined by Amgen. Staff will seek additional funding from the Morro Bay Tourism Bureau, and believes the Bureau Board will also see the large benefit of the event to the hotelier community and to Morro Bay in general.

### **CONCLUSION**

Overall, staff believes, while this event will have community impact – as all public events in Morro Bay do – this is a community that is prepared and ready for such events and will easily handle management of all requirements from Amgen.

Any impact to the community is greatly outweighed by the numerous tourism marketing and promotions benefits – both the direct hotel stays that will occur the night before the event, as well as the long-term marketing impact of being televised to 200 countries worldwide, along with new visitors to the community.

### **ATTACHMENTS**

1. Letter of Intent
2. Amgen Host Cities Benefits/Opportunities/Requirements Document
3. Amgen Race Synopsis/Overview Document



## CITY OF MORRO BAY

CITY HALL  
595 Harbor Street  
Morro Bay, CA 93442

October 13, 2015

Sheri Kamakani Morales  
Vice President  
AEG Sports  
865 South Figueroa St., Suite 104  
Los Angeles, CA 90017

Ms. Morales,

Please consider this a letter of intent regarding the City of Morro Bay's participation as a host start City for a leg of the Amgen Tour of California bicycle race in May 2016.

Pursuant to the Host City Benefits & Opportunities/Requirements document provided to us, we are aware of both our necessary commitments to the event as a host city as well as the benefits we will receive.

We look forward to further discussions related to an official contract for our participation, to be approved by our City Council at a future date, and are excited to showcase Morro Bay to the international community.

Sincerely,

David Buckingham, City Manager

## HOST CITY BENEFITS AND OPPORTUNITIES STAGE START

Bring the world to your city as a host for the Amgen Tour of California. The Tour provides a powerful platform to gain worldwide exposure, create economic impact and provide priceless experiences for local residents, supporters and dignitaries. Each official Amgen Tour of California Host County/City will receive an attractive package of benefits to assist with local fundraising efforts, to provide hospitality for key guests, and to promote and market the Host County/City while driving in-bound tourism. Below is a list of the benefits the Amgen Tour of California will be providing:

### A. LOC Revenue Generation

- Local partnership packages
- Booths in Lifestyle Festival: Five (5) Festival booths – 10' x 10' tent, including (1) 8' table and 2 chairs for each booth located at respective start/finish line area
- Promotional and charitable auction items; One (1) Autographed 2015 Amgen Tour of California Jersey; Two (2) 2015 Team Signed Jerseys (\*specific team jerseys contingent upon team jersey availability)
- VIP Experiences
  - Two (2) seats in VIP car for respective stage
  - Two (2) VIP finish line experiences for respective stage (which include VIP hospitality pass, green room area access and press conference access)

### B. Race Hospitality

- LOC VIP area located at respective start/finish line, which can be used for hospitality or revenue generation (to be used in sponsor packages, VIP entertaining, value-in-kind, etc., not for individual re-sale). Tour to provide space, tent, tables and chairs; with at least 900 square feet of tent covered space; LOC responsible for catering, décor, linens, staffing, etc.
- Twenty (20) VIP Hospitality passes for the Official tour hospitality tent located at respective start/finish line
- Opportunity to purchase additional passes at a preferred price
- Opportunity to showcase a local flavor in the Official tour hospitality tent (10' x 10' space)
- Opportunity to have local dignitaries and local partners on stage to participate in a portion of the start/awards ceremonies

### C. Host City Publicity and Marketing

Television: Television rights and production are owned and controlled by Tour. Each Host County/City will be provided the opportunity to submit video of County/City landmarks to be featured in the race broadcast.

In 2015, the race was seen live daily for 2 hours on NBCSN and NBC Sports on the final Sunday. Overall, the race was broadcast to over 200 countries and territories worldwide in partnership with Amaury Sports Organization (ASO).

In 2016, we expect to deliver the following to each Host County/City:

- One (1) 30-second commercial unit on broadcast
  - No pass through Rights to local partners

#### Website/Online

- Dedicated County/city page on official website with the opportunity to incorporate local partner logos, tourism information, ancillary events, etc.
- Hotlink from official website to individual LOC sites for local partner acknowledgement
- Dedicated email sent out to tour database for each stage, promoting each Host County/City, activities and events
- Iconic County/city image to be placed on tour homepage for a one-week period
- Inclusion in Local Events Schedule
- The opportunity to provide content and photos for social media integration within tour platforms
- Tour Tracker -:15 or :30 Commercial for Tour Tracker Commercial rotation

#### Marketing/Advertising Benefits

- Official “Host County/City” Flyers
- Official “Host County/City” Posters
- An electronic vector file that can be customized with local information and local partners
- Royalty-free license to use tour race footage to promote Host County/City, subject to footage and usage approval
- Official County/City “Thank you to Local Partners Banner” to be placed on race day
- One (1), half-page program ad in Official Tour Guide
- Local partner “Thank Yous” listed in the Official Tour Guide
- TV & Radio Spots provided- untagged to incorporate local partners
- Eight (8) Unique Public Address Announcements made by on-site hosts from the Announcer Stage
- Amgen Tour of California Gallery - Host Cities will be provided access to the LOC Gallery which contains marketing resources & templates such as: layered keyart, race images, Tour letterhead, web banners, ad mattes, radio/TV spots, posters & flyer templates, signage templates, etc.
- Six (6) Unique Big Screen commercial units to be shown on big-screens at finish line which can be used for approved LOC partners
- AEG to create loop with the local partners for each respective county/city/stage

- Eight (8) on-course banners for one (1) pre-approved local partner. Location of banners to be determined by tour

\*Benefits and opportunities subject to change

\*\* Please note that there are partnership categories that are off limits to Host Counties/Cities due to event exclusivity. The Tour will provide a list of closed categories as well as a list of categories and companies that are open to solicit on a local level

#### HOST CITY REQUIREMENTS – STAGE START

As a partner of the Amgen Tour of California, a Stage Start Host County/City is required to provide the following support and assume all related costs as part of their bid submission.

