



# CITY OF MORRO BAY PLANNING COMMISSION AGENDA

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*The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life.  
The City shall be committed to this purpose and will provide a level of municipal service and safety  
consistent with and responsive to the needs of the public.*

**Regular Meeting - Wednesday, May 15, 2013  
Veteran's Memorial Building - 6:00 P.M.  
209 Surf Street, Morro Bay, CA**

Chairperson Rick Grantham

Vice-Chairperson John Solu

Commissioner Michael Lucas

Commissioner John Fennacy

Commissioner Robert Tefft

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

## PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Commission on matters not on the agenda may do so at this time. In a continual attempt to make the public process open to members of the public, the City also invites public comment before each agenda item. Commission hearings often involve highly emotional issues. It is important that all participants conduct themselves with courtesy, dignity and respect. All persons who wish to present comments must observe the following rules to increase the effectiveness of the Public Comment Period:

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Commission 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 so keep your comments brief and to the point.
- All remarks shall be addressed to the Commission, as a whole, and not to any individual member thereof. Conversation or debate between a speaker at the podium and a member of the audience is not permitted.
- The Commission 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 Commission to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Commission 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 Services' Administrative Technician at (805) 772-6291. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. There are devices for the hearing impaired available upon request at the staff's table.

## PRESENTATIONS

Informational presentations are made to the Commission by individuals, groups or organizations, which are of a civic nature and relate to public planning issues that warrant a longer time than Public Comment will provide. Based on the presentation received, any Planning Commissioner may declare the matter as a

future agenda item in accordance with the General Rules and Procedures. Presentations should normally be limited to 15-20 minutes.

A. CONSENT CALENDAR

A-1 Approval of minutes from Planning Commission meeting of April 3, 2013  
**Staff Recommendation:** Approve minutes as submitted.

B. PUBLIC HEARINGS

Public testimony given for Public Hearing items will adhere to the rules noted above under the Public Comment Period. In addition, speak about the proposal and not about individuals, focusing testimony on the important parts of the proposal; not repeating points made by others.

**B-1 Continued from the December 3, 2007 Planning Commission meeting**

Case No.: Coastal Development Permit #CP0-246  
 Site Location: 360 Cerrito in the R-1 zoning district  
 Proposal: Appeal of Administrative Coastal Development Permit #CP0-246 approval for the demolition of an existing 1,183 square foot single-family residence and removal of two trees, and the subsequent construction of a 2,155 square foot single-family residence and an associated 648 square foot garage. This site is located outside of the appeals jurisdiction of the California Coastal Commission.  
 CEQA Determination: Categorically exempt, Class 1 and Class 3  
 Staff Recommendation: Deny the appeal and uphold the Director's conditional approval of the project.  
 Staff Contact: Kathleen Wold, Planning Manager, (805) 772-6211

**B-2 Continued from April 3, 2013 meeting**

Case No.: Coastal Development Permit #CP0-383  
 Site Location: nearest address 499 Little Morro Creek Road  
 Proposal: Request to install a 29 foot wood pole in public right-of-way for purpose of installation of a solar-powered data collector unit for the Advanced Meter project. This site is located outside of the appeals jurisdiction of the California Coastal Commission.  
 CEQA Determination: Categorically exempt, Class 3  
 Staff Recommendation: Continue item to May 1, 2013.  
 Staff Contact: Cindy Jacinth, Associate Planner, (805) 772-6577

**B-3 Continued from the April 3, 2013 Planning Commission meeting –location change**

Case No.: Coastal Development Permit #CP0-384  
 Site Location: intersection of Morro Bay Blvd & Harbor Streets  
 Proposal: Request to co-locate on an existing PG&E street light pole, a photo-cell powered data collector unit for the Advanced Meter project. Formerly proposed to be located at 781 Quintana. This site is located outside of the appeals jurisdiction of the California Coastal Commission.  
 CEQA Determination: Categorically exempt, Class 3  
 Staff Recommendation: Conditionally approve.  
 Staff Contact: Cindy Jacinth, Associate Planner, (805) 772-6577

**B-4 Continued from the April 3, 2013 Planning Commission meeting –location change**

Case No.: Coastal Development Permit #CP0-385

Site Location: Kings Water Tank, Kings Avenue

Proposal: Request to install a 29 foot wood pole on property at Kings Water Tank for purpose of installation of a solar-powered data collector unit for the Advanced Meter project. Formerly proposed to be located at 255 Driftwood. This site is located outside of the appeals jurisdiction of the California Coastal Commission

CEQA Determination: Categorically exempt, Class 3

Staff Recommendation: Conditionally approve.

Staff Contact: Cindy Jacinth, Associate Planner, (805) 772-6577

C. UNFINISHED BUSINESS

C-1 Current and Advanced Planning Processing List

**Staff Recommendation:** Receive and file.

**Upcoming Projects:** Lemos Pet and Feed Supply

D. NEW BUSINESS

None

E. DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

Adjourn to the a next regularly scheduled Planning Commission meeting at the Veteran’s Memorial Building, 209 Surf Street, on Wednesday, May 29, 2013, at 6:00 p.m.

**PLANNING COMMISSION MEETING PROCEDURES**

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 Services Department, 955 Shasta Avenue, for any revisions or call the department at 772-6291 for further information.

Written testimony is encouraged so it can be distributed in the Agenda packet to the Commission. Material submitted by the public for Commission review prior to a scheduled hearing should be received by the Planning Division at the Public Services Department, 955 Shasta Avenue, no later than 5:00 P.M. the Tuesday (eight days) prior to the scheduled public hearing. Written testimony provided after the Agenda packet is published will be distributed to the Commission but there may not be enough time to fully consider the information. Mail should be directed to the Public Services Department, Planning Division.

Materials related to an item on this Agenda are available for public inspection during normal business hours in the Public Services Department, at Mill’s/ASAP, 495 Morro Bay Boulevard, or the Morro Bay Library, 695 Harbor, Morro Bay, CA 93442. Materials related to an item on this Agenda submitted to the Planning Commission after publication of the Agenda packet are available for inspection at the Public Services Department during normal business hours or at the scheduled meeting.

This Agenda may be found on the Internet at: [www.morro-bay.ca.us/planningcommission](http://www.morro-bay.ca.us/planningcommission) 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.morro-bay.ca.us/notifyme](http://www.morro-bay.ca.us/notifyme) and follow the instructions.

The Brown Act forbids the Commission from taking action or discussing any item not appearing on the agenda, including those items raised at Public Comment. In response to Public Comment, the Commission is limited to:

1. Responding to statements made or questions posed by members of the public; or
2. Requesting staff to report back on a matter at a subsequent meeting; or
3. Directing staff to place the item on a future agenda. (Government Code Section 54954.2(a))

Commission meetings are conducted under the authority of the Chair who may modify the procedures outlined below. The Chair will announce each item. Thereafter, the hearing will be conducted as follows:

1. The Planning Division staff will present the staff report and recommendation on the proposal being heard and respond to questions from Commissioners.
2. The Chair will open the public hearing by first asking the project applicant/agent to present any points necessary for the Commission, as well as the public, to fully understand the proposal.
3. The Chair will then ask other interested persons to come to the podium to present testimony either in support of or in opposition to the proposal.
4. Finally, the Chair may invite the applicant/agent back to the podium to respond to the public testimony. Thereafter, the Chair will close the public testimony portion of the hearing and limit further discussion to the Commission and staff prior to the Commission taking action on a decision.

### **APPEALS**

If you are dissatisfied with an approval or denial of a project, you have the right to appeal this decision to the City Council up to 10 calendar days after the date of action. Pursuant to Government Code §65009, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Commission, at, or prior to, the public hearing. The appeal form is available at the Public Services Department and on the City's web site. If legitimate coastal resource issues related to our Local Coastal Program are raised in the appeal, there is no fee if the subject property is located within the Coastal Appeal Area. If the property is located outside the Coastal Appeal Area, the fee is \$250 flat fee. If a fee is required, the appeal will not be considered complete if the fee is not paid. If the City decides in the appellant's favor then the fee will be refunded.

City Council decisions may also be appealed to the California Coastal Commission pursuant to the Coastal Act Section 30603 for those projects that are in their appeals jurisdiction. Exhaustion of appeals at the City is required prior to appealing the matter to the California Coastal Commission. The appeal to the City Council must be made to the City and the appeal to the California Coastal Commission must be made directly to the California Coastal Commission Office. These regulations provide the California Coastal Commission 10 working days following the expiration of the City appeal period to appeal the decision. This means that no construction permit shall be issued until both the City and Coastal Commission appeal period have expired without an appeal being filed. The Coastal Commission's Santa Cruz Office at (831) 427-4863 may be contacted for further information on appeal procedures.

AGENDA ITEM: A- 1

DATE: April 23, 2013

ACTION: \_\_\_\_\_

SYNOPSIS MINUTES - MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – APRIL 3, 2013  
VETERANS MEMORIAL HALL – 6:00 P.M.

Chairperson Grantham called the meeting to order at 6:00 pm.

PRESENT:	Rick Grantham	Chairperson
	John Solu	Vice-Chairperson
	Michael Lucas	Commissioner
	Robert Tefft	Commissioner
ABSENT:	John Fennacy	Commissioner
STAFF:	Kathleen Wold	Planning Manager
	Cindy Jacinth	Assistant Planner

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

PUBLIC COMMENT

Chairperson Grantham opened Public Comment period and hearing none, closed Public Comment period.

PRESENTATIONS – None.

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

A. CONSENT CALENDAR

A-1 Approval of minutes from Planning Commission meeting of March 6, 2013  
**Staff Recommendation:** Approve minutes as submitted.

**MOTION:** Chairperson Grantham moved to approve the Consent Calendar.

Commissioner Tefft seconded and the motion passed unanimously. (4-0).

B. PUBLIC HEARINGS

SYNOPSIS MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – APRIL 3, 2013

- B-1 ***Continued from March 6, 2013 meeting***  
**Case No.:** Coastal Development Permit #CP0-383  
**Site Location:** *nearest address* 499 Little Morro Creek Road  
**Proposal:** Request to install a 29 foot wood pole in public right-of-way for purpose of installation of a solar-powered data collector unit for the Advanced Meter project.  
**CEQA Determination:** Categorically exempt, Class 3  
**Staff Recommendation:** Continue item to May 1, 2013.  
**Staff Contact:** Cindy Jacinth, Associate Planner, (805) 772-6577
- B-2 ***Continued from March 6, 2013 meeting***  
**Case No.:** Coastal Development Permit #CP0-384  
**Site Location:** *nearest address* 781 Quintana. This location is located in the Coastal Commission Appeals Jurisdiction.  
**Proposal:** Request to install a 29 foot wood pole in public right-of-way for purpose of installation of a solar-powered data collector unit for the Advanced Meter project.  
**CEQA Determination:** Categorically exempt, Class 3  
**Staff Recommendation:** Continue item to May 1, 2013.  
**Staff Contact:** Cindy Jacinth, Associate Planner, (805) 772-6577
- B-3 ***Continued from March 6, 2013 meeting***  
**Case No.:** Coastal Development Permit #CP0-385  
**Site Location:** *nearest address* 255 Driftwood  
**Proposal:** Request to install a 29 foot wood pole in public right-of-way for purpose of installation of a solar-powered data collector unit for the Advanced Meter project.  
**CEQA Determination:** Categorically exempt, Class 3  
**Staff Recommendation:** Continue item to May 1, 2013.  
**Staff Contact:** Cindy Jacinth, Associate Planner, (805) 772-6577  
Chairperson Grantham opened Public Comment period and hearing none, closed Public Comment period.

Jacinth presented the staff report for Items B-1 through B-3.

Chairperson Grantham opened Public Comment period and hearing none, closed Public Comment period.

**MOTION:** Commissioner Tefft moved to continue Items B-1 through B-3 to the May 15, 2013 Planning Commission meeting.

The motion was seconded by Chairperson Grantham and the motion passed unanimously. (4-0).

UNFINISHED BUSINESS

- C-1 ***Continued from March 6, 2013 meeting***  
Discussion on Central Coast Greenhouse Gas Emission Reduction Plan  
**Recommendation:** Review draft Greenhouse Gas Emission Reduction Plan and provide comments and direction to staff as necessary.

SYNOPSIS MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – APRIL 3, 2013

Wold presented the staff report.

Commissioner Tefft asked Wold to clarify the tree planting program and the municipal tree planting program measures which manage private trees and City-owned trees respectively.

Chairperson Grantham noted some formatting errors in the document. Wold emphasized the document is designed to be viewed electronically, rather than in print form, which is why there are some formatting errors.

Commissioners and staff examined each measure individually and concluded the following:

- **Commissioners agreed to select the following measures:** Energy Efficiency Outreach and Incentive Programs; Energy Audit and Retrofit Program; Incentives for Exceeding Title 24 Building Energy Efficiency Standards; Small Solar Photovoltaic (PV) Incentive Program; Municipal Energy Efficiency Retrofits and Upgrades; Municipal Energy Efficient Public Realm Lighting; Bicycle Network; Pedestrian Network; Transportation Demand Management (TDM) Program – Voluntary; Parking Supply Management; Electric Vehicle Network and Alternative Fuelling Stations; Service Nodes; Zero and Low Emission Municipal Fleet Vehicles; Construction Equipment Techniques; Equipment Upgrades, Retrofits, and Replacements; Solid Waste Diversion Rate; Recycling at Public Events; Tree Planting Program
- **Commissioners agreed to not select the following measures:** Income-Qualified Energy Efficient Weatherization Programs; Community Choice Aggregation Program (CCA); Expand Transit Network; Increase Transit Service Frequency/Speed; Employer-Based Transportation Demand Management (TDM) Program; Incentives for Infill and Transit Oriented Development; Transportation Demand Management (TDM) Program for Municipal Employees; Exceed SB X7-7 (Water Conservation Act of 2009), Water Conservation Target; Organic Waste Diversion Program; Construction and Demolition Debris Diversion Requirements; Municipal Solid Waste Reduction
- **Commissioners deliberated the following measures and concluded they would like more information before deciding whether or not to select them:**
  - ***Energy Conservation Ordinance***  
Commissioner Lucas suggested the City hold a workshop to gather feedback from the real estate and development community.

Commissioner Tefft expressed concern that the reduction goals will not be met if this measure remains voluntary. He suggested energy audits be mandatory when homes are sold or during major renovations.

Commissioner Solu stated it might be difficult for some residents to get energy audits and suggested considering the demographics of the City before making them mandatory.

SYNOPSIS MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – APRIL 3, 2013

Wold stated this is a living document and will be revisited before its final adoption.

Chairperson Grantham spoke against selecting this measure.

Tefft and Wold discussed how the City will monitor the progress of the measures. Wold stated the City will likely prepare annual reports on the measures.

- ***Income-Qualified Solar PV Program***  
Commissioner Tefft suggested contacting other cities that have promoted similar programs and evaluating how successful they have been at reducing their GHG.
- **Commissioners decided they would like to change the original determination of the following measures:**
  - ***Energy Efficient Public Realm Lighting Requirements (from 0 to 1)***  
Commissioner Tefft expressed support for selecting this measure as it would reduce GHG emissions as well as the City's energy bills.  
  
Commissioner Lucas asked for clarification regarding how this measure offers policies different from what is already outlined in Title 24.  
  
Wold discussed several ways in which this measure could affect new development in the City.  
  
Commissioner Lucas stated the City may not need this measure as the market will likely regulate itself.  
  
Solu and Tefft expressed support for selecting this measure.
  - ***Energy Efficiency Requirements for New Municipal Buildings (from 0 to 1)***  
Commissioner Lucas expressed support for this measure as it would benefit the City in the long-run.  
  
Commissioner Tefft also expressed support for this measure as it would extend the life of municipal buildings and save the City money in the long-run.
  - ***Renewable Energy Systems on City Property (from 0 to 1)***  
Commissioners agreed to select this measure based on the same rationale above for Energy Efficiency Requirements for New Municipal Buildings.
  - ***Public Parking Pricing (from 1 to 0)***  
Commissioner Solu expressed concern about installing parking meters in the Embarcadero area.  
  
Commissioner Tefft stated the existing Parking Ordinance has several problems, and asked staff whether the City would revise the way the ordinance is applied if this

SYNOPSIS MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – APRIL 3, 2013

measure were to be selected. Wold stated the ordinance is outdated and would be updated with the adoption of the measure.

- ***Municipal Tree Planting Program (from 0 to 1)***  
Staff stated this measure was mistakenly assigned a 0 but should have been assigned a 1 (to be selected for adoption). Commissioners approved of this correction.

Chairperson Grantham opened Public Comment period.

Dan Reddell, resident of Morro Bay, asked the Commission to not select the Energy Conservation Ordinance measure as it would be a burden to buyers or sellers in that it would not only delay escrow but it would also impose significant costs on the buyer or seller.

Chairperson Grantham closed Public Comment period.

Commissioner Lucas asked staff if the City would be able to claim the reduction of greenhouse gases in the community if the power plant were shut down at any point. Wold confirmed the City would likely be able to claim some reduction but it is uncertain how much it can claim because it is a regional plant.

- C-2 Current and Advanced Planning Processing List  
**Staff Recommendation:** Receive and file.  
**Upcoming Projects:** SoCal Gas Advance Meter Project

Wold reviewed the Work Program with Commissioners.

Commissioner Solu asked about the status of the sign ordinance update. Staff stated Planning Intern Erik Berg-Johansen sent a survey to all business owners in the City and will be compiling the results soon.

## NEW BUSINESS

- D-1 NEPA Environmental Review Finding of Consistency for CDBG-funded Pedestrian Accessibility Project.  
**Recommendation:** Review staff report and find project consistent with Local Coastal Plan

Jacinth presented the staff report.

Chairperson Grantham asked if the soft non-construction costs are being outsourced or being done by City staff. Jacinth stated it is all being done by City staff as the funding allows for administrative costs to be recuperated.

Chairperson Grantham asked for clarification regarding who will be making the final determination about project specifics. Jacinth stated Public Works staff will be managing the project.

SYNOPSIS MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – APRIL 3, 2013

Commissioner Lucas suggested developing a Master Plan that would specify appropriate street and sidewalk widths to improve pedestrian accessibility.

Commissioner Tefft asked staff for clarification regarding who is responsible for funding this project as sidewalk installation is usually the result of new private development. Wold stated the goal of the project is to create a more walkable downtown in the short-term, and since there are several lots which have not been developed for years, the City will be funding this project.

**MOTION:** Commissioner Solu moved to make a finding of consistency with the Local Coastal Plan for the City of Morro Bay's CDBG-funded Pedestrian Accessibility Project pursuant to federal NEPA requirements.

The motion was seconded by Chairperson Grantham and the motion passed unanimously. (4-0).

D-2 Discussion of Topics for the Joint City Council/Planning Commission Meeting  
Scheduled for April 30, 2013  
**Recommendation:** Discuss and forward recommended topics to the City Council for consideration at the joint meeting.

Chairperson Grantham noted the meeting has been rescheduled for April 23, 2013.

Commissioner Tefft stated he would like to discuss with Council their interpretation of Measure D and how it will be applied on the Embarcadero.

Commissioner Lucas stated he would like to discuss the potential of a specific plan overlay that would extend from north Embarcadero to the Cloisters subdivision, west of Route 1.

DECLARATION OF FUTURE AGENDA ITEMS

ADJOURNMENT

The meeting adjourned at 8:10 pm to the joint City Council/Planning Commission meeting at the Veteran's Hall, 209 Surf Street, on Tuesday, April 23, 2013 at 4:30 pm.

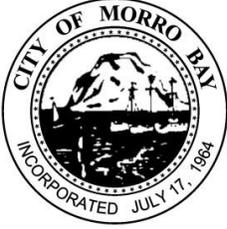
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Rick Grantham, Chairperson

ATTEST:

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Rob Livick, Secretary



**AGENDA NO: B-1**

**MEETING DATE: May 15, 2013**

## Staff Report

**TO: Planning Commissioners**

**DATE: May 9, 2013**

**FROM: Kathleen Wold, Planning Manager**

**SUBJECT: *Continued from the 12-3-07 Planning Commission meeting***

Appeal hearing of the Public Services Director's approval of CP0-246 permitting the Demolition of a 1,183 square foot home, removal of two trees and the construction of a new 2,155 square foot home

### **RECOMMENDATION:**

*CONDITIONALLY APPROVE THE PROJECT* by adopting a motion including the following(s):

- A. Adopt the Findings included as Exhibit "A" upholding the Public Services Director's approval
- B. Approve Coastal Development Permit (#CP0-246) subject to the Conditions included as Exhibit "B" and the site development plans date stamped August 15, 2007.

**APPELLANTS:** Berta and Wayne Parrish

**APPLICANT/AGENT** Nicki Turner

**LEGAL DESCRIPTION/SITE ADDRESS:** APN: 066-223-004, Lot: Portion of Lot 5, Block: G, Tract: Cerrito Addition to the Town of Morro. 360 Cerrito Place

### **REGULATORY SETTING:**

The function and duties of the Planning Commission as the appellant body are to review the appeal, administrative record and written correspondence received by staff and included in the staff report, and take one of the following actions:

- A. Conduct a public hearing considering the concerns raised by the appellant, and uphold or deny the appeal; or
- B. If new evidence comes to light at the hearing that was not previously reviewed by staff, remand the matter back to staff for further review and action.

The Planning Commission, under option A above, shall conduct a no de novo review in that the appellant body shall consider only the same application, plans and related materials that were the subject of the original decision.

**Prepared By:**     KW                          **Dept Review:**

**BACKGROUND:**

On April 25, 1996, the owners of the properties located at 365 and 367 Shasta Avenue (365 Shasta Avenue is now known as 360 Cerrito Place) applied for a lot line adjustment to move the existing lot line 1.29 feet to the south. This lot line adjustment maintained the required minimum lot size for the corner lot (367 Shasta Avenue), while bringing the lot at 365 Shasta Avenue into closer compliance with City regulations. City Staff approved the lot line adjustment on May 28, 1996 and the lot line adjustment was recorded on June 26, 1996.

On August 8, 2007, the applicant applied for, and was granted administrative approval for the removal of two trees that were considered to be major vegetation because they were greater than six inches in diameter at four and one-half feet off of the ground. Staff went to the site to verify that the subject trees were not threatened or endangered species and that they were not providing habitat for threatened and endangered species. Subject to Resolution 39-07, staff permitted the applicant to remove two trees, which is consistent with A.7.c in the resolution that states, “Single family residential homes shall not require a Coastal Development Permit for the removal of less than three trees in any twelve (12) month period.”

Finally, on August 15, 2007, the applicant applied for Coastal Development Permit approval for the demolition of a 1,183 square foot single-family residence, the subsequent construction of a 2,155 square foot single-family residence and attached 648 square foot garage, and the removal of two additional trees that qualify as major vegetations as a result of their trunk diameter. Staff reviewed and subsequently noticed the proposed development on September 24, 2007. The proposed project was issued Coastal Development Permit approval on October 5, 2007. The Director’s decision to approve CP0-246 was appealed on October 15, 2007. A public hearing was held before the Planning Commission on December 3, 2007 at which the appeal issue was heard. It was the decision of the Planning Commission to continue the appeal hearing to a date uncertain to allow all five members to be present and to obtain more information from the City Attorney regarding the lot line dispute. It was later determined that as a private matter and not a civil matter, a formal opinion from the City Attorney was not necessary. The two parties reached a resolution through private attorneys.

**ENVIRONMENTAL DETERMINATION:**

CEQA Determination: The project is Categorically Exempt under the Class 1 exemption for demolition of a single-family residence and the Class 3 exemption for construction of a single-family residence. There are no known sensitive resources or other unique circumstances applicable to the site or its surroundings that would suggest this exemption ought not to be applied.

**PROJECT DETAILS:**

Site Characteristics	
Site Area	7,007 square feet
Existing Use	Existing Single Family Residence
Terrain	Flat
Vegetation/Wildlife	Previously disturbed site, urban vegetation
Archaeological Resources	A Phase I Archeological Survey was completed at the site, and the Archaeologist found no evidence of prehistoric or early historic cultural resources

<b>Project Compliance with R-1 setbacks</b>		
<b>Setbacks</b>	<b>Required</b>	<b>Proposed</b>
Front Yard	20 feet	17 feet
Rear Yard	10 feet	11 feet 8 inches
Interior Side Yard	5 feet	5 feet
Exterior Side Yard	10 feet	18 feet
Lot Coverage	45% maximum	25%
Parking	2-car garage	2-car garage
Height	25 feet	24 feet 6 inches, chimney is over 25 feet and is over 6 feet in width.

**ENVIRONMENTAL DETERMINATION**

Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

**PROJECT DISCUSSION**

This project was last heard at the December 3, 2007 Planning Commission meeting at which it was continued to a date uncertain. Continuing the project to a date uncertain provided time for the applicant and the appellant to resolve their lot line issues. It appears that these issues were resolved in 2008 when the Volbrecht survey was recorded and a compromise agreement was signed. However, no action was taken by the applicant to bring the matter back before the Commission. Due to the length of time this project has sat idle, Planning staff was instructed to send a letter to the applicant deeming the application withdrawn. However because the hearing that was continued was an appeal on the Director’s approval it was decided that a formal action of either approval or denial of the appeal would be more appropriate.

Staff has considered the proposed project in light of the City’s Zoning Ordinance, General Plan, Local Coastal Plan and Guidelines for Major Vegetation Removal, Replacement and Protection. The project has been conditioned to achieve compliance with these documents. In particular additional conditions have been added to ensure that the development meets the required setbacks and height limitations.

The project as proposed encroaches into the required front yard setback by three feet along the corner radius. In addition the maximum height in the R-1 district is 25 feet. Chimneys over six feet in width may not project above this height limitation without a Minor Use permit. If a Minor Use Permit is granted for the increase in height then all setbacks shall be increased by one foot for each foot by which the building including the chimney exceeds 25 feet. The plans submitted indicate that the chimney/building will exceed the 25 foot height limit by 1.5 feet. Therefore Planning condition #9 has been added to address this situation.

Based on the information submitted by both the Applicant and the Appellant which indicates that the lot line dispute has been resolved and that the project has been conditioned for compliance to the recorded record of survey as well as all City's regulation, Staff feels that the Commission should uphold the Public Service Director's decision to conditionally approve CP0-246.

**PUBLIC NOTICE:** Notice of this item was published in the San Luis Obispo Tribune newspaper on May 3, 2013 and all property owners of record within 300 feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application.

**CONCLUSION:**

Based on the information submitted by both the applicant and the appellant which shows that their dispute over the shared lot line has been resolved, staff recommends that the Planning Commission uphold the Public Services Director conditional approval with modified conditions.

**Exhibits:**

Exhibit A – Findings

Exhibit B – Conditions of Approval

Exhibit C – Plans

Exhibit D – October 5, 2007 permit

Exhibit E – December 3, 2007 Planning Commission Staff Report

Exhibit F – December 3, 2007 Planning Commission minutes

Exhibit G – November 20, 2012 letter of indicating project had been withdrawn

Exhibit H - April 1, 2013 letter from applicant

Exhibit I- Record of Survey (Volbrecht)

Exhibit J – May 7, 2013 submittal from the appellant

**EXHIBIT A:**

**FINDINGS**

**Project Description:** CP0-246 permitting the Demolition of a 1,183 square foot home, removal of two trees and the construction of a 2,155 square foot home.

**Coastal Development Permit Findings**

- A. That the project is an allowable use in its zoning district and is also in accordance with the certified Coastal Land Use plan for the City of Morro Bay, and is in conformance with the coastal access policies of Chapter 3 of the California Coastal Act.
- B. That for purposes of the California Environmental Quality Act, Case Number CP0-246 is Categorically Exempt, Class 1, Section 15301 for removal of one single-family residence and Class 3, Section 15303 for construction of one single-family residence.
- C. The major vegetation removal, as mitigated, will not significantly impact any threatened or endangered plant or animal habitat area because the project site does not currently provide significant habitat for endangered plants and animals and the trees to be removed are not threatened or endangered species.
- D. Dangerous soil erosion or instability will not occur as a result of the tree removal because a soils report and erosion control plan will be required to address any potential soil erosion and instability resulting from the tree removal.
- E. The tree removal will not adversely affect the scenic beauty or character of the surround neighborhood as the majority of the trees on site will remain and additional vegetation will be planted as a result of the proposed project.

## **EXHIBIT B:**

### **CONDITIONS OF APPROVAL**

#### **STANDARD CONDITIONS:**

1. **Permit:** This permit is granted for the land described on Assessor Parcel Number **066-223-004**, referenced above, and all attachments thereto, and as shown on the attached exhibits, and on file with the Public Services Department. The locations of all buildings and other features shall be located and designed substantially as shown on the approved site plan.
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 approval 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. Said extensions may be granted by the Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. **Changes:** Any minor change may be approved by the Director. Any substantial change will require the filing of an application for an amendment.
4. **Compliance with the Law:** All requirements of any law, ordinance or regulation of the State of California, City of Morro Bay, and any other governmental entity shall be complied with in the exercise of this approval.
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. This condition and agreement shall be binding on all successors and assigns.
6. **Compliance with Conditions:** Compliance with and execution of all conditions listed hereon shall be necessary, unless otherwise specified, prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Planning and Building Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the

discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.

7. 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.
8. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.

#### **PLANNING CONDITIONS:**

9. Building Height Verification: Prior to either roof nail or framing inspection, a licensed surveyor shall submit a letter to the building inspector certifying that the height of the structure is in accordance with the approved plans and complies with the maximum height requirement of 25 foot including all chimneys over 6 feet in width.
10. 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.
11. Average Natural Grade Calculation: Provide an average natural grade calculation for the building footprint and indicate the maximum height of the proposed residence above average natural grade of the building footprint.
12. Construction Hours: Pursuant to MBMC Section 9.28.030 (I), noise-generating construction related activities shall be limited to the hours of seven a.m. to seven p.m. Monday through Friday and eight a.m. to seven p.m. on weekends, unless an exception is granted by the Director of Planning & Building pursuant to the terms of this regulation.
13. Tree Replacement: Replacement trees for the Arbutus tree and Holly tree removed shall be replaced at a ratio of two five-gallon trees, or one 15-gallon tree for every tree removed. The replacement trees may be planted on the project site, on other privately

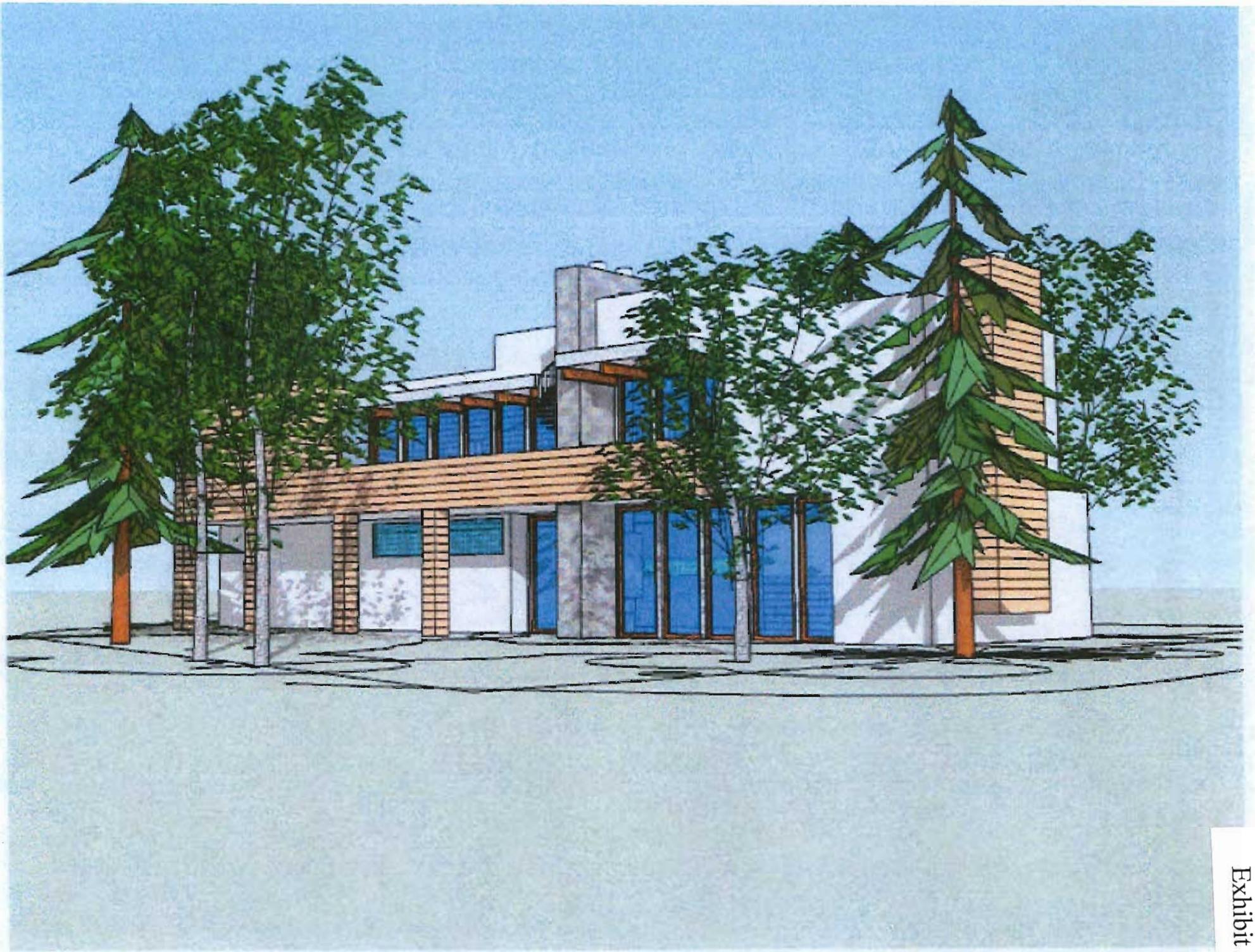
held lands with the property owner's permission, or presented to the City to plant on public lands.

14. Setbacks: The project shall comply with all setback requirements including a 20 foot front yard setback. The house design shall be modified or the house shall be relocated to accommodate a 20 foot front yard setback along Cerrito place.

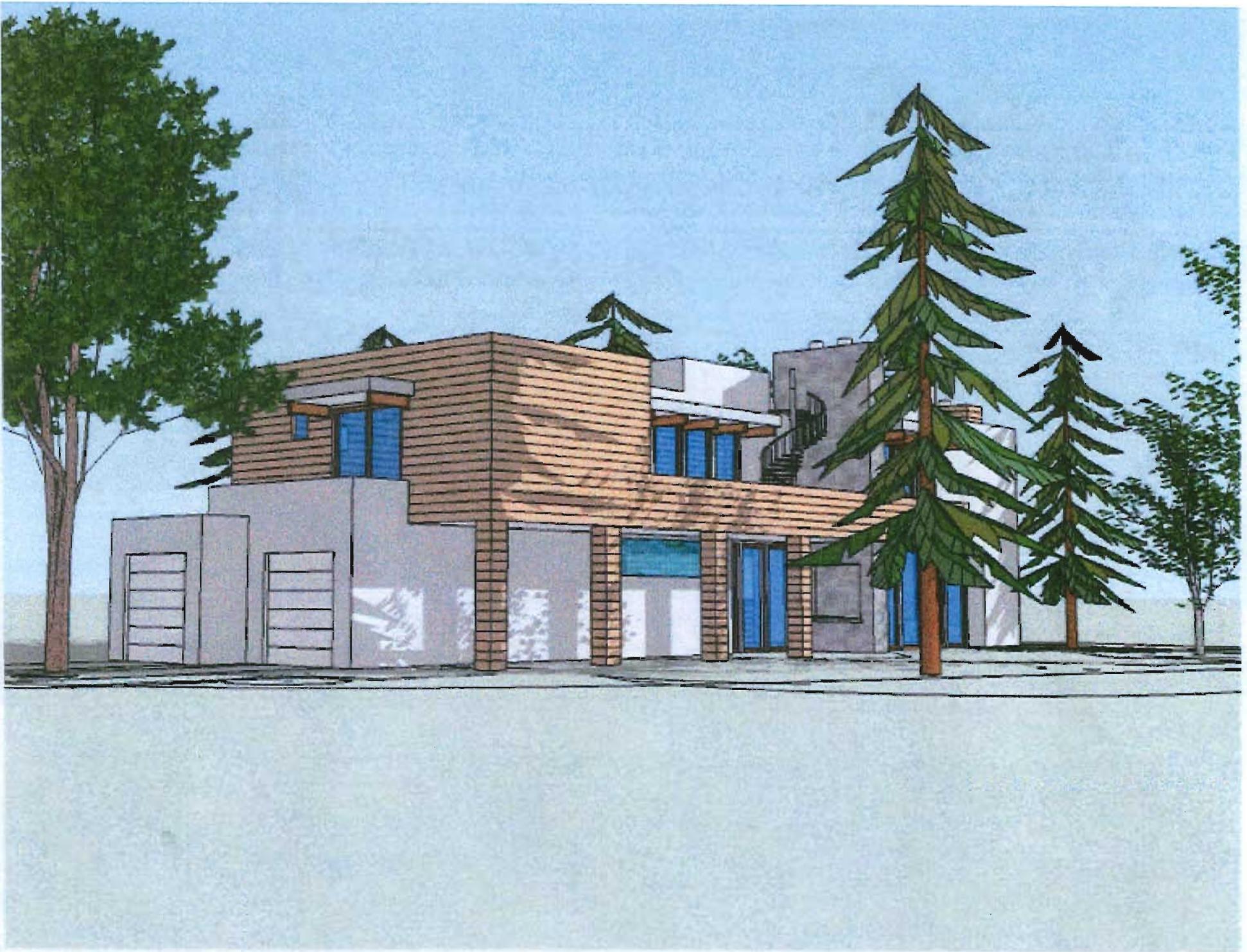
**ENGINEERING CONDITIONS:**

15. Show and dimension street Right of Way in relation to the property lines along with monumentation of property as indicated on the Record of Survey 99 RS 64, Volbrecht.
16. Include the locations of the sewer lateral, water service, and water and sewer mains. Location of all utilities.
  - a. Sewer Backwater Valve: A sewer backwater valve shall be installed on site to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project. (MBMC 14.24.070) Please indicate on the plans.
  - b. Conduct a video inspection of the conditions of existing sewer lateral. Submit video to City collection system personnel. Repair or replace as required to prohibit inflow/infiltration.
17. Provide a standard erosion and sediment control plan: The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
18. Drainage: Route roof and paved surface storm water runoff to the street flowline. In residential projects, if conditions allow, roof and paved surface storm water runoff can be routed over the drive approach to reach the street flowline. Elsewhere, a 3" schedule 40 galvanized iron pipe, drainline, shall be installed from the property line connection to the street flowline and through curb. Show drainage method on the plans.
19. Add the following notes to the plans:
  - a. No work shall occur within (or use of) the City's Right of Way without an encroachment permit. Encroachment permits are available at the City of Morro Bay Public Services Office located at 955 Shasta Ave. The Encroachment permit shall be issued concurrently with the building permit.

