



**CITY OF MORRO BAY
WATER RECLAMATION FACILITY
CITIZEN ADVISORY COMMITTEE (WRFCAC)
MEETING AGENDA**

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

**May 1, 2018
3:00 P.M. to 5:00 P.M.
Morro Bay Veteran's Memorial Building
209 Surf Street, Morro Bay, CA**

Vacant
Chair

Barbara Spagnola
Vice Chairperson

Paul Donnelly
Member

Valerie Levulett
Member

Doug Rogers
Member

Richard Sadowski,
Planning Commission

Vacant
Public Works Advisory Board

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE
ANNOUNCEMENTS/PRESENTATIONS

PUBLIC COMMENT PERIOD

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

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Board meetings are audio and video recorded and this information is voluntary and desired for the preparation of minutes.
- Comments are to be limited to three minutes.
- All remarks shall be addressed to the Board, as a whole, and not to any individual member thereof.
- The Board 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 Board to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Board meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Public Works Department at (805) 772-6262. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT CALENDAR

- A-1 Approval of minutes from the Water Reclamation Facility Citizen Advisory Committee regular meeting of January 4, 2018
Staff Recommendation: Approve minutes as submitted.

- A-2 Approval of minutes from the Water Reclamation Facility Citizen Advisory Committee special meeting of January 11, 2018
Staff Recommendation: Approve minutes as submitted.

B. BUSINESS ITEMS

- B-1 WRF Draft Environmental Impact Report
Recommendation: Staff recommends WRFCAC review, consider, and provide comments on the WRF Draft Environmental Impact Report.

C. COMMITTEE MEMBER CLOSING COMMENTS

D. ADJOURNMENT

Adjourn to the regular Water Reclamation Facility Citizen Advisory Committee meeting at the Morro Bay Veteran's Memorial Building, 209 Surf Street, on June 5, 2018, at 3:00 p.m.

This agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Public Works Department, 955 Shasta Avenue, for any revisions or call the department at 772-6262 for further information.

Materials related to an item on this agenda are available for public inspection during normal business hours in the Public Works Department, at Mill's/ASAP, 495 Morro Bay Boulevard, or the Morro Bay Library, 695 Harbor, Morro Bay, CA 93442.

This agenda may be found on the Internet at: www.morrobayca.gov/wrfcac or you can subscribe to Notify Me for email notification when the Agenda is posted on the City's website. To subscribe, go to www.morrobay.ca.us/notifyme and follow the instructions.

Materials related to an item on this agenda submitted to the Committee after publication of the agenda packet are available for inspection at the Public Works Department during normal business hours or at the scheduled meet.

MINUTES – WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (WRFCAC)
REGULAR MEETING – January 4, 2018
VETERAN’S MEMORIAL BUILDING – 3:00 to 5:00 P.M.

PRESENT: Valerie Levulett
Richard Sadowski
Mary (Ginny) Garelick
Barbara Spagnola – Vice Chairperson
Steve Shively
Paul Donnelly

ABSENT: Dale Guerra
Ann Fullerton
John Diodati - Chairperson

STAFF:	Rob Livick	Public Works Director
	Scott Collins	City Manager
	Joe Mueller	Utilities Division Manager
	Mike Nunley	WRF Program Manager
	John Rickenbach	WRF Deputy Program Manager
	Eileen Shields	WRF Technical Engineer
	Gina Gregory	Office Assistant

ESTABLISH QUORUM AND CALL TO ORDER
The meeting was called to order at 3:01 p.m. and a quorum was present.

MOMENT OF SILENCE/PLEDGE OF ALLEGIENCE
ANNOUNCEMENTS

Ginny Garelick provided an update on the EPA and it’s WIFIA (Water Infrastructure Finance and Innovation Act) program stating there was not a lot of new information posted on the website; however, noting non-profit organizations was something that hasn’t been considered, such as The Johnson Foundation, Rockefeller Foundation, Ford Foundation, Walton Family Foundation and Pisces Foundation. These are all sources of funding for Wastewater Treatment Plants.