#### RACE OPERATIONS

**POLICE SERVICES** - Local (city and/or county and unincorporated areas if applicable) police services and related costs are the responsibility of the Host City. In coordination with California Highway Patrol (CHP), CalTrans, as well as the Tour's motor and road marshals and in conjunction with the LOC volunteer program, local police provide safe road closures, which may include fixed-post positions, traffic control, crowd control, enforcing no-parking zones and maintaining general public safety.

**PUBLIC WORKS AND ROAD SERVICES** - Local public works and road services are the responsibility of the Host City. The Host City will absorb the cost for all services for road closures and course preparation within the city/county (and unincorporated areas if applicable) limits. These services are necessary to support police efforts to ensure road closures and the safety of the course. These services include:

- Detours and traffic rated detour equipment (Tour will provide 3,000 feet of crowd control fencing at the start lines\*)
- Barricades
- Cones
- Contracted traffic control services
- (2) Scissor lifts/(1) Fork Lift\*\*
- Printing/posting of 'No Parking' signs
- Removal/restoration and street repair
- Distribution of notices to residents advising of road closures and providing a "hotline" available to residents and businesses to handle issues related to closures

\* Exact amount of fencing varies depending on the venue \*\*\* Scissor Lift and Fork Lift specs can be provided upon request. Fork Lift must be 5,000 lb. warehouse lifts

START CIRCUITS –The decision to incorporate start circuits into a Tour stage must be mutually agreed upon by the Tour and Host City. The Host City will absorb the cost for all services and infrastructure necessary to conduct circuits, even if the circuits extend outside of the city limits, including traffic control, permits, and requirements for all roadways not under city jurisdictions.

If there are road knobs, curbs, speed-bumps, etc., which impact the course and the riders' safety, the Host City is financially responsible to have these elements temporarily removed and replaced.

PERMIT SERVICES - All fees associated with city/county/state (and unincorporated areas if applicable) permits and permit requirements for the operation of the event are to be procured by the Host City on behalf of the Tour. They include, but are not limited to:

- City, county and state permits for stages, tents, electrical, health, alcohol, sound, and any road permit that may be required for any portion of the route that is within the city limits of the LOC
- Parking - both on and off the street
- Alcoholic beverages - consumption in public, if served at a start, from cups, bottles and cans, in a private VIP area
- Road closures and use – all permits required for the closure and use of roads for setup and racing that may be required for any portion of the route that is within the city limits of the LOC.
- Construction Permits – Includes permits for construction of staging, tents, wiring and electrical, portable generators, power equipment and a fork lift
- Special and ancillary events - pre-event and race day
- Banners and signs - hanging and display of pre-event, race day advertising and partner banners
- Concession sales - on-site merchandise and concession stands as requested by race organizers

The LOC is responsible to provide all necessary health department contact information that pertains to the Host City 90 days prior to the event. The LOC is to make best efforts to invite health department permitting person to one of the pre-tour site visits designated by the Tour.

\* Please identify any special permitting/restrictions that the Tour should be aware of, including Merchandise Sales, Alcohol, Signage and Sound Amplification. This may affect the options for START LINE placement.

EMT/EMS SERVICES –Host City is financially responsible for providing EMT/EMS services for the general public on the day of the Stage Start. Medical plan must be submitted to the Tour's Technical Director. Please note that the Tour provides medical services for the athletes, team support and staff personnel, however the LOC must cover ambulance costs if the Tour contract ambulance provider is not licensed for the location.

RESIDENT/BUSINESS NOTIFICATIONS – Host City is responsible for notifying local residents and businesses within the city limits that impact the Tour; including road closures, traffic advisories, etc. In the case of a circuit or agreed upon route outside the city, notification must be made in these locations as well. Notifications should be bilingual, including an English and Spanish version.

PORTABLE TOILETS – Host City is financially responsible for securing portable toilets services or public restrooms during the day of the Stage Start. The number of units and placement of the units will be mutually agreed upon by the Host City and the Tour’s Production Director. Portable toilets are to be guaranteed to arrive the night prior to the start for the overnight crews.

WASTE MANAGEMENT – Host City is financially responsible for waste management/trash removal services during and at the conclusion of the event. Necessary supplies and services include: trash containers, roll off containers, dumpsters, recycling containers and the crews to remove full containers of liners, and replace them with fresh liners. Also needed are crews to restore the venue to its original beauty, meaning removal of trash from streets, parking lots, parking garages, curbs, city property, county property and federal property. Street sweeping is recommended the day before the event and the evening after tear down.

#### BREAKAWAY MILE

Background: Four cities will be chosen to host Breakaway Mile events, which include Amgen-sponsored hospitality and an approximately one- half to one mile walk along the race course that crosses the start or finish line (prior to the pros) to honor the millions of cancer survivors worldwide as part of the Breakaway from Cancer® initiative. Approximately 150 community members -- cancer survivors, patients, caregivers and advocates -- will be included in this activity.