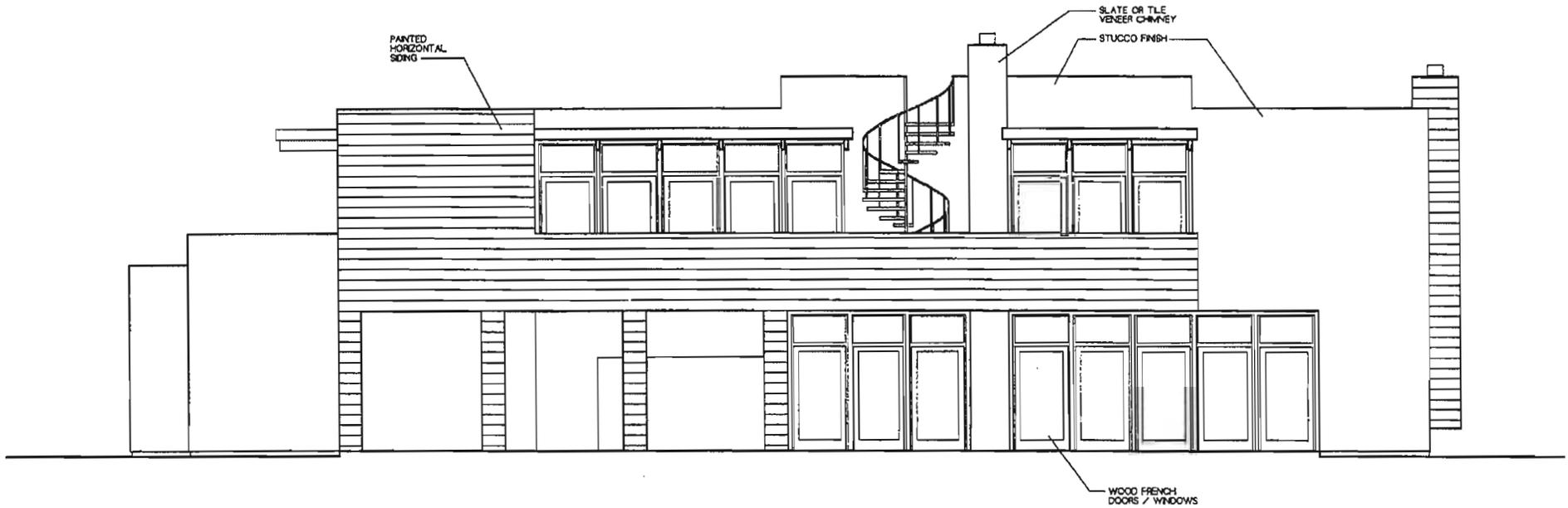
- b. Any damage, as a result of construction operations for this project, to City facilities, i.e. curb/berm, street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.
- c. Compaction of the driveway around the drip line of the 14" 3-prong Coral tree shall be based on the recommendations of a licensed arborist.



Esia Residence - South Elevation

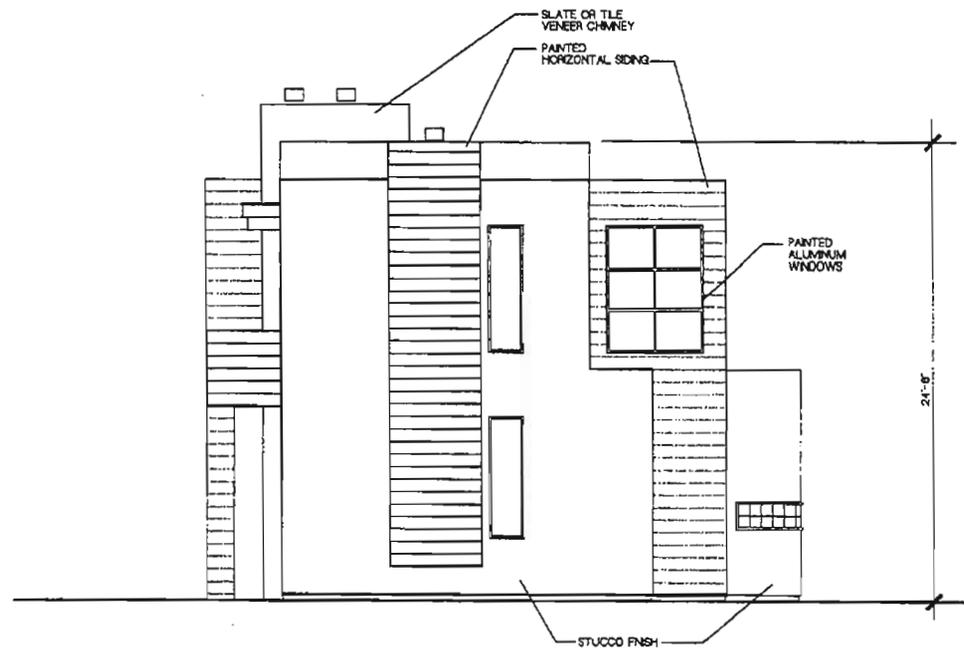


Fazio Residence – West Elevation



**SOUTH ELEVATION**

1/4" SCALE

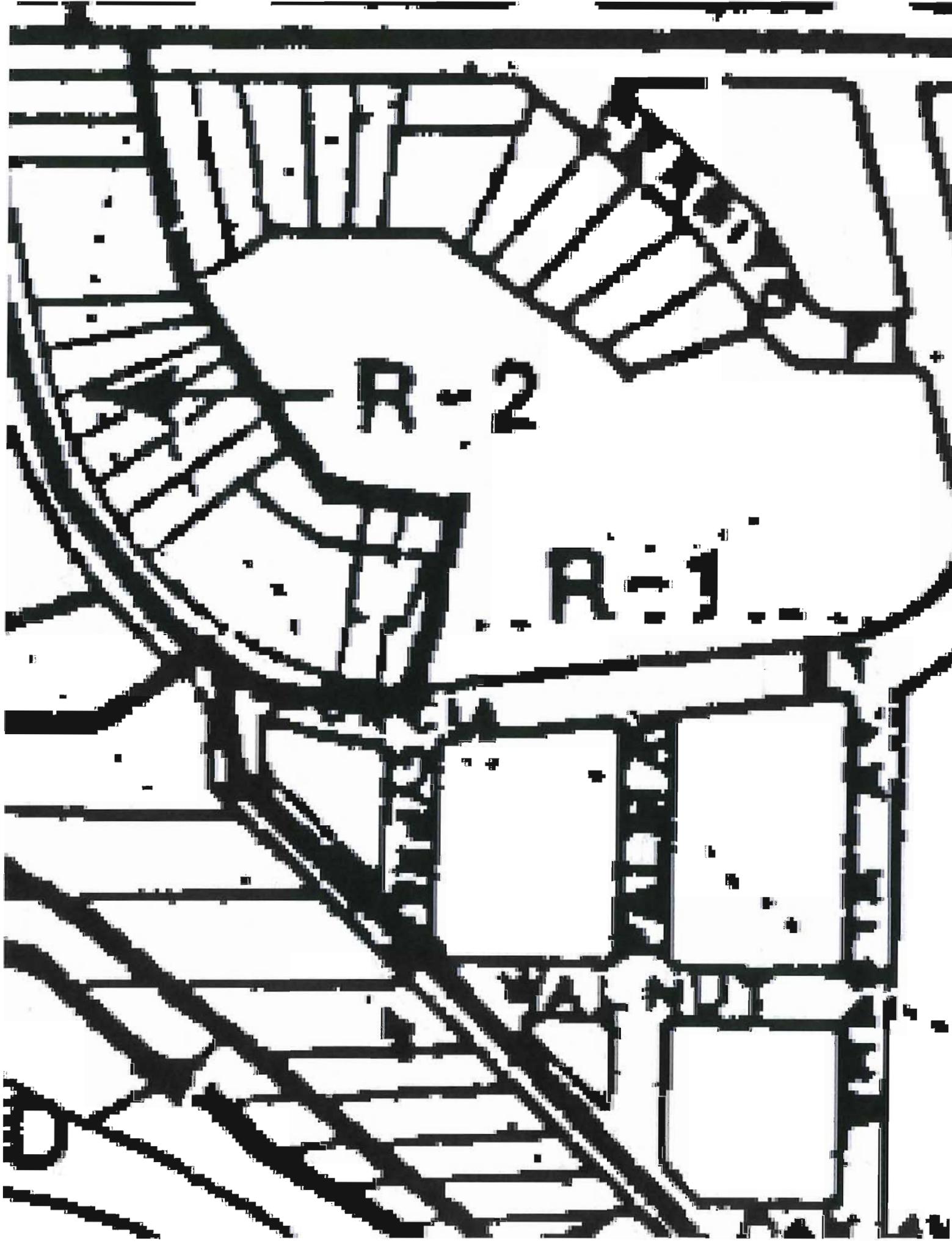


**EAST ELEVATION**

1/4" SCALE

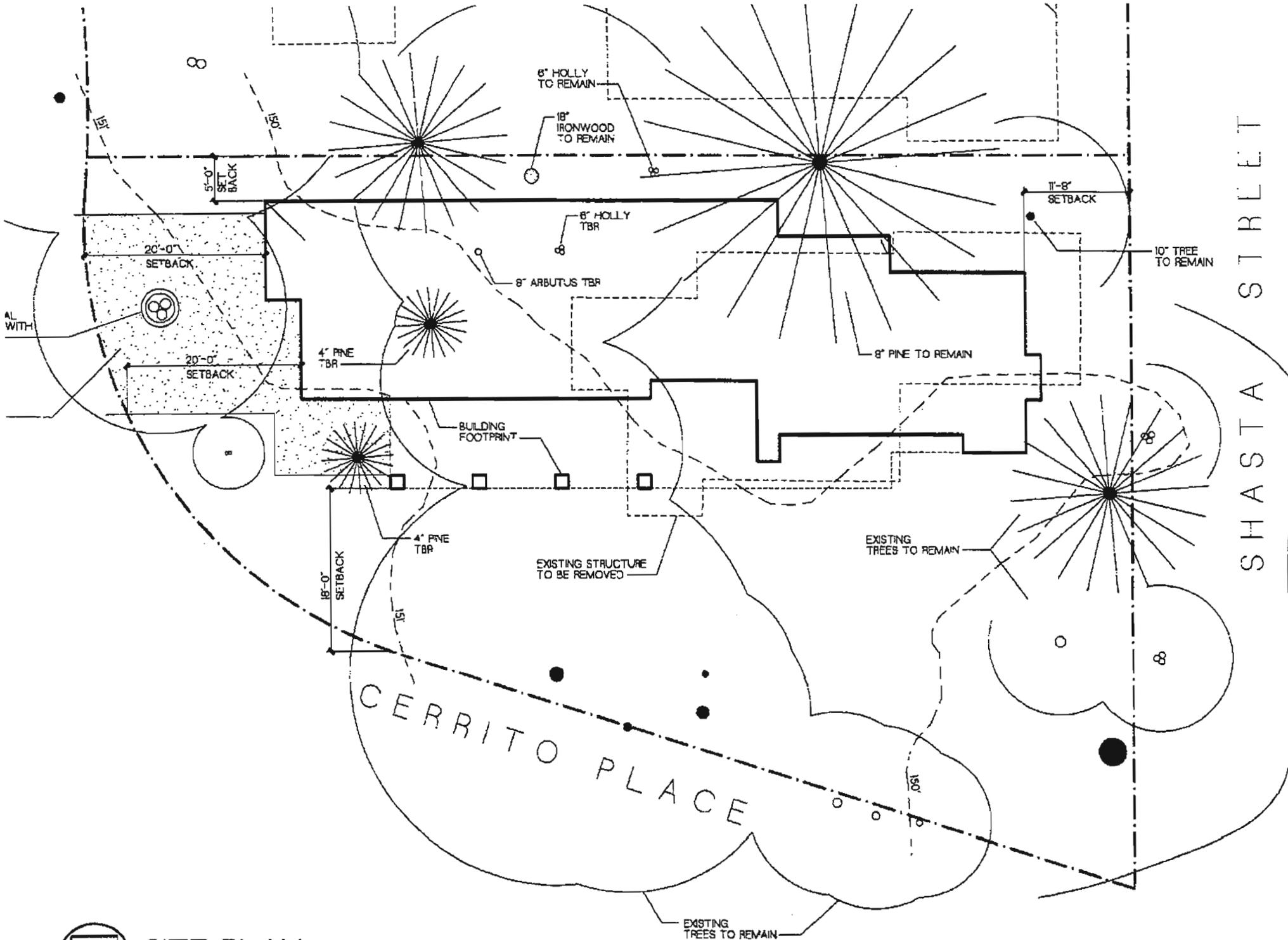


Fazio Residence – Southwest Elevation



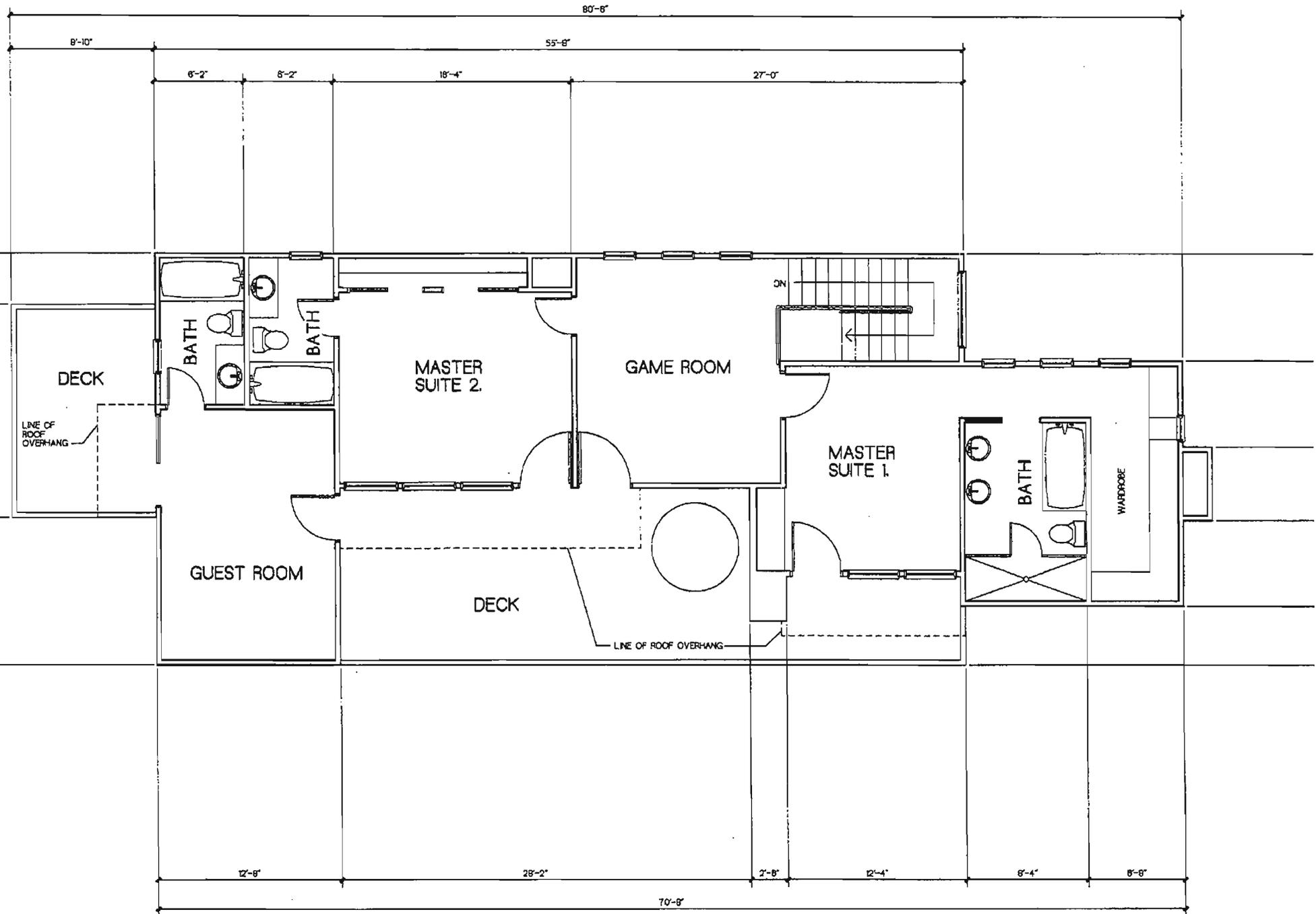
R-2

R-1



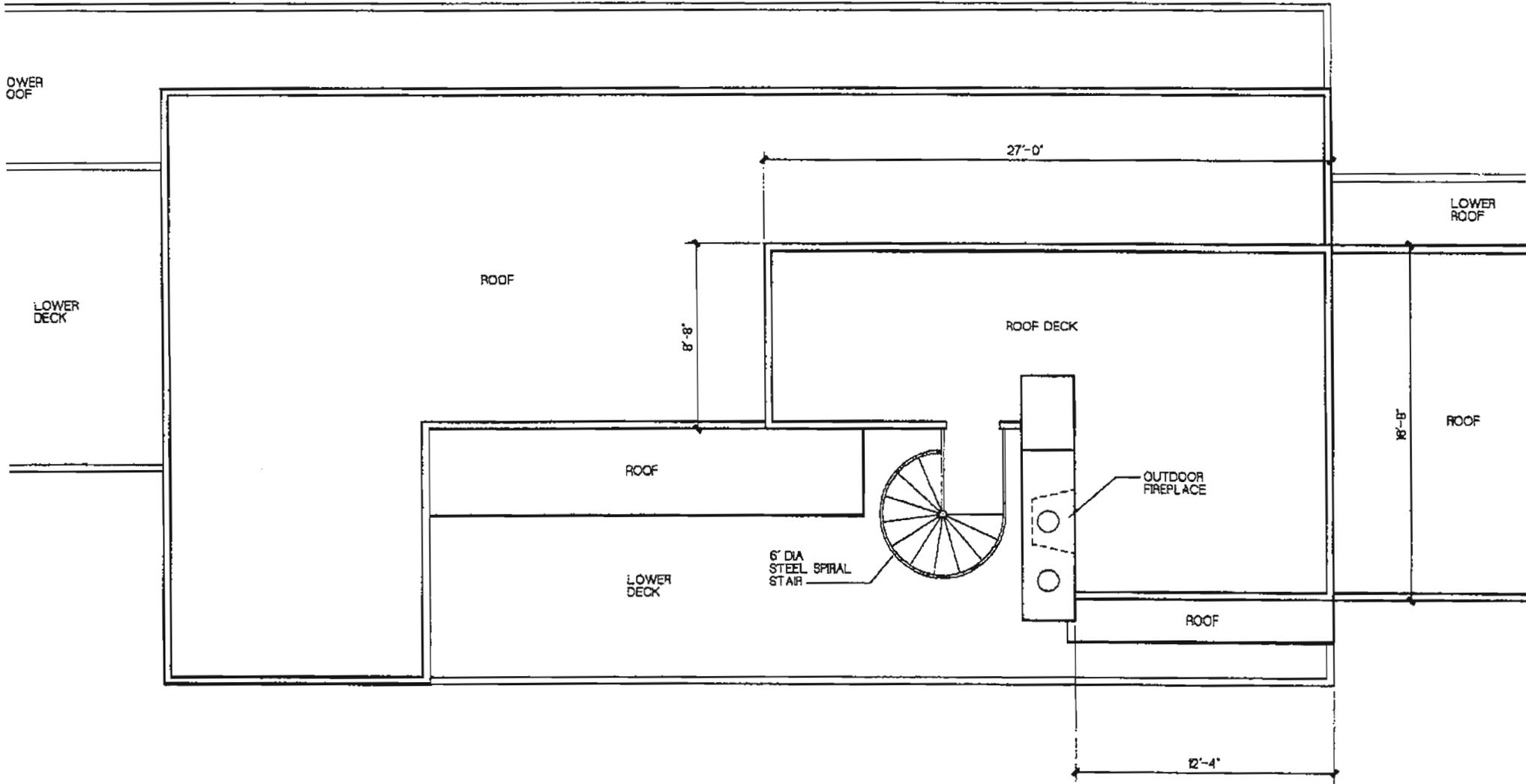
# SITE PLAN

1/8" SCALE

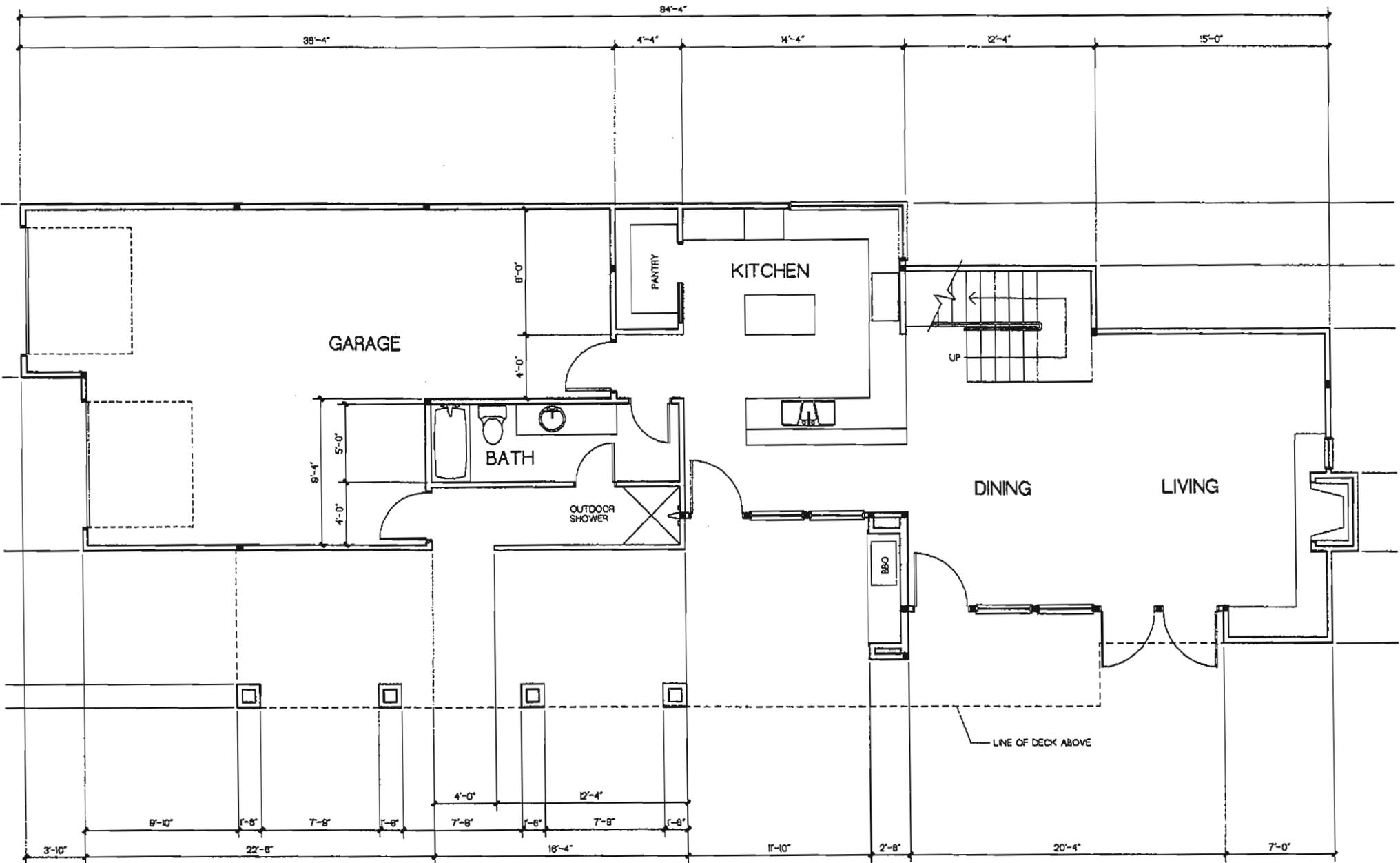


# SECOND FLOOR PLAN

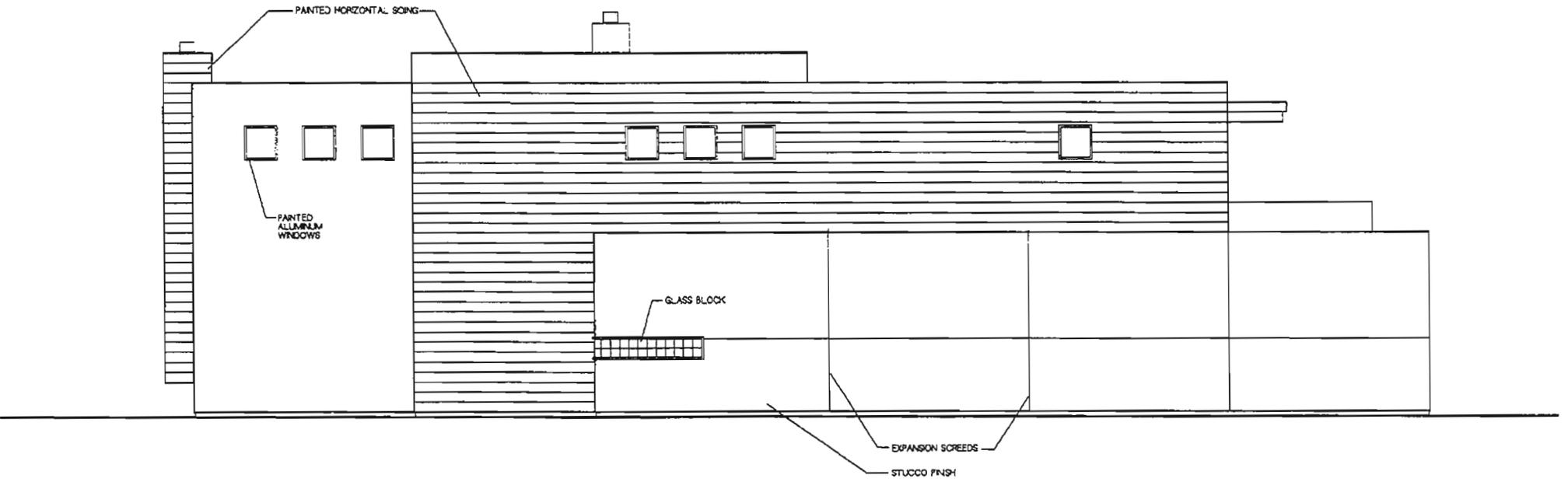
1/4" SCALE



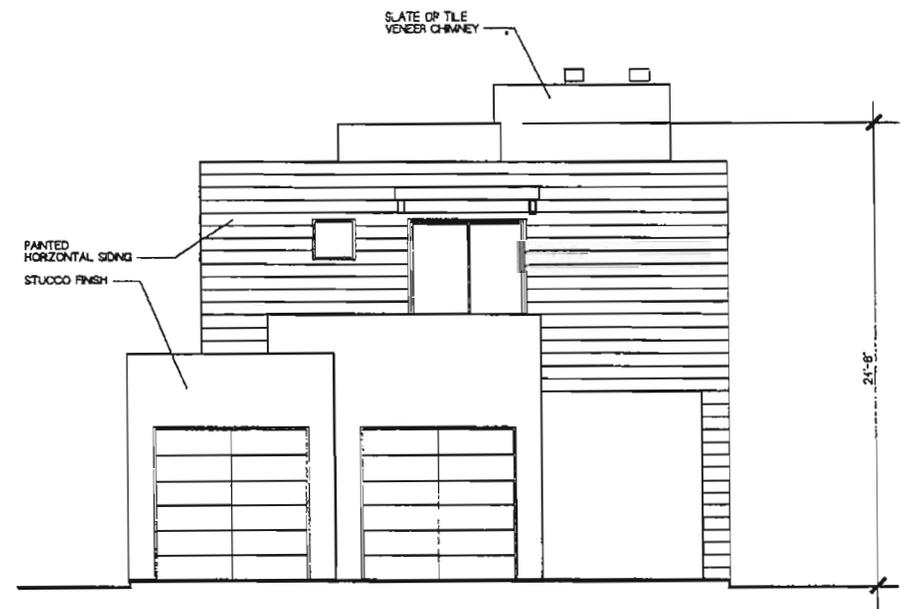
LAN



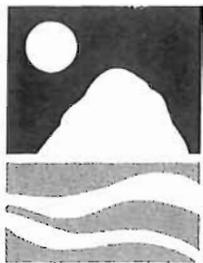
FIRST FLOOR PLAN  
 1/4" SCALE



**ORTH ELEVATION**  
SCALE



**WEST ELEVATION**  
1/4" SCALE



# City of Morro Bay

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

October 5, 2007

Randy Dettmer, AIA  
663 Hill Street  
San Luis Obispo, CA 93405

*Appealed*

RE: 360 Cerrito Place, CPO-246

Dear Mr. Dettmer:

On October 5, 2007 the Director approved your request for an Administrative Coastal Development Permit for the demolition of a 1,183 square foot single-family residence and the subsequent construction of a 2,155 square foot single-family residence and associated 648 square foot garage, and the removal of two trees that qualify as major vegetation.

This action does not constitute a building permit. Any further processing of this project must be initiated by the applicant, subject to the applicable rules and regulations of the Morro Bay Municipal Code.

The Morro Bay Municipal Code provides for an appeal of the action by the Planning Commission within ten (10) days of adoption and anyone wishing to appeal may do so in writing by filing an appeal with the Public Services Department. There is a fee for processing appeals, which are not coastal permits within the appeals jurisdiction. Barring an appeal, your Coastal Development Permit will be effective October 16, 2007.

Sincerely,

Bruce Ambo, PUBLIC SERVICES DIRECTOR

By:

Rachel Grossman, Associate Planner

Enclosures: Permit, Findings, and Conditions of Approval

FINANCE  
595 Harbor Street

ADMINISTRATION  
595 Harbor Street

FIRE DEPARTMENT  
715 Harbor Street

PUBLIC SERVICES  
955 Shasta Street

HARBOR DEPARTMENT  
1275 Embarcadero Road

CITY ATTORNEY  
955 Shasta Avenue

POLICE DEPARTMENT  
850 Morro Bay Boulevard

RECREATION AND PARKS  
1001 Kennedy Way

Appealed.

**COASTAL DEVELOPMENT PERMIT**

CASE NO: CPO-246

THIS PERMIT IS HEREBY APPROVED AND ISSUED FOR:

SITE ADDRESS: 360 Cerrito Place

APPLICANT: Joe and Nicki Fazio

APN: 066-223-004 LEGAL: LOT: PORTION OF LOT 5, BLOCK: G, TRACT: CERRITO ADDITION TO THE TOWN OF MORRO

DATE APPROVED: October 5, 2007 APPROVED BY: Director

**APPROVED BASED UPON ATTACHED FINDINGS (Findings and Conditions of Approval Attached)**

CEQA DETERMINATION: CATEGORICALLY EXEMPT SECTION 15301, CLASS 1 AND SECTION 15303, CLASS 3

**DESCRIPTION OF APPROVAL:** Demolition of a 1,183 square foot single-family residence and the subsequent construction of a 2,155 square foot single-family residence and associated 648 square foot garage, and the removal of two trees that qualify as major vegetation.

THIS APPROVAL IS CONDITIONAL AND IS VALID ONLY IF CONDITIONS (ATTACHED) ARE MET AND ONLY AFTER THE APPLICABLE APPEAL PERIOD. Failure to comply with the conditions of this permit shall, at the discretion of the Director pursuant to Municipal Code Section 17.60.150, render this entitlement null and void.

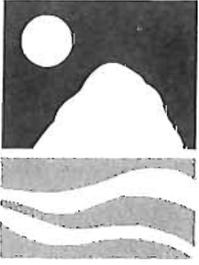
**THERE IS AN APPEAL PERIOD OF TEN (10) Calendar days, WITHIN WHICH TIME YOUR PERMIT IS APPEALABLE TO THE PLANNING COMMISSION**

**IF NOT APPEALED, YOUR PERMIT WILL BE EFFECTIVE: October 16, 2007**

ATTEST:  DATE: October 5, 2007

Rachel Grossman, Associate Planner  
FOR: Bruce Ambo, PUBLIC SERVICES DIRECTOR

**THIS IS A DISCRETIONARY APPROVAL AND DOES NOT CONSTITUTE A BUILDING PERMIT**



# City of Morro Bay

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

*Appealed*

PUBLIC SERVICES DEPARTMENT  
PLANNING DIVISION  
NOTICE OF FINAL ACTION ON COASTAL DEVELOPMENT PERMIT

NOTICE OF FINAL CITY ACTION  
on Coastal Development Permit No. CPO-246

The following project is located in the Morro Bay Coastal Zone and a Coastal Permit Application has been acted on by the City.

Applicant: Joe and Nicki Fazio

Address: 3037 Sabine Hill Avenue, Henderson, NV 89052

Project Description: Demolition of a 1,183 square foot single-family residence and the subsequent construction of a 2,155 square foot single-family residence and associated 648 square foot garage, and the removal of two trees that qualify as major vegetation.

Project Location 360 Cerrito Place

APN No. 066-223-004 Lot Area: 7,007 sq. ft.

Zoning: R.1

LUP/General Plan: Low-Medium Density Residential

Filing Date: November 5, 2007 Action Date: October 5, 2007

Action By: DIRECTOR Action Taken: APPROVED WITH CONDITIONS

ATTACHMENTS: PERMIT, FINDINGS, IF ANY, AND CONDITIONS OF APPROVAL

**YOUR PROPERTY IS LOCATED IN THE CITY OF MORRO BAY JURISDICTION, THERE IS AN APPEAL PERIOD OF TEN (10) *Calendar days*, WITHIN WHICH TIME YOUR PERMIT IS APPEALABLE TO THE PLANNING COMMISSION**

THIS SITE IS OUTSIDE OF THE COASTAL COMMISSION APPEAL JURISDICTION

FINANCE 595 Harbor Street	ADMINISTRATION 595 Harbor Street	FIRE DEPARTMENT 715 Harbor Street	PUBLIC SERVICES 955 Shasta Street
HARBOR DEPARTMENT 1275 Embarcadero Road	CITY ATTORNEY 955 Shasta Avenue	POLICE DEPARTMENT 850 Morro Bay Boulevard	RECREATION AND PARKS 1001 Kennedy Way

**COASTAL DEVELOPMENT PERMIT**  
**CASE NO. CPO-246**  
**SITE LOCATION: 360 Cerrito Place**

**I. FINDINGS OF APPROVAL**

The Director reviewed this Administrative Coastal Permit application and finds the following:

- A. That the project is an allowable use in its zoning district and is also in accordance with the certified Coastal Land Use plan for the City of Morro Bay, and is in conformance with the coastal access policies of Chapter 3 of the California Coastal Act.
- B. That for purposes of the California Environmental Quality Act, Case Number CPO-246 is Categorically Exempt, Class 1, Section 15301 and Class 3, Section 15303.
- C. The major vegetation removal, as mitigated, will not significantly impact any threatened or endangered plant or animal habitat area because the project site does not currently provide significant habitat for endangered plants and animals.
- D. Dangerous soil erosion or instability will not occur as a result of the tree removal because a soils report and erosion control plan will be required to address any potential soil erosion and instability resulting from the tree removal.
- E. The tree removal will not adversely affect the scenic beauty or character of the surround neighborhood as the majority of the trees on site will remain and additional vegetation will be planted as a result of the proposed project.

**II. CONDITIONS OF APPROVAL**

**STANDARD CONDITIONS:**

- 1. Permit: This permit is granted for the land described on Assessor Parcel Number 066-223-004, referenced above, and all attachments thereto, and as shown on the attached exhibits, and on file with the Public Services Department. The locations of all buildings and other features shall be located and designed substantially as shown on the approved site plan.
- 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 approval 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. Said extensions may be granted by the Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
- 3. Changes: Any minor change may be approved by the Director. Any substantial change will require the filing of an application for an amendment.
- 4. Compliance with the Law: All requirements of any law, ordinance or regulation of the State of California, City of Morro Bay, and any other governmental entity shall be complied with in the exercise of this approval.

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. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: Compliance with and execution of all conditions listed hereon shall be necessary, unless otherwise specified, prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Planning and Building Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
7. 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.
8. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.

**Planning Conditions:**

9. Building Height Verification: Prior to either roof nail or framing inspection, a licensed surveyor shall submit a letter to the building inspector certifying that the height of the structure is in accordance with the approved plans and complies with the height requirement of **25 foot maximum above the average natural grade as accepted by the City Building Official**.
10. Grading and Drainage: Roof and driveway runoff shall be directed to the street in a non-erosive manner and not concentrate runoff onto adjacent properties. The Applicant may be required to submit a grading and/or drainage plan with calculations to demonstrate the proposed on-site drainage will handle the peak run-off from a 25-year storm. If deemed necessary by the Building Official, a grading and drainage plan shall be submitted by the Applicant for approval by the Public Works Division and City Engineer prior to issuance of a building permit.
11. 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.
12. Average Natural Grade Calculation: Provide an average natural grade calculation for the building footprint and indicate the maximum height of the proposed residence above average natural grade of the building footprint.
13. Construction Hours: Pursuant to MBMC Section 9.28.030 (I), noise-generating construction related activities shall be limited to the hours of seven a.m. to seven p.m. Monday through Friday and eight a.m. to seven p.m. on weekends, unless an exception is granted by the Director of Planning & Building pursuant to the terms of this regulation.

14. Tree Replacement: Replacement trees for the Arbutus tree and Holly tree removed shall be replaced at a ratio of two five-gallon trees, or one 15-gallon tree for every tree removed. The replacement trees may be planted on the project site, on other privately held lands with the property owner's permission, or presented to the City to plant on public lands.

