



City Manager's Update

August 13, 2018

Important Information on the Water Reclamation Facility (WRF) Project

The Proposition 218 process has been initiated by the City for water and sewer surcharges (rate increase) to support the Water Reclamation Facility (WRF) project. As discussed in the [July City Manager's Update](#), the WRF will replace the City's existing sewer facility that was originally constructed in 1954 and last upgraded in 1984. The current sewer facility fails to meet important Regional Water Quality Control Board requirements, and is now subject to a [Time Schedule Order](#) of five years to meet those requirements or be subject to significant fines. In addition, by locating the WRF inland on the preferred South Bay Blvd. site as proposed, it will be safe from coastal hazards, satisfying requirements from the California Coastal Commission. The Coastal Commission denied the City a permit in 2013 to build the new treatment plant near the existing facility and issued a letter to the City in 2017 reinforcing their position that the facility be constructed inland. Finally, the WRF will have the capability to provide sufficient potable water to offset up to nearly 80% of Morro Bay's water needs, helping to build a drought buffer for the community.

The City is working hard to reduce the financial impact of the project on rate payers. Staff submitted an application to the U.S. EPA's low-interest loan program (WIFIA), which will fund 49% of the total project costs at a much lower interest rate compared to a conventional loan, saving rate payers approximately \$20 million. U.S. Congressman Carbajal has lent his support to the City for its WIFIA loan application and remarked in a [recent story in the SLO Tribune](#) that the loan will, "help strategically reduce the overall financial impact of the project and increase water security in the area." In addition, staff is working with California State Senator Bill Monning's office to gain assistance with the City's pursuit of a State Revolving Fund low-interest loan which, if received, could help reduce combined water and sewer rates by up to \$10 per month for rate payers.

With regard to the Proposition 218 process, the City mistakenly did not send water and sewer

surcharges (rate increase) notices to each Morro Bay parcel owners and water and sewer rate payers in the original mailing on Friday, July 13. After recognizing the error, staff quickly jumped into action and sent notices by July 26 to those who were not sent the notices. In order to ensure that all rate payers and parcel owners have sufficient time to consider the WRF surcharge, the City extended the deadline to submit 218 protest on the surcharge from August 28 to September 11, 2018. Should the City receive protests from 50% of the total parcels, plus 1 by the close of the September 11, 2018 6:00 p.m. Public Hearing, then the surcharges will not move forward at this time. If the City receives less than that amount of protests, then the surcharges could proceed forward to support the WRF project.

We encourage residents and business owners to make an informed decision about the WRF project surcharges (rate increase). Find out more information about the project at: <http://morrobaywrf.com/>.

City Clerk's Office



Candidate Filing Period Extended to August 15, 2018

The filing period for non-incumbents for the offices of Mayor and Council Member has been extended. Interested residents must file nomination papers for the General Municipal Election by the new deadline of Wednesday, August 15, 2018, during normal business hours (8 a.m. to 5 p.m.).

Candidates for office in the City of Morro Bay must be at least 18 years old, registered voters of the City and reside within the City limits at the time nomination papers are issued. More information is available on the [City website](#) or you may contact the City Clerk at (805) 772-6205.

On November 6, Cannabis Tax Measure D-18 will also be on the ballot for consideration by Morro Bay registered voters. Information related to this ballot measure can be found [here](#).

Shall the measure, known as Measure D-18 , imposing maximum tax of ten cents per \$1 of proceeds of commercial cannabis operations, annual maximum tax of \$25 per square foot of commercial cultivation area (CPI adjustments), no sunset clause, estimated \$25,000 to \$225,000 annual collections on currently allowed operations, revenue available for unrestricted general revenue purposes, be adopted?	YES
	NO