The Host City is financially responsible for the following:

- Grassroots community marketing support to secure 150+ Breakaway Mile participants, including cancer survivors, patients, caregivers, advocates, etc.
- Marching band or other ancillary participation creating a highly visual and compelling element included in the Breakaway Mile walk along the race course
- Police escort to lead the Breakaway Mile walk
- Secure parking for 75+ Breakaway Mile participant vehicles
- Possible assistance identifying a local Breakaway from Cancer Champion who is an inspiration in the local community

#### HOTEL ACCOMMODATIONS - ROOM BLOCKS (Stage Start)

The needs described below reflect a Stage Start in which the race start for a stage takes place in the host city, with the race finish taking place in another city.

Please note: A “single” room is a room with 1 bed. A “double” room is a room with 2 beds. There will be a maximum of 2 people per room regardless of room type. The double/single ratios listed below are estimates.

The Host City is financially responsible for all costs associated with the following room allocations:

**NIGHT BEFORE THE STAGE START:**

- 80 rooms (60/40 ratio of doubles/single rooms)
- All hotel-related parking expenses

**HOTEL REQUIREMENTS FOR THE NIGHT BEFORE THE STAGE START:**

- Hotel rooms must be located at no more than (2) hotel properties within close proximity the Start Line area and to each other
- Hotel must offer breakfast or be close to full-service restaurants
- Hotel must be a minimum of a 3-star property and provide television viewing of the Tour's broadcast partner's network
- Complimentary self-parking
- Complimentary wireless Internet in public areas, meeting rooms, and guest rooms
- Individuals and teams will be responsible for their own incidental charges; Hotels shall not require credit/debit card pre-authorizations in excess of \$50 per person or \$100 per team
- Hotel properties must be pre-approved by AEG

**SITE VISIT/LOC ROOMS:**

The Host City is financially responsible for providing the Tour with 40 hotel room nights to be used anytime from July 1, 2015 – July 1, 2016.

**MEALS**

**START CREW BREAKFAST** – The Host City is financially obligated to provide breakfast (i.e. breakfast sandwiches/burritos, raw fruit, coffee) the day of the Stage Start for the start line construction crew and start advance staff (approximately 30 people). Breakfast should be served at the Start Line no later than 6:30AM.

**MEDIA BREAKFAST** – The Host City is financially obligated to provide a light breakfast fare for approximately 50 working media in or adjacent to the designated media workroom.

**CARAVAN BOXED LUNCHES** –The Host City is financially obligated to provide (520) boxed lunches for the teams and staff, to include (but not limited to): sandwich, fruit, chips, cookies. Sandwich choices to include three varieties plus a vegetarian (small percentage vegetarian). Lunches must be dropped off 2 1/2 to 3 hours prior to the race start. Caterer must box/bag lunches by type. (i.e. vegetarian, ham, etc)

\* The Tour will provide a box lunch RFP to assist with soliciting local caterers/restaurants

**TOUR HOSPITALITY PROGRAM**

The Host City is financially responsible for providing the following, as it pertains to the official Tour VIP Hospitality area:

The Requirements include:

- All food and beverage for the VIP area
- Food & beverage for estimated 200 guests (final guest count to be confirmed by Tour)
- VIP breakfast including high end breakfast faire for Tour official partners, VIPs and local VIPs that must include at least (1) hot breakfast item
- Final menu subject to AEG approval
- Start Host City caterer to be contracted 90 days prior to the race and caterer to begin coordination and preparation with Tour within 60 days of event
- AEG is responsible for the overall management of caterer and on-site management of catering operation in cooperation with start city host caterer
- Breakfast provision must include all serviceware, utensils, plates, service platters for food, as well as ice and ice bins
- Professional contracted wait/service staff to serve the breakfast (not volunteers)
- Once the hospitality tent closes, the Host City will be responsible for the cleanup and removal of all trash, recyclables and left-over food and beverage within the hospitality tent through a contracted Trash removal service
- Floral arrangements and décor for tables
- Front and back of house manpower
- Table linens

\*The Tour will provide a catering a catering checklist, outlining specifics

TASTE OF -The “Taste of” program is a requirement for host cities to showcase the city’s local flavor. The Local Organizing Committee (LOC) is to provide catering for the official AEG / Michelob Ultra tent which will serve as the “Taste of” (local flavor) of the respective city. Guest counts will be communicated and confirmed by Tour. The LOC is also to provide a “Taste of” offering in a 10 x 10 space within the Amgen tent, which will include a sampling from a local restaurant specific to the community and/or region.

\*The Tour will provide a “Taste Of” checklist outlining specifics

#### PARKING REQUIREMENTS

The Host City is obligated to provide the following parking and suggested directions to each parking area:

TEAM PARKING AND STAGING AREA – Requires a sizable lot (approximately 160 parking spaces) in close proximity to the Start Line, to accommodate team vehicles. Each team travels with a motor coach, trailer and support vehicles.

VIP PARKING – Requires parking for approximately 100 vehicles adjacent to the Start Line location.

**STAFF PARKING** – Requires parking for approximately 75 vehicles adjacent to the Start Line location.

**MEDIA PARKING** – Requires parking for a minimum of 50 vehicles adjacent to the start line area. Additional parking for up to three (3) satellite news vans trucks to accommodate live shots at the start line.