**Engineering Conditions:**

15. Show and dimension street Right of Way
16. Include the locations of the sewer lateral, water service, and water and sewer mains. Location of all utilities.
  - a. Sewer Backwater Valve: A sewer backwater valve shall be installed on site to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project. (MBMC 14.24.070) Please indicate on the plans.
  - b. Conduct a video inspection of the conditions of existing sewer lateral. Submit video to City collection system personnel. Repair or replace as required to prohibit inflow/infiltration.
17. Provide a standard erosion and sediment control plan: The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
18. Drainage: Route roof and paved surface storm water runoff to the street flowline. In residential projects, if conditions allow, roof and paved surface storm water runoff can be routed over the drive approach to reach the street flowline. Elsewhere, a 3" schedule 40 galvanized iron pipe, drainline, shall be installed from the property line connection to the street flowline and through curb. Show drainage method on the plans.
19. Add the following notes to the plans:
  - a. No work shall occur within (or use of) the City's Right of Way without an encroachment permit. Encroachment permits are available at the City of Morro Bay Public Services Office located at 955 Shasta Ave. The Encroachment permit shall be issued concurrently with the building permit.
  - b. Any damage, as a result of construction operations for this project, to City facilities, i.e. curb/berm, street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.
  - c. Compaction of the driveway around the drip line of the 14" 3-prong Coral tree shall be based on the recommendations of a licensed arborist.



# CITY OF MORRO BAY PLANNING COMMISSION

December 3, 2007

AC  
AC Exhibit E

## PROJECT SUMMARY

Appeal of a Demo/Rebuild Single-family Residence and remove two trees

### FILE NUMBER:

CPO-246

### SITE ADDRESS:

360 Cerrito Place

### LEGAL DESCRIPTION

APN: 066-223-004, Lot: Portion of Lot 5, Block: G, Tract: Cerrito Addition to the Town of Morro

### APPELLANTS:

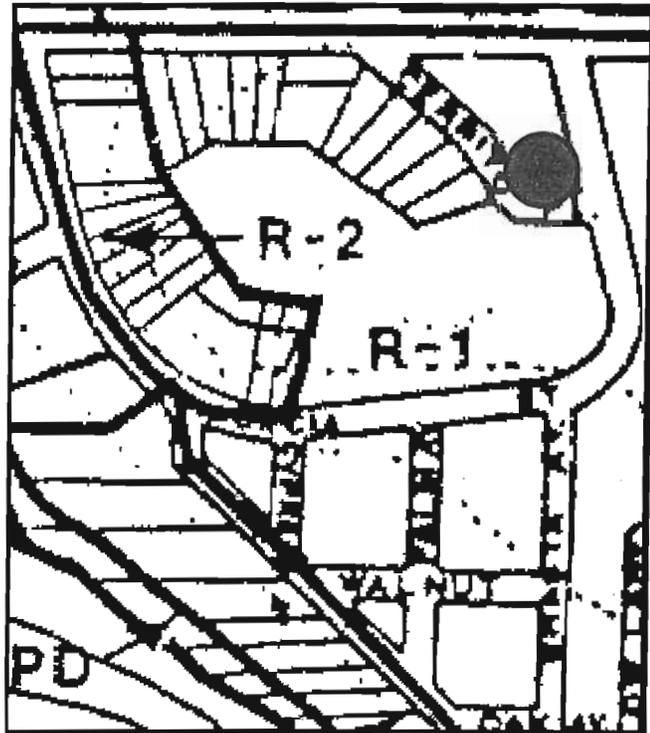
Berta and Wayne Parrish

### APPLICANTS:

Joe and Nicki Fazio

### EXHIBITS:

- A. Findings
- B. Conditions
- C. Graphics/Plan Reductions
- D. Appeal Form
- E. Public Comments



Vicinity Map

## ISSUE SUMMARY:

Staff issued a Coastal Development Permit on October 5, 2007 for the demolition of an existing 1,183 square foot house, subsequent construction of a 2,155 square foot house and attached 648 square foot garage, and removal of two trees that are considered major vegetation (because two trees have been previously removed within the last 12 month period) at the property located at 360 Cerrito Place. An appeal of this action was submitted on October 15, 2007, and the project is before the Planning Commission as the appellant body.

## STAFF RECOMMENDATION

Deny the appeal and approve the Coastal Development Permit by adopting a motion including the following actions:

- A. Adopt the Findings included as Exhibit "A";
- B. Approve the Coastal Development subject to the Conditions included in Exhibit B and the site development plans dated August 15, 2007.

**ENVIRONMENTAL DETERMINATION:**

CEQA Determination: The project is Categorically Exempt under the Class 1 exemption for demolition of a single-family residence and the Class 3 exemption for construction of a single-family residence. There are no known sensitive resources or other unique circumstances applicable to the site or its surroundings that would suggest this exemption ought not be applied.

**REGULATORY SETTING:**

The function and duties of the Planning Commission as the appellant body are to review the appeal, administrative record and written correspondence received by staff and included in the staff report, and take one of the following actions:

- A. Conduct a public hearing considering the concerns raised by the appellant, and uphold or deny the appeal; or
- B. If new evidence comes to light at the hearing that was not previously reviewed by staff, remand the matter back to staff for further review and action.

The Planning Commission, under option A above, shall conduct a no de novo review in that the appellant body shall consider only the same application, plans and related materials that were the subject of the original decision.

**BACKGROUND:**

On April 25, 1996, the owners of the properties located at 365 and 367 Shasta Avenue (365 Shasta Avenue is now known as 360 Cerrito Place) applied for a lot line adjustment to move the existing lot line 1.29 feet to the south. This lot line adjustment maintained the required minimum lot size for the corner lot (367 Shasta Avenue), while bringing the lot at 365 Shasta Avenue into closer compliance with City regulations. City Staff approved the lot line adjustment on May 28, 1996 and the lot line adjustment was recorded on June 26, 1996.

On August 8, 2007, the applicant applied for, and was granted administrative approval for the removal of two trees that were considered to be major vegetation because they were greater than six inches in diameter at four and one-half feet off of the ground. Staff went to the site to verify that the subject trees were not threatened or endangered species and that they were not providing habitat for threatened and endangered species. Subject to Resolution 39-07, staff permitted the applicant to remove two trees, which is consistent with A.7.c in the resolution that states, "Single family residential homes shall not require a Coastal Development Permit for the removal of less than three trees in any twelve (12) month period."

Finally, on August 15, 2007, the applicant applied for Coastal Development Permit approval for the demolition of a 1,183 square foot single-family residence, the subsequent construction of a 2,155 square foot single-family residence and attached 648 square foot garage, and the removal of two additional trees that qualify as major vegetations as a result of their trunk diameter. Staff reviewed and subsequently noticed the proposed development on September 24, 2007. The proposed project was issued Coastal Development Permit approval on October 5, 2007. Staff's approval was appealed on October 15, 2007, and is now before the Planning Commission for further evaluation.

The following tables provide Zoning, General Plan and information about neighboring development.

<u>Adjacent Zoning/Land Use</u>			
North:	R-1, Single Family Residences	South	R-1, Single Family Residences
East:	R-1, Single Family Residences	West:	R-1, Single Family Residences

<b>Site Characteristics</b>	
	Portion of Lot 5
Site Area	7,007 square feet
Existing Use	Existing Single Family Residence
Terrain:	Flat
Vegetation/Wildlife	Previously disturbed site
Archaeological Resources	A Phase I Archeological Survey was completed at the site, and the Archaeologist found no evidence of prehistoric or early historic cultural resources

<b>General Plan, Zoning Ordinance &amp; Local Coastal Plan Designations</b>	
General Plan/Coastal Plan Land Use Designation	Low/Medium Density Residential
Base Zone District	R-1, Single Family Residential
Zoning Overlay District	N/A
Special Treatment Area	N/A
Combining District	N/A
Specific Plan Area	N/A
Coastal Zone	Not Within Appeals Jurisdiction

The table below provides information regarding the R-1 zoning standards and the proposed project's compliance with these standards.

<b>Setbacks</b>	<b>Required</b>	<b>Proposed</b>
Front Yard	20 feet	20 feet
Rear Yard	10 feet	11 feet 8 inches
Interior Side Yard	5 feet	5 feet
Exterior Side Yard	10 feet	18 feet
Lot Coverage	45% maximum	25%
Parking	2-car garage	2-car garage
Height	25 feet	24 feet 6 inches

As illustrated in the above table, the proposed single-family residence is compliant with all R-1 zoning ordinance requirements and the applicant is requesting no variances or exceptions from City Standards.

### **PROJECT DISCUSSION**

City Staff considered the proposed project in light of the City's Zoning Ordinance, General Plan, Local Coastal Plan and Guidelines for Major Vegetation Removal, Replacement and Protection. After thorough review of the proposed project (including review of the address file, record of survey, COC, submitted plans, consultation with Public Services staff members and field review) staff found the requested development consistent with the applicable City documents listed above and issued a Coastal Development Permit. This approval was subsequently appealed and the appellants concerns and staff's response to these concerns are presented below.

### **APPEAL ISSUES**

The appellants concerns are presented in Exhibit D of this staff report, and summarized below.

1. Property Line Dispute: The appellants believe that the site plan submitted by the applicant is not consistent with the recorded lot lines and does not accurately depict the boundaries of the lots located at 365 Shasta Avenue and 360 Cerrito Place;
2. Sewer Line: Concerns were expressed regarding a shared sewer lateral;
3. Increased Review for large homes: The appellants believe that the proposed project should be subject to the heightened review currently required for homes in excess of 2,500 square feet;
4. Fire Hazard: The appellants are concerned that the roof top fire place is a fire hazard;
5. Neighborhood Compatibility: Concerns were expressed that the proposed project would not be compatible with the neighborhood; and
6. Setbacks: The appellants disagree with staff's interpretation of the front yard.

Staff will address each of these concerns in the analysis provided below.

### *ANALYSIS*

The purpose of the analysis section is to specifically address the expressed concerns of the appellants. The analysis is divided into the same sections as the appeal issues section of the staff report to allow for ease of review.

1. Property Line Dispute: As presented in the background section of this staff report, a lot line adjustment was approved by the City and recorded in 1996. The lot line adjustment was done via Certificates of Compliance (COC), and the City has copies of the recorded COC. As a result of the appellants' expressed concerns regarding the lot boundary delineation, staff requested the record of survey (completed June 21, 2007) that the applicants utilized to establish the lot boundaries. After review of the COC and the survey completed June 21, 2007 by the City Engineer, Planning Manager and Associate Planner, staff determined that the applicants submitted lot boundaries appear to be consistent with the recorded lot boundaries, and thus, the site plan submitted by the applicants was deemed accurate by staff. As a side note, lot line disputes are generally a civil matter, and the City Attorney has directed staff to continue review and processing of the proposed project until such time that the appellants files an injunction. The appellants have not yet filed an injunction, so the City will continue to review and process the project per direction from the City Attorney.
2. Sewer Line: At this point in the process, the applicants have not submitted complete construction drawings, as these are not required until the building permit review commences. As such, Staff does not yet have complete information regarding the existing sewer lateral. As indicated in condition of approval number 17, when the applicants submit plans for their building permit they will be required to indicate the locations of the sewer lateral, water service, and water and sewer mains. Per the City Engineer, separate sewer laterals for the properties located at 367 Shasta Avenue and 360 Cerrito Place will be required prior to building permit issuance. In regards to concerns about the lack of a sewer easement, if a sewer easement is needed, that is also a civil matter that will need to be resolved between the applicants and appellants. The City of Morro Bay cannot mandate a property owner to grant an easement as a condition of approval of a Coastal Development Permit.
3. Increased Review for large homes: As indicated in the appeal form, the proposed project was deemed complete prior to the approval of the urgency ordinance requiring heightened review for homes larger than 2,500 square feet and thus does not apply to the proposed project. In addition, the urgency ordinance would not apply to the proposed structure if it were submitted today because the structure is not large enough to qualify for heightened review. The urgency ordinance requires Planning Commission review for residential units in excess of 2,500 square feet. This square footage includes all habitable living area, as well as any garage area in excess of 400 square feet. The proposed residence includes 2,155 square feet of habitable space, and 248 square feet of garage area in excess of 400 square feet. Per the specifications of the urgency

ordinance, the proposed residence has 2,403 square feet of qualifying space, which is below the 2,500 square foot threshold for heightened review.

4. Fire Hazard: Planning staff consults with the Fire Department when any concerns are raised regarding fire safety. Tom Prows, Fire Prevention Officer, was consulted regarding this project to determine if the proposed fireplace on the roof deck was considered a fire hazard. He stated that per Fire and Building Codes, the fireplace is permitted and he was not concerned that it would be a fire hazard. As a side note, the Air Pollution Control District (APCD) requires that this fireplace be a gas fireplace, and thus there would be no concerns with live embers being released from the fireplace.
5. Neighborhood Compatibility: The primary policy from the City's zoning ordinance addressing neighborhood character and visual resources is presented below. The three most pertinent standards to the proposed development are also included.

*17.48.190 Protection of Visual Resources and Compatible Design: New development shall protect and, where feasible, enhance the visual quality of the surrounding area. New development may be permitted only if the siting and design meet the following standards:*

- B. Natural landform protection: alterations to natural landforms are minimized*
- C. Compatibility: the development is visually compatible with the character of the surrounding area and any design themes adopted for that area by the City*
- D. Visual quality: restores and enhances visual quality in visually degraded areas*

The subject lot currently has twelve trees (this does not include the two that were previously removed) that are considered major vegetation. As a component of the proposed project, two of these trees will be removed. The lot coverage of the proposed residence would be 25 percent (the percentage on the plans is inaccurate, as only a small portion of one of the decks counts as lot coverage). This is well below the maximum threshold of 45 percent permitted in the R-1 zone. The alteration of the existing natural landforms on the site are minimized with the limited number of trees requested for removal, and comparatively small footprint of the proposed residence

The neighborhood within which the residence is proposed contains quite a mix of housing styles and types. Just west of the proposed residence (365 and 371 Cerrito Place) are two fairly new stucco homes on similar sized lots that have 36 percent lot coverage. Just south of these residences (385 Cerrito Place) is a modern residence with a hardy board exterior. At 380 Shasta Avenue lies a home with modern characteristics and a third story roof deck. One block away on Acacia, there are two modern homes that were constructed in 1989. In addition to these specific houses, a glance around the neighborhood illustrates a varied mix of old and redeveloped properties with no consistent design style. This eclectic neighborhood character would suggest that a wide range of housing styles, including modern design, could be considered visually compatible with character of the surrounding area.

The project site is currently overgrown and in need of some landscaping maintenance and improvements or reconstruction of the existing residence. Like many of the recently redeveloped properties within the neighborhood, it could be found that the proposed project would improve the visual quality and usability of the site.

6. Setbacks: The final concern expressed by the appellant is the delineation of yards by staff (front, rear, etc.). Per the Zoning Ordinance a through lot is defined as "a lot having frontage and potential access on two parallel or approximately parallel street." In staff's opinion, the subject lot qualifies as a through lot. Furthermore, section 17.48.180, street to street R-1 lots, states that

*On any existing east-west oriented R-1 lot whose front and rear yards are both adjacent to a public street, the western frontage shall be considered the front of the lot and the eastern frontage shall be considered the rear of the lot, unless otherwise determined by the Planning Commission.*

Based upon this section of the code, staff has designated Cerrito Place as the front yard for the project site, and based required setbacks upon this designation. As stated in section 17.48.180, the Planning Commission does have the authority to determine an alternative location for the front yard, should they believe that another location would be more consistent with existing neighbor development, yet continue to provide safe access to the site. Though it would be feasible to make the garage accessible from Shasta Avenue, staff has safety concerns associated with this point of access to the site. Shasta receives more average daily trips than Cerrito Place, thus garage access off of Shasta Avenue would result in increased potential for traffic collisions. In addition, reorienting the yards would potentially only change the location of the garage and move the structure farther west. Yard reorientation alone does not address design issues or other express concerns voiced by the appellants.

**PUBLIC NOTICE:**

Notice of this item was posted at the site and published in the San Luis Obispo Telegram-Tribune newspaper on November 23, 2007 and all property owners of record and occupants within 100 feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application.

**CONCLUSION:**

The appellants' expressed concerns regarding lot lines and sewer easements are civil matters, and staff research and available evidence indicate that the proposed project is consistent with recorded lot lines. As presented in the staff report, the project site is located within an eclectic neighborhood that lacks a consistent design style. As such, a variety of residential design styles would be suitable for the area, including modern design. The proposed project can be found consistent with the City's adopted Local Coastal Program and Major Vegetation Removal Guidelines, and for that reason, staff recommends that the Planning Commission deny the appeal and uphold staff's issuance of the Coastal Development Permit.

Report prepared by: Rachel Grossman, Associate Planner

**EXHIBIT A:**  
**FINDINGS**

**Coastal Development Permit Findings**

- A. That the project is an allowable use in its zoning district and is also in accordance with the certified Coastal Land Use plan for the City of Morro Bay, and is in conformance with the coastal access policies of Chapter 3 of the California Coastal Act.
- B. That for purposes of the California Environmental Quality Act, Case Number CPO-246 is Categorically Exempt, Class 1, Section 15301 for removal of one single-family residence and Class 3, Section 15303 for construction of one single-family residence.
- C. The major vegetation removal, as mitigated, will not significantly impact any threatened or endangered plant or animal habitat area because the project site does not currently provide significant habitat for endangered plants and animals and the trees to be removed are not threatened or endangered species.
- D. Dangerous soil erosion or instability will not occur as a result of the tree removal because a soils report and erosion control plan will be required to address any potential soil erosion and instability resulting from the tree removal.
- E. The tree removal will not adversely affect the scenic beauty or character of the surround neighborhood as the majority of the trees on site will remain and additional vegetation will be planted as a result of the proposed project.

**EXHIBIT B:**  
**CONDITIONS OF APPROVAL**

**STANDARD CONDITIONS:**

1. Permit: This permit is granted for the land described on Assessor Parcel Number 066-223-004, referenced above, and all attachments thereto, and as shown on the attached exhibits, and on file with the Public Services Department. The locations of all buildings and other features shall be located and designed substantially as shown on the approved site plan.
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 approval 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. Said extensions may be granted by the Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Any minor change may be approved by the Director. Any substantial change will require the filing of an application for an amendment.
4. Compliance with the Law: All requirements of any law, ordinance or regulation of the State of California, City of Morro Bay, and any other governmental entity shall be complied with in the exercise of this approval.
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. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: Compliance with and execution of all conditions listed hereon shall be necessary, unless otherwise specified, prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Planning and Building Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
7. 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.
8. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.

## PLANNING CONDITIONS:

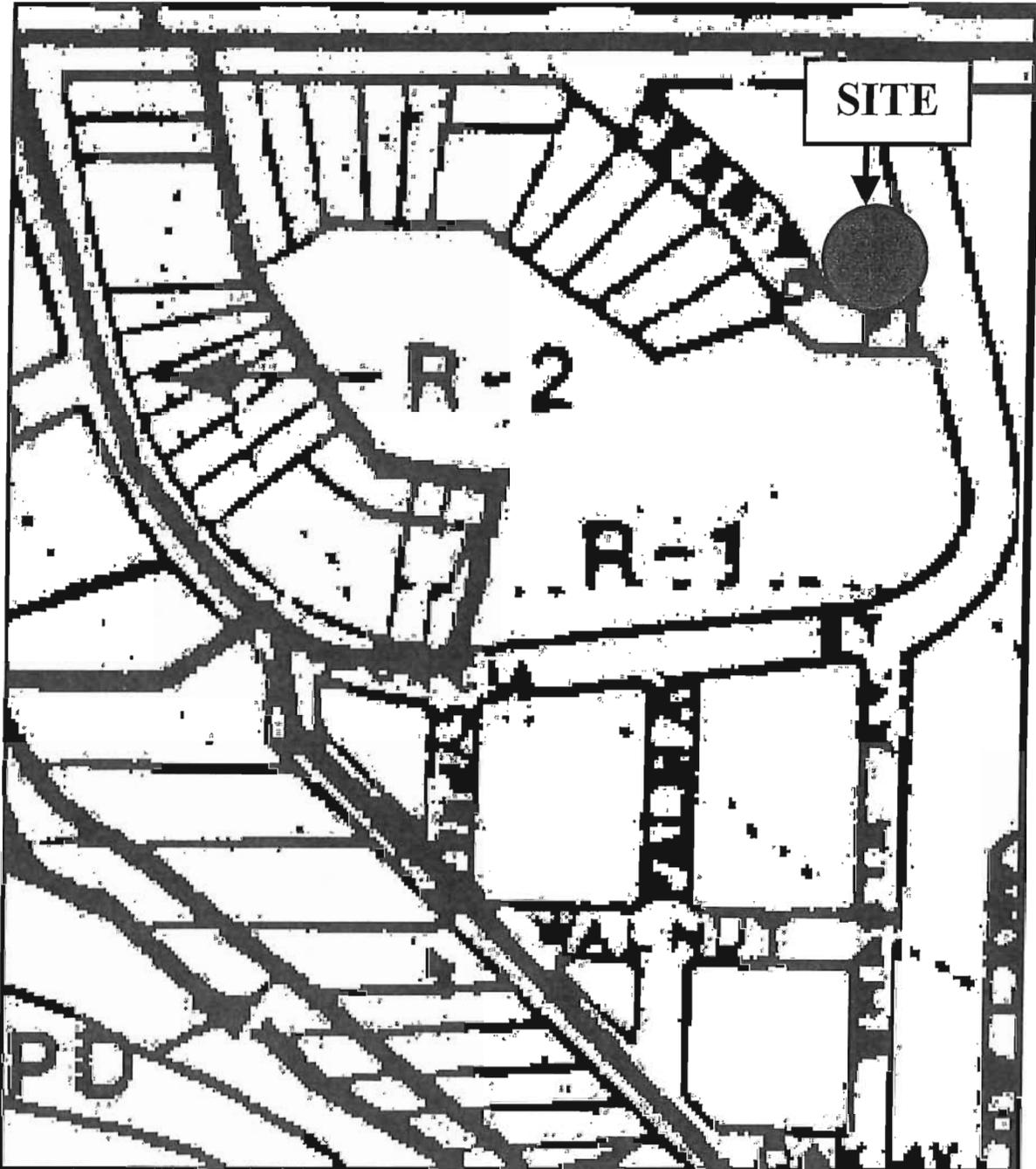
9. Building Height Verification: Prior to either roof nail or framing inspection, a licensed surveyor shall submit a letter to the building inspector certifying that the height of the structure is in accordance with the approved plans and complies with the height requirement of **25 foot maximum above the average natural grade as accepted by the City Building Official**.
10. 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.
11. Average Natural Grade Calculation: Provide an average natural grade calculation for the building footprint and indicate the maximum height of the proposed residence above average natural grade of the building footprint.
12. Construction Hours: Pursuant to MBMC Section 9.28.030 (I), noise-generating construction related activities shall be limited to the hours of seven a.m. to seven p.m. Monday through Friday and eight a.m. to seven p.m. on weekends, unless an exception is granted by the Director of Planning & Building pursuant to the terms of this regulation.
13. Tree Replacement: Replacement trees for the Arbutus tree and Holly tree removed shall be replaced at a ratio of two five-gallon trees, or one 15-gallon tree for every tree removed. The replacement trees may be planted on the project site, on other privately held lands with the property owner's permission, or presented to the City to plant on public lands.

## ENGINEERING CONDITIONS:

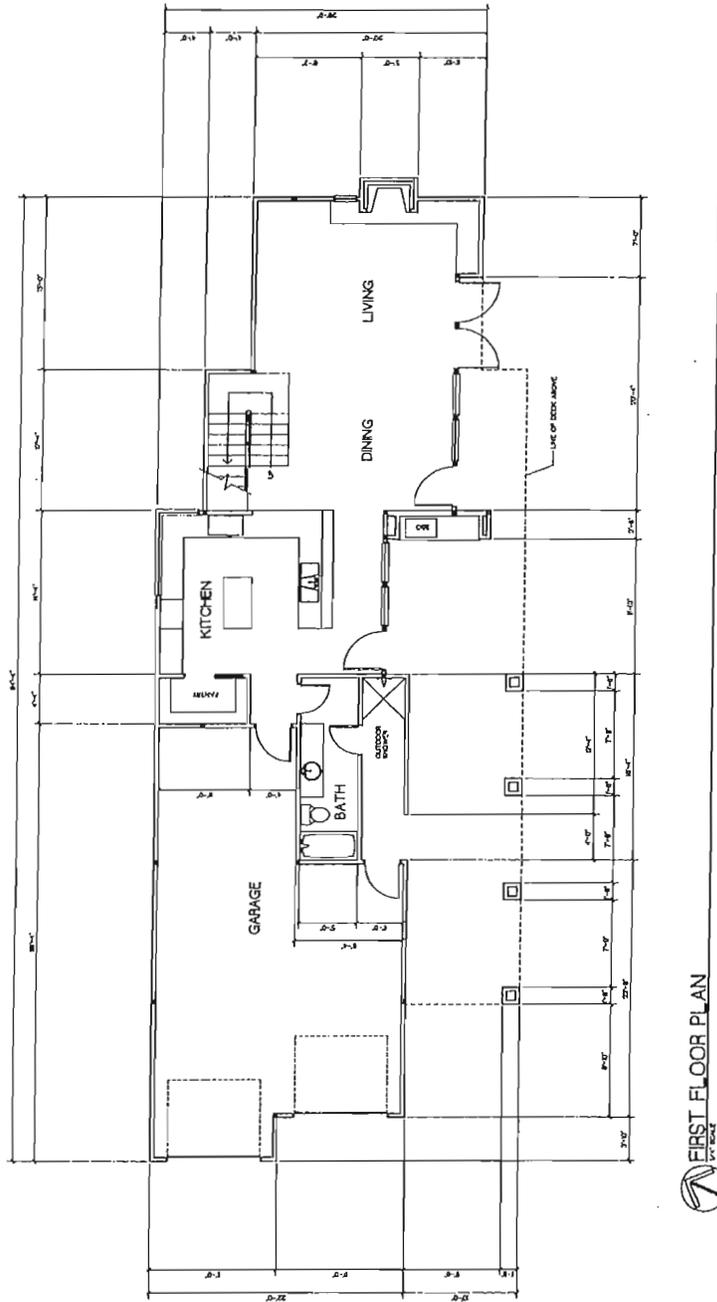
14. Show and dimension street Right of Way
15. Include the locations of the sewer lateral, water service, and water and sewer mains. Location of all utilities.
  - a. Sewer Backwater Valve: A sewer backwater valve shall be installed on site to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project. (MBMC 14.24.070) Please indicate on the plans.
  - b. Conduct a video inspection of the conditions of existing sewer lateral. Submit video to City collection system personnel. Repair or replace as required to prohibit inflow/infiltration.
16. Provide a standard erosion and sediment control plan: The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
17. Drainage: Route roof and paved surface storm water runoff to the street flowline. In residential projects, if conditions allow, roof and paved surface storm water runoff can be routed over the drive approach to reach the street flowline. Elsewhere, a 3" schedule 40 galvanized iron pipe, drainline, shall be installed from the property line connection to the street flowline and through curb. Show drainage method on the plans.
18. Add the following notes to the plans:

- a. No work shall occur within (or use of) the City's Right of Way without an encroachment permit. Encroachment permits are available at the City of Morro Bay Public Services Office located at 955 Shasta Ave. The Encroachment permit shall be issued concurrently with the building permit.
- b. Any damage, as a result of construction operations for this project, to City facilities, i.e. curb/berm, street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.
- c. Compaction of the driveway around the drip line of the 14" 3-prong Coral tree shall be based on the recommendations of a licensed arborist.

EXHIBIT C:  
GRAPHICS/PLAN REDUCTIONS



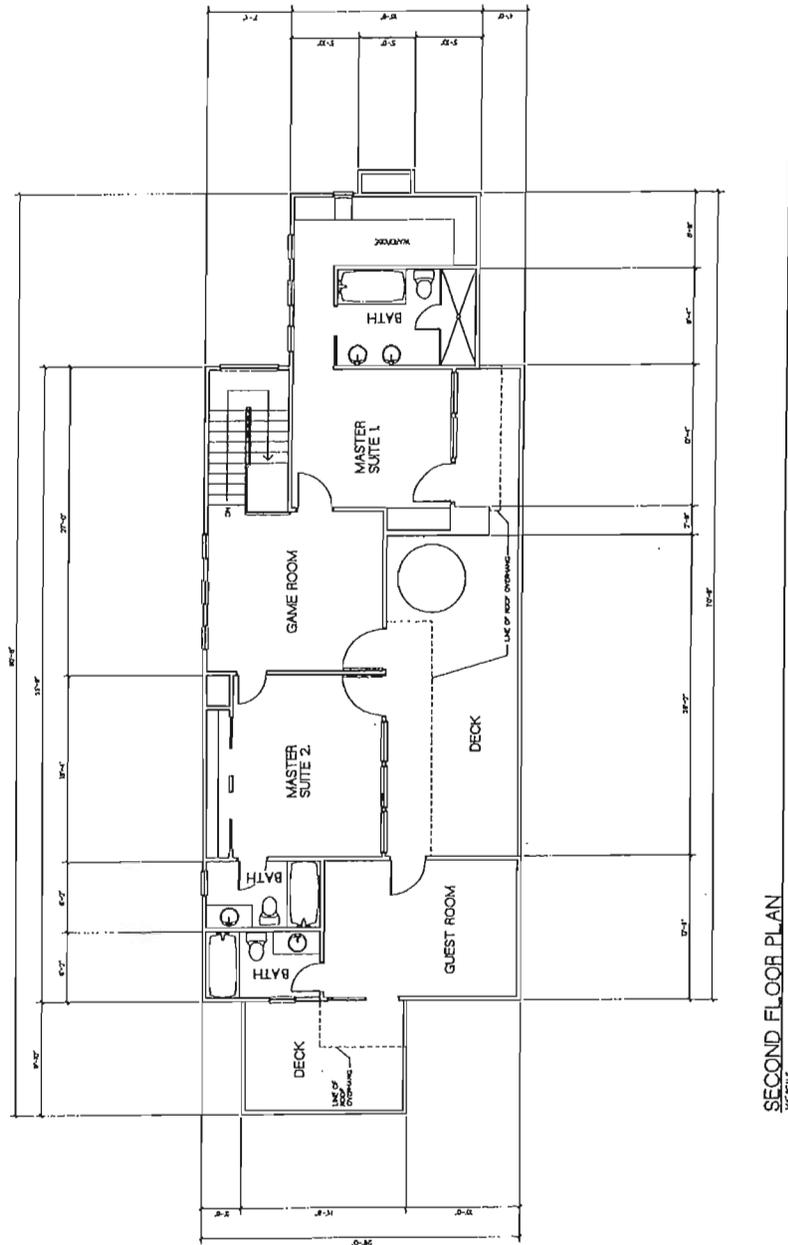




360 Cerrito Place



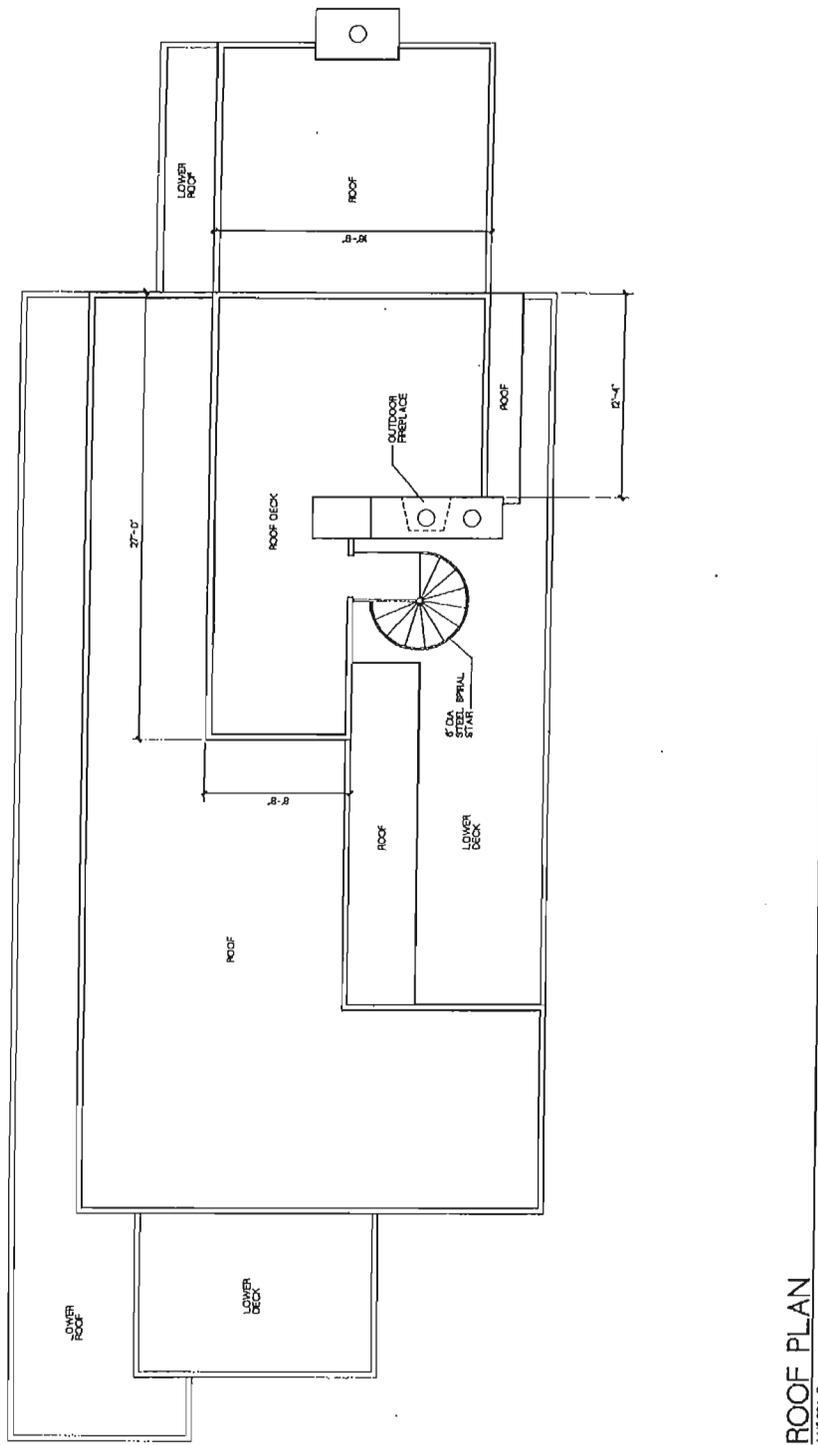
First Floor Plan



360 Cerrito Place



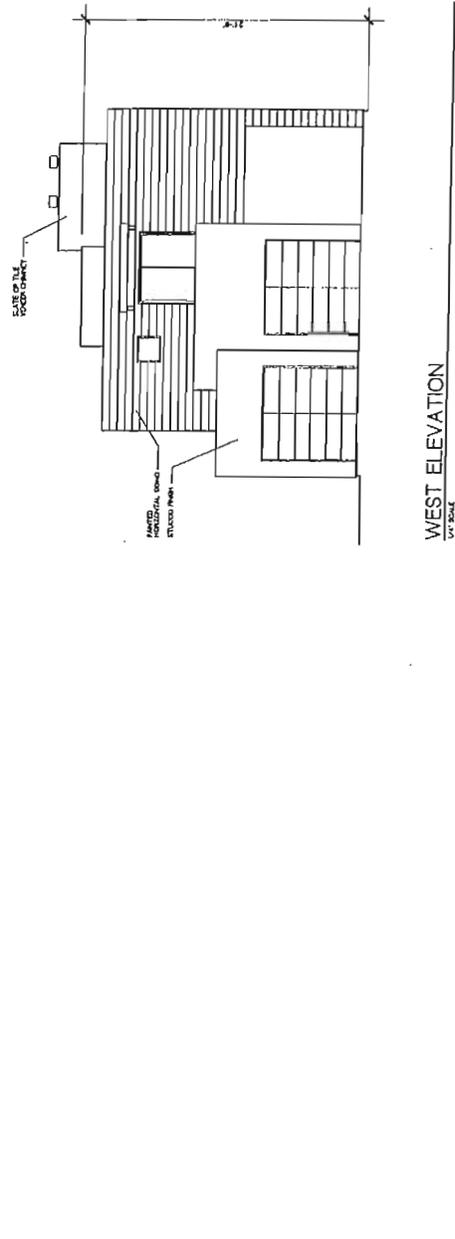
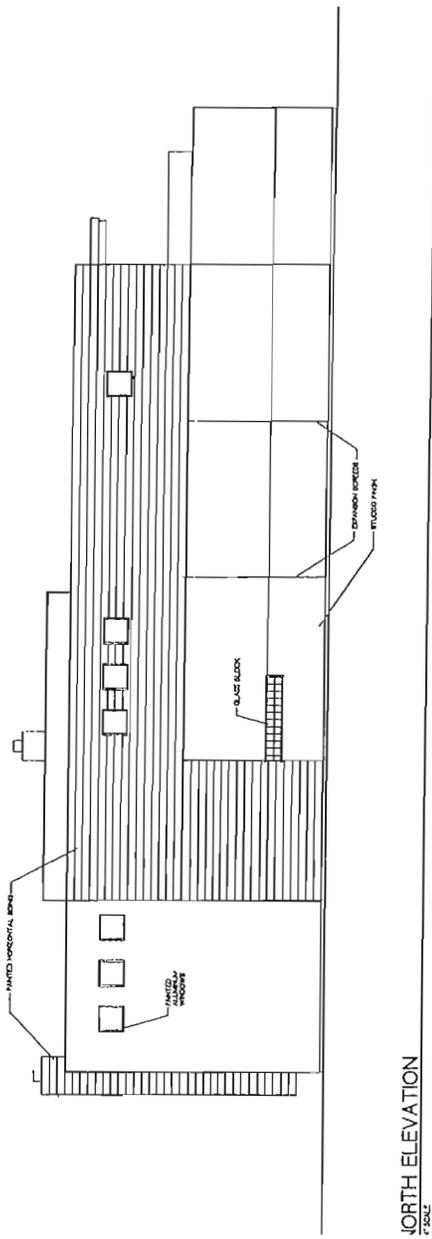
Second Floor Plan