**Visit California's Highway 1
"Dream Drive Rally"
Rolled into Morro Bay
Thursday August 9th**

Thank you to all vintage car owners, and their cars, and Highway 1 lovers that came to town on August 9th to welcome the Hwy-1 Rally! [Visit California](#) hosted an official Highway 1 re-opening celebration called the "Dream Drive Rally," featuring 84 consecutive years of cars, one after the other, from 1934-2018, representing each year CA Highway 1 has been open. The Dream Drive Rally began that morning at Laguna Seca Raceway in Monterey and entered Morro Bay's Main Street after 4:00p.m. Led by our very own vintage Fire Truck the rally came from Highway 1 near Lemos Pet Supply and turned right on Beach Street, then right onto the Embarcadero and out to Morro Rock. This was probably the first and last time that we'll ever be able to see this incredible string of vehicles come down Highway 1 all together. Morro Bay Tourism office pitched Visit California the idea to do a rally of this nature to celebrate the re-opening of Highway 1 and we were thrilled that they took up the idea! Financially, it influenced our town with over 150 rooms that night paid for by VisitCA, plus many additional rooms all weekend long. In addition, over 40 members of the foreign press participated in the rally and the festivities at the Morro Bay Rock.



Morro Bay 1040 Federal Fire Engine, Photo by Danna Joy Dykstra-Coy



Mayor Irons gave a key to the city to Visit California CEO Caroline Betetta and her board. Ms. Betetta said it was the very first time she had ever received a key to any city. This would not have been possible without Morro Bay High School Automotive teacher James Bueno who designed and created these keys at the MBHS shop.



*Governor Jerry Brown's Plymouth rolling into town during the Dream Drive,
Photo by Ruthann Angus*

Although it's August, tourism is busy getting ready for our winter months. Next Thursday at our monthly Tourism Business Improvement District (TBID) Board meeting we will review and make recommendations for grants to help fund various community events over the season. If you would like to watch our meeting it will be televised Thursday at 9:00 a.m. on Channel 20 in Morro Bay.

Finance

Low-Interest WIFIA Loan Application (for WRF project)

The Water Infrastructure Financing Innovation Act (WIFIA) loan application is now

complete and was submitted to the EPA in July, along with the \$25,000 application fee. The City is pleased to have [received support from Congressman Carbajal](#) for the City's WIFIA application. The low-interest loan would fund 49% of the total Water Reclamation Facility (WRF) project, saving rate payers upwards of \$20 million.

Water and Sewer Utility Discount Program

The City Council will consider extending the deadline to participate in the Utility Discount Program at its August 14, 2018 Special Meeting, at 4:00p.m. in the Veterans' Hall (the current policy ends the application period on July 31). To date the City has seen a nearly 50% increase in the number of applications for the program compared to 2017. More information on the Utility Discount Program can be found on the City's website and is available in both English and Spanish. Learn more at: <http://morrobayca.gov/CivicAlerts.aspx?AID=1980>.

OpenGov (Online Transparency Tool)

While OpenGov is currently not live on the City's website, staff did provide a presentation of the portal to the Citizens Finance Advisory Committee on July 17, 2018. CFAC asked to have temporary logins provided so that the members could browse through the portal and provide feedback to staff on ease of use, recommended deployment, editing that is needed within the system and training to offer to residents and the community once the portal is deployed. CFAC members have already provided very useful feedback to staff and we are very appreciative of their comments, working together we believe OpenGov will be an excellent resource for the Council, Community and staff. Staff is also currently working to deploy the portal internally for City staff to review. OpenGov will be discussed during the August 21, 2018 CFAC meeting with the goal of presenting the portal to the Community and City Council on August 28, 2018.

Harbor

Harbor Patrol has been busy recently, with crowded beaches and a busy bay. Responses of note:

- July 10, Patrol assisted Morro Bay PD locate a little girl separated from her family on the waterfront. They were happily reunited without incident. On August 3, a similar event occurred on the beach at the Rock with another little. She, too, was happily reunited with her family.
- August 5, Patrol assisted the Marine Mammal Center with the rescue of an injured sea otter.
- August 7, Patrol responded to a climber on the Rock approximately 250 feet up. Contact was made with a PA system, the climber came down without incident on their own and was given a stern lecture. Also on the 7th, Harbor Patrol and MB Fire responded to a person with a minor foot injury on the sandspit, who was also separated from their family on a day outing to the sandspit by kayak. Medical aid was rendered, and the family assisted in getting back together.