**CREW PARKING** – Parking must be secured for the construction crew vehicles (10 box trucks) at the start location.

**BREAKAWAY MILE PARKING** (only needed if hosting a Breakaway Mile) – Requires parking for approximately 75 vehicles adjacent to the start line.

**OVERNIGHT VENUE SECURITY** – The Host City is financially responsible for providing overnight security for the build crew graveyard shifts at the Start and should begin the evening prior to the event to watch over equipment and crews. Hours of Security Operation are 7 PM – 7 AM and include the Start footprint. See production schedule for details.

#### **OTHER**

The Host City is responsible for securing the following:

**MEDIA WORKSPACE** –A room to accommodate media check-in and working space for up to 50 journalists shall be provided adjacent to the start line.

#### **RECYCLE PROGRAM**

The Amgen Tour of California is committed to being a responsible and green event. As such, Host Cities should provide sufficient means of recycling for all areas of the event. Clearly marked recycling bins should be placed at every trash can to encourage participants to recycle. Host Cities should provide dumpsters for recyclables only and make all staff aware of the location of these dumpsters to ensure proper disposal of recyclables. These must be provided within the entire footprint. (ex: hospitality, festival, etc.)

#### **VOLUNTEER PROGRAM**

The Host City is responsible for securing and organizing local volunteers for the Tour. Volunteers will assist the Tour and the LOC with coordinating activities on the day of the event. The total number of volunteers is typically 200 to 300 for a Stage Start Host City.

If the LOC decides that volunteer check-in is at a location other than the start line location, then the LOC is responsible for its own infrastructure (tents, tables, chairs, generators). The Tour will not provide these items to satellite locations.

\* Please note you may be asked to extend the volunteers a short distance beyond the city limits



# THE STATS FROM THE FIRST DECADE

MEN'S RACE  
STAGES HOSTED **80**

WOMEN'S RACE  
STAGES HOSTED **12**

MILES **7,399**

TEAMS **168**

ATHLETES **1,859**

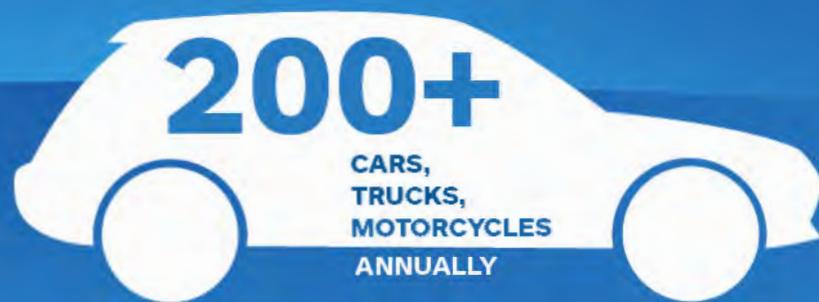
SPECTATORS **15M+**

CITIES  
VISITED **130**

IMPRESSIONS **30B+**

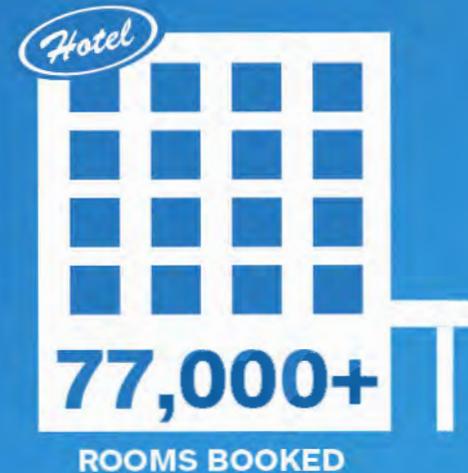


# THE STATS FROM THE FIRST DECADE



**1000+ ENTOURAGE**

RIDERS, MANAGEMENT, STAFF, OFFICIALS,  
SPONSORS, VENDORS AND MEDIA  
ANNUALLY



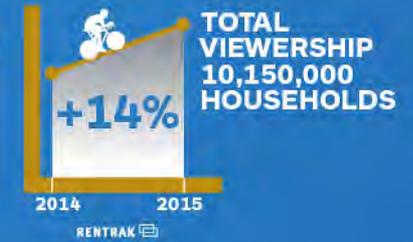
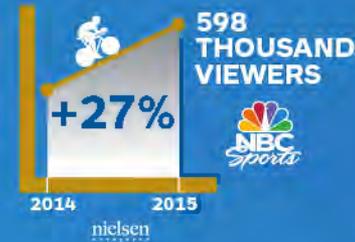
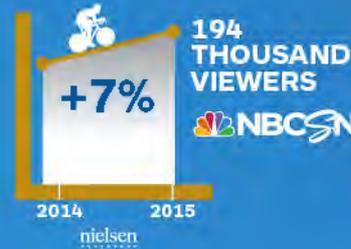






## PARTNERS

Our broadcast partners include major sports channels such as NBC (US), Eurosport (Europe), Eurosport Asia Pac (Asia and Pacific), Sportsnet (Canada), TDN (Central America), Supersport (Subsaharan Africa), JSports (Japan), Sky Sports (New Zealand), LeTV (China) and SBS (Australia). The Amgen Tour of California is also proud to provide live coverage to the Armed Forces Network, providing images of the race to United States military personnel posted on active duty around the globe.