360 Cerrito Place



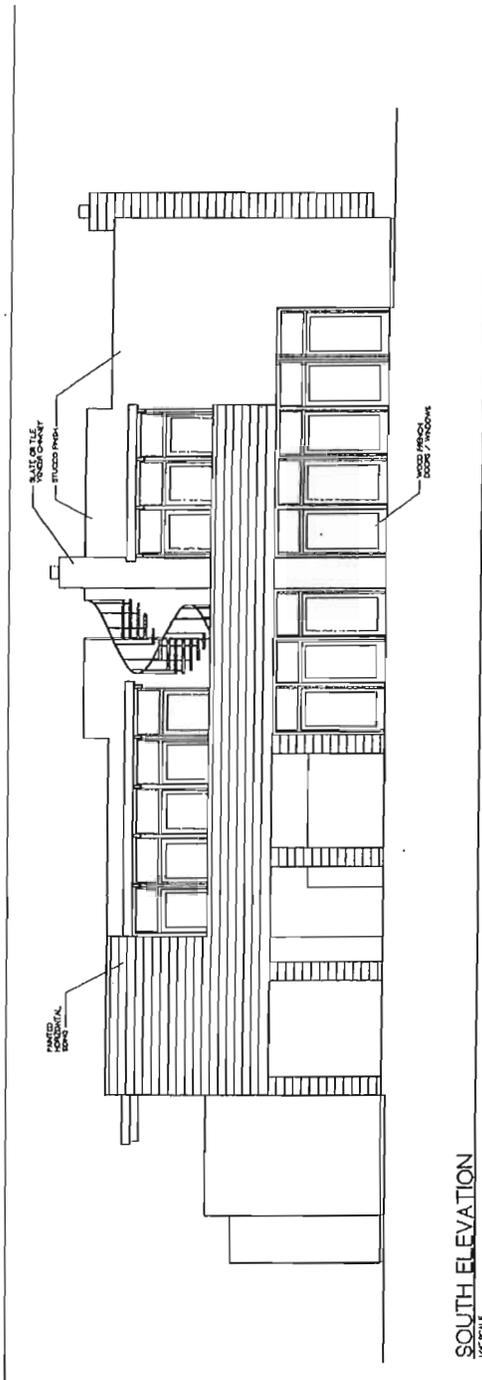
Roof Plan



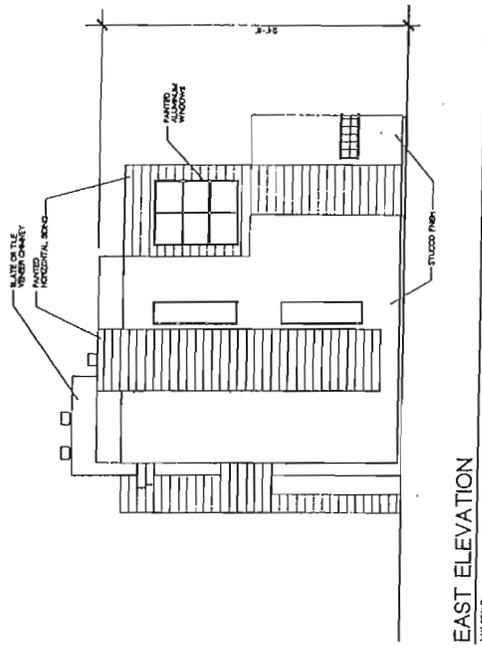
360 Cerrito Place



Elevations



SOUTH ELEVATION  
1/4" SCALE



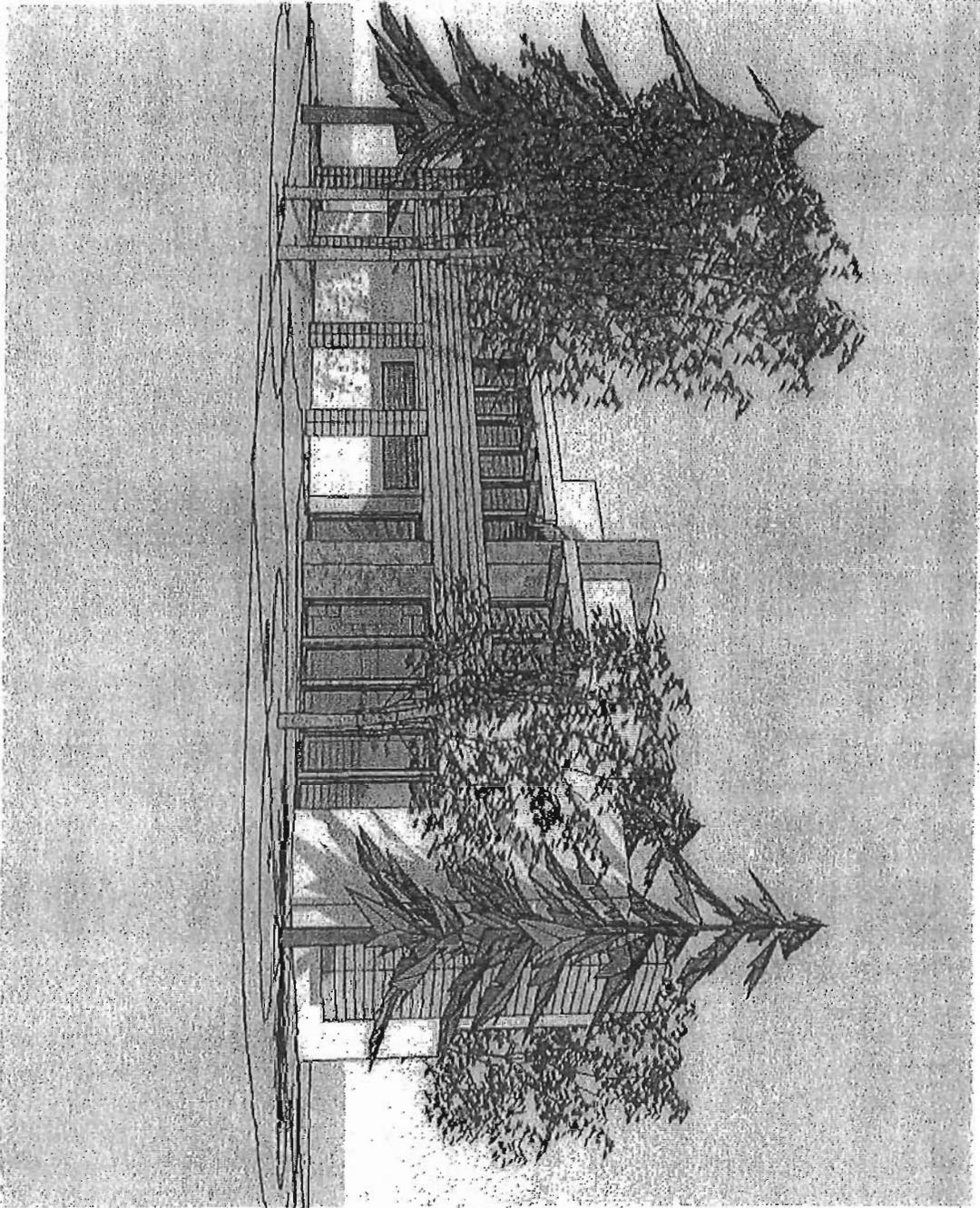
EAST ELEVATION  
1/4" SCALE

360 Cerrito Place



Elevations

Fazio Residence - South Elevation  
369 Cerrito Place, Morro Bay, CA

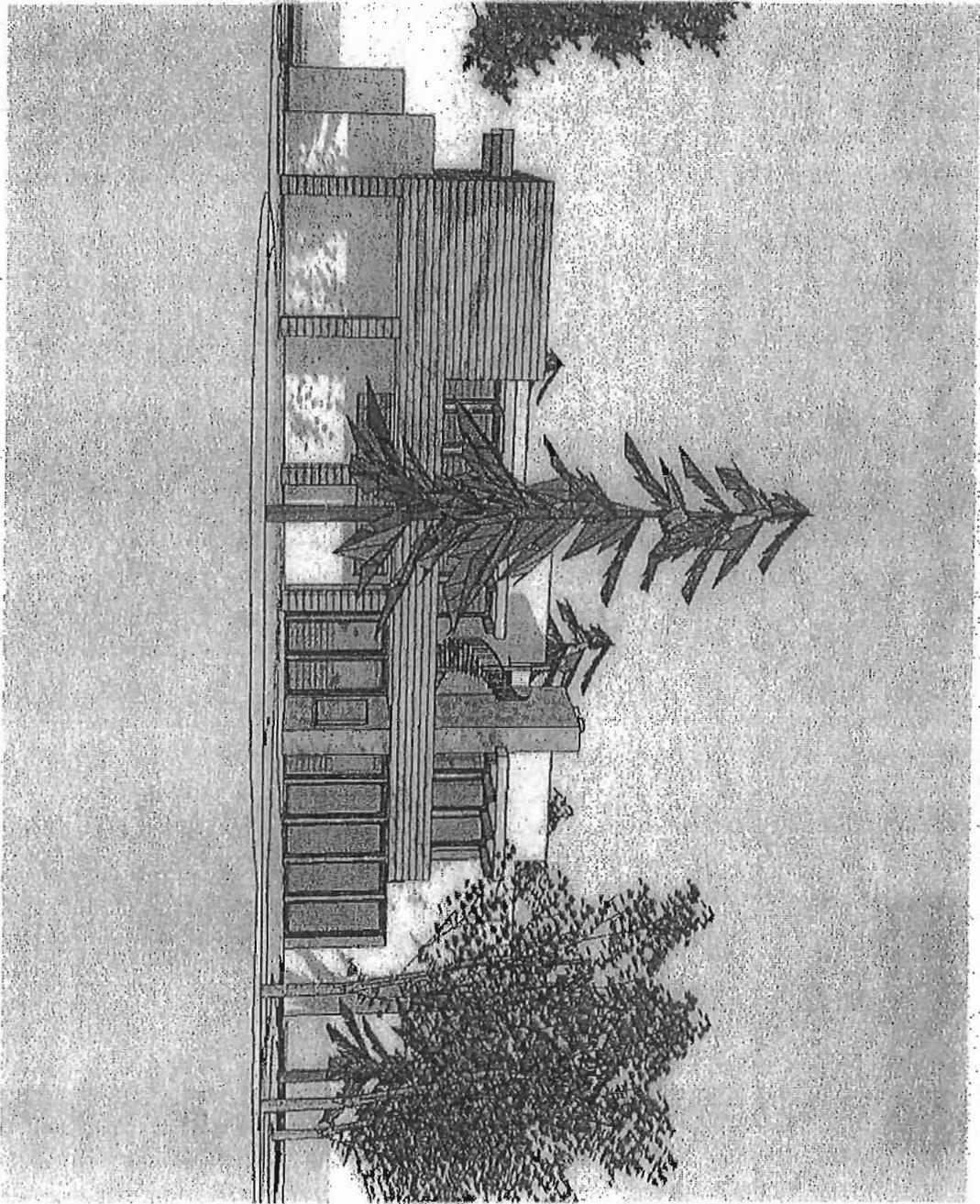


360 Cerrito Place



Elevations

Fazio Residence - Southwest Elevation  
360 Cerrito Place, Morro Bay, CA



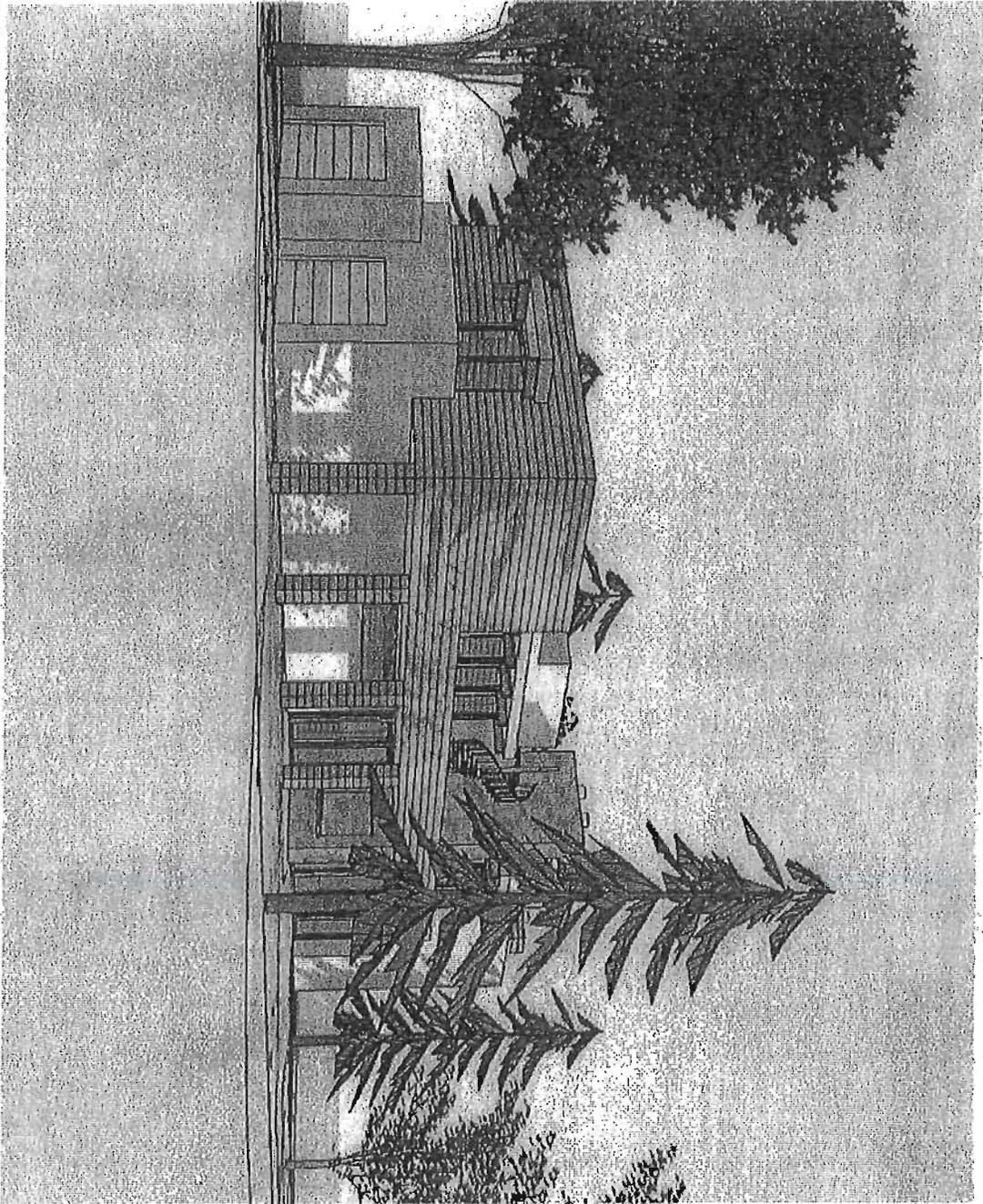
**DeMunnar**  
Architecture  
553 Hill St. San Luis Obispo, CA 93405

360 Cerrito Place



Elevations

Fazio Residence - West Elevation  
360 Cerrito Place, Morro Bay, CA



**DeMeyer**  
Architecture  
503 Hill St. San Luis Obispo, CA 93401

360 Cerrito Place



Elevations

**EXHIBIT D:**  
**APPEAL FORM**

360 Cerrito Place



**Appeal Form**



CITY OF MORRO BAY  
PUBLIC SERVICES DEPARTMENT  
**APPEAL FORM**

APPEAL FROM THE DECISION OR ACTION OF (GOVERNING BODY OR CITY OFFICER):

Administrative Action to grant Coastal Development permits  
to 360 Cerritos Place by planning director.

APPEAL OF SPECIFIC DECISION OR ACTION:

Approval of above.

DATE DECISION OR ACTION RENDERED:

Oct. 5, 2007

APPELLANT (PLEASE PRINT):

Berta + Wayne Parrish

SIGNATURE:

Berta Parrish +

ADDRESS:

367 Shosta Avenue, Morro Bay

TELEPHONE NUMBER:

805. 772. 5118

GROUND(S) FOR THE APPEAL (ATTACH SHEETS AS NECESSARY):

Refer to attached.

REQUESTED RELIEF OR ACTION:

- 1) Overturn or postpone until Superior Court settles the 16" boundary dispute.
- 2) Amend to include sewer easement, removal of rooftop firepit, and change side setback interpretation.
- 3) Overturn due to incompatibility in neighborhood character.

FOR OFFICE USE ONLY

DATE APPEAL FILED:

10/15/07

ACCEPTED BY:

Mike Pryor

APPEAL BODY:

PL

DATE OF APPEAL HEARING:

12/3/07

## GROUNDS FOR THE APPEAL

We are appealing the administration action to grant a Coastal Development Permit to the applicant for 360 Cerrito Place. Our primary issues deal with maintaining the property line, sewer connection, and the established habitat and trees, as well as with health and safety risks for the house and property that we purchased in good faith in 2001.

The placement of the proposed 360 Cerrito Place house and its setbacks are entirely dependent on the applicant's ownership of a disputed boundary between our home at 367 Shasta Avenue and theirs. A Complaint to Quiet Title for Reformation of Deed, for Prescriptive Easement, and Injunction and for Declaratory Relief has been filed with the Superior Court of the state of California in and for the county of San Luis Obispo regarding a 1996 lot line adjustment of 16 inches, so each property could have its own water meter, an adjustment desired by the owner (who owned both houses) in order to sell them since Morro Bay was experiencing a water moratorium then.

We believe all permits to build should be postponed until this civil matter is resolved. Why create more problems down the road after the issue is legally resolved? Why put contractors and their employees at risk of future litigation? It is in everybody's best interest to delay the permit process until the civil matter is resolved.

Once sold to two separate owners, the two properties continued their historical shared use of the sewer; no sewer easement was officially delineated by the City of Morro Bay. A sewer easement for our adjacent property is also not included in this proposed plan; therefore, a health issue has been created. Obviously, a new residence should not be built upon the older sewer system and prevent us access to ours.

We realize this project was "deemed complete" before the Urgency Ordinance that might elevate it to higher review based on 2,803 square foot total structure, including a 648 square foot garage. But, since the very passage of such an ordinance indicates a concern of the City, this is a perfect opportunity to right a wrong before it happens, something that the City must be considered about to enact the Urgency Ordinance in the first place.

We are also concerned about the fire hazard since the house plans include an open third-story roof-deck with a firepit. The region around Cerrito Peak is notorious for its high winds that blow dry leaves from the surrounding trees everywhere. This is not a minor worry; it concerns the safety and peace of mind for the entire neighborhood.

The monumental and imposing features of home, plus the severe, modern design, are not compatible with the neighborhood character with residences in the vicinity, nor with the preserving the natural habitat in this unique and woodsy environment for the butterfly, bird, and animal life that use the trees and foliage.

We do not agree that the western facing portion of the lot (where the garages are planned) should be considered the front yard. We interpret the code as saying that the front yard is defined as the westerly aspect of Cerrito Place *only* if the lot is considered to be oriented with the front-to-back axis being east-to-west. Due to the configuration of the corner lot and the placement of the front of the house facing the houses that are immediately across the street on Cerrito Place, the front-to-back axis actually runs north to south. In this case, the proposed house would clearly violate front and rear yard setback standards for the R-1 zone.

As you can see, we have several grounds on which to appeal this administrative action for a CDP. Most importantly, and probably the one that will have the most troublesome ramifications if not addressed, is that all permits should be denied or postponed until a resolution to the civil matter is reached in the Superior Court.

**EXHIBIT E:**  
**PUBLIC COMMENT**

360 Cerrito Place



**Public Comment**

RECEIVED

OCT 4 2007

City of Morro Bay  
Public Services Department

October 1, 2007

Morro Bay Public Services Department  
995 Shasta Avenue  
Morro Bay, CA 93442

Dear Dept. Head, Planning Dept. Staff, Morro Bay City Council Members and Morro Bay Planning Commissioners:

My husband and I reside on Acacia, approximately one block from the 360 Cerrito Place location where a notice of pending coastal development permit is posted. The character of our neighborhood from mid-Acacia to the top of the 300 block of Shasta Ave. has changed dramatically in the past year or two with a tri-level granny unit, a lot split development midway in the 300 block of Shasta and now the Cerrito Place proposal virtually on the crest of Shasta Avenue.

It seems that some issues and concerns to be carefully considered before granting any permit would be the square footage vs. lot size, the set back requirements on both Shasta and Cerrito Place, an unsettled boundary dispute with the neighbor, traffic safety on Shasta Ave. and Cerrito Place at the crest of the hill, just to mention a few.

Thank you for taking the time to carefully study the issues on the 360 Cerrito Place project.

Sincerely,  
Joan Petersen  
515 Acacia  
Morro Bay, CA 93442

Public Services Dept.  
Morro Bay, Ca.

9/2/07

Mr. Bruce Ambo,

The exceptions to city ordinances in regard to building at 360 Cerrito Place amazes me.  
The house is way too big for the size of the property and, therefore, numerous violations of setbacks have been proposed. These exceptions should not be granted as this would blight the neighborhood as well as break faith with those who have lived by your regulations over the years. Our lot, at 380 Cerrito, has twenty foot setbacks on both streets which, at times, has been inconvenient, but a service to the neighborhood. The proposed set backs would be a trashing of the neighborhood.

In regard to the trees; we have seen instances where a stop work order was put on a location for 4 to 6 months because one extra small tree was knocked down in the process of lot preparation. Several trees at #360 were cut down beside the two allowed, with no proof that they were diseased.

This whole proposal, if granted, would be a terrible injustice and a blight on the neighborhood.

Sincerely yours,  
Mary and Hal Powell



RECEIVED

OCT 4 2007

City of Morro Bay  
Public Services Department

# NOTICE OF PENDING COASTAL DEVELOPMENT PERMIT 360 CERRITO PLACE

You may have seen a Notice of Pending Coastal Development Permit at 360 Cerrito Place. This project has the following flaws that would adversely affect the neighborhood character and safety of Shasta and Olive Avenues and Cerrito Place:

- The size of the entire structure with a 648 sq. ft. garage is 2,803 sq. ft. with a long and large "footprint" for the lot size.
- The eleven-foot setback on Shasta Avenue, instead of the 20 feet requirement for other homes on Shasta.
- The high, austere, ultra-modern design with a roof deck and firepit does not fit the neighborhood character and intrudes on the privacy all nearby properties.
- An on-going boundary dispute with impending legal action should be resolved before a house is built upon the disputed piece of land.
- The permit states removal of two trees, but the site plan indicates that four trees are to be removed (TBR). Two trees (plus two supposedly diseased trees) have already been cut.
- If the southwestern elevation is the front (on Cerrito Place) then the depth setback is much too narrow at five feet and deprives solar access to the adjacent property.

RECEIVED

OCT 04 2007

City of Morro Bay  
Public Services Department

Please consider submitting your concerns before the **5:00 p.m. Thursday, October 4<sup>th</sup> deadline** by sending a letter to or emailing the Morro Bay Public Services Department at 995 Shasta Avenue, Morro Bay, CA, 93442. You can also email the people below.

Planning Department Staff:

Bruce Ambo, Public Service: [bambo@morro-bay.ca.us](mailto:bambo@morro-bay.ca.us),

Rachel Grossman, Associate Planner, [rgrossman@morro-bay.ca.us](mailto:rgrossman@morro-bay.ca.us)

Morro Bay City Council Members:

Janice Peters: [flamingos@charter.net](mailto:flamingos@charter.net)

Melody DeMerrit: [DeMeritt04@yahoo.com](mailto:DeMeritt04@yahoo.com)

Rick Grantham: [rgrantham1@charter.net](mailto:rgrantham1@charter.net)

William Peirce: [wpeirce@thegrid.net](mailto:wpeirce@thegrid.net)

Betty Winholtz: [winholtz@sbcglobal.net](mailto:winholtz@sbcglobal.net)

Planning Commissioners:

Nancy Johnson: [nanj93442@yahoo.com](mailto:nanj93442@yahoo.com)

Gary Ream: [tworeams@sbcglobal.net](mailto:tworeams@sbcglobal.net)

Bill Woodson: [billandkayw@charter.net](mailto:billandkayw@charter.net)

Michael Lucas: [michael\\_a\\_lucas@sbcglobal.net](mailto:michael_a_lucas@sbcglobal.net)

Gerald Luhr: [luhr@charter.net](mailto:luhr@charter.net)

Anyone can submit a concern, not just those living within 100 feet of the property. So, consider asking your friends and neighbors to submit their concerns also. This edifice affects the entire Morro Heights area, especially those who walk Cerrito Place or hike Eagle Rock. Thank you.

**Rachel Grossman - Notice of Pending Coastal Development, Quality of Life in Morro Bay, & Bringing Technology and Management Jobs to Morro Bay**

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**From:****To:****Date:** 10/4/2007 4:48 PM**Subject:** Notice of Pending Coastal Development, Quality of Life in Morro Bay, & Bringing Technology and Management Jobs to Morro Bay

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Dear Planning Department Staff, Morro Bay City Council Members, and Planning Commissioners:

Recently I became informed that a resident of the central valley has filed a plan with the city of Morro Bay seeking permission to develop a new structure at 360 Cerrito Place, Morro Bay CA 93442. Initially I was excited for them and welcomed their move to Morro Bay. As a former resident of Clovis, CA I understand how exciting it is to move here on a full-time basis.

My feeling of excitement for my new neighbor quickly faded after I actually looked at the plans for their new house. I was shocked when I realized just how large the proposed structure was to be, So large that it requires an exception from you folks to allow them to shrink the required 20 foot setback from Shasta Avenue to a mere eleven feet.

Before writing this e-mail I walked over to look at the lot as 360 Cerrito Place and tried to visualize the home in comparison to its surroundings. The analogy that I came up with was that this home will dominate the block that it is to be built on in the same way that the former World Trade Center Towers dominated the surrounding Office building in Lower Manhattan island, New York.

In the few years that I have lived here I have watched quietly as one person after another moves to Morro Bay, demolishes an older home, and then builds a massive structure on a lot that was never meant for such a large house. Each time this has happened, these new monster Mc'Mansions deprive neighbors of the precious views, views that brought all of us to Morro Bay for to begin with.

The neighbor to the north of the proposed white elephant at 360 Cerrito Place will see nothing to the south of their home but the massive wall that will tower over them. From walking the lot I can see how these people will actually be deprived on natural sunlight and will have to live in the shade? It looks like to me that these people will feel as if a Wal-Mart destroyed their beautiful environment, leaving them nothing but concrete and stucco to view out of their windows for the rest of their days.

In my heart of hearts I believe that property owners should have the right to develop their property as they see fit. Having said that, before I, or any of us, build any structure in a place as special as Morro Bay, we should be required to consider and respect our neighbors, our community, and the environment around us. I challenge each of you to find any evidence that any such consideration was given before this permit was applied for at 360 Cerrito Place.

Clearly this new structure will have a substantial negative impact on the surrounding neighborhood, not to mention the people who live near 360 Cerrito Place. Would it not be reasonable to suspend the granting of any permit until the property owner agrees to build a structure that is more appropriate to the size lot and the location where it is to be built?

In closing, for ZBen Insurance Services, LLC this issue involves more than the appearance

of the neighborhood. In 2008 we are to begin moving professional programming and management jobs to the Morro Bay. For us to be successful in recruiting skilled professional to this area, we must focus on quality of life as one of our recruiting tools. How successful will we be if we bring people here and they encounter the same sort of uncontrolled development commonly found in San Jose, Los Angeles, or Fresno?

We want our new employees to see Morro Bay the way that we do, a special and unique community, a good place to raise a family in beautiful and peaceful neighborhoods. We hope and trust that you who work in the Planning department, serve on the Morro Bay City Council, and labor as Planning Commissioners are willing to protect the integrity of Morro Bay as you encourage prudent residential and commercial development.

Thank you for listening to my comments. Please let me know if I may be of service in any way.

Rick Bennick  
CEO

October 1, 2007

I would like to express my concern regarding the proposed demolition and new construction at 360 Cerrito Place, Morro Bay.

**But first:**

I am a resident of this neighborhood, which until quite recently was the 'gem' of the city. Living as I do on Main Street, I constantly witness the delight of tourists, as they walk, bicycle or drive by. They marvel at the views, the gardens, the turkeys, the Windmill house, Gladys's House (such as it now is) the old Cannery, etc. They stop to chat or to take pictures. These folks (so important to our economic interests) are charmed by what they see. It would seem to me that preserving that charm is the sensible thing to do. I don't think Morro Cove inspires on quite the same level.

What they are seeing on south Main is Morro Bay's eclectic and historic charm at its best - as it has always been...until 'eclectic' was usurped to mean a Big Box, smartly adorned with Variances granted for unfathomable reasons.

Presently, at 340 Shasta, there are two large houses in the final stages of construction. While they are shaped more like shoe boxes than hat boxes, they are never-the-less Boxes that do not in any imaginable manner, fit into the character of the neighborhood.

**Which brings me to 360 Cerrito Place:**

1. The destruction of coastal redwood and ironwood trees goes against the trumpeted City of Trees image; eliminates even more habitat for our birds (which we also market shamelessly to the tourists) -and with an intelligent, thoughtful, environmentally sensitive, architectural plan, would be completely unnecessary.
2. The size of the proposed dwelling, including garage, surpasses the 2500 sq. ft. limit - and therefore should require public review. Not only is the new structure incompatible with its surroundings, it also would deprive the neighbors of sunlight, air and privacy.
3. The proposed rooftop with firepit or fireplace would create a fire hazard. Given the wind activity, one spark endangers this entire neighborhood. Sans firepit, rooftop habitats also deserve serious scrutiny before being considered as appropriate anywhere in Morro Bay.
4. I believe there is a legal dispute regarding the lot line itself as well as pending Coastal Commission review. No permissions should be granted for any activity on this lot pending outcomes. Should the City place itself in jeopardy of a lawsuit because it allowed actions that might prove unlawful based on a Court ruling?

In recent months, it has been made clear that a significant number of Morro Bay residents have concerns with development that has had adverse impacts on the community they love. With all of this in mind, I hope that you will give serious oversight on this pending proposal for 360 Cerrito Place.

Thank you.

*Anne Sidaris-Reeves*  
Anne Sidaris-Reeves  
198 Main Street  
Morro Bay, California 93442

RECEIVED

OCT 02 2007

Public Services Department

367 Shasta Avenue  
Morro Bay, CA 93442  
October 2, 2007

RECEIVED  
OCT 02 2007  
City of Morro Bay  
Public Services Department

Bruce Ambo, Director  
Morro Bay Public Services Department  
995 Shasta Avenue  
Morro Bay, CA 93442

Dear Mr. Ambo:

We are deeply disturbed by many aspects of the proposed project at 360 Cerritos Place as described in a Notice of Pending Coastal Development Permit and we wish to submit these concerns to you and to the City of Morro Bay.

1. The placement of the house and its setbacks are entirely dependent on the party's ownership of a disputed boundary between our home at 367 Shasta Avenue and theirs. A Complaint to Quiet Title for Reformation of Deed, for Prescriptive Easement, and Injunction and for Declaratory Relief has been filed with the Superior Court of the state of California in and for the county of San Luis Obispo regarding a certificate of compliance and a recorded (with the City of Morro Bay) map which shows the clear intentions of the previous owners. Logic and common sense dictate that a permit for development should be halted until this dispute is resolved.
2. Due to the party's previous marking of most of the trees for removal (without the necessary permits), we are skeptical of the tree removal request on the permit application. Also, even though the posting states two trees for removal, the site plan indicates that four trees are to be removed. This is in addition to four trees that were recently removed with a two-tree permit. The party stated that two other trees were diseased; however, a few weeks before the removals, an Arborist declared that all the trees were healthy.
3. We believe that a 2,155 square foot house with a 648 square foot garage should be considered a 2,803 square foot structure and undergo the same higher review process that a 2,500 square foot home requires.
4. The monumental and imposing features of height, length, and mass of this home, plus the severe, modern design, are not compatible with the neighborhood character with residences in the vicinity nor compatible with the unique and woodsy environment of Eagle Rock (as locals call it) or Cerrito Peak (as maps refer to it) that tourists and residents enjoy.

5. The setback between the two homes should be considered the depth (opposite the south facing front on Cerrito Place) and needs to be a minimum of six feet. Anything less, deprives us of solar access, especially threatening to three mature trees and other vegetation, and privacy due to the third-story roof deck with a firepit and entertainment area. Plus the firepit creates a fire hazard with the surrounding trees, dry leaves, and winds that we experience in this region of town.
6. Since the two houses were once part of the same property, they share a sewer system. Obviously, the party will get a new sewer line. But, they should not be allowed to build upon the older sewer system and prevent us access to ours. A sewer easement is not included in this proposed plan.
7. If the permit is approved as is, the brick walkway to our front door, which has been used by all previous owners since 1950, will be blocked. We will be unable to enter our house from Shasta Avenue -- our front side. Obviously, this is unacceptable.

In summary, the proposed project pushes the envelope on what is permitted within existing regulations and is inconsistent with the following components of City's General Plan and Local Coastal Plan:

- Goal 4: An aesthetically pleasing community that maintains the "small town, fishing village" image with new development that complements existing development and does not detract from the natural environment.
- 17.06.10: Establish development standards that maintain and enhance neighborhood appearance, neighborhood character, and quality of life, and do not allow new buildings and activities that are out of scale and character with surrounding uses and structures.

Thank you for seriously considering these significant shortcomings in the proposal as described in the posted Notice of Pending Coastal Development Permit. Due to pending legal action, we believe that all permits should be suspended until a resolution is reached.

Sincerely,



Berta and Wayne Parrish

cc. Planning Commissioners  
City Council Members

**From:** "Bill Peirce" <wpeirce@thegrid.net>  
**To:** "Bob Hendrix" <bhendrix@morro-bay.ca.us>, "Bruce Ambo" <BAambo@morro-bay...>  
**Date:** 10/2/2007 4:28 PM  
**Subject:** Fw: Question re: Higher review for over 2500sf

----- Original Message -----

**From:** Perryspier@aol.com  
**To:** flamingos@charter.net ; DeMeritt04@yahoo.com ; rgrantham1@charter.net ; wpeirce@thegrid.net ; winholtz@sbcglobal.net  
**Sent:** Tuesday, October 02, 2007 9:30 AM  
**Subject:** Question re: Higher review for over 2500sf

I'm befuddled on whether the higher review for new construction over 2500sf, is exclusive of the garage? The new construction seeking permit at 360-370 Cerritos Place has a 650+ square foot garage. I remember the City Council meeting saying something about a 400sf. garage to Rob Schutz. In other words, if a house is 2000 sf. but has a 700 sf. garage, does it escape the "higher review"?

Thank you so much for your time.

Sue Perry  
Morro Bay

---

See what's new at AOL.com and Make AOL Your Homepage.

**From:** "Wayne Parrish" <blueowl@charter.net>  
**To:** <bambo@morro-bay.ca.us>, <rgrossman@morro-bay.ca.us>, <nanj93442@yahoo.c...>  
**Date:** 10/2/2007 3:09 PM  
**Subject:** Concerns re: Administrative Action on 360 Cerrito Place

Dear Mr. Ambo, Planning Commissioners, and City Council Members:

We are deeply disturbed by many aspects of the proposed project at 360 Cerritos Place as described in a Notice of Pending Coastal Development Permit and we wish to submit these concerns to you and to the City of Morro Bay.

1.. The placement of the house and its setbacks are entirely dependent on the party's ownership of a disputed boundary between our home at 367 Shasta Avenue and theirs. A Complaint to Quiet Title for Reformation of Deed, for Prescriptive Easement, and Injunction and for Declaratory Relief has been filed with the Superior Court of the state of California in and for the county of San Luis Obispo regarding a certificate of compliance and a recorded (with the City of Morro Bay) map which shows the clear intentions of the previous owners. Logic and common sense dictate that a permit for development should be halted until this dispute is resolved.

2.. Due to the party's previous marking of most of the trees for removal (without the necessary permits), we are skeptical of the tree removal request on the permit application. Also, even though the posting states two trees for removal, the site plan indicates that four trees are to be removed. This is in addition to four trees that were recently removed with a two-tree permit. The party stated that two other trees were diseased; however, a few weeks before the removals, an Arborist declared that all the trees were healthy.

3.. We believe that a 2,155 square foot house with a 648 square foot garage should be considered a 2,803 square foot structure and undergo the same higher review process that a 2,500 square foot home requires.

4.. The monumental and imposing features of height, length, and mass of this home, plus the severe, modern design, are not compatible with the neighborhood character with residences in the vicinity nor compatible with the unique and woodsy environment of Eagle Rock (as locals call it) or Cerrito Peak (as maps refer to it) that tourists and residents enjoy.

5.. The setback between the two homes should be considered the depth (opposite the south facing front on Cerrito Place) and needs to be a minimum of six feet. Anything less, deprives us of solar access, especially threatening to three mature trees and other vegetation, and privacy due to the third-story roof deck with a firepit and entertainment area. Plus the firepit creates a fire hazard with the surrounding trees, dry leaves, and winds that we experience in this region of town.

6.. Since the two houses were once part of the same property, they share a sewer system. Obviously, the party will get a new sewer line. But, they should not be allowed to build upon the older sewer system and prevent us access to ours. A sewer easement is not included in this proposed plan.

7.. If the permit is approved as is, the brick walkway to our front door, which has been used by all

previous owners since 1950, will be blocked. We will be unable to enter our house from Shasta Avenue -- our front side. Obviously, this is unacceptable.

In summary, the proposed project pushes the envelope on what is permitted within existing regulations and is inconsistent with the following components of City's General Plan and Local Coastal Plan:

a.. Goal 4: An aesthetically pleasing community that maintains the "small town, fishing village" image with new development that complements existing development and does not detract from the natural environment.

a.. 17.06.10: Establish development standards that maintain and enhance neighborhood appearance, neighborhood character, and quality of life, and do not allow new buildings and activities that are out of scale and character with surrounding uses and structures.

Thank you for seriously considering these significant shortcomings in the proposal as described in the posted Notice of Pending Coastal Development Permit. Due to pending legal action, we believe that all permits should be suspended until a resolution is reached.

Sincerely,

Berta and Wayne Parrish

367 Shasta Avenue

Morro Bay, CA 93442

**From:** Michael D Durick <mdurick@sbcglobal.net>  
**To:** Rachel Grossman <rgrossman@morro-bay.ca.us>, Bruce Ambo <bambo@morro-bay...>  
**Date:** 10/2/2007 11:36 AM  
**Subject:** 360 Cerrito Place

**CC:** Bill Woodson <billandkayw@charter.net>

It is my understanding that a Notice of Pending Coastal Development is posted on the subject property, although when I walked the area extensively this morning, I could see no such sign.

Please consider this email a comment regarding the pending issuance of such a permit.

This permit should not be granted for the following reasons:

1. There is a pending boundary dispute with the adjacent property.
2. The proposed structure is completely out of character for the existing established neighborhood.
3. The setbacks are inadequate and far less than required of the existing homes in the area and would grossly limit the sunlight available to the nearest neighbor.
4. There is a gross difference between the number of trees slated for removal on the permit, and what is specified in the site plan, and also evidence of premature removal of other trees.

At a minimum, this project needs the scrutiny of our Planning Commission.