K-38 Water Rescue Program

K-38 Water Rescue was in Morro Bay July 30-August 3 teaching an Open Water Rescue Watercraft course. Four Lifeguards from Morro Bay's ranks were able to attend this valuable surf rescue training. (a photo of their gear and boat prep is attached below).



Junior Lifeguard Program Support

Over the past two weeks, Harbor patrol has assisted the Recreation Department with boat operations and water rescue training in the Junior Lifeguard program. JG's learn valuable water rescue skills, as well as general boating safety lessons and information. They also get to make mock rescue runs on the department's rescue watercraft. (two photos of this training are attached below.)



Police

National Night Out a Huge Success

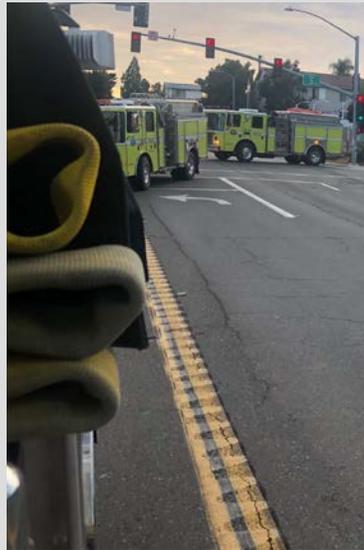
On Tuesday, August 7, the Morro Bay Police Department and Morro Bay Neighborhood Watch held a successful National Night Out with Atascadero Police Department K-9 handler, Cuesta College Police, Morro Bay Coast Guard, Morro Bay CERT team, Morro Bay Recreation & Parks, Harbor & Fire Department. It was a very successful and well attended event with great food, music and Shaved Ice. Special thanks to Morro Bay community member, Carole Truesdale, for all her hard work in organizing this successful event.



Also, a great big shout out to the Morro Bay Consolidated Maintenance team. They continue to work hard at repairing equipment around the Police Station saving us money every year. Dylan Pruitt was able to use his fine electrician skills and fix the key pad to our back door. His work saved the City over \$1,000.

Fire

Mutual Aid Response Key to Fighting Fires in California



The Morro Bay Fire Department united with Fire agencies from San Luis Obispo Fire, Cal Fire and Ventura County Fire are assisting with the fire suppression activities on wildland fires around the State. The Cranston Fire near Idyllwild was the first stop for this local Strike Team engaged in fire suppression activities. Then the strike team was dispatched to the Rock 5 Fire in San Diego County for structure protection. After a few days, the Strike Team was redirected to

the Mendocino Complex Fire in Lake County. While transitioning to the Mendocino Complex Fire, the Strike Team encountered a serious accident on Interstate 5 and stopped to provide life-saving care from a traffic collision, and then continued to help our neighbors in the north. Mutual Aid through the California Firefighter Assistance Agreement is a great example of neighbors helping neighbors while being funded through Governor and Presidential Emergency Declarations.

FIRE HYDRANT TESTING

For the next 3 months you find our Seasonal Firefighters in our streets and sidewalks testing and maintaining our fire hydrants. In the City of Morro Bay, our fire hydrants are inspected on an annual basis and dry-barrel hydrants may require two inspections per year, in the spring and fall. The hydrants are inspected for any problems and are reported immediately to our City's Water Department for repair. Fire hydrants must be in proper operation so adequate fire protection can consistently be provided. Also having these inspections keeps the amount of excess amount of leaking to minimum for water conservation. It takes the Fire Department several months to service nearly 600 fire hydrants in the City of Morro Bay. Fire hydrant testing is also required for the City's ISO (Insurance Service Office) score, which measures the fire prevention and fire suppression capabilities of our community. Currently our ISO rating is a "3" improving from a "5" in the last 5 years.