## NIELSEN

- The 2015 race saw increases in live audiences of up to 52.5% in some countries with the global live audience exceeding 11 million viewers across the 8 days for the first time
- Coverage of the Amgen Tour of California on NBCSN (8 premiere telecasts) delivered an average of 194,000 viewers (+7% from 2014)
- The final Sunday's coverage of the Amgen Tour of California on NBC attracted 598,000 viewers (+27% from 2014)
- In Europe over 2 million viewers tuned in to Stage 8 on Eurosport alone, the biggest-ever single stage audience for the Amgen Tour of California on a single broadcaster

## RENTRAK

- 2015 Amgen Tour of California had a total viewership of 10,150,000 Households (+14% from 2014)
- NBCSN Total Viewership of 7.7M Households
- NBC Total Viewership of 2.4M Households with an average audience of 1.1M Households
- Live Broadcasts received a total viewership of 4.9M Households
- Recap Broadcasts received a total viewership of 4.87M Households





AMGEN TOUR of CALIFORNIA

VIP Access | Host Cities | Stages | Competition | Social | Shop | News

May 10-17, 2015

TOUR OF CALIFORNIA - CHAMPIONSHIP OF 8 DAY, 724-MILE RACE CAME DOWN TO SECONDS AN

AMGEN Leading the race to dramatically improve patients' lives.

EXPERIENCE THE RACE UP CLOSE WITH VIP ACCESS! CLICK HERE >>

OFFICIAL 2015 MERCHANDISE

Sagan Wins 2015 Amgen Tour of California. Alaphilippe and Henao Montoya round out the podium.

RESULTS

Follow us. LIKE us!



### POSTS FROM THE PELOTON

CALVIN WATSON @CALVIN\_WATSON

JENS VOIGT @THEJENSE

ROY CURVERS @ROYCURVERS

MARK HENSHAW @MARK\_HENSHAW

MAKING IT WURF HIS WHILE | SBS CYCLING CENTRAL | SBS CYCLING CENTRAL | CYCLING NEWS AND RESULTS | VIDEO

FIRST IMAGES BACK IN EUROPE THIS WEEKEND | AURORA AND ALMEIDA TO GET US TO THE DAVID BOORN MEMORIAL STIM

### NEXT YEAR: RIDE OR CHEER?

VOTE RIDE

VOTE CHEER

AMGEN TOUR of CALIFORNIA

SOCIALHUB

PRESENTED BY California dream big

**1,167,545**  
SESSIONS  
**694,532**  
UNIQUE USERS

**Mobile App**  
**+82%**  
**131,650**  
INSTALLS

## TOUR TRACKER

- 4.64 Million Page Views in Tour Tracker
- 134,000+ total hours streamed throughout the 8-day event
- 40 Minutes Average Video Time per User
- Web Based Tour Tracker: 202,000 sessions / 144,024k users
- Mobile App: 131,650 installs (85,154 iOS / 38,946 android) (+82% from 2014)



## WEBSITE

- 1,167,545 sessions / 694,532 unique users
- Digital Race Program: 66,177 unique visitors viewed 1,981,153 pages (22 pages per visit)



## ENEWS

- 2.8 million emails distributed over 66 communications (+37% from 2014)
- Nearly 80,000 clicks generated (+18% from 2014)

# SOCIAL MEDIA

**AmgenTOC** @AmgenTOC · May 13  
On board cams for today: @wouterwipper @DrpacCycling front cam and Brown with the back cam. @GoPro



**Amgen Tour of California**  
Did you catch Sunday's final sprint on our NBC Sports coverage? Drpac Professional Cycling's Wipperfurth provided us with a front row seat of Cavendish's sprinting power. Etixx-Quick-Step Cycling Team

Published by Ryan Ung [?] Shared with Public 762,213 Views

Like Comment Turn Off Notifications Share Edit Feature this video May 19 Add Location Change Date

Ryan Lastimosa, Matt Bly, Kelly Reed and 6,166 others like

**AmgenTOC** @AmgenTOC · May 17  
King of California @petosagan wins GC by taking 3rd on the final stage! @tinkoff\_saxo



Verizon LTE 7:08 AM 81%  
AmgenTOC 8,103 Tweets

Tweets Media Favorites

AmgenTOC @AmgenTOC 1d  
5k to go. Are you watching on the @TourTracker?

AmgenTOC @AmgenTOC 1d  
Look at all the #GreenArgyle on the finish line. Trucker hats for all! @RideCannondale



AmgenTOC @AmgenTOC 1d  
Lifestyle festival is jammin' in @VisitSacramento. Come visit us this

Home Notifications Messages Me

Verizon LTE 9:47 PM 67%  
AmgenTOC @AmgenTOC

Fresh @cleanbottle in the house for our 10th Anniversary! #waterbottle #AMGENTOCFANS



Reply to AmgenTOC

Home Notifications Messages Me

Bouygues 6:55 PM 53%  
amgentoc 9w



1,196 likes

amgentoc The California bear trophy has a new home! @petosagan hopping into his new @flexususa #flexuscycling

Home Search Add Post Activity Profile

Verizon LTE 7:10 AM 81%  
AmgenTOC 8,103 Tweets

Tweets Media Favorites

AmgenTOC retweeted

Jamie Smith @MobilePA 2d  
Visited one of cycling's long-time supporters: @JellyBellyTeam We are stocked and ready for the @AmgenTOC



AmgenTOC @AmgenTOC 2d  
@\_CycleGirl\_ #amgentoc10th

AmgenTOC retweeted

Voxwomen @Voxwomen 2d

Home Notifications Messages Me

Verizon LTE 6:52 PM 62%  
Ryan 8 of 9

oakleybike @Amgen Tour of California Sacramento 4h



302 likes

oakleybike First big bottle for this years @amgentoc goes to @markcavendish and his @etixx\_quick\_step boys #2012CabinetSauvignon #liveyours #atoc15 prink\_street He's class