Thank you,

Michael D. Durick  
772 3632

**From:** amity perry <amityperry@sbcglobal.net>  
**To:** <BAambo@morro-bay.ca.us>, <RGrossman@morro-bay.ca.us>  
**Date:** 10/2/2007 11:23 AM  
**Subject:** 360 Cerrito Place

**CC:** GarryandNancy Johnson <nanj93442@yahoo.com>, 'Gary and Freddie Ream' <tw...  
Dear Public Service Department,

I received your Notice of Pending Coastal Development Permit for 360 Cerrito Place in the mail. I have reviewed the plans and do not feel this modern home is in character with the neighborhood but will keep my comments to code issues.

There is currently a lot line adjustment dispute for 360 Cerrito Place. Depending on the legal outcome the minimum interior yard setback of 5 feet may not comply with the code. It could be approximately 3 feet. This is unacceptable. This issue needs to be resolved prior to any building!

It seems like what you now call the exterior yard (10 foot setback) use to be the front yard (entrance to Cerrito). The existing mailbox is currently fronting Cerrito in what you call the exterior yard. The existing garage is in what you call the rear yard on Shasta. On a lot like this, how do you determine where the front yard is? and can it be moved or was it moved?

This is an unusual lot as it has streets fronting three sides. Regardless, I am confused as to why the city would knowingly issue a notice of pending permit when there is a property line lawsuit. Thank you for your time.

Amity Perry  
P.O. Box 1924  
Morro Bay, CA 93442

**From:** Eugene Tubbesing <dag2bees@sbcglobal.net>  
**To:** <rgrossman@morro-bay.ca.us>  
**Date:** 10/1/2007 9:02 PM  
**Subject:** CPO-246

Ref CPO-246

We have been notified of Pending Coastal Development Permit at 360 Cerrito Place. This project has the following flaws that would adversely affect the neighborhood character and safety of Shasta and Olive Avenues and Cerreto Place.

- 1 The size of the structure and a 648 sq. ft. garage is 2803 sq.ft. with a long large "footprint" for the lot size.
2. The eleven-setback on Shasta Avenue, instead of the 20 feet requirement for other homes on Shasta.
- 3 The high, austere, ultra modern design with roof deck and fire pit does not fit the neighborhood character and intrudes on the privacy of all nearby properties.
- 4 An on-going boundary dispute with impending legal action should be resolved before a house is built upon the disputed piece of land.
- 5 The permit states removal of two trees, but the site plan indicates that four trees are to be removed (TBR), Two trees (plus two supposedly diseased trees) have already been cut.
- 6 If the southwestern elevation is the front (on Cerrito Place) then the depth setback is much too narrow at five feet and deprives solar access to the adjacent property.

We have owned the property at 372 Shasta Ave. since 1948 hope you will consider these points when you make your decision.

EuGene and Dorothy Tubbesing  
1364 Revere Road  
Fresno, Ca 93720-1324

**From:** Dorothy Cutter <dorothycutter@sbcglobal.net>  
**To:** Bruce Ambo <BAambo@morro-bay.ca.us>  
**Date:** 10/1/2007 1:03 PM  
**Subject:** Re: Horrendous project proposed for 360 Cerrito Place

**CC:** <Perryspire@aol.com>, "Linda M. Stedjee" <lstedjee@charter.net>, "Bill W...  
Hil The lot line in dispute was established during a lot split by a former Morro Bay Planning Director. This lot line would give the developer at 360 Cerrito Place about a 1-1/2 foot side setback which is unacceptable and should have a public hearing. I know that this can be appealed but it seems that the planning department by refusing to accept what a previous planning director established is just being mean spirited at best and probably illegal. As a taxpayer, it makes me very unhappy that you may be making the city libel.

Dorothy Cutter

On Oct 1, 2007, at 12:10 PM, Bruce Ambo wrote:

> Hi Dorothy, Linda and Sue,  
>  
> I am sending along my response to these same questions the Mayor  
> raised. In short, the Coastal Development Permit is appealable to  
> the Planning Commission and ultimately the City Council this  
> Friday, Oct. 5 (which begins the 10 day appeal period).  
> Furthermore, the project is less than the 2500 sq. ft. threshold of  
> the Urgency Ordinance recently adopted and wouldn't apply anyway  
> because they were deemed complete before that effective date.  
>  
> Please let me know if you have any questions or would like  
> additional information.  
>  
> Sincerely,  
>  
> Bruce Ambo, AICP  
> Public Services Director  
> City of Morro Bay  
> 955 Shasta Ave.  
> Morro Bay, CA 93442  
> 805/772-6215  
> Fax 805/772-6268  
> BAambo@Morro-Bay.ca.us  
>  
> From: "Bruce Ambo" <BAambo@morro-bay.ca.us>  
> Date: October 1, 2007 11:48:27 AM PDT  
> To: "Janice Peters" <JPeters@charter.net>  
> Cc: "Bob Hendrix" <BHendrix@morro-bay.ca.us>, "Rob Schultz"  
> <RSchultz@morro-bay.ca.us>  
> Subject: Re: Fw: Horrendous project proposed for 360 Cerrito Place  
>  
>  
> Hi Janice -  
>  
> This project would not trigger a Planning Commission review because  
> it is smaller than 2,500 sq. ft. (2,403 sq. ft. of living area and  
> a 400 sq. ft. garage). Furthermore, if it was larger enough to

**From:** Dorothy Cutter <dorothycutter@sbcglobal.net>  
**To:** Bruce Amboy Amboy <bambo@morro-bay.ca.us>, <rgrossman@morro-bay.ca.us>,  
...  
**Date:** 10/1/2007 10:21 AM  
**Subject:** 360 Cerrito Place

Hi! It is my understanding that a Development Permit is being issued for the property at 360 Cerrito Place without a public hearing. This development has many problems and needs a public hearing. The things that need to be looked at are:

1. There is a disputed lot line that is unresolved. If this is not resolved, then there will be about 1-1/2 foot side setback. This is a variance and calls for a public hearing.
2. There has been some misrepresentation about the number of trees to be cut down. People in town feel very strongly about trees and this area in particular is one of our prettiest areas in town and enjoyed by many people.
3. There is also confusion about what is the front and what is the back of the property which affects whether there is a 20 or 10 foot setback. The adjoining houses face Shasta but this property feels it faces Cerrito Place which will change the character of the neighborhood.
4. The developers plan an open fire pit on the roof of the second floor. This is an area with wind and lots of trees that will blow down dry leaves and create a fire hazard for the entire neighborhood.
5. The large garage of 648 feet may be a subterfuge to get under the new 2500 guidelines. It will probably be partly residential in the future.
6. This is a very special neighborhood with eagle rock and Cerrito Peak and this development is out of character. Our General Plan cries out for developments like this to be scrutinized.

I would like to know why a permit is being issued without a public hearing considering all the problems.

Dorothy Cutter  
Morro Bay, Ca. 93442  
805-772-7232  
805-772-8554 fax  
<http://www.dorothycutter.com>  
send to: dorothycutter@sbcglobal.net

**From:** <Perryspier@aol.com>  
**To:** <RGrossman@morro-bay.ca.us>, <bambo@morro-bay.ca.us>  
**Date:** 9/29/2007 4:03 PM  
**Subject:** 370 Cerrito Place, tear-down, rebuild

**CC:** <nanj93442@yahoo.com>, <michael\_a\_lucas@sbcglobal.net>, <luhr@charter.ne...

Dear Planning Dept. and Planning Commissioners,

I'm writing to request the "higher review" for a housing permit for 360- or 370 Cerrito Place. This house is over the 2500 sf. if you consider that it has a way oversize garage of 680 sf. In light of the community's support of upcoming FAR ordinances, proper setbacks for streets and yards, setbacks for second story levels, etc. I believe the permit should be denied, and sent back for redesign.

1. The owners are in a lawsuit over the property line with the neighbor to the north. That set-back is only 5 feet, very inadequate for a "backyard". How can you give a permit when the lawsuit has not been decided?

2. The lot is a 3 sided corner lot, with 2 "street sides" on Cerrito Place, and one on Shasta. Please make all setbacks, including the Shasta side and the backyard, strictly to code, or what the code should be according to the General Plan requirements. And where is the city right-of-way boundary? Are the setbacks measured from there?

3. The house plans call for a second story larger than the ground floor, larger by far! The opposite of what a pleasing proportion is for 2 story houses. The larger second floor means no sunlight underneath for a vast area. I feel sorry for the neighbors. Then, it calls for a large roof deck on top of the second floor, with fireplace or firepit, which means living/lounging furniture and perhaps plants and umbrellas or cabanas.

These should be outlawed, as when Mr. Linker placed a large cabana on his 3rd floor roof deck on Olive St. He was informed he had to remove them "when they weren't in use". Well, how does anyone know if someone is inside a big 3-sided enclosed cabana! All of this second floor obstructs air flow, and viewsheds, and poses sunlight and privacy concerns for neighbors.

4. The owners wished to cut down all trees on the property, including ones in property line dispute with neighbor, and including ones in the city right of way. Several have been cut down, several more are to be removed if this permit is allowed, and several more won't be able to receive sun and water from the size and overhang of the house.

5. In short, the Coastal Commission guidelines, and the city's General Plan, and the upcoming FAR limitations, are all seeking to control bulk and scale, and make new development fit in with the neighborhood characteristics. And oversize garages can easily be converted to another room which might exceed the square footage allowed for the lot, either now, or under FAR limitations soon to be enacted.

This house is a extreme modern style for our "quaint" fishing village, set amidst woodsy Eucalyptus, and definitely doesn't fit into the neighborhood.

Please refuse a permit.

Sincerely,  
Sue Perry  
Morro Bay  
5.

\*\*\*\*\* See what's new at <http://www.aol.com>

**From:** "Janice Peters" <flamingos@charter.net>  
**To:** "Bruce Ambo" <BAambo.MBPS.CMB@morro-bay.ca.us>  
**Date:** 9/30/2007 3:09 AM  
**Subject:** Fw: Horrendous project proposed for 360 Cerrito Place

**CC:** "Bob Hendrix" <BHendrix.FINANCE.CMB@morro-bay.ca.us>, "Rob Schultz" <RSc...  
Will this one be going to the Planning commission for review?  
Janice

----- Original Message -----

**From:** Linda Stedjee  
**To:** Betty Winholtz ; Rick Grantham ; Melody Demeritt ; Janice Peters ; Bill Peirce ; gary ream ; nancy johnson ; mike lucas ; Erika Luhr ; Bill Woodson  
**Sent:** Saturday, September 29, 2007 1:38 PM  
**Subject:** Horrendous project proposed for 360 Cerrito Place

Hello,

I think that this morning's workshop discussion clearly demonstrates that the house proposed for 360 Cerrito Place is the kind of development that has spurred Morro Bay citizens to demand changes in our zoning law, and in the way building permits are handled here in Morro Bay. Following is a list of problems compiled by owners of neighboring properties:

- a.. The size of the entire structure with a 648 sq. ft. garage is 2,803 sq. ft. with a long and large "footprint" for the lot size.
- b.. The eleven-foot setback on Shasta Avenue, instead of the 20 feet requirement for other homes on Shasta.
- c.. The high, austere, ultra-modern design with a roof deck and firepit does not fit the neighborhood character and intrudes on the privacy all nearby properties.
- d.. An on-going boundary dispute with impending legal action should be resolved before a house is built upon the disputed piece of land.
- e.. The permit states removal of two trees, but the site plan indicates that four trees are to be removed (TBR). Two trees (plus two supposedly diseased trees) have already been cut.
- f.. If the southwestern elevation is the front (on Cerrito Place) then the depth setback is much too narrow at five feet and deprives solar access to the adjacent property.

WHAT are the people who proposed this ridiculous project thinking? This is so outrageous that I cannot imagine how anyone could even consider granting them a building permit. Clearly, this needs to be sent back to the drawing board for a MAJOR overhaul. And then, there is the apparent sneakiness with the trees. Cutting down two before the plan gets submitted, and then claiming you are only going to cut down two trees is, at best, sneaky, and at worst, well, you get the point. It would appear that we had all better keep an close eye on the people who came up with this piece of nonsense.

Linda Stedjee

WILSON & WILSON  
ATTORNEYS AT LAW

960 TORO STREET  
SAN LUIS OBISPO, CALIFORNIA 93401  
(805) 546-8098  
FACSIMILE (805) 781-3427

ANN BELL WILSON

DENTON J. WILSON

RECEIVED

August 30, 2007

SEP 01 2007

City of Morro Bay  
Public Services Department

City of Morro Bay Planning Department  
Attention: Rachel  
955 Shasta Avenue  
Morro Bay, CA 93442

Re: 360 Cerrito Place, Morro Bay

Dear Rachel:

As you might remember, this office represents Berta and Wayne Parrish who reside at 367 Shasta Avenue. It is my understanding that Joseph Fazio and Nickie Turner-Fazio recently applied through the Coastal Development Permit process to remove two trees on their property in addition to the two trees removed approximately two weeks ago.

The City has a copy of a listing and map of the unusual plants and trees located on 365 and 367 Shasta (now 367 Shasta and 360 Cerrito Place). Berta and Wayne Parrish, owners of the adjacent property at 367 Shasta, object to the removal of any further trees on two bases: 1) there is an ongoing boundary dispute between the two neighboring parcels which might affect ownership of the trees which the Fazos seek to be removed; and, 2) the removal of more trees will adversely affect the character of the surrounding neighborhood.

The boundary dispute was set forth in my previous letter of August 27, 2007. I do not have a copy of the Coastal Development Permit request and therefore I do not know the location of the subject trees. However, until the dispute is resolved and the final permits approved, it is respectfully requested that no permission be granted to remove any additional trees on this property.

A visit to the site will demonstrate that this is a uniquely wooded neighborhood. Allowing four trees to be destroyed, particularly these unusual species, will irreparably destroy the quality of the neighborhood. Moreover, denial

City of Morro Bay Planning Department  
Re: 360 Cerrito Place, Morro Bay  
Page 2

of the application will not lead to an inability to develop the property because a single family residence is already located on the lot. With attention to the City's stated policy to protect and preserve the existing major vegetation in Morro Bay, the owners of 360 Cerrito Place and their architect could design a remodel or a new structure which preserves the vegetation and character of the existing neighborhood.

Please do not hesitate to contact me if you have any questions.

Sincerely,

WILSON & WILSON

A handwritten signature in black ink, appearing to read "Ann Bell Wilson", with a large, sweeping flourish at the end.

Ann Bell Wilson

ABW/kms  
c: Clients  
Charles Ogle, Esquire

AUG 28 2007

WILSON & WILSON  
ATTORNEYS AT LAW

960 TORO STREET  
SAN LUIS OBISPO, CALIFORNIA 93401  
(805) 546-8098  
FACSIMILE (805) 781-3427

ANN BELL WILSON

DENTON J. WILSON

August 27, 2007

Robert Schultz, Esquire  
City of Morro Bay  
955 Shasta Avenue  
Morro Bay, CA 93442

Re: Wayne and Berta Parrish, 367 Shasta, Morro Bay  
Joseph and Nicki Fazio, 360 Cerrito Place, Morro Bay

Dear Mr. Schultz:

This office represents Berta and Wayne Parrish who reside at 367 Shasta, Morro Bay. I understand that the current owners of the property located at 360 Cerrito, Morro Bay, submitted plans to demolish all or most of the existing structure and build another residence on the property.

Please be advised that a boundary dispute exists between my clients and Mr. and Mrs. Fazio. A lot line adjustment processed through the City of Morro Bay in 1996 was not reflected in the latest survey performed by Twin Cities Engineering. The Twin Cities survey was relied upon by the owners and architect for the new construction project at 360 Cerrito Place, including the required setbacks.

Mr. and Mrs. Fazio's position is that the boundary line runs through the brick walkway by which my clients access their front door. Obviously, this is not a position in which my client can or will acquiesce. The Parrishes have not yet filed a lawsuit and are still attempting to resolve this problem without litigation.

Therefore, it is respectfully requested that the City of Morro Bay hold the processing of all permits on the proposed new construction until the boundary dispute is fully resolved.

Robert Schultz, Esquire  
Re: 367 Shasta/360 Cerrito Place, Morro Bay  
Page 2

Please do not hesitate to give me a call if you have any further questions.

Sincerely,

WILSON & WILSON

A handwritten signature in black ink, appearing to read "Ann Bell Wilson". The signature is fluid and cursive, with a large initial "A" and "W".

Ann Bell Wilson

ABW/kms  
c: Client  
Charles Ogle, Esquire

CITY OF MORRO BAY  
PLANNING COMMISSION  
SYNOPSIS MINUTES

(Complete audio- and videotapes of this meeting are available from the City upon request)

Veteran's Memorial Building  
Regular Meeting, 6:00 p.m.

209 Surf Street, Morro Bay  
Monday, December 3, 2007

Chairperson Nancy Johnson  
Vice-Chairperson Bill Woodson      Commissioner Michael Lucas  
Commissioner Gerald Luhr      Commissioner Gary Ream  
Michael Prater, Secretary

I. CALL MEETING TO ORDER

Johnson called the meeting to order at 6:02 p.m.

II. PLEDGE OF ALLEGIANCE

Lucas led the pledge.

III. ROLL CALL

Johnson asked that the record show Commissioners Ream and Woodson were on vacation.  
Staff Present: Michael Prater, Rachel Grossman, Joan Drake

IV. ACCEPTANCE OF AGENDA

There was consensus to accept the agenda as printed.

V. DIRECTOR'S REPORT/WRITTEN COMMUNICATIONS – None

VI. PUBLIC COMMENT

Tom Laurie stated the Harborwalk project is the best thing that's happened to Morro Bay since sliced bread. He added lots of people are already using it, even before completion.

Joe Woods spoke in support of the CalTrans project and recommended the use of vandal-resistant and low-maintenance materials. He said he hoped CalTrans would eventually replace the fence on the west side with a block wall.

VII. CONSENT CALENDAR

A. Approval of minutes from hearing held on November 19, 2007

MOTION: Luhr, Lucas 2<sup>nd</sup> to approve the minutes as written. Vote: 3-0.

VIII. PRESENTATIONS

A. Highway 1 Transportation Enhancement Project

Prater stated the project may entail a Coastal Development Permit and could possibly come before the Commission. He introduced CalTrans landscape architect Laurie Cummings, who explained the \$1 million budget would be used to replace 2 miles of fencing on the east side of the highway and add landscaping. She said it was strictly an enhancement project.

Commissioners had questions about the type of fencing and the maintenance program. Cummings replied safety issues required a chain link fence, but vinyl coating doubled the usable life. She said there was no irrigation at present, but might be in the future. Following a 3-year establishment plan, Morro Bay Beautiful will take over maintenance. Ken Dostalek of CalTrans said the design would be completed by August 2008; there would be a 1 year wait for funding; construction would begin in December 2010 and the project would be completed in 2014. Julie McGuigan of CalTrans said they were seeking public comment and cards were available at the back of the room or at the Planning Department.

IX. FUTURE AGENDA ITEMS

- A. Pedestrian pathway and circulation plan.
- B. Secondary unit design competition and consideration to waive development fees for secondary units.
- C. More effective announcement of Planning Commission agendas.
- D. Develop a specific list of items all project have on the plans before going to Planning Commission.

X. PUBLIC HEARINGS

- A. Site Location: 461 Tulare Avenue in the R-1 zoning district. Applicant: June Fluegel. The applicant requests Conditional Use Permit approval to construct a 259 square foot addition to an existing nonconforming residence. This site is located outside of the appeals jurisdiction of the California Coastal Commission. (Recommended CEQA Determination: Categorical Exemption Class 1). Staff Recommendation: Conditionally approve the project.

Grossman presented the Staff Report. Johnson asked if there were questions of staff. Commissioners had questions about off-street parking and a typographical error of a setback.

Johnson opened the Public Hearing. Agent Mark Waechtler said a driveway is planned to account for lost space in the double car garage. In response to a question from Lucas, he said the new drive could be contiguous. Answering questions, designer Mark Dariz said the applicant has no intention of using the den area as a bedroom, the existing driveway could be widened and the hot water heater moved.

Hearing no other comments, Johnson closed the Public Hearing and asked for Commissioner comments. Commissioners agreed the hot water heater must be moved and the driveways should be contiguous. Luhr asked that pervious pavers be used for the driveway.

MOTION: Luhr, Lucas 2<sup>nd</sup> to conditionally approve the project by adopting the Findings included as Exhibit "A" subject to the Conditions included as Exhibit "B" and the site development plans dated October 31, 2007; and any additional parking area will have pervious paving. Vote: 3-0.

- B. Site Location: 1140 Front Street in the C-VS/S.4 (SP) District. Applicant: Valerie Seymour. A request for a Conditional Use Permit to convert the interior space of the upper floor from two motel vacation rentals to a security unit and add a hot tub, storage shed, deck and fence behind the building. The new security unit would be 1,205 square feet. This site is located inside the Coastal Commission's Original Jurisdiction. (CEQA Determination: Categorical Exemption – Class 3). Staff Recommendation: Deny the project

Johnson and Luhr stated they had discussions with the applicants. Prater presented the Staff Report. Johnson asked if there were questions of staff. Answering a question from Luhr, Prater said the hot tub and fencing had been considered by a previous staff member and the applicant was told to submit for a minor use permit. Johnson clarified the shed and hot tub would not exceed the bluff line and parking regulations. Lucas clarified the Commission hadn't heard any similar projects in the recent past.

Johnson opened the Public Hearing. Applicant Valerie Seymour highlighted the history of the project and said the conversion didn't change parking demand. Agent Tom Laurie said the bluff is their commercial backyard and outlined plans for the shed, hot tub and fencing. Lucas clarified the location of the hot tub. Luhr clarified the fence is below the top of the ridge line. Johnson confirmed parking is only limited during the day.

Roger Ewing and Ray McKelligott spoke in favor of denial. Johnson closed the Public Hearing and asked for Commissioner comments.

Responding to Luhr, Prater stated the Beach Street Specific Plan requires a 50-50% split between commercial and residential. He said the 1205 square-foot caretaker unit meets that ratio and is similar to four other properties on West

and Scott streets. Prater said City Council discussed limiting caretaker units to 900 square feet, but that figure is not in effect. He said the hot tub requires an additional 5 feet of setback.

Lucas stated there were no drawings for the shed. Prater replied it was less than 120 square feet and didn't require a building permit. He said it was a planning issue because of the location on the bluff. Prater said if the Commission was going to approve the project, staff should be directed to come back with Findings.

There was consensus the space should remain a caretaker unit, not a long-term rental; parking was not a problem; and the hot tub needs to be moved 5 feet, landscaped and screened with fencing no higher than the ridge top.

MOTION: Lucas, Luhr 2<sup>nd</sup> to continue the item to the consent calendar of the January 7, 2008 meeting. Vote: 3-0.

C. Site Location: 360 Cerrito Place in the R-1 zoning district. Applicants: Joe and Nicki Fazio. Appellants: Berta and Wayne Parrish. The proposed project would demolish an existing 1,183 square foot single-family residence and remove two trees, and subsequently construct a 2,155 square foot single-family residence and an associated 648 square foot garage. This site is located outside of the appeals jurisdiction of the California Coastal Commission. (Recommended CEQA Determination: Categorical Exemption Class 1 and Class 3). Staff Recommendation: Deny the appeal and conditionally approve the project.

Grossman presented the Staff Report. Johnson asked if there were questions of staff. Lucas stated he had met with the appellants and clarified the driveway on Cerrito Place was approved by City staff. Luhr stated the lot wasn't staked and he believed it was paramount when there was a lot-line dispute. Grossman said the building department requires it before construction.

Johnson stated she had met with the appellant and opened the Public Hearing. Randy Dettmer, agent for the Applicants, outlined the project and showed slides of modern design homes in the immediate area of the project. Appellant Berta Parrish stated their five requests.

Roger Ewing, Dorothy Cutter, Bill Luffee, Gene Tubbesing, Richard Holman and Robby Lorber spoke in support of the appellant, primarily due to the lot-line dispute.

Johnson closed the Public Hearing and asked for Commissioner comments. Lucas asked what position the City Attorney was taking on the lot-line dispute. Grossman replied he directed staff to go forward unless an injunction was filed.

Commissioners expressed their concern about the boundary dispute and discussed possible solutions. Dettmer was asked to show the location of the water meters. The Commission also discussed the trees that had been, or were going to be, removed. Dettmer explained the trees were marked so an arborist would know which to examine; two trees with over 6-inch diameter trunks were removed with City permission, some smaller trees were removed, the Coral tree was thinned and two more trees will be removed during construction.

Johnson asked the appellant if moving the house 18 inches would alleviate their concerns. Parrish said it would alleviate their concerns about the setback, but added they would still need to settle the lot line and were not informed an injunction had to be filed to halt the process.

During discussion there was consensus the house is well designed, compatible with the neighborhood, nothing should be higher than 25 feet and the Coral tree should be preserved. Lucas preferred the driveway be on Shasta.

Johnson reopened the Public Hearing for appellant Wayne Parrish to comment. He summarized the history and stated the property line is his sole concern.

Commissioners preferred continuing the item until all five members were present and more information was obtained from the City Attorney.

MOTION: Lucas, Luhr 2<sup>nd</sup> to continue the item to a date to be determined. Vote: 3-0.

XI. OLD BUSINESS

A. Current Planning Processing List

Projects submitted for Administrative Approval (not single-family residential unless in MCR)

1. None

Commissioners established the December 17, 2007 agenda would include projects at 2740 Dogwood and 206 Main, plus discussion of Neighborhood Compatibility Standards.

XII. NEW BUSINESS – None

XIII. ADJOURNMENT

Johnson adjourned the meeting at 9:30 p.m. to the next regularly scheduled Planning Commission meeting at the Veterans Hall, 209 Surf Street, on Monday, December 17, 2007, at 6:00 p.m.

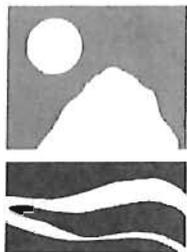
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Nancy Johnson, Chairperson

ATTEST:

---

Michael Prater  
Secretary



# City of Morro Bay

Morro Bay, CA 93442

(805) 772-6200

www.morro-bay.ca.us

*Returned  
to  
Sender -*

*Address  
Unknown*

November 20, 2012

**FILE COPY**

Mr. Randy Dettmer, AIA  
663 Hill Street  
San Luis Obispo, CA 93405

**SUBJECT: INTENT TO DEEM APPLICATION WITHDRAWN**

CP0-246, 360 Cerrito Place, Morro Bay, CA (Joe and Nikki Fazio Residence)

Dear Mr. Dettmer:

On December 3, 2007, the City Planning Commission voted unanimously to continue an appeal of the Administrative Coastal Development issued for 360 Cerrito Place to a date uncertain. It has now been approximately five years since the City has notified you of the Planning Commission's decision and we have not heard from you as to your intentions with this project. Unless we hear otherwise from you within 30 days from the date of this letter, we will assume that you are no longer interested in pursuing the project and we will deem it withdrawn.

If you would like us to keep the case file open and wish to continue processing the permit application, please call me directly at (805) 772-6270. We are happy to assist you in completing the application and processing your project to final action if you wish to continue.

Thank you for your cooperation and understanding regarding this matter.

Sincerely,

Mary B. Reents  
Contract Planner

**FINANCE**  
595 Harbor Street

**ADMINISTRATION**  
595 Harbor Street

**FIRE DEPT.**  
715 Harbor Street

**PUBLIC SERVICES**  
955 Shasta Avenue

**HARBOR DEPT.**  
1275 Embarcadero Road

**CITY ATTORNEY**  
595 Harbor Street

**POLICE DEPT.**  
870 Morro Bay Boulevard

**RECREATION & PARKS**  
1001 Kennedy Way

April 2, 2013

City of Morro Bay  
955 Shasta Ave.  
Morro Bay, CA 93442  
Attn: Kathleen Wold, Planning Manager

RECEIVED

APR 1 2013

City of Morro Bay  
Public Services Department

RE: 360 Cerrito Place status

Dear Kathleen,

Thank you for our meeting last Tuesday, March 26, 2013. As I explained, our family put our building project on hold, due to several family situations. My father-in-law developed severe Alzheimer's over the course of the last 5 years. Until his recent death, we were his primary source of care-giving. Concurrently, our daughter finished high school, graduated, and just started her first year of college.

If my understanding at the conclusion of our meeting is correct, the intent of the planning department is to first, receive an updated status, and then calendar/agendize this project in the near future with city council/planning commission for administrative approval. That is also my intention at this time.

Per your request, I have attached a copy of the recorded statement for withdrawal of the lot line lawsuit filed by Mr. and Mrs. Parrish, therefore showing the lot line issues have been settled.

I appreciate your time and consideration in this matter and will wait to hear from you regarding this. My direct phone number is 702-496-4663.

Sincerely,



Nicki Turner

**JULIE RODEWALD**  
San Luis Obispo County - Clerk/Recorder  
Recorded at the request of  
**Public**

AZ  
1/06/2009  
2:29 PM

1 Ann Bell Wilson (107424)  
2 WILSON & WILSON  
3 960 Toro Street  
4 San Luis Obispo, CA 93401  
5 Telephone: 805-546-8098

DOC#: 2009000531



Title: 1	Pages: 3
Fees	14.00
Taxes	0.00
Others	0.00
PAID	\$14.00

6 Attorneys for Plaintiffs  
7 Wayne Parrish and Berta Parrish

8 **IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **IN AND FOR THE COUNTY OF SAN LUIS OBISPO**

10  
11 **WAYNE PARRISH and**  
12 **BERTA PARRISH,**

Case No. CV070369

13 **Plaintiffs**

**WITHDRAWAL OF NOTICE  
OF PENDING ACTION**

14 **v.**

15 **JOSEPH M. FAZIO, AS TRUSTEE OF**  
16 **THE DNJ FAMILY TRUST DATED**  
17 **APRIL 10, 2003, NICKI TURNER-FAZIO,**  
18 **JOSEPH M. FAZIO, AND ALL PERSONS**  
19 **UNKNOWN, CLAIMING ANY LEGAL OR**  
20 **EQUITABLE RIGHT, TITLE, ESTATE,**  
**LIEN, OR INTEREST IN THE PROPERTY**  
**DESCRIBED IN THE COMPLAINT**  
**ADVERSE TO PLAINTIFFS' TITLE, OR**  
**ANY CLOUD ON PLAINTIFFS' TITLE**  
**THERETO, and DOES 1 through 50,**  
**Inclusive,**

21 **Defendants.**

22  
23 **NOTICE IS HEREBY GIVEN** that Wayne and Berta Parrish withdraw the Notice of  
24 Pending Action recorded in this action on October 1, 2007, as Document No. 2007085331  
25 in the Office of the County Recorder of San Luis Obispo County, California, so that it does  
26 not (1) constitute constructive or actual notice of any of the matters contained, claimed,  
27 alleged, or contended in it or of any matters relating to this action; or (2) create any duty of  
28 inquiry in any person dealing with the affected property described in the notice after the date

Parrish v. The DNJ Family Trust, et al.

1 of recordation of this notice of withdrawal.

2 The notice of pendency of action that is withdrawn concerned real property located in  
3 San Luis Obispo County, California, commonly known as 360 Cerrito Place, Morro Bay,  
4 California and is more particularly described as:

5 Lot 5 in Block G of Cerrito Addition to the Town of Morro, in the City of Morro  
6 Bay, in the County of San Luis Obispo, State of California, according to Map  
7 filed for record March 14, 1888, in Book A, page 34 of Maps in the Office of the  
8 County Recorder of said County.

9 EXCEPTING therefrom the Northwesterly 41.29 feet of said Lot 5.  
10 APN 066,223,004

11 DATED: January 2, 2009

12 WILSON & WILSON

13   
14 Ann Bell Wilson, Attorneys for Plaintiffs  
15 Wayne Parrish and Berta Parrish

16 State of California }  
17 County of San Luis Obispo } ss.

18 Upon this 2<sup>nd</sup> day of January 2009 before me, Karen M. Schmidt, Notary Public, personally  
19 appeared Ann Bell Wilson, who proved to me on the basis of satisfactory evidence to be the  
20 person whose name is subscribed to the within instrument and acknowledged to me that she  
21 executed the same in her authorized capacity, and that by her signature on the instrument  
22 the person, or entity upon behalf of which the person acted, executed the instrument.

23 I certify under PENALTY OF PERJURY under the laws of the State of California that the  
24 foregoing paragraph is true and correct.

25 WITNESS my hand and official seal.

26   
27 Notary Public in and for said County and State



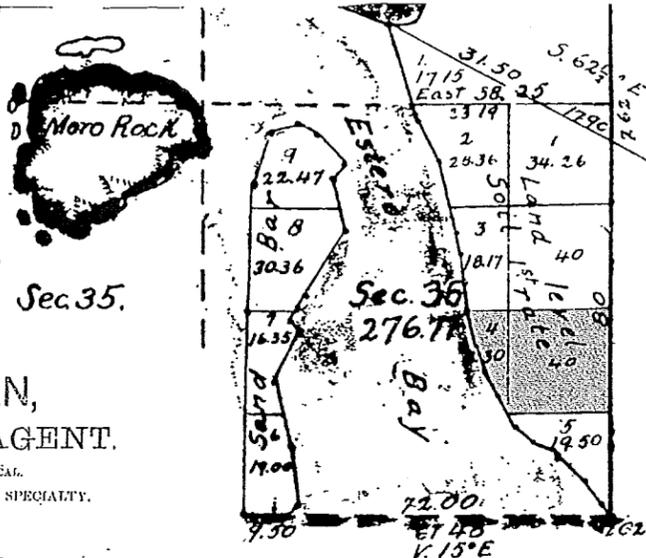
**SURVEYOR'S NOTE**

The following map depicts our opinion of where the corners of a parcel, defined in 1996 by a certificate of compliance (R22), are located. The north line of said parcel was created in the year 1888 (R3). The south line, originally created by deed, was adjusted in the 1996 certificate. Our measured location of both these lines differs from the determinations made by two other recent surveys (R25 & R28) by approximately two feet. To understand how this situation came about, and how we resolved it, we will first give a brief history, followed by a detailed explanation of our retracement.

**HISTORY**

The Cerrito Addition (R3)

In February 1888 SLO surveyor Hubert C. Ward subdivided Government Lot 4 and the NE 1/4 of the SE 1/4 of Section 36 (approximately 70 acres total) into 170 lots. (For a detailed history of Morro Bay's Section 36 prior to this, we recommend the reader obtain a copy of Volbrecht Surveys' March 2003 survey per R27). Ward's client was Archibald McAlister, a SLO rancher, businessman, and developer, and the two named the subdivision the "Cerrito Addition to the Town of Morro". Cerrito is Spanish for "little hill" and refers to the rocky prominence around which the subdivision was designed. Ward and McAlister drafted an approximately 330' x 200' ellipse around the summit and named what they must have envisioned as a graded road around its exterior as "Jordan Terrace." James Jordan was a Morro Bay real estate agent with whom which McAlister had business dealings (Dd1).

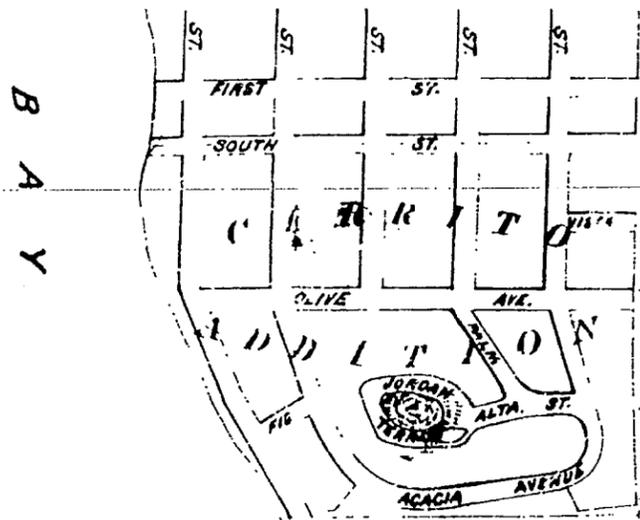


Section 36, T. 29 S., R. 10 E., M.D.M.

**J. M. JORDAN,**  
REAL ESTATE AGENT.  
MORRO, SAN LUIS OBISPO COUNTY, CAL.  
FARMING AND DAIRY RANCHES A SPECIALTY.

04 January 1888  
The Daily Republic

Ward's map recorded on March 14th, 1888, the same day as did the deed with which Morro Bay blacksmith and his wife, Joseph and Cynthia Stocking, conveyed the property to McAlister (Dd2). This was right on the eve of the great California real estate collapse generally cited as occurring in the spring of that year. Southern California had experienced a surge in real estate prices during most of the 1880's, with prices doubling and tripling with wild speculation during the last year or two of the boom. When credit tightened during the relatively mild nation-wide recession, California land prices plummeted.



The Cerrito Addition Vicinity Map  
from H.C. Ward's map - 1888

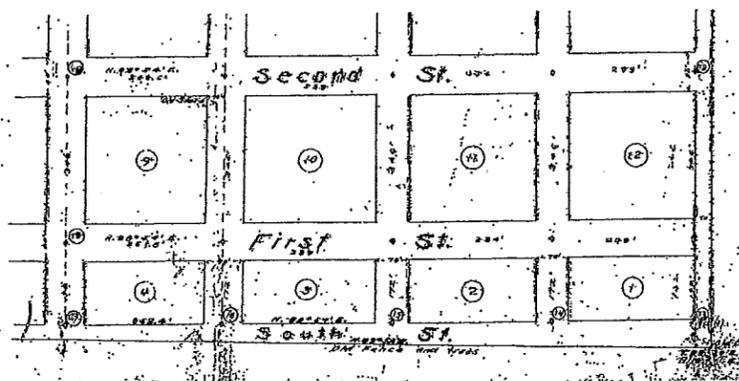
History continued..

Prior to the collapse, Southern California newspapers, including SLO's Tribune, ran articles about new subdivisions and how out-of-town speculators were buying-up the lots. The Cerrito Addition would have been targeting that market. The map is a masterpiece, exhibiting a level of surveying sophistication unparalleled in SLO County for that time period. For instance, along Acacia Ave. as you travel from west to east, you enter a curve and go through two points of compound curvature (P.C.C.), where the curve radius changes, before exiting into a brief tangent section and then going into another curve.

In our experience, Ward would have been one of the only local surveyors capable of such a survey. Born in Connecticut, he had studied science at Yale in 1862, before moving on to Harvard, where he studied for a year. He then worked as a surveyor for the Northern Pacific Railroad, which brought him west, and ultimately to SLO County where he married a local woman, and became the City of SLO's first City Surveyor in 1876. The large showpiece map framed on the wall at the SLO County Clerk-Recorder's office is Ward's survey of San Luis Obispo.