Richard Sadowski stated Prop 1 funding in California is being reviewed noting there are six projects going on and there are other projects going as well that we could possibly get funding for. He provided the website for further information and links to the funding (California Water Environment Federation – www.cwea.org).

PUBLIC COMMENT
<https://youtu.be/uGDwXee9idl?t=4m9s>

The public comment period was opened.

Carol Truesdale, resident and homeowner of Morro Bay, thanked the Public Works Department for fixing some leaking tanks and pipes.

Bill Martony stated his concern with the bid process that requires companies to have done projects totaling \$80 million and feels there are companies out there who have done projects less than that who may be qualified. He would like to have the Bid Process re-evaluated.

David Nelson thanked the Committee for serving the public. He wants to know what the project is, why the costs have increased and feels the public has the same concerns. He feels contractors who have played a part in the planning should not be part of the bid process.

The public comment period was closed.

Rob Livick and Joe Mueller addressed the leak north of Highway 41.

A. CONSENT AGENDA

<https://youtu.be/uGDwXee9idl?t=10m35s>

A-1 Approval of Minutes of December 5, 2017 Meeting

MOTION: Paul Donnelley moved to approve Item A-1. The motion was seconded by Steve Shively and carried 6-0-0 unanimously.

B. BUSINESS ITEMS

B-1 Draft Request for Proposals for WRF Onsite Improvements

<https://youtu.be/uGDwXee9idl?t=11m5s>

Rob Livick introduced Mike Nunley who presented the staff report.

Discussion, comments and questions continued amongst Committee members, staff, and consultants.

The public comment period was opened.

Barry Branin, Morro Bay, stated a concern on the projected flow rates, noting they should be lower with the strict water conservation program going on.

Jeff Heller, thanked the Committee for the hours they have put in on this project representing the community members. He is questioning why the only bidders are major international design firms and asked the Committee to reject the RFQ process.

Bart Beckman, Morro Bay, thanked the Committee for all their time and being there for the meetings. He expressed concerns about the data range used for the flow rates, the criteria proposed, and the need to address the demolition of the existing plant. His suggested if we can't get the costs down, to buy from Cayucos.

David Nelson stated the bids should be open to everyone and would like to know when this was chosen as the project.

Tom Rost, Morro Bay, has an issue with the way the RFQ was written, feeling it took the smaller contractors and design build contractors out of the bidding process; noting the costs are too high. He stated we should not design and build unless the size is known.

Vickie Baggett, Morro Bay, requests they recommend a new project manager for the current project, stating she feels there is much uncertainty and questions about the new plant and costs.

Bill Martony expressed concern as to whether we have the site secured and has questions about the pipeline easement that goes across farmland as opposed to going through the City and the streets.

Tina Metzger, Morro Bay, is concerned about the Nutmeg area leak and would like to remind everyone the Righetti Ranch is a high hazard landslide zone and would like to have that site taken off the list. She also thanked the Committee for their time and expressed concerned that the EIR is six months late.

Betty Winholtz expressed concern that all four companies in the RFP are multi-national and multi-international companies and wanted clarification if they are obliged to follow Federal Trade Agreements, why Black & Veatch can bid on this project. She would like clarification on the project description and if the plant is being built for current or future population and how many employees will be employed for this plant.

Nancy Bast, Morro Bay, stated there are a lot of unanswered questions about the project, the cost is too high, and would like the public to be listened to.

Kerrigan Mayhan, Morro Bay, thanked the Committee and agrees with all the commenters that have spoken this evening. He stated it's time to change project managers and has questions on costs noting he opposes another Prop 218 vote.

Carol Truesdale thanked everyone on the panel and the public for all their hours put in on this project. She stated the sewer plant is not affordable at this time and asked the WRFAC to listen to the people.

The public comment period was closed.

Rob Livick, Mike Nunley and John Rickenbach and Joe Mueller responded to the comments.

Discussion, comments and questions continued amongst Committee members, staff, and consultants.