Liked Comment

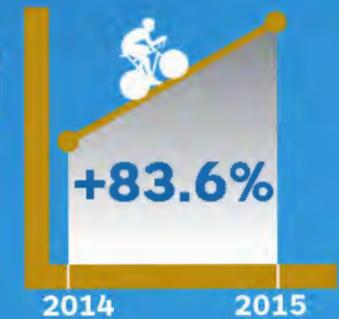
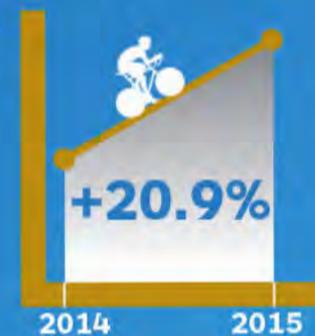
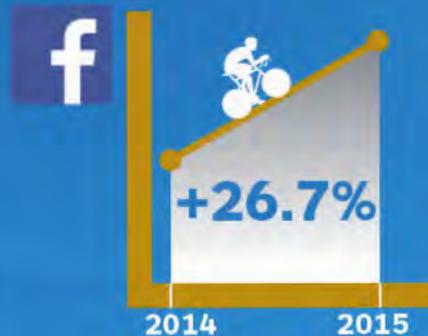
# OVER 15 MILLION SOCIAL MEDIA INTERACTIONS DURING RACE WEEK



**f** REACH AVERAGED  
**441,846**  
USERS PER DAY



ENGAGED  
**11,330,684**  
GLOBAL UNIQUE USERS  
\$1.3M MEDIA VALUE



**1,192 MEDIA  
STORIES  
3.88 BILLION  
IMPRESSIONS**



## OUTDOOR ADVERTISING

- 4.7 million impressions from seventeen print advertisements **(+81% from 2014)**
- 409,190 spots delivered via sixteen digital billboards resulting in 20 million impressions **(+79% from 2014)**

## DIGITAL ADVERTISING

- 27 million digital impressions via Wall Street Journal, Velonews, & other media partners **(+39% from 2014)**
- 112,000 clicks **(+49% from 2014)**
- 16,535 runs of the Amgen Tour of California 0:30 commercial spot on Time Warner Cable **(+79% from 2014)**

## OTHER INITIATIVES

- 37,712 total sweepstakes entries **(+84% from 2014)**
- Over 370,000 fans reached by the Road Team during 39 special and grassroots event activations over 46 Days