Parson's Resurvey of Mather's Lines (R4)

Adjacent to and to the north of the Cerrito Addition is the original "Town of Morro" surveyed by Cambria resident Carolan Mathers in 1872 (R2). In contrast to Ward's map, Mathers' map is a simple rectangular layout with only a handful of dimensions shown.



Plot from year 1907 showing  
non-parallel lines along South Street.  
A.F. Parsons, County Surveyor  
County Road File #178 (R4)

In 1907 twenty Morro Bay property owners, including McAlister and Stocking, petitioned the Board of Supervisors for the County Surveyor to resurvey Mathers' streets (Road File #178). A portion of the petition reads: "...Whereas, there is a difference of opinion amongst the residents of Morro regarding the location of street lines, and - Whereas, the sooner this vexed question is settled, the better for the convenience and prosperity of its inhabitants..." County Surveyor Austin F. Parsons fulfilled this request, and on his resulting plot, one can see how the north line of South Street is significantly out of parallel with the east-west center of section line immediately to the south.

Beck's Abandonment (R5)

In 1946 thirty-six Morro Bay property owners petitioned the County to abandon the portion of South Street south of a line 60 feet south of its north line, and between the east line of Main Street and the east line of the Cerrito Addition (Road file #178). County Surveyor Ken Beck made a map of the proposed abandonment in September 1946, and the abandonment was approved by the Board of Supervisors in November 1946.

Kaupas Certificates of Compliance (R22)

In 1996 surveyor Doug Shoulders prepared a tentative map for his client Algis Kaupas to adjust a line previously created by deed which had split-off the north 40 feet of Lot 5, Block G of the Cerrito Addition. The proposal was to move the deed line an additional two (2) feet to the south, for a total of 42 feet off the north line of Lot 5. The current owners of the north parcel have contacted Mr. Kaupas who stated that the intent was to move the line to split the two water meters along the Shasta Avenue frontage. The original tentative map appears to support this, and we field-measured the distance between the split in the meters and the north fence as being 42 feet.

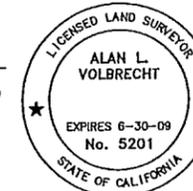
However, the original tentative map also showed the proposed south parcel as having an area of 6917.6 square feet, and in a memorandum dated 29 April 1996 the City noted a conversation with Doug Shoulders whereby the City informed him that the minimum area for said parcel would be 7000 square feet. On the subsequent approval memorandum dated 22 May 1996, and on a modified tentative map, the amount the line was to move was changed to 1.29 feet, for a total of 41.29 feet off the north line of Lot 5, in order to obtain the 7000 square feet.

Since Doug Shoulders did not set monuments on the adjusted line, or file a record of survey showing his measurements, the location of the north line of Lot 5 is critical, in our opinion, to determining the location of the adjusted line.

**SURVEYOR'S STATEMENT**

This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Professional Land Surveyors Act at the request of Wayne and Berta Parrish in January, 2008.

ALAN L. VOLBRECHT  
L.S. 5201 exp. 6-30-2009



**COUNTY SURVEYOR'S STATEMENT**

This map has been examined in accordance with section 8766 of the Professional Land Surveyors Act this

\_\_\_\_\_ day of \_\_\_\_\_, 2008.

COUNTY SURVEYOR L.S. 5171 exp. 6-30-2009

**COUNTY RECORDER'S STATEMENT**

Filed this \_\_\_\_\_ day of \_\_\_\_\_, 2008,

at \_\_\_\_\_ .M. in Book \_\_\_\_\_ of Licensed

Surveys at Page \_\_\_\_\_ at the request of  
Alan L. Volbrecht.

Document No. \_\_\_\_\_

Fee \_\_\_\_\_

County Recorder \_\_\_\_\_ By: Deputy \_\_\_\_\_

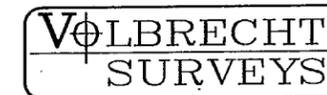
**BASIS of BEARINGS**

The basis of bearings for this survey is NAD-83 (2007) as measured with a direct static GPS observation at a rebar capped LS 3877 in a well at the east 1/4 corner of Section 36, T.29 S., R.10 E., M.D.M., and from which bears a USC&GS cap "Tidal 5 - 1935" with a NGS PID #FV0401, N 51°05'08" W 2627.30 feet.

All measured distances shown hereon are grid distances, unless noted otherwise. The ground-to-grid combined factor is 0.999977308 as calculated at said rebar capped LS 3877.

**RECORD OF SURVEY**

OF A PORTION OF LOT 5 IN BLOCK G OF THE CERRITO ADDITION, AS RECORDED IN BOOK A OF MAPS, PAGE 34, CITY OF MORRO BAY, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA.



POST OFFICE BOX 299  
SAN LUIS OBISPO, CA 93406  
(805) 781-9296

City of Morro Bay  
Public Services Department

MAY 08 2013

RECEIVED

**RETRACEMENT**

**Map Check**

Ward's map was essentially a modern subdivision map ahead of its time. Unlike today, however, in 1888 there was no map-check process whereby the County checked for mathematical error. In order to do a proper analysis, it was imperative that we, 120 years later, conduct our own map check.

The first step was to view the original linen map at the County Clerk-Recorder and transcribe the hard-to-read bearings, distances, and stake numbers onto our copy of the map. Note that while Ward numbered all his stakes, we showed his numbers only on those corners relevant to our discussion.

The next step was to use our computer to perform closures on his courses. It became apparent early-on that Ward had done excellent work, but we found several mistakes, the majority of which seem to be typos. Our findings are as follows:

\*Blocks A through F, when calculated from Olive Street northward, all close on South Street within a tenth or two of a foot.

\*Block H closes well overall, but there are two busts. First, the bearing between corners 214 and 222 (Lot 4) should be N 10°21'W instead of the record N 9°38' W. And second, the overall lot frontage of Lot 10 should be 55 ft. instead of the record 50 ft. If one holds the record 50 ft, the sideline bearings of Lots 11 through 15 are several degrees out, and the overall curve does not match the corresponding curve across the street. Note that Phil Porter, PLS, held the record 50 ft. in his 1947 survey of Lots 11 through 13 (R8). With sixty (60) years worth of improvements being based on these lines, it seems likely that they will continue to control.

\*Block J was a map-checking challenge. We got it to close within 0.4 ft. around the inner perimeter and by two feet around the outer perimeter, which we considered exceptional considering the complexity of the curves and small mis-closures and typos along the way. Said typos are as follows: The distance between Lots 10 and 11 should be 174.3 ft. instead of 194.3 ft. The bearing between Lots 8 and 9 should be N 4° E +/- instead of N 5°15' E. The distance along the frontage of Lot 6 should be 60 ft. instead of 55 ft. The distances along the backs of Lots 20 and 21 should be 40 ft. instead 45 ft. Note too, that our distance closures along the sidelines of Lots 20 through 33 tended to be long by as much as three feet, even though the bearings checked well.

\*Blocks L and N have good closures around their perimeters. We did not check the interior lots.

\*The width of Cerrito Place along the portion that was previously Alta Street is 54 ft., instead of the listed 60 feet. Our closure calcs bear this out, as does the evidence on the ground, as we will see shortly.

**Original Monuments Versus Modern Nails**

The next step in our survey was to note where original monuments had been found. Phil Porter noted finding a "original 2x3" and a "3x3" at corners #221 and #225 in Block H, per R10 and R8, respectively. Ken Beck noted finding "3x4's" at corners #252 and 352 in Block L per R6. We've noticed in the past that reported dimensions of the same stake can vary easily by as much as an inch depending on whether one is measuring actual or nominal dimensions (e.g. a "4x4" typically measures 3 1/2" x 3 1/2") and rounding up or down. We considered all such reported stakes as being original, or the best evidence thereof, and noted their locations on our map with an open square.

The reason Tom Vaughan's, PLS, monument for corner #201, Block G is, in our opinion, off by two feet, is because he held a found nail for the intersection of Shasta and Olive (R25). We've encountered many such nails in Morro Bay, and have found that they should only be used as a last resort. Most of them seem to have been set in the 1960's and 1970's and are best viewed as survey traverse points, and can vary quite a bit off from the original survey lines. The evidence indicates that this is indeed the case here, as explained in the following paragraphs.

**Ward's East Lines and Current-Day Methodology**

Ward staked the east line of Blocks E, F & H slightly to the west of the range line between the two townships. The locations of the 1/4 & 1/16th corners have been perpetuated over the years, and we held Ward's record ties off these corners to control the NE corner of Block F and the SE corner of Block H. Note that Ben Maddalena's, RCE, surveyors had erroneously monumented said SE corner two feet east of the actual corner (R31). On Ward's original linen map, the dimension from said corner to the range line is faint, but we used a high-power magnifying glass to determine that the distance is 8.5 ft. This is also supported by the fact that Ward showed an overall dimension from the SW corner of Lot 15, Block H to the range line as being 238.5 ft. (238.5 - 230.0 (sum of the lot dimensions) = 8.5 ft.)

We held Ward's record courses along the east line of said Blocks to determine the east corners of Olive Street. We then used proportion between said corners and corner #104, Block D to determine the lot and block corners along Olive Street. Holding Steve Sylvester's tie to the BC in Lot 10, Block H, we then used proportion to determine the Block H lot corners fronting Shasta Ave. The evidence supporting our methodology is best looked at in terms of latitude and longitude.

Retracement continued..

**Latitudinal Analysis**

The preponderance of evidence supporting our determination in terms of latitude is strong, as witnessed by the following observations:

\* The measured distance from corner #176, Block J to our determination for the north line of Block G matches Ward's record by 0.29 ft. (195.92 ft.(m) vs. 195.63 ft. cf (R3)). Said corner, in our opinion, is a perpetuation of a found original stake (R11).

\* The face of the old concrete-curb wall between Lots 3 and 6, Block H, matches our determination for corner #221 by 0.01 ft. Porter had found an original 2x3 there in 1960 (R10).

\* The face of the old concrete planter between Lots 6 and 7, Block H, matches our determination for corner #225 by 0.19 feet. Porter had found a 3x3 there in 1947 (R8).

\* Our determination for the south line of Olive Street matches Harry Boys' iron pipes (no record) at corners #203 and 202, Block G and a found 3/4 inch iron bar at corner #213, Block H by 0.08 ft., 0.18 ft., and 0.06 ft., respectively. (Note that Boys was born in San Miguel in 1893 and directed the WPA in SLO County during the 1930's. He worked for an engineering firm in San Diego during WWII, and returned to SLO County after the war where he died in September 1965.)

\* Our determination for the south line of Lot 5, Block G matches the calculated record width of Cerrito Place along the portion formerly known as Alta Street by 0.2 ft. ( 54.20 ft. (m) vs 54.0 ft. cf (R3)).

\* Our determination for the intersection of the north line of Olive Street with the approximate centerline of Shasta Ave. matches the original south line of South Street from the year 1888 by 0.52 ft. (477.33 ft.(m) vs. 477.85 ft. cf (R3)). Note that the difference would be approximately 2.5 ft. holding Vaughan's nail (R25).

**Longitudinal Analysis**

The preponderance of evidence supporting our determination in terms of longitude is relatively strong, but has a bit more room for disagreement than our latitudinal determination. For example, one could argue that Boys' iron pipes and the 3/4 inch iron bar should control longitudinally along Olive Ave. We noted that the distance between said 3/4 inch iron bar and Boys pipe at corner #203 matches Ward's record perfectly. In our opinion, this is an indication of record-and-measured surveying. In other words, one finds a monument or two (and not necessarily original), and then traverse holding the record measurements, without concerning oneself with the entire evidence picture, and hence eliminating the need for proportionate measure. This would have been a common procedure during Boys' day. Since all three of these points are a foot closer to corner #104, Block D, than Ward's map shows them, and in such a short distance, we rejected them for longitudinal control.

Instead, we held two other corners as better evidence for Ward's longitudinal alignment. The first was said corner #104, since its location is based on what, in our opinion, was a found original monument. The second was corner #221, Block H. We already mentioned how our determination for this corner matched the old concrete-curb wall latitudinally by 0.01 ft. It also matched the wall longitudinally by 0.02 ft. In our opinion, the curb wall intersection is the best evidence of where Porter had found Ward's original 2x3 in 1960 (R10).

Note that our tie to corner #240, Block J and that other ties between corners in said Block as shown per (R27) indicate significant discrepancies between measured values and Ward's record. Since our subject property is situated between the perpetuations of three (3) original corners (#104, #176 and #221), it should be unaffected by any future survey revelations regarding said discrepancies.

**Certificates of Compliance**

We held the record 41.29 ft. per the certificates of compliance to control the boundary between them. Note that Ward's original map showed no values for the two radii on the west side of Lot 5. Shoulders showed radius values to a hundredth of a foot, and indicated that he had calculated them from Ward's map. While this seemed implausible to us, we ended up holding Shoulders' 135.67 ft. radius as the de-facto accepted radius along the west side of our subject parcel.

Doug Morin, PLS  
Volbrecht Surveys

**REFERENCES**

- R1 GLO Plats T.29 S., R.10 E., MDM T.29 S., R.11 E., MDM Years:
- R2 A MB 35 Town of Morro Carolan Mathers, Surveyor June 1872
- R3 A MB 34 Cerrito Addition Hubert C. Ward, Surveyor February 1888
- R4 Plat of Resurvey of Street Lines of Mathers' Survey of Town of Morro County Road File #178 A.F. Parsons, County Surveyor October and November 1907
- R5 Proposed Abandonment of a Portion of South Street in the Cerrito Addition County Road File #178 Ken Beck, County Surveyor September 1946
- R6 3 RS 91 Ken Beck, RCE October 1946
- R7 4 RS 10 Ken Beck, County Surveyor December 1946
- R8 4 RS 41 Phil Porter, PLS November 1947
- R9 4 RS 115 Phil Porter, PLS December 1948
- R10 10 RS 70 Phil Porter, PLS July 1960
- R11 14 RS 3 Elmer McLennan, RCE March 1964
- R12 3 PM 61 Elmer McLennan, RCE February 1969
- R13 22 RS 65 Elmer McLennan, RCE June 1975
- R14 27 RS 83 Leonard Lenger, PLS February 1977
- R15 51 RS 34 Bruce Elster, RCE October 1983
- R16 46 PM 78 Leonard Lenger, PLS August 1989
- R17 64 RS 9 Dan Hutchinson, PLS April 1990
- R18 65 RS 97 Dan Hutchinson, PLS May 1990
- R19 68 RS 19 Steve Sylvester, RCE January 1992

**REFERENCES**

- R20 69 RS 57 Tom Vaughan, PLS November 1992
- R21 Tentative Parcel Map File MBAL 96-052 On file at City of Morro Bay Planning Dept. Doug Shoulders, PLS April 1996
- R22 Certificates of Compliance Doc No. 1996-031630 & 1996-031631 19 June 1996
- R23 95 RS 90 to92 Tom Vaughan, PLS January 1998
- R24 80 RS 28 Ken Wilson, PLS August 2000
- R25 96 RS 39 Tom Vaughan, PLS December 2001
- R26 19 CR 139 Ken Wilson, PLS May 2002
- R27 86 RS 58 to 61 Alan Volbrecht, PLS January 2003
- R28 97 RS 72 Skip Touchon, PLS May 2007
- R29 NGS Data Sheet P.I.D. FV0401 USC&GS Brass Cap "Tidal 5 1935" Retrieval date: 22 January 2008
- R30 6 MB 27 Phil Porter, PLS July 1959
- R31 52 RS 21 Ben Maddalena, RCE May 1986

**DEEDS**

- Dd.1 Z Dds 190 Jordan to McAlister 15 September 1888
- Dd.2 Z Dds 578 Stocking to McAlister 14 March 1888

**RECORD OF SURVEY**

OF A PORTION OF LOT 5 IN BLOCK G OF THE CERRITO ADDITION, AS RECORDED IN BOOK A OF MAPS, PAGE 34, CITY OF MORRO BAY, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA.



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City of Morro Bay

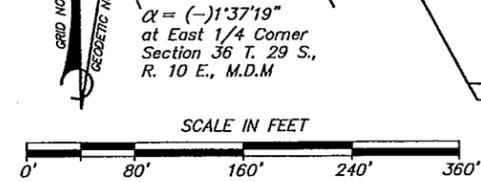
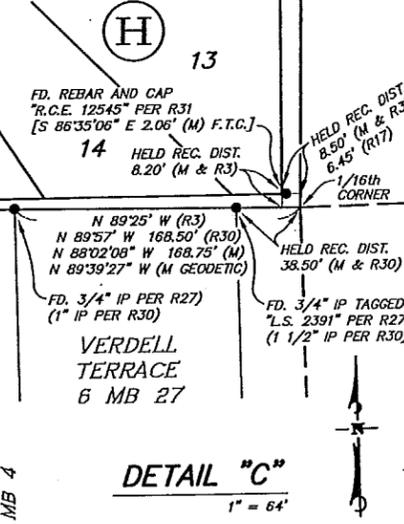
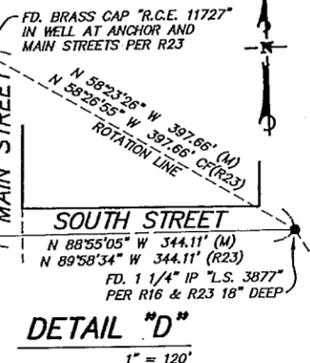
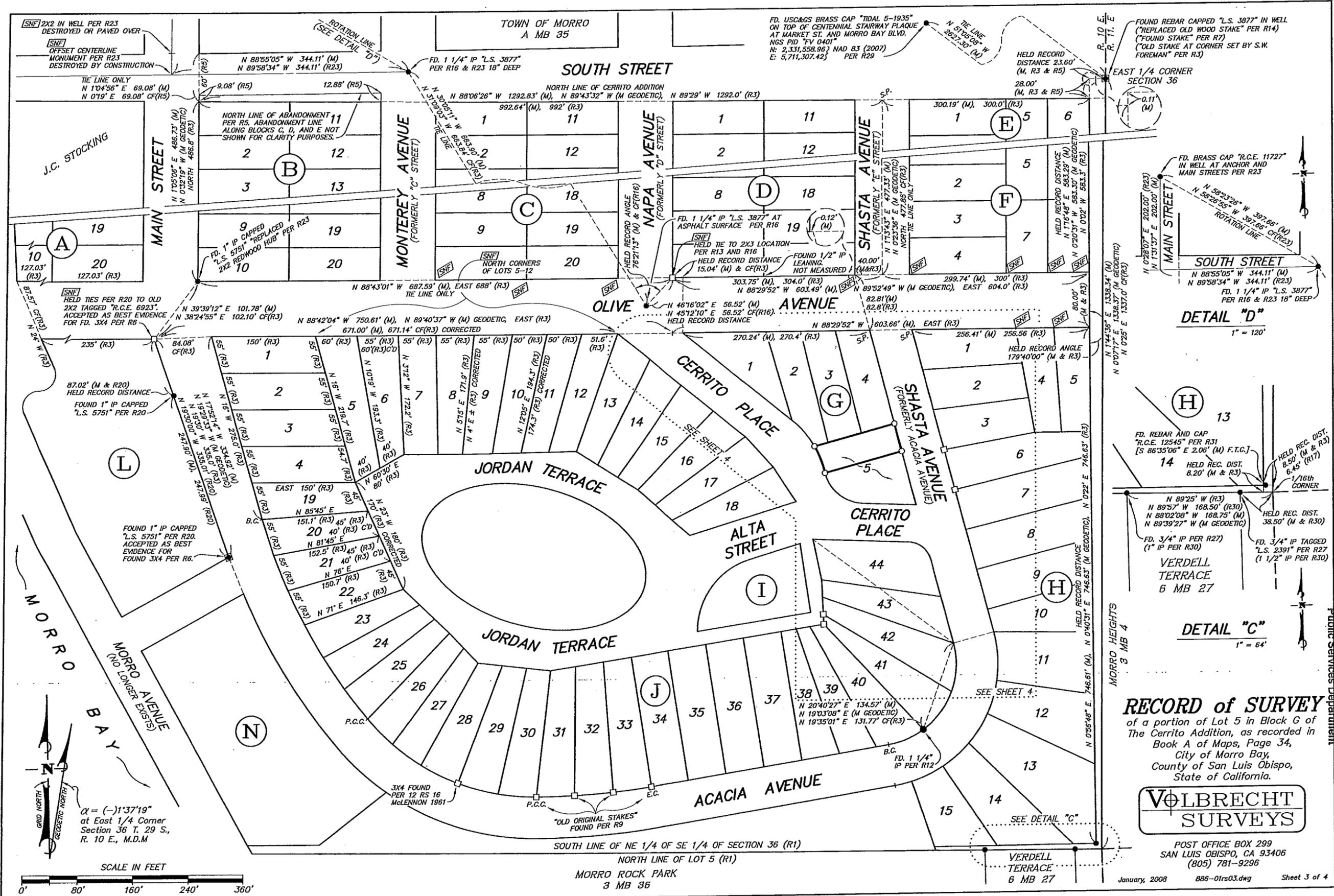
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**RECORD of SURVEY**  
of a portion of Lot 5 in Block G of  
The Cerrito Addition, as recorded in  
Book A of Maps, Page 34,  
City of Morro Bay,  
County of San Luis Obispo,  
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January, 2008 886-01rs03.dwg Sheet 3 of 4



SOUTH LINE OF NE 1/4 OF SE 1/4 OF SECTION 36 (R1)  
NORTH LINE OF LOT 5 (R1)  
MORRO ROCK PARK  
3 MB 36

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CITY OF MORRO BAY

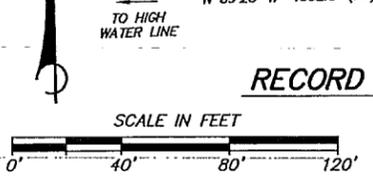
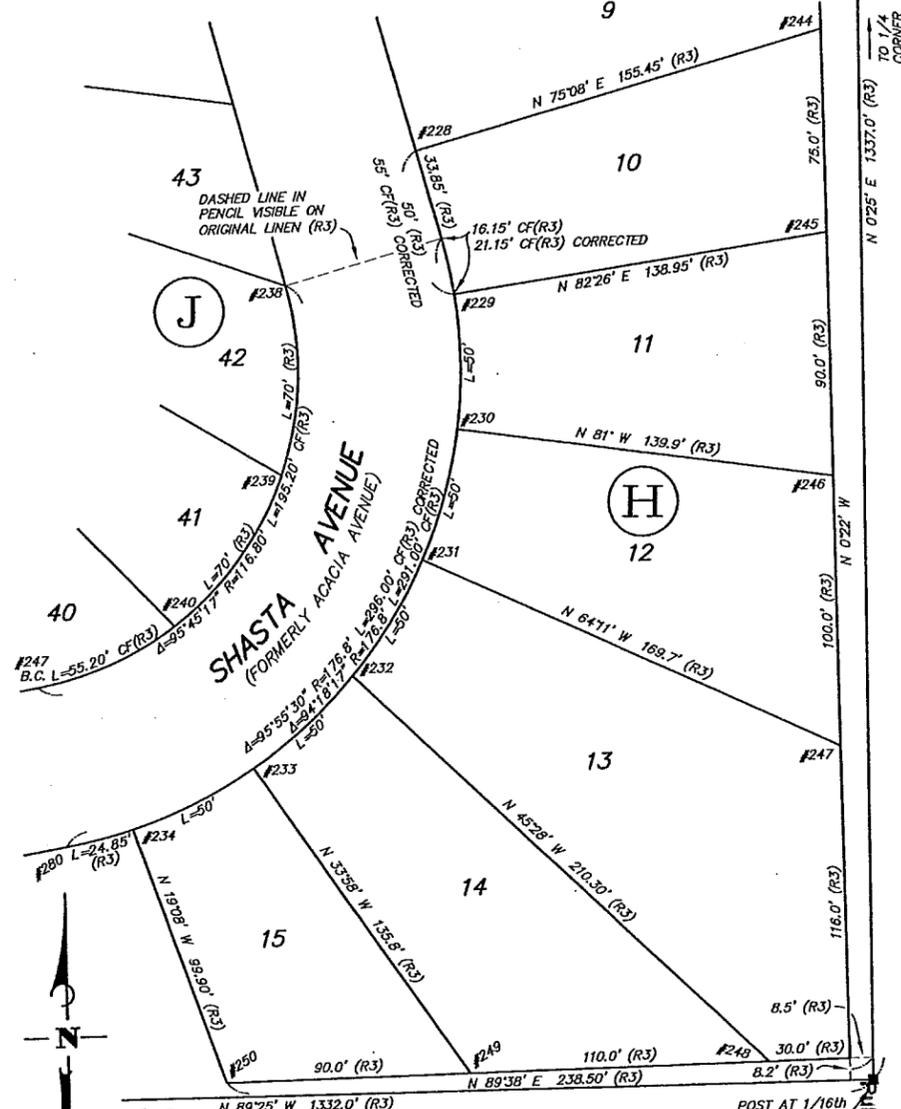
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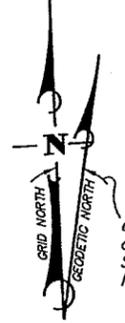
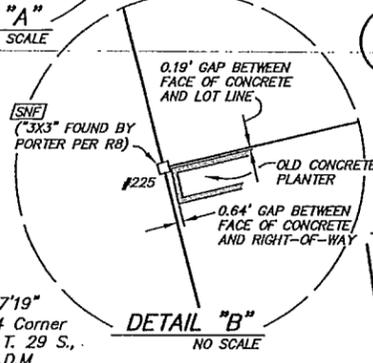
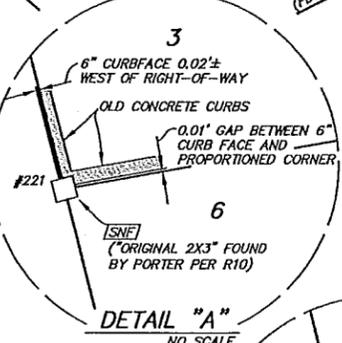
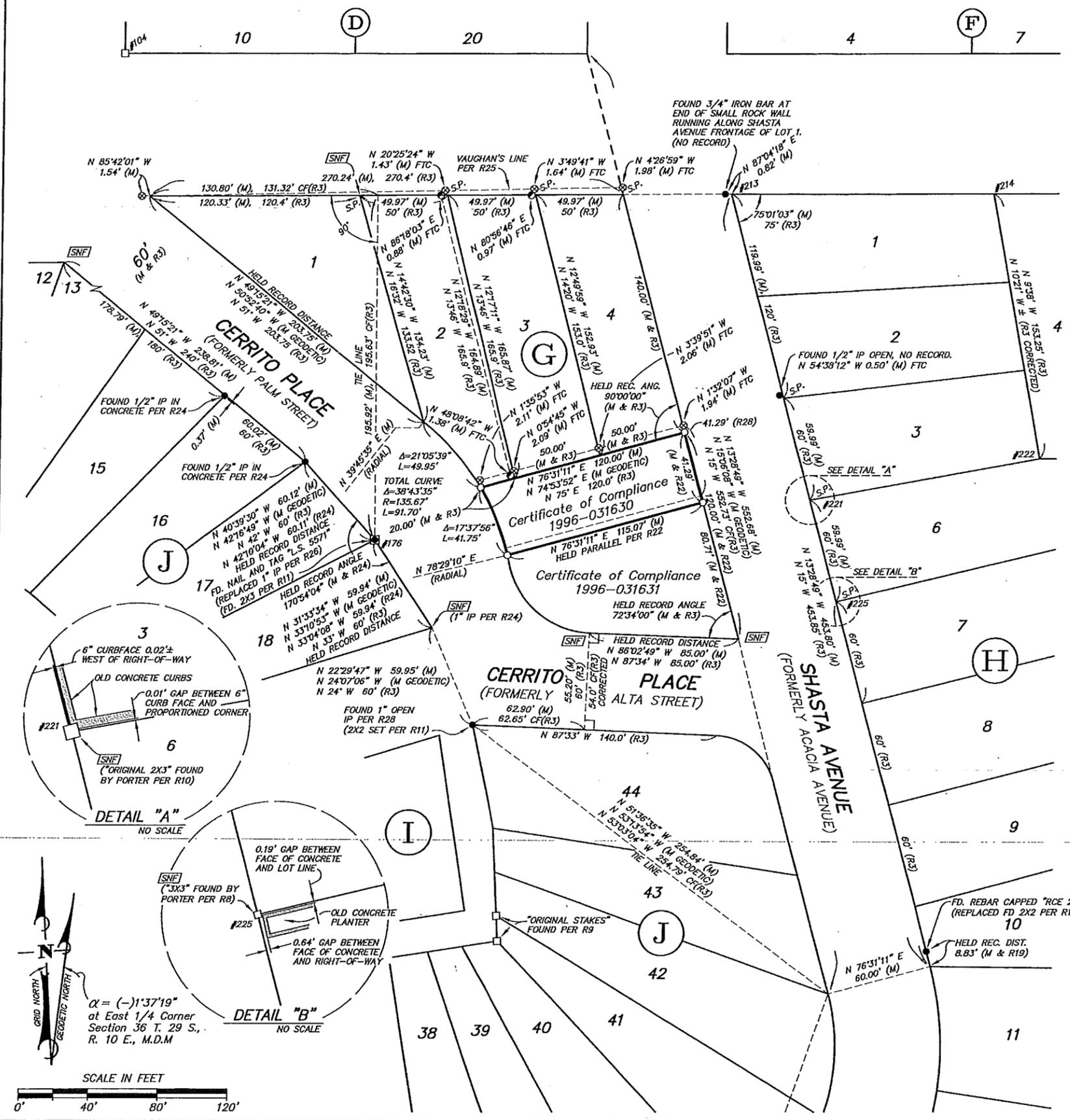
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January, 2008 886-01/not04.dwg Sheet 4 of 4



- LEGEND**
- Set lead, tack and tag, "L.S. 5201"
  - Found monument as noted
  - ⊙ Found 1/2" IP tagged "L.S. R.E. 3200" (No Record)
  - ⊗ Found 1" IP capped "L.S. 5751" per R25
  - Original monument, or best evidence thereof, reportedly found as noted
  - CF Calculated From
  - C'D Corrected
  - FTC From True Corner.
  - S.P. Determined by Single Proportion



$\alpha = (-)1^{\circ}37'19''$   
 at East 1/4 Corner  
 Section 36 T. 29 S.,  
 R. 10 E., M.D.M



367 Shasta Avenue  
Morro Bay, CA 93442  
May 7, 2013

Kathleen Wold, Planning Manager  
955 Shasta Avenue  
Morro Bay, CA 93442

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MAY 07 2013

City of Morro Bay  
Public Services Department

Dear Ms. Wold,

Thank you for your time and for the information you shared regarding the Planning Commission's desire to resolve our appeal of Coastal Development Permit #CPO-246 that was tabled until "a date to be determined" at the December 3, 2007 meeting.

At that meeting our primary concern was that no building permits be issued prior to the resolution of a civil law suit regarding a boundary dispute over the northern lot line. Since then a Volbrecht survey corrected the errors made by the survey used by Turner and Fazio. The Volbrecht survey is now recognized as the survey of record, which established that all but four inches of the disputed area belong to Wayne and Berta Parrish. All parties signed the attached Compromise Agreement accepting the boundary line established by Volbrecht Survey.

Obviously we were surprised when we looked at the plans for 360 Cerrito Place for the upcoming Planning Commission meeting. The northern lot line has not been modified per the compromise agreement. In fact, the house plans are the exact same ones that were submitted in November 2007, almost six years ago. Since these plans do not reflect the current survey of record, the Planning Commission is being asked to make a decision based on inaccurate and misleading data that affects other setbacks and perhaps the placement of the house.

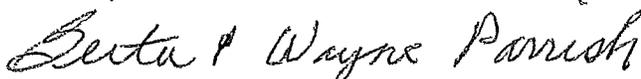
Other concerns regarding this project were mentioned at the December 2007 meeting:

- A consensus that the coral tree be preserved.
- For safety reasons, Comm. Lucas preferred the drive way to be on Shasta Avenue.
- The firepit on and the height of the third-story outdoor deck worried several neighbors.

For these reasons, we recommend that the Planning Commission uphold our appeal and deny the project as submitted in 2007. We also ask that the applicant begin over with an accurate plan that reflects the survey of record northern boundary line.

Thank you for your consideration.

Sincerely,



Berta and Wayne Parrish

## COMPROMISE AGREEMENT

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City of Morro Bay  
Public Services Department

### I. Parties

1. The parties to this Compromise Agreement and Mutual General Release (hereinafter referred to as "Agreement") are Nicki Turner and Joseph Fazio (hereinafter referred to as "Turner/Fazio") and Wayne and Berta Parrish (hereinafter referred to as "Parrish").

### II. Recitals

2. This Agreement concerns the boundary line between the properties at 367 Shasta and 360 Cerrito Place, in the City of Morro Bay, County of San Luis Obispo, State of California.

3. The parties intend and desire to settle and compromise the boundary dispute now existing between them, and the purpose of this Agreement is to set forth the terms and conditions of the compromise to which they have agreed.

### III. Terms

In consideration of the execution of this Agreement, each party agrees as follows:

4. All parties accept the boundary line established by Volbrecht Surveys. The agreed line will be as established according to maps recorded by Volbrecht and Twin Cities Engineering.

5. All parties specifically agree that this agreement does not affect the existing any rights to use, access and maintain the sewer lines which service both parcels, and the parties agree to cooperate in the maintenance of the line(s).

6. Parrish agrees to dismiss the pending action entitled "Wayne Parrish and Berta Parrish, Plaintiffs, v. Joseph M. Fazio, as Trustee of the DNJ Family Trust Dated April 10, 2003, Nicki Turner-Fazio, Joseph M. Fazio, and All Persons Unknown, Claiming Any Legal or Equitable Right, Title, Estate, Lien, or Interest in the Property Described in the Complaint Adverse to Plaintiffs' Title, or Any Cloud on Plaintiffs' Title Thereto, and Does 1 through 50, inclusive, Defendants", Case No. CV070869, with prejudice, and release the lis pendens within 10 days of execution of this agreement.

### IV. Representations and Warranties

7. The parties hereby covenant, represent, and acknowledge that they have carefully read and fully understand the provisions of this Agreement, that they are

voluntarily entering into this Agreement, and that they have the capacity to enter into this Agreement.

8. The parties hereby represent and acknowledge that no one has made any statement or representation to them regarding any fact relied upon by them in executing this Agreement, and they have not relied upon any statement, representation, or promise other than those contained herein.

V. Miscellaneous

9. Each party shall bear his or her own attorney's fees and costs incurred in connection with this Action, the negotiation of this Agreement, or otherwise; provided, however, in the event of any dispute involving interpretation or enforcement of this Agreement, the party prevailing in that dispute shall be entitled to all costs, including reasonable attorney's fees.

10. This Agreement is a compromise of the above described disputed claims and shall not be treated as an admission of liability by any party for any purpose.

11. This Agreement is binding upon the parties hereto and on their representatives and successors in interest.

12. This Agreement may be executed in one or more counter-parts, each of which shall be deemed to be an original for all purposes.

13. This Agreement shall be deemed to have been entered into in the State of California, and all questions concerning its validity, interpretation or performance shall be governed by the laws of the State of California.

14. This Agreement constitutes the entire agreement between the parties respecting the subject matter of the Agreement and any agreements or representation not expressly set forth in this instrument are null and void.

VI. Execution

15. The parties hereby acknowledge that they have been represented by counsel in the negotiation and preparation of this Agreement; that they have read this Agreement in its entirety; that they are fully aware of its content and of its legal effect; that the preceding paragraphs recite the sole consideration for this Agreement; and that they

entered into this Agreement freely, without coercion, and based on their own judgment and not in reliance on any representations or promises made by the other or any other person.

16. Each party whose signature appears below has read the Agreement in its entirety, and understands and agrees to perform each and every one of its provisions and conditions.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Nicki Turner

DATED: \_\_\_\_\_

\_\_\_\_\_  
Joseph Fazio

DATED: 12/18/08

Wayne Parrish  
Wayne Parrish

DATED: 12/18/08

Berta Parrish  
Berta Parrish

APPROVED:

**Cumberland Coates & Duenow**

\_\_\_\_\_  
Greg A. Coates, Attorneys for  
Nicki Turner and Joseph Fazio

**Wilson & Wilson**

Ann Bell Wilson  
Ann Bell Wilson, Attorneys for  
Wayne and Berta Parrish

entered into this Agreement freely, without coercion, and based on their own judgment and not in reliance on any representations or promises made by the other or any other person.

16. Each party whose signature appears below has read the Agreement in its entirety, and understands and agrees to perform each and every one of its provisions and conditions.

DATED: 12/4/08

  
\_\_\_\_\_  
Nicki Turner

DATED: 12/4/08

  
\_\_\_\_\_  
Joseph Fazio

DATED: \_\_\_\_\_

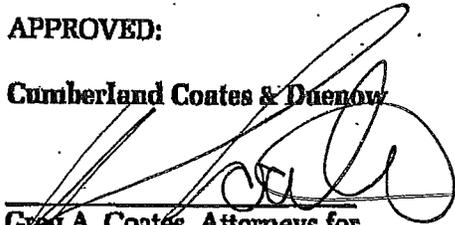
\_\_\_\_\_  
Wayne Parrish

DATED: \_\_\_\_\_

\_\_\_\_\_  
Berta Parrish

APPROVED:

Cumberland Coates & Duenow

  
\_\_\_\_\_  
Greg A. Coates, Attorneys for  
Nicki Turner and Joseph Fazio

Wilson & Wilson

\_\_\_\_\_  
Ann Bell Wilson, Attorneys for  
Wayne and Berta Parrish





AGENDA NO: B-2

MEETING DATE: May 15, 2013

## Staff Report

**TO:** Planning Commissioners

**DATE:** May 8, 2013

**FROM:** Cindy Jacinth, Associate Planner

**SUBJECT:** Coastal Development Permit (#CP0-383) to install a 29 foot wood utility pole in the public right of way on Little Morro Creek (nearest situs address 499 Little Morro Creek Road).

**RECOMMENDATION:**

*CONDITIONALLY APPROVE THE PROJECT* by adopting a motion including the following action(s):

- A. Adopt the Findings included as Exhibit "A";
- B. Approve Coastal Development Permit (#CP0-383) subject to the Conditions included as Exhibit "B" and the site development plans dated May 3, 2013.