Community Development July Activities



Planning Division Activity

Planning Commission:

July 3, 2018:

570 Kings: Demolition of an existing dwelling unit and construction of two new residential units; one 1000 sq.ft. 2-bedroom unit and one 430 sq.ft. studio unit. Action: Approved

Review of Draft Zoning Code update (Module 3); Use Regulations.

July 17, 2018:

2996 Alder; Construction of a new 3-unit apartment building.
Action: Approved

Planning Permits Received Jan. 2018

- Conditional Use Permit = 1
- Coastal Dev. Permits = 2
- Lot Merger = 1
- Sign Permits = 2

Total = 6

Fees collected = \$4,752

Code Enforcement Activity

- 23 cases initiated
- 25 cases resolved
- 27 total pending cases

Building Division Activity

- Permits Issued = 44
- Valuation = \$1,167,503
- Fees Received = \$50,749.40
- # of Inspections = 152
- New Permits = 23

Public Works

Water and Sewer Activities – Keeping Your Water and Sewer Systems Running

While you have probably heard a lot recently about the plans for the WRF project, the Utility Division, which maintains and operates the community's water and sewer system, has been busy on numerous other key projects and efforts ensuring the viability of these critical services. See below for list of major work done on the water and sewer systems in the past year. It is a long list, and yet not inclusive of all the things the Utility Division does each year to make sure you receive reliable and safe potable water and that our wastewater system runs as efficiently and effectively as possible despite the age of the wastewater plant.

Water Treatment

- 48 filter changes.
- Ran 57 days for state shut down and 1 day/per/week for samples

Water Distribution

- 5 curb stop replacement
- 14 abandon services
- 74 call outs
- 174 customer requests
- 56 emergency turn offs / leak on customer side
- 27 new water services
- 33 planned monitoring / contractors
- 51 planned repairs / work at wells and desal
- 59 planned routine maintenance / generators, power tools, spraying weeds, and painting
- 39 water service replacements
- 46 waster service leaks
- 206 turn off and lock for non- payment / back on
- 144 monthly well readings
- 1114 exercised valves
- 51 meter exchanges
- 807 posts for bad checks / blue notices
- 36 replaced meter lids
- 416 reset meter boxes / clean out meter boxes and or replace
- 878 re-reads
- 262 turn offs
- 822 turn on

- 950 water samples
- 7 main line valve replacements
- 10 main line leak repairs
- 341 hydrant flushing / dead ends
- 19 hydrant meters / place and removal

Wastewater Treatment

- Electrical troubleshooting, maintenance for pump timer controls
- Replaced and or rebuilt all three influent pump motors and variable frequency electrical drives
- Clean stormwater catch basins and sample rain events, rock yard, waddle around drains
- Setup storm flow emergency bypass pumping
- Replace and re-pipe headworks air surge tank
- Replace air tank pop-offs and state pressure vessel inspection
- SWRCB, APCD, SLO County Health, ELAP on-site inspections
- Rebuild and install influent pumps and main seals
- Annual influent flow calibration
- Install (3) new influent flow meters
- Annually drain, clean, inspect and maintain all clarifiers
- Clean RAS piping system
- Repair leaks, replace chemical pumps and re-pipe (3) chemical feed systems
- Chlorine residual meter repair and maintain daily
- Remove, replace and install chemical storage tanks
- Welding, reinforce and coatings on tank catwalks, replace stair step treads
- Remove, rebuild and install primary sludge and scum pumps
- Remove and install new 24-inch biofilter #2 bearing and seals
- Replace both biofilter arms and cables
- Remove, replace and relocate digester gas pressure regulator
- Replace corroded pipe, valves and backflows, WAS, RAS, Digester, 3W, Primary Sludge
- Re-pipe grit de-waterer and replace, motor and screw
- Unplug digester gas system blockage
- Remove, rebuild and install digester pop-offs and pressure gauges
- Boiler maintenance, upgrades and re-route piping to regulator
- Remove and replace inter-stage modulating gate
- Remove and install new secondary motor
- In-house, weld, rebuild and modify digester heat exchangers
- Replace water backflow preventers
- Biosolids sampling, analysis and hauling
- Semi-annual effluent chemistry
- Run generator under load and test all alarms