MOTION: Paul Donnelly moved that the meeting be extended past 5 P.M. The motion was seconded by Steve Shively. The motion carried 6-0-0.

MOTION: Paul Donnelly moved to recommend to the City Council that it accept staff's recommendation, select the design-build teams for issuance of the RFP based upon the input from the selection committee to have all four teams that were submitted as qualifications, and rather than shortlist them have interviews with the qualification's team, and have all four teams go right to RFP.

The motion was seconded by Steve Shively. The motion carried 5-1-0 by roll call vote with Vice Chairperson Spagnola, Commissioner's Shively, Donnelly, Levulett, Garelick voting yes and Commissioner Sadowski voting no.

B-2 Review of Program Management Structure
<https://youtu.be/uGDwXee9idl?t=2h13m42s>

Rob Livick presented the staff report.

The public comment period was opened.

Bart Beckman expressed concerns about program management, staffing needs, the costs, and the design of the plant.

Kerrigan Mayhan feels the WIFIA is not necessary. He stated there needs to be a stop on this project and questioned the costs and whether the money is coming from the 218 funds.

David Nelson stated he appreciates what the Committee is doing. He expressed concern that the project could be done at a lower cost by PERC or some other company that can build what we need for less.

Tom Rost stated fresh eyes are needed on the project, noting nobody has brought forward alternatives in an open forum of costs for small plants. He expressed concern about the affordability to citizens.

Barry Randall, Morro Bay, stated the \$150 million cost is too much and should look to Los Osos and their plant costs. He expressed concern about the flow rate per day.

Nancy Bast stated the City's infrastructure needs looking into and feels there needs to be someone looking out for the financial well-being of the citizens.

Jeff Heller thanked the Committee for all their work and staying late. He stated there should be an independent third party hired to manage bond money; someone needs to be an advocate for the community and who is in a financial position to manage this project.

Steve Stevens, Morro Bay, stated a new focus on the project needs to be taken and alternatives are important for the citizens and what they can afford.

Tina Metzger, Morro Bay, stated a new project manager needs to be put in place. She feels that people have no confidence in the consultants and questions the reports that are put out for the public and Council.

The public comment period was closed.

Rob Livick and Scott Collins responded to the comments.

Discussion, comments and questions continued amongst committee members, staff, and consultants.

MOTION: Richard Sadowski moved to recommend to City Council that the City has somebody outside of the current administration to look at this project with a new set of eyes.

The motion was seconded by Vice-Chairperson Spagnola. The motion did not pass with a vote of 3-3-0 by a roll call vote. Commissioner's Sadowski, Garelick and Vice-Chairperson Spagnola voting yes with Commissioner's Levulett, Donnelly and Shively voting no.

C. COMMITTEE MEMBER CLOSING COMMENTS

<https://youtu.be/uGDwXee9idl?t=3h19m50s>

Steve Shively stated as he sits on two boards, he likes to see the public participate and let them know that they are heard.

Paul Donnelly explained that he voted no on the last motion as he saw it as an additional expense.

Valerie Levulett thanked Tina Metzger for recognizing Rob Livick and trying to more equalize the workload.

Vice-Chairperson Barbara Spagnola addressed the public on what she hears about to delay or do not delay the project and referenced how much these delays cost over time. She wanted to confirm that the public is being heard and the Committee wants to keep the project moving and affordable.

Ginny Garelick echoed along with the other Committee members on keeping the project affordable and that is one of the reasons focusing on the WIFIA loans. She also stated the Committee is trying to do the best and are here to represent you.

Richard Sadowski stated he has been involved with this project since about 2003 when it was first started as an upgrade, noting the citizens of Morro Bay do not have the same agenda as a county and what's good for the City is not necessarily good for the County. The City should be focusing on fixing the infrastructure before moving on to a project like this. He asked to put the following into the record and written into the minutes:

“I, Richard E.T. Sadowski, U.S. citizen living in Morro Bay, a member of the Morro Bay Planning Commission, an appointed public official position, and a WRFCAC member, entrusted with the tort law of duty of care, am appealing to the California State Attorney General's office, Xavier Becerra, to investigate the Morro Bay WRF project and the negligence associated with the sewage exfiltration from our sewer collection lines into the Morro basin drinking water aquifer.”