**APPLICANT/AGENT:** Southern California Gas Company

**LEGAL DESCRIPTION:** Public right of way; Lat. 35.37873 N, Long -120.85068W

**PROJECT DESCRIPTION:** The Applicant is seeking a coastal development permit approval to install a 29 foot wood utility pole with data collector unit (DCU) and solar panel in the public right of way on the east side of Little Morro Creek Road. The nearest situs address is 499 Little Morro Creek Road. This location is not located within the Coastal Commission Appeals Jurisdiction.

This project was originally heard by the Planning Commission at the February 6, 2013 meeting. At that meeting, Planning Commission continued the hearing item to direct the Applicant to research co-location opportunities in order to minimize the impact of installing new wood poles in the community. The Applicant's original proposal of installing five new wood utility poles with data collector units has been reduced in scope to applications for three data collector units. As directed by Planning Commission, the Applicant has researched the possibility of co-locating

Prepared By:  CJ

Dept Review:  KW

a data collector unit on existing locations in the Morro Creek Road area. The Applicant's conclusion to this research is that there are no viable nearby locations that would permit co-location. Applicant's staff has inspected each of the poles for suitability for co-location. Exhibit C is an Alternative Co-Location Research Map submitted by the Applicant which shows the proposed location and each of the nearby existing poles with an explanation itemized for each pole that indicates why the pole is not viable.

**PROJECT SETTING:**

<b><u>Adjacent Zoning/Land Use</u></b>			
North:	R-1, Low/Medium Residential	South	R-A, PD, Suburban Residential
East:	AG, Agriculture	West:	M-1, PD/I/SP, Light Industrial

<b><u>Site Characteristics</u></b>	
Site Area	Public right of way
Existing Use	Public right of way, adjacent to vacant
Terrain	Public right of way is flat, adjacent to sloping area.
Vegetation/Wildlife	Previously disturbed site
Archaeological Resources	Property not within 300 feet of archeological resource.
Access	Little Morro Creek Road

<b><u>General Plan, Zoning Ordinance &amp; Local Coastal Plan Designations</u></b>	
General Plan/Coastal Plan Land Use Designation	Adjacent to Agriculture
Base Zone District	Adjacent to AG, Agriculture
Zoning Overlay District	N/A
Special Treatment Area	N/A
Combining District	N/A
Specific Plan Area	N/A
Coastal Zone	Not within the original or appeals jurisdiction.

**BACKGROUND:**

Southern California Gas Company is upgrading their metering system statewide by adding a communication device to all residential and business natural gas meters. This technology is called Advanced Meter. The advanced meter will automatically read and transmit customer gas usage information to their customer service and billing center. The device, which will be installed on existing analog meters, is battery powered and turns on for a fraction of a second a day, for less than two minutes per year. The radio frequency output is hundreds of times less than other commonly used household devices. The metering is one way communication and the

Gas Company cannot turn on or off gas service with this new metering program.

In April 2010, the California Public Utilities Commission approved a budget of \$1.05 billion to upgrade approximately 6 million existing natural gas meters with a wireless communication device by 2017. The Advanced Meter project would cover all residential and business consumers. The Public Utilities Commission decision is attached as Exhibit C.

In order to ensure adequate network coverage but also minimize impact to the community, staff met with the Applicant in June 2012 and again in February 2013 to review proposed optimal locations. It was initially determined in 2012 that five locations would be necessary to meet the goals of the Advanced Meter project. After the February 2013 Planning Commission hearings regarding this project, the project was re-analyzed and it was determined that the goals of the Advance Meter project could be met with three locations instead of five. Of the original five locations, two of the locations were moved outside of the City limits into County jurisdiction, specifically on County-owned land at the Blanca Water Tank and another location in Baywood-Los Osos. See chart below.

<i>Advance Meter Project Location Summary</i>			
<b>Permit #</b>	<b>Original Location</b>	<b>Status</b>	<b>Proposed Location</b>
CP0-382	Alder & Sequoia	Application Withdrawn	County jurisdiction at Blanca Water Tank
CP0-388	300 Kings	Application Withdrawn	County jurisdiction
CP0-383	Little Morro Creek	No viable alternative; location unchanged	Little Morro Creek
CP0-384	781 Quintana	Moved to co-locate on PG&E pole	Morro Bay Blvd & Harbor
CP0-385	Driftwood & Main	Moved	Kings Water Tank property

The remaining three proposed pole locations were chosen within City limits. These include the originally proposed location nearest 499 Little Morro Creek Road. A second location is on property at the Kings Water Tank, nearest Kings Avenue and Pecho Street. The third location is proposed to be co-located on an existing PG&E street light pole at the northeast intersection of Morro Bay Boulevard and Harbor Street. The net effect of the three applications for coastal development permit would be two new wood poles and one co-location on existing pole. Other attempts to co-locate on existing PG&E free-standing poles were unsuccessful for a variety of reasons. For example, Southern California Gas Company has an agreement with PG&E to attach to their stand-alone street light poles. However, the agreement does not allow the Applicant to attach to distribution poles, including those with street lights attached. Furthermore, no viable stand-alone street light poles with sufficient height clearances were available for potential co-

location that would have allowed the Applicant to avoid installation of any new poles. The specific pole locations were selected as the center point in a radius of where data collector units (DCU) are needed. DCU installations will be within an approximate 500 foot radius of this center point. In order to provide 100% coverage to consumers as mandated by the State Public Utilities Commission, the Applicant is requesting permit approval for these three locations spread throughout the City. (See Exhibit E Map).

#### *Project Specifics*

The wood pole proposed for installation on Little Morro Creek will be 29 feet above ground level and six feet below ground level for a total length of 35 feet. A data collector unit (DCU) will be installed at 26 feet that measures 25" H x 15.5" W x 9" D. A solar panel will be installed opposite the DCU. The solar panel serves to recharge the batteries contained within the DCU cabinet. The solar panel will be mounted at a 120 degree angle with the dimensions 31.3" L x 26.5" W x 2" D. A 4 foot wide antenna boom is proposed to be installed at 28 feet above ground level, or two feet above the DCU and solar panel. The attached plan reduction shows the overall height to be 31 feet above ground level due to the projection of the antenna. However, the Applicant has indicated that the antenna height can be lowered so as not to exceed 30 feet in overall height (see attached Exhibit D). Therefore, staff is recommending a condition be added that overall height shall not exceed 30 feet as allowed by Ordinance 17.27, Antennas and Wireless Telecommunications Facilities.

The location of the wood pole is near an existing utility pole. As evidenced by Exhibit C – Alternative Co-Location Research Map, the utility poles both nearby and farther away are unsuitable options for co-location. According to the Applicant, the Telco (telephone company) poles are not tall enough to allow the solar powered-data collector unit to receive data signals.

#### *Environmental Determination*

Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

#### *General Plan*

The General Plan has designated this area of the city as Moderate Density Residential. The Visual Resources and Scenic Highway Element addresses the issues of overhead utility lines which serves to "(1) create a jumbled, blighted appearance for those areas in which it is most predominant; (2) interfere with, obstruct, and in some cases render unsightly views that would otherwise be spectacular." Additionally, Policy VR-6 states that the City will work toward the undergrounding of utilities where feasible.

The Applicant's proposal avoids the unsightly maze of overhead utility lines because the proposed pole is wireless and does not contribute, add to, or interfere with existing network of overhead utility lines or existing utility poles. As a wireless pole, this pole and the others

proposed within the City are all self-sufficient because the DCU to be installed at the top of the pole is operated by the solar panel, which would be infeasible to underground.

The community's desires for limiting height of antennas and wireless facilities was demonstrated by the City Council passage of ordinance 17.27 Antennas and Wireless Telecommunications Facilities in 2010. The ordinance is currently in the process of being sent to the Coastal Commission as part of the process to be codified by the City. As such, staff is applying these community standards to the Applicant's project. Section 17.27.020, paragraph G would exempt the project from a use permit since the utility is regulated by the California Public Utilities Commission.

#### *Zoning Ordinance*

This location is within City public right of way. It is adjacent to AG zoning, which is a district intended for agriculture. The proposed project is located in the public right of way. This project is consistent with other utility poles and is allowed by the Franchise Agreement the City has with the Gas Company (Ordinance 12). The Franchise Agreement specifies that utility poles can be placed in the public right of way. The project conforms to the Zoning Ordinance.

**PUBLIC NOTICE:** Notice of this item was published in the San Luis Obispo Tribune newspaper on May 3, 2013 and all property owners of record within 300 feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application. This project was also brought forth to City Council on June 12, 2012 as an informational item.

**CONCLUSION:** The proposed project as conditioned is consistent with the General Plan, Local Coastal Plan, and Municipal Code for development standards. Installation of the wood pole with DCU is considered development under the Coastal Act and therefore requires a Coastal Development permit. Staff recommends that the Planning Commission conditionally approve Coastal Development Permit (#CP0-383) to install a 29 foot above ground level wood utility pole for purposes of the Advanced Meter project.

#### **Exhibits:**

Exhibit A – Findings

Exhibit B – Conditions of Approval

Exhibit C – Alternative Co-Location Research Map

Exhibit D – California Public Utilities Decision

Exhibit E – Visual Simulation Graphics/Plan Reductions dated May 3, 2013

Exhibit F – Letter from Applicant dated January 30, 2013 and Revised DCU Map dated  
May 3, 2013

Exhibit G – Letter from Applicant dated March 21, 2013

Exhibit H – Advanced Meter Project Overview

**EXHIBIT A**

**FINDINGS**

**SITE: *NEAREST SITUS ADDRESS* 499 LITTLE MORRO CREEK ROAD**

**PROJECT DESCRIPTION:** Coastal Development Permit approval to install a 29 foot wood above ground level utility pole with data collector unit (DCU) and solar panel in the public right of way on Little Morro Creek Road (nearest situs address is 499 Little Morro Creek Road).

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

- A. Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

**COASTAL DEVELOPMENT PERMIT FINDINGS**

- A. That the project is an allowable use in its zoning district and is also in accordance with the certified Local Coastal Program and the General Plan for the City of Morro Bay based on the analysis contained with the staff report dated May 8, 2013.

## **EXHIBIT B**

### **CONDITIONS OF APPROVAL**

**SITE: *NEAREST SITUS ADDRESS 499 LITTLE MORRO CREEK RD.***

**PROJECT DESCRIPTION:** Coastal Development Permit approval to install a 29 foot wood above ground level utility pole with data collector unit (DCU) and solar panel in the public right of way on Little Morro Creek Road (nearest situs address is 499 Little Morro Creek Road).

### **STANDARD CONDITIONS**

1. This permit is granted for the land described in the staff report dated May 8, 2013, for the project depicted on plans dated May 3, 2013 on file with the Public Services Department, as modified by these conditions of approval, and more specifically described as follows:

Site development, including all buildings 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 approval 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. Said extensions may be granted by the Public Services Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and 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 Public Services Director. Any changes to this approved permit determined not to be minor by the Director 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, City of Morro Bay, 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 Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use Plan and General Plan for the City of Morro Bay.

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 that 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 and/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 Public Services Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
7. Compliance with Morro Bay Standards: This projects shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.
8. 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.

## **PLANNING CONDITIONS**

1. The facility shall be constructed to allow for co-location and/or co-operation of City of Morro Bay automatic water meter reading infrastructure at no cost to the City and no objection from the Applicant.
2. The total overall height of wood pole and antenna shall not exceed 30 feet above ground level. Certification shall be required to verify height and shall be submitted to the Public Services Director.

Existing Power Pole with circuit disconnect switch. Cannot attach to switch pole per PG&E and safety requirements.



2+13

Proposed Site Pole



0+00

Existing 24' Telco Pole. Telco @ 23'5" AGL. Does not meet Height requirement. No attachment agreement with Telco



0+25

Existing 23'8" Telco Pole. Telco @ 23' AGL. Does not meet Height requirement. No attachment agreement with Telco



2+60

Existing 23' Telco Pole. Telco @ 20' AGL. Does not meet Height requirement. No attachment agreement with Telco



5+86

Existing 23'8" Telco Pole. Telco @ 20' AGL. Does not meet Height requirement. No attachment agreement with Telco



7+89

Existing 24' Telco Pole. Telco @ 23' AGL. Does not meet Height requirement. No attachment agreement with Telco



2+57

Morro Rock Creek

Existing Power Pole with conductor fuses. Cannot attach to fuse pole per PG&E and safety requirements, and no clearance separation to our antennas from lowest power conductors



3+45

Existing 24' Telco & CATV Pole. CATV @ 23' AGL and Telco at 22' AGL. Does not meet Height requirement. No attachment agreement with Telco.



3+97

Existing Power corner pole. No clearance from power conductor and overhead guy spans.

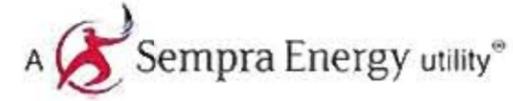


Existing 25' AGL secondary power service drop pole. Does not meet separation requirements



5+12

Existing power pole made out of composite material. Not an approved pole type to attach per PG&E



SCG Site ID # RK089\_City Alternative

RECEIVED  
MAY 03 2013  
City of Morro Bay  
Public Services Department



COM/DGX/ALJ/JHE/gd2

**Date of Issuance 4/14/2010**

Decision 10-04-027 April 8, 2010

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California Gas  
Company (U904G) for Approval of  
Advanced Metering Infrastructure.

Application 08-09-023  
(Filed September 29, 2008)

**DECISION ON APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY  
FOR APPROVAL OF ADVANCED METERING INFRASTRUCTURE**

## TABLE OF CONTENTS

Title	Page
DECISION ON APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY FOR APPROVAL OF ADVANCED METERING INFRASTRUCTURE .....	1
1. Summary .....	2
2. Procedural Background .....	3
3. Late-Filed Exhibits .....	5
4. Summary of the Application .....	8
5. Standard of Review and Criteria for Review of Proposals .....	8
6. Overview of Party Positions .....	10
6.1. DRA .....	10
6.2. TURN .....	10
6.3. UWUA .....	10
7. Reasonableness and Feasibility of Technology Choices .....	11
7.1. Communications System .....	14
7.1.1. SoCalGas Proposal .....	14
7.1.2. Party Positions on Communications System .....	16
7.1.3. Discussion of Proposed Communications System .....	16
7.2. Battery Choice .....	18
7.2.1. Party Positions .....	19
7.2.2. Analysis .....	20
7.3. Additional Elements .....	21
7.3.1. Analysis of Additional Elements .....	21
8. Consistency with State Energy Policy Objectives .....	22
8.1. Party Positions .....	23
8.2. State Policy Supports Development and Implementation of Cost Effective AMI for Gas or Electric Utilities .....	24
9. Cost Effectiveness .....	25
9.1. Benefits .....	26
9.1.1. Terminal Value .....	26
9.1.2. Cost Savings from Elimination of SoCalGas Meter Reading Workforce .....	28

**TABLE OF CONTENTS**  
**(Cont'd)**

<b>Title</b>	<b>Page</b>
9.1.3. Conservation Benefits .....	30
9.1.3.1. SoCalGas Methodology for Estimating Conservation Benefits .....	30
9.1.3.2. Party Positions on Conservation Benefits.....	31
9.1.3.3. Discussion of Conservation Benefits .....	33
9.2. Costs .....	37
9.2.1. Project Contingency Funding .....	37
9.2.2. Workforce Impacts and Retention Funding .....	38
9.3. The SoCalGas AMI Proposal is Cost Effective.....	39
9.4. The SoCalGas AMI Project is Approved .....	40
9.5. Ratepayer Protections.....	41
9.5.1. Sharing Mechanism.....	41
9.5.2. Access to AMI Data .....	43
9.5.3. Workshop and Reporting on Conservation Impacts .....	44
10. Categorization and Assignment of Proceeding .....	46
11. Comments on Proposed Decision .....	46
Findings of Fact .....	47
Conclusions of Law.....	50
ORDER .....	50



**DECISION ON APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY  
FOR APPROVAL OF ADVANCED METERING INFRASTRUCTURE**

**1. Summary**

In this proceeding, Southern California Gas Company (SoCalGas) requests authority to develop and deploy a gas-only advanced metering infrastructure (AMI) system throughout its service territory. SoCalGas estimates that this new metering and communications system would cost, in present value terms, approximately \$1.0396 billion to implement and maintain over the life of the system, and would provide total benefits of \$1.0669 billion, resulting in a project benefit-to-cost ratio of 1.03 and a margin of net benefits of \$27 million.

We find that extending AMI functionality to SoCalGas' service territory is consistent with several of the state's energy objectives. Furthermore, we find that the business case presented in favor of the SoCalGas AMI proposal provides reasonable assurance that the project can be cost-effective given adequate safeguards. We approve this application, with certain modifications in order to offer greater security to ratepayers and SoCalGas' current meter-reading workforce. In particular, we authorize contingency funding at 7%, consistent with past AMI projects approved by this Commission, and modify the risk sharing mechanism for cost-overruns. Additionally, we direct SoCalGas to develop and present in a public workshop a dedicated plan for AMI outreach and conservation support, along with semiannual reporting on the gas conservation impacts of this project.

Finally, the decision recognizes that SoCalGas' AMI project will, over time, eliminate full-time and part-time meter reading positions. We are concerned with the impacts of the project on SoCalGas employees, especially in the current challenging economic climate. To assist SoCalGas employees displaced by the

**TABLE OF CONTENTS**  
**(Cont'd)**

<b>Title</b>	<b>Page</b>
9.1.3. Conservation Benefits .....	30
9.1.3.1. SoCalGas Methodology for Estimating Conservation Benefits .....	30
9.1.3.2. Party Positions on Conservation Benefits .....	31
9.1.3.3. Discussion of Conservation Benefits .....	33
9.2. Costs .....	37
9.2.1. Project Contingency Funding .....	37
9.2.2. Workforce Impacts and Retention Funding .....	38
9.3. The SoCalGas AMI Proposal is Cost Effective .....	39
9.4. The SoCalGas AMI Project is Approved .....	40
9.5. Ratepayer Protections .....	41
9.5.1. Sharing Mechanism .....	41
9.5.2. Access to AMI Data .....	43
9.5.3. Workshop and Reporting on Conservation Impacts .....	44
10. Categorization and Assignment of Proceeding .....	46
11. Comments on Proposed Decision .....	46
Findings of Fact .....	47
Conclusions of Law .....	50
ORDER .....	50

project, we direct SoCalGas to increase funding allocated for employee retention and retraining by \$1 million. This transition fund should be utilized to extend severance, vocational training, and other transitional opportunities to affected meter reading employees.

With these modifications, we authorize funding for SoCalGas' AMI proposal at \$1.0507 billion. This proceeding is closed.

## **2. Procedural Background**

On September 29, 2008, Southern California Gas Company (SoCalGas) filed an application seeking authorization of a proposal for advanced metering infrastructure (AMI) deployment activities and associated cost recovery mechanism.<sup>1</sup> In this application, SoCalGas requests Commission approval to deploy a stand-alone gas AMI system at a cost of \$1.079 billion. The proposal would involve the installation of approximately 6 million AMI gas modules between 2009 and 2015. SoCalGas also requests approval of a balancing account as a cost-recovery mechanism for its AMI deployment costs.

On October 2, 2008, SoCalGas filed a motion in this proceeding requesting expedited approval of \$12.4 million in pre-deployment funding to support project management office set-up, vendor evaluation and selection, and information technology systems and integration activities related to requirements and design. In this motion, SoCalGas argues that its proposed pre-deployment activities will be necessary to the implementation of an approved AMI system within the company's service territory, and that the \$12.4 million is

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<sup>1</sup> AMI consists of both metering and communications infrastructure.

not in addition to, but part of, the amount requested in the initial application. The assigned Administrative Law Judge (ALJ) extended the deadline for responding to this motion to November 3, 2008, to ensure parties had adequate time to review the application and motion before filing their responses.

SoCalGas estimates that its AMI proposal will deliver about \$27.3 million in net benefits, with operational savings covering approximately 84.5% of the AMI lifecycle costs. SoCalGas expects that the AMI system will provide usage information to customers leading to a reduction in customer energy usage, and that the resulting energy conservation benefits will cover the additional costs of the system and provide some net benefits. SoCalGas initially requested a decision on this application by June 2009.

The Commission received two timely protests to this application. On October 31, 2008, the Division of Ratepayer Advocates (DRA) filed a protest. DRA questioned both whether the proposed stand-alone gas-only AMI system is consistent with Commission policy directives, as claimed by SoCalGas, and whether the project as proposed will be cost effective. DRA recommended that the Commission either deny the application outright, or hold hearings to more thoroughly examine the factual and policy issues raised by this proposal. On November 3, 2008, The Utility Reform Network (TURN) filed a protest questioning the estimates for both operational and conservation benefits provided in the SoCalGas application, and suggesting that any conservation benefits may be achieved through other, less expensive means. Both DRA and TURN expressed an intention to conduct an analysis of several aspects of the proposed system including its cost effectiveness, and suggested a schedule that included evidentiary hearings for resolving issues found to be within the scope of this proceeding.

The ALJ assigned to this proceeding held a prehearing conference (PHC) on December 8, 2008, to create a service list, discuss the October 2, 2008 motion for an expedited decision on pre-deployment funding, develop a schedule, identify issues, and address other matters as necessary for the expeditious processing of the case. At this PHC, the ALJ denied the motion for an expedited decision on pre-deployment funding.

Assigned Commissioner Grueneich and ALJ Hecht issued a Scoping Memo and Ruling on January 6, 2009 establishing a schedule for this proceeding, under which DRA and other parties were to serve testimony by March 9, 2009. On March 6, 2009, SoCalGas served errata to its opening testimony, and on March 26, 2009, a ruling established an updated schedule to allow parties an opportunity to assess the SoCalGas errata before finalizing their testimony. DRA, TURN, and the Utility Workers Union of America (UWUA) served opening testimony on April 23, 2009, and SoCalGas served rebuttal testimony on May 7, 2009. Four days of hearings took place between May 22, 2009, and May 28, 2009, and parties filed opening and reply briefs by July 2, 2009.

### **3. Late-Filed Exhibits**

Four exhibits were received from parties after hearings. At hearings on May 28, 2009, the ALJ authorized SoCalGas to provide supplemental testimony in response to TURN Exhibit 212 by June 1, 2009, and identified this testimony as Exhibit 33. SoCalGas served this supplemental testimony as required, and no parties objected to the admission of this testimony. Exhibit 33 is hereby received.

On June 12, 2009, TURN filed a motion to admit a SoCalGas data response related to this supplemental testimony into evidence, in lieu of cross examining the SoCalGas sponsoring witness. No parties objected to including this exhibit in the record. This document is identified as Exhibit 214, and is hereby received.

Also at hearings, the ALJ required DRA to provide an affidavit from its Witness Jennings, adopting his testimony as being true and correct. This exhibit was identified as Exhibit 120, and was served on parties as required on June 1, 2009. No parties objected to the admission of Exhibit 120, which is hereby received.

On June 11, 2009, UWUA filed a motion for admission into the record of a late-filed exhibit consisting of most of the SoCalGas response to UWUA Data Request 04. This data response contains information on the race, ethnicity, and gender breakdown of the SoCalGas workforce, and how it would be affected by the elimination of meter reader positions. UWUA asserts that this baseline employment data is "pertinent to an assessment of whether SoCalGas' proposal in this proceeding is consistent with the Commission's diversity goals and SoCalGas' diversity commitments."<sup>2</sup> On June 24, 2009, SoCalGas filed a response asserting that the Commission should deny the UWUA motion because: (1) the Commission is preempted by federal law from interfering in the collective bargaining process; (2) the Motion seeks admission of evidence that is beyond the scope of this proceeding; and, (3) the evidence the Motion seeks to have admitted in this proceeding is best considered in a proceeding of wider scope.<sup>3</sup> SoCalGas further argues that if its data response is admitted, the complete data response should be entered into the record; UWUA prefers that

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<sup>2</sup> Motion of Utility Workers Union of America, Local 132 to Admit Late-Filed Exhibit, June 10, 2009, at 3.

<sup>3</sup> Response of Southern California Gas Company to Motion of Utility Workers Union of America, Local 132 to Admit Late Filed Exhibit, June 24, 2009, at 2.

the last sentence of the data response be stricken as conclusory. UWUA did not file a reply to the SoCalGas response.

The objections raised by SoCalGas to admitting this proposed exhibit into evidence are not persuasive. First, SoCalGas argues that the data response should not be admitted because the Commission is preempted by federal law from interfering with the collective bargaining process. It is not clear how admitting information on the composition of the existing SoCalGas workforce with and without meter readers would interfere with collective bargaining between SoCalGas and its employee unions. SoCalGas further argues that this information is beyond the scope of this proceeding, and is best considered in a proceeding of wider scope. UWUA suggests that the diversity of the SoCalGas workforce, and the effect of the SoCalGas AMI proposal on that diversity, is relevant to the determination of whether this proposal should be adopted. The scope of this proceeding encompasses any information reasonably necessary for the Commission to make findings on certain questions contained in the scoping memo. As discussed in Section 5, below, these questions include whether this proposal is consistent with state energy policy objectives or desirable for other policy reasons; employee diversity is an area of policy interest for this Commission. It is reasonable to consider information on workforce diversity in this proceeding, and we will allow it into the record. Whether or not this information may also be relevant in a broader proceeding does not affect its relevance in this case. This data response, identified at hearings as Exhibit 301, is hereby received.

The record is composed of all documents that were filed and served on parties. It also includes all testimony and exhibits received at hearing, and the four exhibits discussed here, Exhibits 33, 120, 214, and 301. Also, the ALJ sealed

as confidential various exhibits and filings. We affirm all assigned Commissioner and ALJ rulings in this proceeding. All motions not previously ruled upon or addressed in this decision are denied.

#### **4. Summary of the Application**

In this application, SoCalGas seeks authorization to deploy AMI and recover the associated costs from ratepayers through a balancing account mechanism. SoCalGas requests Commission approval to construct and operate a stand-alone gas AMI system at a cost of approximately \$1.079 billion, including a 10% project contingency, and estimates that net present value benefits will exceed costs by approximately \$27.3 million dollars, for a benefit cost ratio of approximately 1.03. SoCalGas expects to deploy approximately 6 million gas AMI meter modules, of which approximately 2.4 million would require new gas meters, whose costs would also be covered by this project. SoCalGas contends that this project will benefit ratepayers by reducing residential bills within two years of the completion of deployment. The SoCalGas estimate of benefits depends on several assumptions, including but not limited to estimates of conservation savings, and estimates of terminal value based on the continuing use and usefulness of a small portion of modules installed to replace failed meters and meet growth following the end of the AMI meter roll-out period.

#### **5. Standard of Review and Criteria for Review of Proposals**

SoCalGas bears the burden of proof in this proceeding. The company's burden in this application is to establish that its proposal is reasonable, technically feasible, cost effective (i.e., beneficial to ratepayers), and consistent with the Commission's policy objectives.

In order to approve this application, we must find that the proposed AMI system affirmatively answers the following questions, as identified in the scoping memo:

1. Should the Commission approve SoCalGas's proposed AMI deployment activities and funding, either as proposed in this application or with modifications?
  - a. Are the various elements of the proposed SoCalGas AMI business case and deployment plan reasonable?
  - b. Are the technology choices proposed by SoCalGas appropriate and technically feasible? Specific elements of the technology plan that should be evaluated include (but are not limited to):
    - i. Is the proposed SoCalGas-only communication system reasonable? What if any additional communication options, such as shared communications infrastructure between SoCalGas and other utilities with overlapping jurisdictions, should be considered?
    - ii. Is the battery proposed to power the AMI system reasonable? What if any additional options for powering the meters and communications systems should be considered?
  - c. Is the SoCalGas AMI proposal for a gas-only AMI system consistent with state energy policy objectives or desirable for other policy reasons?
  - d. Is the SoCalGas AMI proposal cost-effective, and will it provide lasting value for SoCalGas's customers?
2. If the proposal meets all of the criteria listed in question 1, above, should the Commission adopt the ratemaking treatment proposed by SoCalGas for the recovery of costs associated with any approved AMI deployment activities?

Technology choices are discussed in Section 7 below. Consistency with state policy objectives is discussed in Section 8, and cost effectiveness issues are discussed in Section 9.

## **6. Overview of Party Positions**

DRA, TURN, and UWUA all participated actively in this proceeding. All three parties oppose the SoCalGas AMI proposal, for a variety of reasons.

### **6.1. DRA**

DRA provided analysis on several issues in this case. DRA focused much of its participation in this proceeding on the cost effectiveness of the SoCalGas AMI proposal. In addition, DRA questions the need for a gas-only AMI system, given that gas does not offer demand response benefits. DRA also disputes several aspects of the SoCalGas cost effectiveness analysis, arguing that SoCalGas overestimates the benefits of its proposal (including the cost savings from elimination of meter readers and benefits attributable to gas conservation enabled by gas usage feedback to customers) and underestimates certain costs.

### **6.2. TURN**

Like DRA, TURN focused much of its participation in this proceeding on the cost effectiveness of the SoCalGas AMI proposal. In addition, TURN rejects the SoCalGas claim that Commission policy as established in the Energy Action Plan and other sources supports deployment of AMI for a gas-only utility. TURN asserts that SoCalGas overestimates the benefits of its AMI proposal. TURN also agrees with the DRA recommendation that the conservation benefits claimed by SoCalGas should be reduced, and asserts that if these changes are made to the business case, the SoCalGas proposal would no longer be cost effective.

### **6.3. UWUA**

Like DRA and TURN, UWUA argues that the SoCalGas AMI proposal is not cost effective. In addition, UWUA notes that a large part of the benefits SoCalGas claims from this project would be due to operational savings from the

elimination of meter readers in the post-deployment period. UWUA concurs with DRA and TURN that SoCalGas overestimates certain benefits and underestimates costs, and asserts that most of the costs of the AMI proposal would occur in the near future, whereas the benefits would accrue much later in the analysis period for the business case.

## **7. Reasonableness and Feasibility of Technology Choices**

In assessing reasonableness and feasibility we look in part to prior decisions issued by the Commission on previous utility AMI deployment proposals by other utilities. Commission Decisions (D.) 05-09-044, D.07-04-043, and D.08-09-039 assess the reasonableness and feasibility of utility AMI systems based on a set minimum functionality requirements for electric utilities.<sup>4</sup> These criteria were designed to apply to electric AMI systems. One of these requirements, related to supporting dynamic pricing or time differentiated tariffs, is specific to electric usage and not relevant to a gas-only AMI system, and so does not apply to the evaluation of a gas AMI proposal. Similarly, the applicability of the criterion requiring AMI systems to have the ability to interface with load control communication technology is not clear. SoCalGas does not discuss in detail the potential for its proposed AMI system to interface with load control, nor the availability of load control equipment for gas devices. Still, four of the minimum functionality requirements defined in R.02-06-001 and addressed in previous proceedings on AMI proposals may provide guidance for the reasonableness of any AMI project, and it is helpful to refer to this guidance

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<sup>4</sup> See for example, D.05-09-044 at 5.

in evaluating the SoCalGas technology choices. The minimum functionality criteria that are potentially relevant to a gas AMI system are:

1. Collection of usage data at a level of detail (interval data) that supports customer understanding of hourly usage patterns and how those usage patterns relate to energy costs.
2. Customer access to personal energy usage data with sufficient flexibility to ensure that changes in customer preference of access frequency do not result in additional AMI system hardware costs.
3. Compatibility with communications protocols and applications that utilize collected data to provide customer education and energy management services, customized billing, and support improved complaint resolution.
4. Compatibility with utility system applications that promote and enhance system operating efficiency and improve service reliability, such as remote meter reading, outage management, reduction of theft and diversion, improved forecasting, workforce management, etc.<sup>5</sup>

The SoCalGas AMI proposal meets the first of these criteria by collecting hourly gas meter reads, providing the ability to support customer knowledge of hourly gas usage patterns.<sup>6</sup> It is not clear whether the proposed SoCalGas system would meet the second of the above criteria, providing flexibility to support changes to the frequency of customer access to usage without incurring additional hardware costs. Under the SoCalGas proposal, the AMI system would transmit information to the utility approximately two to three times per

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<sup>5</sup> February 19, 2004 Assigned Commissioner's Ruling in R.02-06-001.

<sup>6</sup> SoCalGas Exhibit 1, p. I-4.

day,<sup>7</sup> and the system has been designed to allow data transmission up to four times a day.<sup>8</sup> This may or may not allow customers to track and adjust their energy usage during a given day, though it should provide sufficient information for customers to access usage on at least a daily basis and respond to this information through changes to gas usage.<sup>9</sup> If daily usage information is considered sufficient to meet customer needs, the SoCalGas proposal should be considered consistent with this criterion.

Based on representations by SoCalGas, it appears that the proposed SoCalGas AMI system will meet the third criterion listed above by utilizing collected data to provide customer education and energy management information, customized billing, and support improved complaint resolution. SoCalGas Exhibit 4 outlines how the proposed information technology system will collect data and utilize it to validate meter reads and support billing activities, and Exhibit 24 describes how the AMI system will provide customers with access to customer-specific usage profiles and historical usage information. SoCalGas estimates that there will be a reduction in customer contacts, including complaints, due to a reduction in meter reading errors,<sup>10</sup> and the ability to access detailed usage data is also likely to support improved complaint resolution. While parties may disagree on whether the system collects the optimal amount of information or processes it most efficiently, it appears to meet this criterion for

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<sup>7</sup> SoCalGas Exhibit 1, p. I-4.

<sup>8</sup> SoCalGas Exhibit 2, p. II-14.

<sup>9</sup> SoCalGas Exhibit 4, p. IV-6.

<sup>10</sup> SoCalGas Exhibit 3, p. III-37.

collecting, processing, and utilizing information to support various utility operations.

According to SoCalGas, its AMI proposal is also designed to meet the fourth criterion listed above, promoting and enhancing system operating efficiency and improving service reliability. Benefits SoCalGas attributes to AMI implementation include such “intangible” benefits as allowing more rapid detection of energy theft, and quicker detection of higher-than-usual usage allowing earlier investigation of possible problems. SoCalGas asserts that AMI implementation will improve monitoring of gas pressure and identification of high pressure problems throughout the gas system. Though parties may dispute the value and details of these benefits, the increased availability of data under the SoCalGas proposal should promote and enhance system efficiency and improve reliability, meeting this criterion.

In summary, it appears likely that the SoCalGas AMI proposal meets those functionality criteria defined by the Commission for previous (electric or dual fuel) AMI proposals that are relevant to a gas AMI system. Sections 7.1 through 7.3 evaluate features of the proposed AMI system in more detail to determine whether the SoCalGas AMI proposal is reasonable, appropriate, and technically feasible overall, as required by the questions in Section 5, above.

## **7.1. Communications System**

### **7.1.1. SoCalGas Proposal**

SoCalGas proposes implementation of its own radio frequency (wireless) communications technologies to create a local area network (LAN) to communicate to and from an endpoint device such as a meter to a collection device, and a wide area network (WAN) to bring collected information from the higher-level connective device to the utility’s data center. According to

SoCalGas, "multiple technologies are available from the marketplace that can satisfy functional requirements,"<sup>11</sup> and the company investigated options through a request for proposal process and discussions with vendors. SoCalGas does not describe a specific technology or vendor for either its LAN or its WAN, but expects to utilize a two-way radio frequency LAN system powered by batteries,<sup>12</sup> and describes WAN options that include wireless technologies, landline telephone, and ethernet.<sup>13</sup>

SoCalGas provides a detailed discussion of its efforts to design a "hybrid" communications system for gas and electricity usage that would utilize communication systems developed by Southern California Edison Company (SCE) in the SoCalGas/SCE overlap territory.<sup>14</sup> SoCalGas states that a hybrid system taking advantage of SCE technology is not a viable option for several reasons. Specifically, SoCalGas asserts that the SCE communications infrastructure is not designed to split meter reads for different companies, and would require several modifications in order to collect and process SoCalGas meter reads.<sup>15</sup> In addition, SoCalGas notes that even if it used SCE communications infrastructure for some customers, it would need to develop a stand-alone system for customers outside of the SCE territory. SoCalGas argues that it would be costly to then interface and integrate those two communication

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<sup>11</sup> SoCalGas Exhibit 4, p. IV-7.

<sup>12</sup> SoCalGas Exhibit 4, pp. IV-7 and IV-8.

<sup>13</sup> SoCalGas Exhibit 4, p. IV-8.

<sup>14</sup> SoCalGas Exhibit 2, p. II-7.

<sup>15</sup> SoCalGas Exhibit 2, p. II-6.

and data collection solutions.<sup>16</sup> SCE estimates that once the increased costs of interfacing two different systems and the incremental cost of any service fees SCE would require to provide access to its system are included in the hybrid analysis, the net benefits of a stand-alone gas system would exceed those of a hybrid system by approximately \$121 million.

### **7.1.2. Party Positions on Communications System**

In its opening brief, DRA notes that it “disagrees with SoCalGas’s assessment of the purported obstacles to hybrid development and the magnitude of associated costs,” but acknowledges that integrating the two systems would be complex, and therefore does not contest the SoCalGas assertion that the option is not viable. DRA does not endorse the SoCalGas choice for communications technology, noting that SoCalGas does not yet know and so has not yet specified the details of its AMI communications technology choices. DRA notes that this lack of specificity causes uncertainty in cost estimates and makes it difficult to ensure that SoCalGas does not ultimately overpay for system components or procure duplicate functionality solutions from different vendors. Neither TURN nor UWUA specifically address the SoCalGas communications system proposal in their briefs.

### **7.1.3. Discussion of Proposed Communications System**

Based on the information available in the record, the radio frequency communications system proposed by SoCalGas appears to be reasonable, appropriate, and technically feasible. Several different communications options, most utilizing wireless radio frequency technologies, are available in the

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<sup>16</sup> SoCalGas Exhibit 2, p. II-8.

marketplace, and appear appropriate to serve the needs of a gas-only AMI system. Parties do not dispute that these technologies are adequate to support collection of hourly interval data and have the potential for two-way communication. To ensure that SoCalGas' AMI system can interoperate with consumer-owned devices, we expect SoCalGas to select two-way communications technologies that comport with widely adopted standards and communications protocols.

The specifics of the SoCalGas AMI communication systems have not yet been finalized, and there appear to be several communication possibilities that SoCalGas has not yet investigated in detail. Combined, these factors make it difficult to determine whether SoCalGas has chosen the most reliable or cost effective options for its particular communications needs. For example, SoCalGas does not address the possibility of using the SCE communications solution throughout SoCalGas territory, which could avoid the integration costs of having two different communications systems. SoCalGas appears to assume that, even if the SCE communications system could be used in the SCE area, a completely different communications solution would be needed in non-SCE areas, requiring additional work to integrate these different systems. SoCalGas also does not provide an analysis of the costs and benefits of providing AMI only in SCE overlap areas, while leaving SoCalGas meters in the non-SCE overlap territory to be served by conventional means or through expansion of the previously approved implementation of remote automated meter reading systems. SoCalGas contends that this would divide the SoCalGas customer base into "haves" and "have-nots," and that "SoCalGas would then be required (in the interest of fairness and equity) to implement a standalone AMI system for the SoCalGas customers located in the non-SCE areas of SoCalGas territory,"

bringing the company back to a hybrid solution.<sup>17</sup> This argument presupposes that customers without AMI will be at a serious disadvantage compared to customers with AMI.