- Replace rubber on tank skimmers
- Unplug sludge bed decant pipes
- Build wood stairs and decking on biofilter 2 to remove confined space
- Replace, re-locate and re-pipe the waste gas burner
- Drain, inspect and maintain digesters

Wastewater Collections

- Hydraulic sewer system cleaning (4 times/wk)
- Inspect lift stations (3 times/week)
- Maintain lift stations (once-a-week housekeeping)
- Video sewer mainlines and storm drains (1 day/week)
- Respond to Underground Service Alerts, locate sewer lines throughout the City (daily)
- Repair sewer mains (3 to 4 repairs/year)
- Raise manholes and cleanouts (4 to 6 manholes/year)
- Train on new equipment (CCTV, VACALL truck, Loader, forklift, Cranes)
- Correct/repair lift station problems (de-rag pumps, control systems, level and monitoring equipment)
- Respond to service requests from customers and contractors and internally (2x/week)
- Inspect restaurants and other businesses as part of pre-treatment inspection program (6 businesses/month)
- Inspect sewer lateral installations and modifications (weekly)
- Smoke test sections of the sewer system (one section/year)
- Install flow meters and evaluate flows
- Compile GIS Mapping redlines so maps reflect existing sewer system
- Chemical root control sewer lines
- Develop Job Hazards Analysis, Pre-task Plans, Standard Operating Procedures, Traffic Control Plans
- Calibrate equipment such as air monitors, flow meters and other sensitive equipment
- Review and update safety programs (annually/as needed)

Consolidated Maintenance Update

Top Results Last Two Weeks

- 1) Streets: 2 large digouts and repairs on 400 block of Sicily. Base, pave back and finish 11 tons of HMA.
- 2) Streets: Repaired flowline gutter with a ½ ton of HMA skin patch at 400 block of Sicily.
- 3) Streets: 4 tons of HMA berm and skin patch repairs on Beachcomber/Easter and San Jacinto/Dogwood.
- 4) Streets: Installed “Dumping is prohibited” sign on Little Morro Cr. Rd.
- 5) Trees: Trim and lift canopies on several hedges and trees around town.

- 6) Parks: Placed 2 fallen wood pillars at the top of Centennial staircase. Re-dug new holes, set, backfill.
- 7) Morro Bay Rock area: Placed 2 more fire rings on edge of viewing area.
- 8) Morro Bay Rock Restroom: Removed and repaired leaking urinal.
- 9) Coleman: Install 4 new clamps on swing set play structure.
- 10) Community Center: Grind and fill gap in ramp transition to parking lot with asphalt.
- 11) Community Center: Insulated stud bays in Auditorium bare walls.

Top Upcoming Projects

- 1) Veterans' Hall: Repair exterior eave dry rot area on North wall. Repair roof leak.
- 2) 781 Market: Frame and install door opening at bottom of stairwell, run PEX pipe to water heater downstairs and isolate, install new door cylinders.
- 3) Veterans' Hall: Install new threshold, door shoe and weather stripping in North/East side door opening.
- 4) Community Center: Repair roof leak over rear kitchen back door.
- 5) Streets: Mow weeds off side of road on Quintana from La Loma to SB Blvd.
- 6) Streets: Re-stripe crosswalks in down town area.
- 7) Streets: Locate and paint ADA on street parking areas, install poles and signs.
- 8) Facilities: Install carpet tiles as time allows.
- 9) Sidewalks: Remove already cut bad sidewalk panels around town. Form, pour and finish new panels.
- 10) Morro Bay Rock Restroom: Install all new toilets, urinals, carriers and plumbing.

Thank you again for taking time to read this and previous updates. We hope you find it useful and encourage you to share your thoughts about how to improve this communication moving forward.

Sincerely,

Scott Collins
City Manager

scollins@morrobayca.gov

805-772-6206