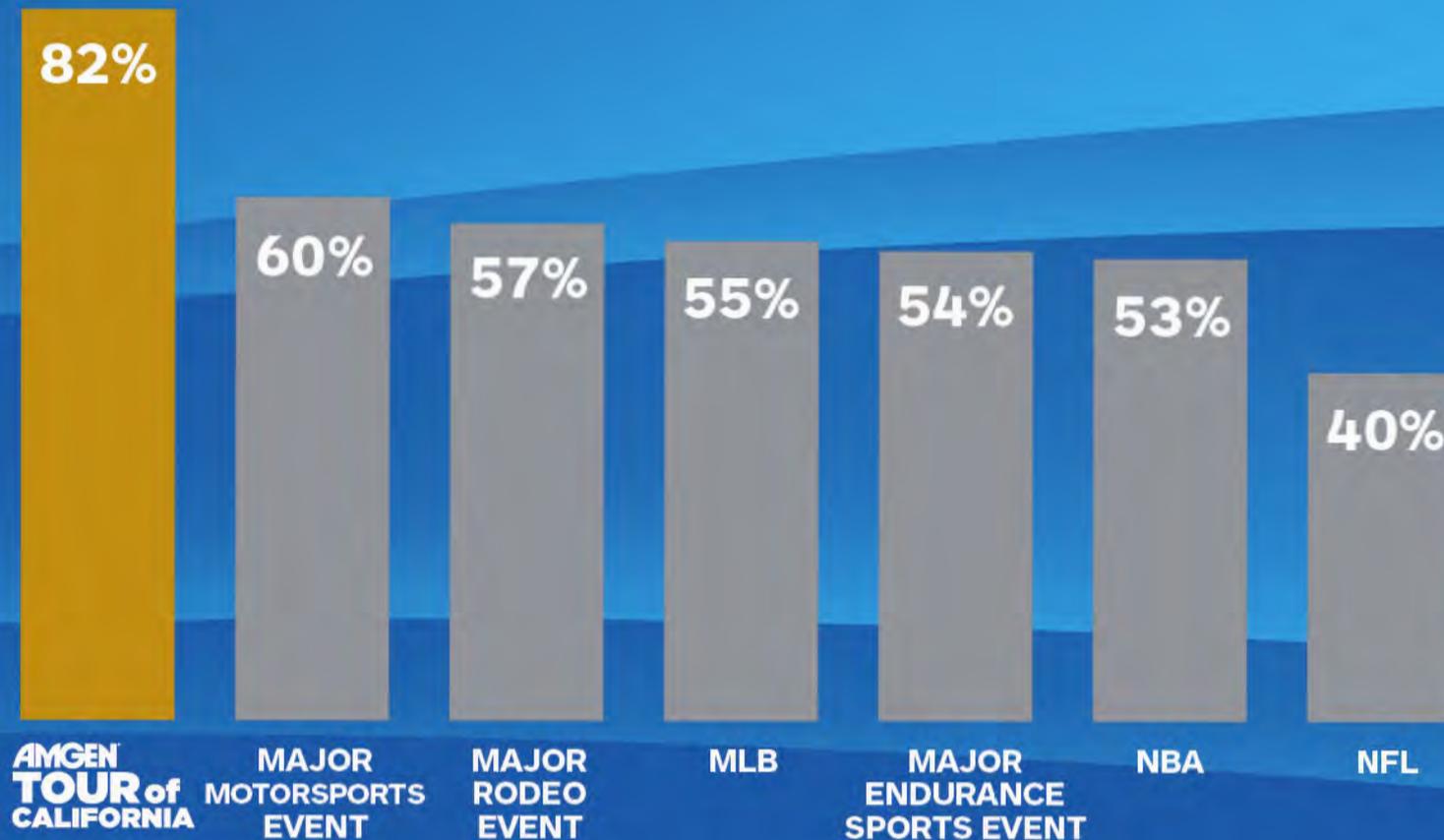
# BREAKAWAY FROM CANCER® RIDER SIGN-IN ATTACHMENT 3

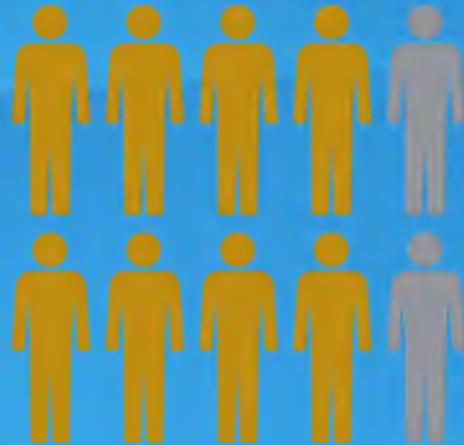




## PROPENSITY TO SUPPORT EVENT SPONSORS

- Amgen Tour of California fans' sponsor affinity levels trend significantly above Turnkey's industry benchmarks





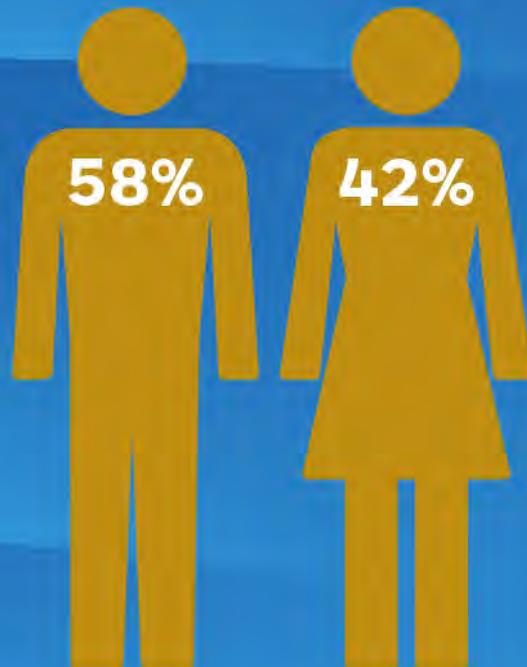
More than **EIGHT IN TEN** attendees are likely to try a new product or service if it comes from an Amgen Tour of California sponsor

## EDUCATION



**HAVE A BACHELOR'S DEGREE OR HIGHER**

## GENDER



## AVERAGE AGE

**45**

## ACTIVE LIFESTYLE

**70%**

Of attendees ride their bike  
**1 TIME /WEEK**

**93%**

Of attendees  
**OWN A ROAD BIKE**

**2.5**

Average number of  
**ROAD BIKES**  
per attendee household

**93%**

Attendees regularly exercise  
**2+ TIMES/WEEK**

**ON AVERAGE, AMGENTOC PATRONS REGULARLY ENGAGE IN TWO OF THE LISTED ACTIVITIES**

**CYCLING**



**WORKING OUT AT THE GYM**



**RUNNING**



**SWIMMING**



**YOGA**



**SPINNING CLASSES**



# MEDIAN HOUSEHOLD INCOME



**71%**  
Own Their Home



**89%**  
Live in California



**\$35,000**  
Median Expected Budget for Next Vehicle

**STAGE 1 – SOUTH LAKE TAHOE**

PRESENTED BY



**AMGEN OVERALL LEADER**

**Katie HALL, UNITED HEALTHCARE PRO CYCLING**

**STAGE**

1st Place – Katie HALL, UHC

2nd Place – Alena AMIALIUSIK, VEL

3rd Place – Lauren KOMANSKI, T16

**JERSEY WINNERS**

SRAM BYR – Hannah BARNES, UHC

Lexus KOM – Kirsti LAY, CAN

Visit California Sprint – Allison BEVERIDGE, CAN



# STAGE 1 - SACRAMENTO (OVERALL START) ATTACHMENT 3

PRESENTED BY:



## AMGEN OVERALL LEADER

Mark CAVENDISH, ETIXX – QUICK STEP

## STAGE

1st Place – Mark CAVENDISH, EQS

2nd Place – William CLARKE, DPC

3rd Place – Peter SAGAN, TCS

## JERSEY WINNERS

SRAM BYR – Danny VAN POPPEL, TFR

Lexus KOM – Peter SAGAN, TCS

Visit California Sprint – Mark CAVENDISH, EQS

*Breakaway from Cancer*® MCR – William CLARKE, DPC



# STAGE 2 - NEVADA CITY TO LODI

ATTACHMENT 3

PRESENTED BY:



**AMGEN OVERALL LEADER**  
Mark CAVENDISH, ETIXX – QUICK STEP

## STAGE

1st Place – Mark CAVENDISH, EQS  
2nd Place – Peter SAGAN, TCS  
3rd Place – Wouter WIPPERT, DPC

## JERSEY WINNERS

SRAM BYR – Robin CARPENTER, HSD  
Lexus KOM – Robin CARPENTER, HSD  
Visit California Sprint – Mark CAVENDISH,  
ETIXX – QUICK STEP  
*Breakaway from Cancer*® MCR – Michael SCHÄR, BMC





# STAGE 3 - SAN JOSE

ATTACHMENT 3

PRESENTED BY:

**SRAM**

## AMGEN OVERALL LEADER

Toms SKUJINS, Hincapie Racing Team

## STAGE

1st Place – Toms SKUJINS, HSD

2nd Place – Peter SAGAN, TCS

3rd Place – Julian ALAPHILIPPE, EQS

## JERSEY WINNERS

SRAM BYR – Julian ALAPHILIPPE, EQS

Lexus KOM – Toms SKUJINS, HSD

Visit California Sprint – Mark CAVENDISH, EQS

*Breakaway from Cancer*® MCR – Michael SCHÄR, BMC





# STAGE 4 - PISMO BEACH TO AVILA BEACH

ATTACHMENT 3

PRESENTED BY:

**SRAM**

## AMGEN OVERALL LEADER

Toms SKUJINS, Hincapie Racing Team

## STAGE

1st Place – Peter SAGAN, TCS

2nd Place – Wouter WIPPERT, DPC

3rd Place – Mark CAVENDISH, EQS

## JERSEY WINNERS

SRAM BYR – Julian ALAPHILIPPE, EQS

Lexus KOM – Toms SKUJINS, HSD

Visit California Sprint – Mark CAVENDISH, EQS

Breakaway from Cancer® MCR – Gregory DANIEL, BDT





# STAGE 5 - SANTA BARBARA TO SANTA CLARITA ATTACHMENT 3

PRESENTED BY:



**AMGEN OVERALL LEADER**  
Toms SKUJINS, Hincapie Racing Team

**STAGE**  
1st Place – Mark CAVENDISH, EQS  
2nd Place – Zico WAEYTENS, TFR  
3rd Place – Peter SAGAN, TCS

**JERSEY WINNERS**  
SRAM BYR – Julian ALAPHILIPPE, EQS  
Lexus KOM – Toms SKUJINS, HSD  
Visit California Sprint – Mark CAVENDISH, EQS  
*Breakaway from Cancer*® MCR – Gregory DANIEL, BDT





ATTACHMENT 3



# STAGE 6 - SANTA CLARITA (INDIVIDUAL TIME TRIAL)

ATTACHMENT 3

PRESENTED BY:



**AMGEN OVERALL LEADER**  
Peter SAGAN, TINKOFF – SAXO

## STAGE

1st Place – Peter SAGAN, TCS  
2nd Place – Jos VAN EMDEN, TLJ  
3rd Place – Julian ALAPHILIPPE, EQS

## JERSEY WINNERS

SRAM BYR – Julian ALAPHILIPPE, EQS  
Lexus KOM – Toms SKUJINS, HSD  
Visit California Sprint – Mark CAVENDISH, EQS  
*Breakaway from Cancer*® MCR – Danilo WYSS, BMC





# STAGE 6 - SANTA CLARITA (WOMEN'S INVITATIONAL TIME TRIAL

ATTACHMENT 3

EMPOWERED WITH **SRAM®**

PRESENTED BY:



## RESULTS

- 1st Place – Evelyn STEVENS, BOL
- 2nd Place – Lauren STEPHENS, SVB
- 3rd Place – Kristin ARMSTRONG, T16





ATTACHMENT 3



# STAGE 7 - ONTARIO TO MT. BALDY

ATTACHMENT 3

PRESENTED BY:



**AMGEN OVERALL LEADER**

**Julian ALAPHILIPPE, ETIXX – QUICK STEP**

**STAGE**

1st Place – Julian ALAPHILIPPE, EQS

2nd Place – Sergio HENAO, SKY

3rd Place – Ian BOSWELL, SKY

**JERSEY WINNERS**

SRAM BYR – Julian ALAPHILIPPE, EQS

Lexus KOM – Daniel OSS, BMC

Visit California Sprint – Mark CAVENDISH, EQS

*Breakaway from Cancer*® MCR – Lachlan MORTON, JBC





# STAGE 8 - L.A. LIVE TO PASADENA/ROSE BOWL STADIUM

ATTACHMENT 3

PRESENTED BY:

# AMGEN

**AMGEN OVERALL WINNER**  
Peter SAGAN, TINKOFF – SAXO

## STAGE

SRAM BYR – Julian ALAPHILIPPE, EQS

Lexus KOM – Daniel OSS, BMC

Visit California Sprint – Mark CAVENDISH, EQS

## OVERALL JERSEY WINNERS

SRAM BYR – Julian ALAPHILIPPE, EQS

Lexus KOM – Daniel OSS, BMC

Visit California Sprint – Mark CAVENDISH, EQS

*Breakaway from Cancer*® MCR – Oscar CLARK, HSD