ADJOURNMENT

The meeting adjourned at 6:30 p.m. The next Special Meeting will be held on January 11, 2018 at 3:00p.m. at the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, CA.

MINUTES – WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (WRFCAC)
SPECIAL MEETING – January 11, 2018
VETERAN’S MEMORIAL BUILDING – 3:00 to 5:00 P.M.

- PRESENT: Valerie Levulett
Richard Sadowski
Barbara Spagnola – Vice Chairperson
Steve Shively
Paul Donnelly
- ABSENT: Dale Guerra
Ann Fullerton
John Diodati - Chairperson
- STAFF: Rob Livick Public Works Director
Scott Collins City Manager
Joe Mueller Utilities Division Manager
Mike Nunley WRF Program Manager
Eileen Shields WRF Technical Engineer
Gina Gregory Office Assistant

ESTABLISH QUORUM AND CALL TO ORDER
The meeting was called to order at 3:01 p.m. and a quorum was present.

MOMENT OF SILENCE/PLEDGE OF ALLEGIENCE
ANNOUNCEMENTS

Valerie Levulett announced the Community Emergency Response Training (CERT) in Morro Bay at the Fire Department, sponsored by the SLO County Fire Chief’s Association and the SLO County Sheriff’s Advisory Foundation. The first class is January 16, 2018 and there are still 5 or 6 spaces left. Contact the Morro Bay Fire Department for more information.

PUBLIC COMMENT
<https://youtu.be/LJmxgm-A5h8?t=4m3s>

The public comment period was opened.

Carol Truesdale, Morro Bay, thanked the Public Works Department for all the work staff has done. She had questions regarding the spill that happened last week and if the City will go after Caltrans for remuneration for City time and money spent.

Bart Beckman, Morro Bay, expressed concern with Ginny Garelick’s resignation. He stated there are questions that need to be answered about the Statement of Qualifications and who is part of the bidding and noted the costs of the purposed plant should be compared to the cost of Cayucos.

Kerrigan Mayhan, Morro Bay, suggested there be a full work stoppage, no more money spent, and the project be revisited.

Rob Livick responded to comments.

The public comment period was opened and seeing none was closed.

- A. CONSENT CALENDAR - None
- B. BUSINESS ITEMS
- B-1 Draft Request for Proposals for WRF Onsite Improvements
<https://youtu.be/LJmxgm-A5h8?t=11m58s>

Rob Livick presented the staff report.

Discussion, comments and questions continued amongst Committee members, staff, and consultants.

The public comment period was opened.

Jeff Heller stated it would be a mistake to issue the RFP based on the RFQ process, noting the project description is vague and would like to see a project that's clear, simple and well defined. He expressed concern about the flow numbers that are used for calculations.

Barry Branin, Morro Bay, stated concern on the flow rates used and would like them defined.

Tom Rost, Morro Bay, stated it is an error to split the force main and lift station, noting he would like to see one contractor, one bid, and lower the qualifications to attract smaller contractors.

Nancy Bast, Morro Bay, would like to know the process the City will have to go through to make the property truly available for a plant to be built on.

Bart Beckman, Morro Bay, commented on the Proposal Evaluation Criteria.

Larry Truesdale, Morro Bay, stated support from the community is not there on the project cost as it is now, and expressed concern that residents may have to leave. Do not send this out.

Kerrigan Man, Morro Bay, suggested there be a full work stoppage and the project be revisited.

Tina Metzger, Morro Bay, asked for a description of the project, what facilities the draft EIR will be covering, and is the consultant working on the EIR working with a fluid description.

Mark Hansen, Morro Bay, stated feels the facility should stay where it is and not move to the South Bay Boulevard location.

The public comment period was closed.

Rob Livick, Scott Collins, Joe Mueller and Mike Nunley responded to comments.

Committee members will also email their questions and comments to be addressed.

Discussion, comments and questions continued amongst Committee members, staff, and consultants.

Richard Sadowski stated for the record that he believes this proposal be null and void and that we re-visit the approach.

Rob Livick shared that this document is available online at www.morrobaywrf.com.

C. COMMITTEE MEMBER CLOSING COMMENTS
<https://youtu.be/LJmxgm-A5h8?t=2h8m51s>

Richard Sadowski expressed concern how the costs will affect the families of the community and feels the infrastructure needs to be repaired before we begin this project. He mentioned the Ocean Protection Council released a note that there are some projects being opened for grant funding in Prop 84 and we have projects that are a prime candidate for that.

ADJOURNMENT

The meeting adjourned at 5:14 p.m. The next Regular Meeting will be held on February 6, 2018 at 3:00p.m. at the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, CA.



AGENDA NO: B-1
MEETING DATE: May 1, 2018

Staff Report

DATE: April 25, 2018
TO: Water Reclamation Facility Citizens Advisory Committee
FROM: Rob Livick, PE/PLS – Public Works Director/City Engineer
Eric Casares, PE – Water Reclamation Facility (WRF) Program Manager
SUBJECT: WRFAC Review and Comment on the Morro Bay Water Reclamation Facility Draft Environmental Impact Report – SCH#2016081027

RECOMMENDATION

Staff recommends WRFAC review and provide input on the Morro Bay Water Reclamation Facility Draft Environmental Impact Report – SCH#2016081027 (EIR).

ALTERNATIVES

No alternatives are recommended.

FISCAL IMPACT

No additional fiscal impact is proposed within this update. All work is proceeding within the City's fiscal year budget for the Water Reclamation Facility.

DISCUSSION

The City of Morro Bay is the Lead Agency under the California Environmental Quality Act (CEQA) in the preparation of a Draft EIR for the WRF Project. The proposed WRF Project was envisioned to produce and beneficially reuse advanced treated recycled water and to meet or exceed all wastewater treatment requirements of the State Water Resources Control Board to augment the City's water supply.

The proposed project is eligible for the State Revolving Fund (SRF) Loan Program. The U.S. Environmental Protection Agency (USEPA) sponsors the SRF Loan Program to provide funding for construction of publicly-owned treatment facilities and water reclamation projects. This funding for capital improvements to wastewater treatment and water recycling facilities is authorized under the federal Clean Water Act. To comply with requirements of the SRF Loan Program, which is administered by SWRCB in California, an EIR must fulfill additional requirements known as CEQA-Plus. The CEQA-Plus requirements have been established by the USEPA and are intended to supplement CEQA and the CEQA Guidelines with specific requirements for environmental documents acceptable to the SWRCB when reviewing applications for wastewater treatment facility loans. The Draft EIR has been prepared in accordance the CEQA-Plus requirements. Additionally, the EIR will provide a basis for USEPA to prepare the National Environmental Policy Act (NEPA)

Prepared By: rl Dept Review: RL

documents for a Water Infrastructure Finance and Innovation Act (WIFIA) loan.

Dr. Jennifer Jacobus from ESA, the EIR principal author, will be presenting the EIR at this meeting and will be comments from the public regarding the content of the Draft EIR.

Copies of the Draft EIR are available at, Morro Bay Public Library (625 Harbor Street, Morro Bay), Cayucos Public Library (310 B Street, Cayucos), Morro Bay Public Services Department (955 Shasta Avenue, Morro Bay), and the Wastewater Treatment office (160 Atascadero Road, Morro Bay). The Draft EIR is also available for review at the City's WRF website (link below).

The public review period began on March 31, 2018 and will end May 18, 2018. The public and interested parties are invited to comment on the Draft EIR and submit written comments to Rob Livick, PE/PLS, Public Works Director and City Engineer, City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA 93442, or email comments to: rlivick@morrobayca.gov. Comments may also be made in person at this public meeting.

ATTACHMENT (Link)

[Morro Bay Water Reclamation Facility Draft Environmental Impact Report – SCH#2016081027](#)