Despite these shortcomings in the analysis, SoCalGas does provide a persuasive argument that a stand-alone system is preferable to a hybrid system that requires two different communication solutions. We find that the stand-alone communications equipment contemplated by SoCalGas is reasonable and appropriate in that it will support the collection of hourly usage data and other system information, and that it is technically feasible, as it is currently available through existing vendors.

## **7.2. Battery Choice**

SoCalGas proposes powering its AMI modules using batteries, asserting that batteries “provide a safe and cost effective power source for the gas AMI meter module’s internal radio transmitter.”<sup>18</sup> SoCalGas considers the battery that powers a gas AMI meter to be “integral to the product itself and not typically replaced during the product’s useful life.”<sup>19</sup> In supplemental testimony provided in response to a request by the assigned ALJ and Commissioner, SoCalGas describes the lithium thionyl chloride (Li/SoCl<sub>2</sub>) battery that the company intends to use in its gas meter modules, providing detailed information on the battery’s development, testing, and expected useful life. SoCalGas bases its estimates of the useful life of the batteries to be used in its AMI modules on the use of mathematical models that account for the conditions to which the

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<sup>17</sup> Exhibit 2, p. II-7.

<sup>18</sup> SoCalGas Exhibit 12, p. III-1.

<sup>19</sup> SoCalGas Exhibit 12, p. III-1.

batteries will be exposed. On the basis of vendor calculations using these models, the company believes that the batteries are suitable to last for the lifetime of the proposed AMI system, with a reasonable failure rate, even when considering real-world conditions such as temperature profiles, expected power requirements, and the need to transmit information from the modules at defined intervals over the battery's life.<sup>20</sup> SoCalGas also describes several types of testing undergone by the batteries and modules, including simulations of energy use to confirm the mathematical calculations of expected lifetime, and testing to simulate real world environmental conditions.<sup>21</sup> SoCalGas asserts that equipment failure rates for the chosen vendor will be lower than the rates assumed in the cost effectiveness analysis, ensuring that the need to replace equipment will not exceed the estimated failure rates. SoCalGas addresses possible concerns that batteries may not be available in the event of equipment failures in the final years of its AMI system by stating its intention to contractually obligate the selected vendors to ensure that AMI gas meter modules compatible with the SoCalGas system remain available from multiple suppliers throughout the life of its AMI system, ensuring that failed equipment can be replaced.<sup>22</sup> SoCalGas suggests the possibility that it may explore purchase of a warranty on the gas meter modules for part of the life of the system.

#### **7.2.1. Party Positions**

UWUA and DRA both question the SoCalGas estimates of battery life and potential battery failure rates. UWUA notes that the estimates provided by

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<sup>20</sup> SoCalGas Exhibit 12, p. III-3.

<sup>21</sup> SoCalGas Exhibit 23, p. III-4.

<sup>22</sup> SoCalGas Exhibit 12, p. III-6.

SoCalGas “do not reflect substantial long term field experience with the type of battery and module being proposed.”<sup>23</sup> Neither party specifically questions the appropriateness of the battery choice by SoCalGas, but both argue that SoCalGas may underestimate costs of battery and module replacement, and that the uncertainty in the batteries’ performance could lead to an increase in project costs if the batteries experience higher-than-anticipated failure rates.

### **7.2.2. Analysis**

SoCalGas provides substantial information in support of its choice of battery technology, including descriptions of extensive analysis and testing to ensure that the chosen battery technology will meet all anticipated needs of the proposed AMI system. The fact that the chosen battery technology has been developed recently necessitates evaluation of this technology without the benefits of long term field testing of the technology. Though this does introduce uncertainty in the analysis of the chosen SoCalGas battery technology and supports claims that the technology is as yet “unproven,” the same arguments can be made about any new technology or product with an expected useful life longer than its current age. This does not automatically disqualify new technologies from being adopted; instead, it necessitates thorough analysis of the potential technology and testing of new products to validate theoretical engineering and mathematical models.

In its supplemental testimony, SoCalGas describes several types of analysis and testing that support its choice of battery technology and estimates of failure rates. Based on the information in the record, the choice of battery

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<sup>23</sup> UWUA Opening Brief, at 17.

technology to power the SoCalGas AMI system is reasonable, appropriate, and technically feasible.

### **7.3. Additional Elements**

DRA questions the appropriateness of the functionality SoCalGas proposes for other aspects of its AMI system, including its Meter Data Management System (MDMS) and data processing solutions. Specifically, DRA suggests that SoCalGas “might be purchasing more functionality in its MDMS than it needs,” and that the SoCalGas proposals may not be appropriate because they are not the result of competitive bids.<sup>24</sup> SoCalGas justifies its choice of MDMS on several grounds, including its use of a consultant, Enspira Consulting, for guidance, and describes the DRA concerns about possibly unneeded functionality as “short sighted.”<sup>25</sup> SoCalGas notes that it has not yet finalized its system requirements or entered into specific contracts, and therefore that current cost estimates are just that estimates.

DRA also questions the SoCalGas choice of device management, arguing that such a function could be unnecessary, depending on the choice of MDMS. SoCalGas responds that its data device management choice is supported by both the MDMS vendor and independent consultant Enspira.<sup>26</sup>

#### **7.3.1. Analysis of Additional Elements**

SoCalGas provides adequate evidence that its MDMS, data processing, and device management systems are reasonable, appropriate, and technically feasible. The fact that SoCalGas has not yet finalized its system requirements

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<sup>24</sup> DRA Opening Brief, at 37.

<sup>25</sup> SoCalGas Exhibit 24, at 10.

<sup>26</sup> SoCalGas Exhibit 24, at 10.

makes it difficult to assess DRA's concerns about possible unneeded functionality. SoCalGas does not base its estimates on a competitive solicitation, and it acknowledges that its requirements have yet to be finalized (as was the case with the San Diego Gas & Electric Company (SDG&E) AMI case when it was approved). SoCalGas bases its preliminary technology choices on discussions with vendors and consultants, and has additional experience to draw on from the development of the SDG&E AMI system approved in 2007.<sup>27</sup> The SDG&E AMI system was approved on the basis of similar information. The SoCalGas proposal appears to be reasonable, and should be assessed on the basis of its consistency with state energy policy objectives and customer benefits.

#### **8. Consistency with State Energy Policy Objectives**

SoCalGas asserts that its AMI proposal is consistent with state energy policy objectives, as established in previous Commission actions and documents such as the state Energy Action Plan, as well as in previous Commission decisions on AMI proposals from electric and dual-fuel utilities. SoCalGas points to Commission policy expressed in the Energy Action Plan and elsewhere that favors energy conservation and efficiency measures for both electricity and gas use. Specifically, SoCalGas asserts that a high priority in the Energy Action Plan "is to meet California's energy growth needs while optimizing energy conservation and resource efficiency" for both electricity and natural gas,<sup>28</sup> and that demand side management options (including conservation, energy efficiency, and demand response) are preferred ways for meeting future energy

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<sup>27</sup> SoCalGas Exhibit 24, at 7.

<sup>28</sup> SoCalGas Exhibit 1, at I-5.

needs. SoCalGas argues that by providing customers with frequent consumption information, its AMI proposal will encourage energy conservation and provide customers with opportunities to better manage their energy use, consistent with this policy. In addition to empowering consumers, SoCalGas argues that implementation of AMI in its service territory would result in environmental benefits supported in previous Commission policy statements, such as a reduction in greenhouse gas emissions.<sup>29</sup>

SoCalGas also notes that the Commission directed SDG&E, Pacific Gas and Electric Company (PG&E), and SCE to develop and submit applications to implement AMI systems, and has now authorized all three of these companies to implement AMI systems throughout their service territories; the systems approved for SDG&E and PG&E include gas as well as electric AMI components. SoCalGas argues that these previous decisions show a Commission interest in encouraging AMI systems (whether for electricity or gas) as a means for increasing demand side management.

### **8.1. Party Positions**

DRA, TURN, and UWUA note that previous Commission statements on the desirability of AMI systems focused on the ability of those systems to support time-differentiated tariffs for electricity. TURN suggests that the Commission originally encouraged AMI systems in order to support dynamic pricing tariffs and encourage demand response and reductions of energy use at specific times of peak electric demand. DRA states that “demand response, the primary electric AMI benefit identified by the [Energy Action Plan], does not

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<sup>29</sup> SoCalGas Exhibit 1, at I-6.

apply to natural gas.”<sup>30</sup> DRA asserts that the fact that the Commission has encouraged AMI for electric and dual fuel utilities does not mean that the same policy would support a stand-alone gas AMI system. Like TURN, DRA argues that statements in favor of demand-side management to meet energy needs in the Energy Action Plan and elsewhere really support these strategies as an alternative to electric generation, and that the same principles do not necessarily apply to reducing gas usage.

### **8.2. State Policy Supports Development and Implementation of Cost Effective AMI for Gas or Electric Utilities**

As noted by DRA and other parties, previous Commission statements about the desirability of AMI systems have focused on their usefulness as a tool for managing electric usage, especially at times of peak energy demand. Despite this initial focus on electricity, however, many of the potential benefits of AMI are equally applicable to natural gas systems. Commission policies in favor of demand-side management, especially conservation and energy efficiency, are as relevant to natural gas usage as to electric usage. This is reflected in existing energy efficiency programs, which are targeted at natural gas as well as electric end uses and customers. Although the absence of demand response benefits from a gas-only AMI system eliminates a potential category of benefits from the business case analysis for such a system, it does not negate our expressed policy interest in encouraging demand side management options to meet the state’s existing and future energy needs. This principle applies not only to electric use, but also to natural gas. In addition, conservation results in real (if sometimes

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<sup>30</sup> DRA Opening Brief, at 3.

difficult to quantify) environmental benefits consistent with Commission policy to reduce greenhouse gas emissions and combat global climate change.

In addition, we favor expanding the information and tools available to consumers in order to empower them to manage their usage of electricity and gas, so they can better and more efficiently meet their own energy needs. Providing consumers with more, and more timely, information on their energy usage enables customers to make more educated choices on conservation, energy efficiency, and energy consumption in general, enabling them to save money on energy bills. We expect a well-designed, cost effective gas AMI system to support Commission policy by educating consumers about their own energy use, and encouraging them to explore options for managing their energy use and saving money.

In these ways, a gas-only AMI system is consistent with Commission energy policy objectives of increasing energy conservation and demand-side management, reducing greenhouse gas emissions, and providing customers with information and tools that allow them to manage and make educated decisions about their energy use.

## **9. Cost Effectiveness**

Cost effectiveness is one major criterion in determining whether to approve the SoCalGas AMI deployment proposal. The Commission evaluated previous AMI applications primarily on the basis of whether they are cost effective over the life of the project. Parties to this proceeding agree that approval of an AMI system should be contingent on its being found cost effective; the SoCalGas policy witness acknowledged this requirement during

hearings.<sup>31</sup> The SoCalGas business case estimates that the present value revenue requirement benefits of this project proposal are \$27 million greater than its costs, and on this basis, SoCalGas asserts that the proposal is cost effective and should be approved. This section assesses the major elements of the SoCalGas cost effectiveness calculation, covering issues raised related to benefits (including treatment of terminal value, benefits from the elimination of meter readers, and estimates of energy conservation benefits), as well as issues related to the costs.

## **9.1. Benefits**

### **9.1.1. Terminal Value**

One of several benefits included in the SoCalGas analysis that is questioned by the parties is the estimated terminal value of \$26.4 million. SoCalGas defines the terminal value as "the stream of annual benefits per gas meter module discounted back to 2034 dollars."<sup>32</sup> SoCalGas suggests that, because the gas modules have a useful life of 20 years, the AMI meter modules deployed for growth and meter failure in years 2016 through 2034 (the end of the business case analysis) will have remaining value beyond the end of the AMI project in the years 2034 through 2053. SoCalGas calculates an annual average benefit per meter and multiplies that average benefit by the estimated remaining meter population in each year. SoCalGas further suggests that, as the costs of post-deployment meters are incorporated into total project costs, their remaining value at the end of the analysis period should be included as a benefit in the business case.

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<sup>31</sup> SoCalGas witness Mueller RT, Volume 2, at 140, lines 16-19.

<sup>32</sup> SoCalGas Exhibit 7, at 8.

Both DRA and TURN reject the concept of terminal value as defined by SoCalGas and applied in this case. DRA notes the possibility that evolving technologies may make the chosen AMI solution functionally obsolete by 2040, in which case the meters may not be useful throughout some or all of the years 2034-2053 and would not have value during that time.

Parties differ with regard to Commission precedence on the treatment of terminal value. TURN asserts that the Commission rejected a similar calculation of terminal value benefits of an AMI system in its evaluation of the SDG&E AMI deployment case. SoCalGas argues to the contrary that both SDG&E and PG&E AMI upgrade cases accepted the concept of terminal value in final cost-effectiveness analyses.

While the methodology SoCalGas presents to calculate its terminal value differs from that applied in SDG&E and PG&E's case, including a terminal value benefit is in concept consistent with what the Commission has done in the past. The implication of assigning a terminal value of zero in cost benefit analysis is that the remaining assets (post-2034) will be rendered immediately useless at the end of the analysis period. In reality, however, the AMI system that is initially deployed (2009-2015) will gradually be replaced prior to 2034. It is plausible, therefore, to assume that the gas modules installed in later years of the analysis period for normal failure replacement and customer growth will represent a continuum of technological change, and be upwardly compatible as the AMI system evolves.

If the terminal value benefit were to be excluded from SoCalGas' cost-benefit showing, SoCalGas would need significantly to alter its assumptions regarding the installation of replacement and growth meters post-deployment. In particular, it would invite the assumption that installing meters post

deployment is not an economically rational action for the company. At a minimum, it would require that the company exclude post-deployment meter costs from its business case. This change in assumptions would not accurately reflect the reality of expenses and benefits to result from initial AMI deployment.

We will count SoCalGas' estimated terminal value benefit as an element of the project's overall cost-effectiveness, to reflect, in a logical manner, the residual value of the project elements at the end of the analysis period.

**9.1.2. Cost Savings from Elimination of SoCalGas Meter Reading Workforce**

A second major component of the SoCalGas business case that is questioned by parties is the estimated savings from the elimination of the SoCalGas meter reading workforce. SoCalGas calculated the benefits for this item assuming that it would be eliminating a meter reading staff comprised of full time employees, and reported that the workforce savings attributable to its AMI proposal under this assumption will be \$757.5 million. DRA, TURN, and UWUA note that only 10% of the SoCalGas meter reading workforce currently consists of full time employees, with 90% employed part time. DRA asserts that if SoCalGas calculated this benefit assuming that the current (90% part time and 10% full time) meter reading workforce breakdown will still be in place, benefits from this item would be reduced by approximately \$48.4 million.

In contrast, SoCalGas asserts that the DRA analysis is incorrect, and fails to consider the impacts of recent labor agreements. SoCalGas states that under the terms of these labor agreements, basing the savings calculation on the current distribution of part time and full time employees extrapolated to 2016 would result in a \$65.7 million increase (not decrease) from its original benefits estimate from this category.

All parties agree that SoCalGas' meter reading costs are low. SoCalGas began using a predominantly part-time labor force in 1998, and that use of a part-time meter reader workforce was negotiated and agreed to by SoCalGas labor unions to reduce operating costs and help prepare for implementation of automated meter reading technology. SoCalGas' alleges that, in the absence of an approved AMI decision, meter reader compensation will return to market levels by 2016.

We find SoCalGas' assumptions regarding labor costs acceptable for two principal reasons. First, the record in this proceeding supports SoCalGas' position that the estimated benefits in this category are reasonable, and potentially understated. There is ample evidence that the company's labor costs in this category are increasing, and approaching market rates. For instance, the company cites recent labor negotiations whose outcomes suggest it may be difficult for SoCalGas to maintain its low labor costs into the future. Whereas SoCalGas had initially forecast its meter reader labor costs would increase by \$48.4 million beginning in 2016, the new SoCalGas Labor Agreement resulted in a \$17.8 million increase being incurred in 2009. Considering that SoCalGas could enter into two additional Labor Agreements prior to 2016, it is a reasonable projection that cost increases in excess of the remaining \$27.4 million forecast by SoCalGas as "Avoided Meter Reading Costs" could materialize within the relevant timeframe.

Second, we find the policy implications of the alternative assumption illogical. SoCalGas' ability to manage its workforce in anticipation of AMI should not undermine its efforts to cost-justify its project. Every other utility that has come before this Commission with an AMI case has had substantially larger costs in this category. A plausible implication of the alternative finding on this

point, for instance, might be that SoCalGas is encouraged to transition back to a full-time labor force, thus making the case for AMI more attractive under our frame of analysis, only to eliminate those positions as soon as the numbers pencil out in favor of AMI. We accept SoCalGas' forecast benefits from the avoided Meter Reading costs, for the purposes of determining the cost-effectiveness of this application.

### **9.1.3. Conservation Benefits**

Another significant fraction of the benefits SoCalGas claims from its proposed AMI system consist of savings gained when customers use information feedback about their past gas usage to reduce gas usage in the future. SoCalGas estimates these gas conservation benefits at about \$148 million.

DRA, TURN, and UWUA all argue that SoCalGas overstates the level of conservation benefits, and DRA provides possible alternative assumptions for calculating conservation benefits, under which it calculates conservation benefits of \$49 million.

#### **9.1.3.1. SoCalGas Methodology for Estimating Conservation Benefits**

SoCalGas considers data from existing studies of customer behavior when provided with timely information on energy usage, and uses this data on customer savings along with assumptions of customer participation when provided with this feedback to estimate levels of conservation benefits from its proposed AMI system. SoCalGas differentiates between mechanisms for direct feedback, such as from an in-home display that automatically shows recent gas usage, and indirect mechanisms, which include Web-based interfaces where customers can look up their recent usage. SoCalGas assumes that in the first year in which its AMI system is fully operational, 6.5% of customers will utilize

direct feedback mechanisms to monitor their gas usage, and another 6.5% will utilize indirect feedback mechanisms. SoCalGas further estimates that customers utilizing direct feedback mechanisms will reduce their usage by 10% over the course of one year, whereas customers utilizing indirect feedback will reduce their total gas usage by 5%. Under these assumptions, a total of 13% of customers would reduce their total gas usage by an average of 7.5% in the first year of full AMI functionality. SoCalGas further estimates that conservation benefits will increase annually from this base level during the life of the project. The SoCalGas calculations result in total conservation of just under 1% of the SoCalGas customer usage, with an associated savings of \$148 million. This is the amount SoCalGas includes as a conservation benefit in its cost effectiveness analysis.

#### **9.1.3.2. Party Positions on Conservation Benefits**

Parties disagree with SoCalGas on several aspects of the SoCalGas calculation, including the percentage of customers likely to take advantage of information feedback in order to reduce usage, the amount by which participating customers would reduce usage, and the degree to which any observed savings can be credited to AMI deployment. DRA also argues that the cost of a dedicated in-home display or other display device should be included in the cost effectiveness analysis. In addition, parties suggest that the SoCalGas cost effectiveness analysis should have been conducted using the traditional cost effectiveness tests mandated for Commission-authorized energy efficiency programs in California, including the Participant Test, Ratepayer Impact Measure Test, the Total Resource Cost Test, and the Program Administrator Cost

Test.<sup>33</sup> These tests would include a wider variety of costs than those included in the SoCalGas analysis.

DRA and TURN suggest that SoCalGas has overestimated the conservation effect to be expected from customers utilizing either direct or indirect feedback, suggesting that the appropriate savings by participating customers is 4%. In addition, DRA estimates that initial customer participation would be lower than the 13% estimated by SoCalGas, though it could ramp up to a higher level than SoCalGas estimates in later years. Based on these alternative assumptions, DRA estimates that the conservation effect from the SoCalGas proposal would begin at 0.32%, rather than the 1% estimated by SoCalGas, and would reach a maximum level of 0.64% during the project period, still below even the initial SoCalGas estimate.

UWUA and other parties question the applicability of the studies of the effect of information feedback on customer usage and conservation relied on by SoCalGas in calculating its conservation benefits. UWUA asserts that the studies do not reflect California or SoCalGas usage characteristics, prices, or demographics,<sup>34</sup> and notes that most of the studies focus on electric usage and conservation.<sup>35</sup> For these reasons, UWUA does not accept that the results of these studies constitute a valid basis for calculating conservation estimates for this project. UWUA also asserts that the effect of a 5% bill savings on a

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<sup>33</sup> See California Standard Practice Manual, [http://www.energy.ca.gov/greenbuilding/documents/background/07-CPUC\\_STANDARD\\_PRACTICE\\_MANUAL.PDF](http://www.energy.ca.gov/greenbuilding/documents/background/07-CPUC_STANDARD_PRACTICE_MANUAL.PDF).

<sup>34</sup> UWUA Opening Brief, at 9.

<sup>35</sup> UWUA Opening Brief, at 10-11.

customer's bill would be relatively low, and questions whether an expensive project should be based on "such a minor impact."<sup>36</sup>

### **9.1.3.3. Discussion of Conservation Benefits**

Gas conservation impacts are a new category of benefits in the Commission's consideration of AMI cost-effectiveness. While both PG&E and SDG&E have previously proposed and received approval from this Commission for deployment of gas AMI systems, in both cases the utility proposed gas AMI as part of a larger project that included electric AMI deployment. In neither case did the Commission consider gas conservation benefits as part of the business case used for determining cost effectiveness. Each application did, however, contemplate and include conservation benefits on the electric side as part of the business case analysis.

Given their novelty, it is difficult to foresee the exact magnitude of gas conservation benefits which will follow from customers' improved access to their own natural gas usage data, and much effort has been expended in this proceeding to examine the assumptions underlying SoCalGas' forecasts in this area. In the absence of former Commission action or empirical data on the conservation impacts of a stand alone gas AMI system, we are left to make an informed judgment. Our task is to determine whether the assumptions made by SoCalGas serve as a suitable basis for analysis.

In this regard, there are three main issues to assess underlying SoCalGas' conservation estimate – participation rates, conservation rates for participating customers, and attribution of potential savings to the SoCalGas AMI investment.

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<sup>36</sup> UWUA Opening Brief, at 10.

On the topic of participation rates, SoCalGas has assumed an initial 13% participation rate for its customers, and growing at 1% per year. SoCalGas' estimate of participation is based on a Customer Insight Panel which asked customers whether the gas usage would be influenced if the daily data on usage and cost were made available. As both SoCalGas and DRA testify, 38% of the panel strongly agreed with the statement, while 30% somewhat agreed, and 19% were neutral. To determine their participation rate assumptions, SoCalGas counted the first two categories of respondents as responsive, whereas DRA only counted the first. The second category is clearly on the positive side of neutral, and it would not be unreasonable to include some portion of the neutral respondents as potential participants, if encouraged by focused outreach efforts. For these reasons, SoCalGas' participation assumptions could reasonably be considered conservative when viewed in this light.

With regard to conservation rates of participating customers, SoCalGas has assumed between 5% and 10%, depending on the mode of feedback. These numbers are drawn from the mid-points of ranges of conservation estimates from 13 studies of conservation response in the face of information feedback. Several parties have expressed concerns that the studies used as the basis for the SoCalGas conservation estimates may not be fully applicable to natural gas usage by SoCalGas customers.

Parties note that few of the data describing gas conservation estimates cited in SoCalGas' supporting testimony come from California. This is by necessity, as this application would represent California's first large scale deployment of gas-only AMI. However, the chosen sample of studies is not irrelevant to California. To the contrary: the sample is relevant because in spite of differing climatic conditions, housing types and cultural practices across the

sample, these studies observed effects that illustrate the common finding that when a largely invisible process (gas or electricity use) is made more visible, there is measurable conservation response on an order comparable to what SoCalGas has put forth in its application.

It is also true, as parties raise, that the end uses of gas by customers (primarily space and water heating) differ somewhat from electric end uses, and the total conservation impact from any information feedback will depend at least in part on the scope for conservation in customers' homes. While there may be fewer discretionary uses for gas than for electricity, the record shows that there is indeed opportunity for behavioral change affecting space heating and water heating to achieve the conservation levels on the order assumed by SoCalGas. To the extent that the opportunities in gas are limited relative to electricity, compensation for this fact can be found in the lower participation rates and conservation rates assumed by SoCalGas, relative to what has been assumed in the electric AMI cases.

In addition to the estimated conservation response, it is important to recognize that AMI can serve to support broad and ambitious goals articulated by this Commission. The California Long Term Energy Efficiency Strategic Plan (Plan) ([www.californiaenergyefficiency.com](http://www.californiaenergyefficiency.com)) sets targets for deep energy reduction and envisages a "rapid evolution in both technology and customer behavior to make energy efficiency 'a way of life' among Californians by 2020." (pp. 2-3) The energy use reductions considered in the Plan and other policy documents at local, state and federal levels are far in excess of the estimates made by SoCalGas in its application. In order to achieve a 40% reduction in energy use, or Zero Net Energy Homes, as envisioned by our Plan and policy

goals, a whole suite of initiatives will have to be employed. In this context, our review here is as much strategic as it is technical.

In our view, SoCalGas has made a number of conservative judgments in composing its conservation estimate. It has taken a middle of the road estimate for both participation and conservation rates. The 5% and 10% indicative figures represent the mid range of 13 relevant studies. They relate to savings in the short- to medium-term, from behavioral change arising from increased awareness. Several of the studies on energy information feedback that were reviewed for testimony in this case were conducted before advanced metering was available. They were deemed relevant because they involved changes in the energy users' information environment of the type proposed by SoCalGas, i.e., more timely, accurate information. However it is highly plausible that with higher quality information, such as that afforded by AMI, will come greater responsiveness. SoCalGas has also not included any conservation benefits for higher volume core commercial and industrial customers, which may represent an area of further potential. We are confident that the assumptions put forth by SoCalGas do not represent the upper bound of what is achievable in the way of gas conservation following from increased customer feedback, but rather a moderate middle ground.

Finally, with regards to parties' concerns over attribution, the estimates drawn from to inform the basis of SoCalGas' conservation rates excluded in all cases energy reductions flowing from efficiency measures. The conservation rates represent solely those energy use reductions which would flow from behavior changes in response to energy use feedback. As there are currently no other programs to motivate those reductions there is no apparent risk of double-counting in this regard. Future programs targeting the same reductions

would occur in the context of our energy efficiency portfolios, which are subject to rigorous measurement and verification, in order to isolate the impacts of energy efficiency funds from those reductions stemming from other factors. We therefore, do not view double-counting as a major issue within the context of SoCalGas' business case here.

## **9.2. Costs**

### **9.2.1. Project Contingency Funding**

SoCalGas requests a contingency fund of \$98.1 million on a total deployment funding request of \$1.08 billion, or a 10% contingency fund. Specifically, this contingency encompasses deployment capital and O&M expenses, to cover unanticipated, unknown or irreducible risks that may impact project schedule, resource availability, functional requirements and other circumstances. The proposed contingency funding is higher than that proposed or authorized for the electric utilities AMI applications.

TURN and DRA note that its contingency request represents an additional 2% over the approximately 8% adopted for SDG&E and PG&E in their AMI applications. They argue that the Commission should reduce the proposed contingency funding accordingly. TURN notes that SoCalGas has already reduced its level of risk through its RFP process to determine cost estimates for its application. Because of this, TURN posits that the Commission should recognize SoCalGas' efforts to reduce its risk and lower the contingency funding to a more appropriate level – a risk allowance that is somewhere between 6% and 8% of SoCalGas' proposed deployment cost of \$981 million.

SoCalGas argues that for a project of this financial magnitude and the long duration of the deployment period (2009-2015), a 10% project contingency is a prudent and reasonable amount. No other utility has had to change out so many

meters, it argues. While this is indeed the case, SoCalGas has not adequately explained why the larger number of installations should increase the risk contingency 2%. Indeed, given the experience accumulated through California's AMI roll out to date, any differences between prior AMI cases and this one point directionally towards lower cost risk.

In general, the risk-based allowance adopted by the Commission for the PG&E, SCE, and SDG&E AMI cases has been in the range of 7.4% to 8.0%. Based on Commission precedent, and the fact the previous experience and RFPs have reduced the cost uncertainty for SoCalGas, we reduce the project's contingency funding allowance to 7%. This results in a \$68.7 million allowance for contingencies.

### **9.2.2. Workforce Impacts and Retention Funding**

SoCalGas asserts that attrition in both the part-time and full-time meter reader job classifications is significantly higher than the average annual attrition rate at SoCalGas. Over the last seven years the average attrition rate for part-time meter readers has been 83% and the attrition rate for full-time readers has been 42%. SoCalGas alleges that meter reading attrition may be impacted by the transitory nature of the manual meter reading work. Because SoCalGas expects greater meter reader attrition during the deployment period, it has included \$225,000 in its cost benefit analysis for anticipated employee retention and retraining expense.

SoCalGas also alleges that it will seek to provide job opportunities to employees impacted by the project. Some management employees may take advantage of retraining opportunities while others may elect to retire during the deployment period. To support retraining, and workforce transition, SoCalGas has included \$62,000. Some retraining opportunities include Customer Services

Field Training -- SoCalGas personnel who retrofit meters with gas AMI meter modules and change meters that have pre-installed gas AMI meter modules will be trained in how to perform the work and operate the required handheld installation and diagnostic tools. SoCalGas has included costs for this training at a level of \$55,000.

In sum, SoCalGas has included \$117,000 to support retraining and retention of the workforce impacted by this project. SoCalGas employs on average about 970 meter readers. While a number of activities within the meter reading department will continue to be necessary after AMI is deployed, we find that SoCalGas' planned funding to assist the transition of the workforce affected by this project inadequate. In order to better protect the employment interests of this displaced workforce we direct SoCalGas to increase by \$1 million its funds allocated for employee retention and retraining. This transition fund should be utilized to extend severance, vocational training, and other transitional opportunities to affected meter reading employees.

### **9.3. The SoCalGas AMI Proposal is Cost Effective**

The initial business case presented by SoCalGas estimates, in present terms, the total costs of this project as \$1,039.6 million, with total benefits of \$1,066.9 million over the analysis period, leaving a margin of net benefits of \$27.3 million. Based on our analysis, we find that SoCalGas' benefit assumptions are, individually and in the aggregate, sound and reasonable.

On the cost side, however, we find two adjustments necessary. First, to maintain consistency with past AMI authorizations and reflect the reduction in risk inherent in deployment following prior experience, we reduce the authorized contingency from 10% to 7%. This reduces the contingency fund associated with the project from \$98.1 million to \$68.7 million, reducing overall

project costs \$29.4 million. Conversely, we require that SoCalGas augment by \$1 million its funds for workforce transition and retraining for those members of its workforce impacted by the AMI project. With these modifications, the project is cost effective; the benefit to cost ratio is approximately 1.06 because benefits exceed costs by approximately \$56 million. While this is by some measures a slim margin, the cost-benefit ratio of the SoCalGas AMI proposal is comparable and in some cases an improvement over electric AMI projects this Commission has approved in the past. Based on SoCalGas' showing, this AMI project will provide operating benefits of over \$2.9 billion to customers over the next 25 years. The proposal also provides system-wide technology platform with the ability to expand operating benefits as new applications emerge. We hope and expect that this AMI system will yield further, unforeseen benefits in the future, improving customer service, allowing utilities to operate more safely and efficiently, and reducing utility operating costs. Finally, we fully expect that SoCalGas will use this opportunity not only to induce behavioral conservation but also to scale-up participation in energy efficiency programs. The dramatic expansion in available energy usage information to customers should fundamentally alter their relationship with energy, and encourage greater subscription and utilization of the energy efficiency programs offered through the utility and others. While unaccounted for in the cost-effectiveness showing here, we view this synergy to be central to the opportunity afforded by AMI.

#### **9.4. The SoCalGas AMI Project is Approved**

For the reasons stated above, the Commission authorizes SoCalGas to proceed with the implementation of a gas AMI system in its service territory, subject to the modifications described below. With this approval, we complete AMI coverage in all major energy utility service areas under our jurisdiction.

## **9.5. Ratepayer Protections**

### **9.5.1. Sharing Mechanism**

SoCalGas proposes a symmetrical sharing mechanism for actual costs experienced above and below the authorized level. Under its sharing mechanism proposal SoCalGas shareholders will be responsible for 10% of cost exceeding the authorized level and retain 10% of the savings below the authorized level with a maximum reward/penalty of +/- \$10 million (i.e., a \$100 million sharing band around the requested authorized deployment expenses of \$1,079). This mechanism is similar to the sharing mechanism adopted in the SDG&E AMI decision (D.07-04-043).

Both DRA and TURN argue that if approved the Commission should alter SoCalGas' proposed risk sharing mechanism, because SoCalGas's AMI proposal already allocates substantial risk to ratepayers, since the project is not cost-effective solely on an operational basis. Its cost-effectiveness turns on actions by consumers which SoCalGas' showing presumes, but for which the company is not liable. Because of this, DRA and TURN propose alternate sharing mechanisms, which reallocate the balance of risk among shareholders and ratepayers.

TURN proposes that all cost over-runs less than \$100 million be allocated 50/50 to shareholders and ratepayers with an explicit showing by SoCalGas demonstrating that the cost over-runs were caused by forces not controllable by the utility. Cost over-runs above \$100 million would trigger a reasonableness review by the Commission with a similar requirement for the utility to demonstrate that cost over-runs were outside of its control. All cost under-runs and cost savings, under TURN's proposal, would be passed 100% back to ratepayers. DRA proposes a similar mechanism whereby shareholders bear

50% of cost over-runs. For cost under-runs, DRA recommends that the ratepayer/shareholder split remain at 90%/10%. Furthermore, DRA recommends that the size of the risk sharing band be +/- \$60 million rather than +/- \$100 million as SoCalGas proposes.

SoCalGas agrees that such changes are not warranted, pointing to its projections that approximately two years after completion of AMI deployment, SoCalGas ratepayers will see lower average bills compared to 2008 bill levels. SoCalGas also points out that no other Commission approved AMI case has shown so high a percentage of AMI life cycle costs covered by operating benefits, and thus SoCalGas customers will see a rapid reflection of AMI benefits.

Given the margin of net benefits on the overall cost-effectiveness of the business case, and because the business case relies on future ratepayer actions, we find that changes to SoCalGas' proposed sharing mechanism are warranted to provide ratepayers with greater protection.

Our approved mechanism represents a combination of the proposals on record. For cost overruns, we believe it is reasonable that ratepayers and shareholders share the burden 50% / 50%. However, we do not accept DRA and TURN's arguments that 90% to 100% of cost under-runs should be returned to ratepayers. In theory a risk sharing mechanism should provide SoCalGas with an incentive to manage and control overall AMI project costs and return such benefits back to customers. We therefore, leave the cost under-run sharing rate at 90%/10% between ratepayers and shareholders as originally proposed by SoCalGas. The risk sharing band to which this mechanism applies shall remain +/- \$100 million. The cost recovery mechanism proposed by SoCalGas is approved as proposed.

### **9.5.2. Access to AMI Data**

Because the cost-effectiveness of this proposal is reliant on the fact that the forecast conservation benefits are indeed realized, and we indeed view this project as a driver for greater conservation across SoCalGas' service area, we must take special care to ensure that the gas conservation impacts in the order of magnitude assumed within the business case are realized.

Part of this task can be met by ensuring the increased information flow generated by the advanced meters can be put to its highest possible use. In some cases customers will respond to relatively basic data. In other cases it will require that this data be processed, by either SoCalGas or potentially a third party, into customized diagnostics and actionable steps to improve a given customer's energy utilization. Thus, in our view, a critical component of this project entails providing customers and authorized third-parties access to gas usage data in a streamlined and straightforward manner.

In the context of our Smart Grid rulemaking, R.08-12-009, we have adopted concrete timelines for the provision of electric price and electric usage information to customers and authorized third-parties.<sup>37</sup> In order to maintain consistency in our AMI policy and the rigor we expect in returning the benefits promised by AMI projects, we will require the same here for gas prices and usage.

Accordingly, we will set a deadline by which SoCalGas must be provide access to authorized third parties, provide access to near-real time gas usage data directly to consumers, and provide retail and wholesale prices to customers on a

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<sup>37</sup> D.09-12-046 at 54.

real-time or near real-time basis in a machine readable form. We will require that SoCalGas meet these requirements concurrently with meter installation.

We recognize that there are certain concerns that must be addressed relating to third party access to such information, such as confidentiality, the security of a customer's information, and processes relating to customer consent. Upcoming workshops within R.08-12-009 will explore these issues. We direct SoCalGas to participate in these workshops and utilize any resulting direction to meet the target we set here to ensure meter data can be made available to authorized third parties as meters are installed.

### **9.5.3. Workshop and Reporting on Conservation Impacts**

In testimony, SoCalGas witness Sarah Darby asserted that the conservation outcomes for the SoCalGas AMI project will depend on how energy use feedback is presented and supported. We agree, and therefore direct SoCalGas to host a public workshop within 180 days of the issuance of this decision to present a draft plan for AMI outreach and conservation support. In order to support the development of this plan, as well as ongoing AMI planning and implementation, SoCalGas shall convene a Technical Advisory Panel, similar to the one founded by SDG&E.

The plan should include marketing and education elements to prepare customers for the roll-out of advanced meters, beta versions of web-based Energy Management feedback pages, hard copy conservation materials for non web-based customers, as well as strategies to channel customers towards energy efficiency offerings. In addition, we direct SoCalGas to work with the Commission's Business and Community Outreach (BCO) group to coordinate the scheduling of targeted outreach events, which should include consumer-

oriented demonstrations of the meter and its benefits. A final written plan shall be submitted to the director of the Commission's Energy Division and served on the most recent service list for this proceeding within 60 days of the public workshop.

It is critical to acknowledge that initiating and sustaining the behavioral change necessary to maximize conservation response cannot be accomplished through a one-size-fits-all approach to marketing, education, outreach, and customer support. Thus, consistent with our objectives in other demand side programs, we direct SoCalGas to specify in its plan outreach strategies for all market segments, including ethnic, minority, and hard-to-reach communities and small businesses. It will be incumbent upon SoCalGas to discuss specific proposals for utilizing a competitive solicitation process for the selection of Community Based Organizations (CBOs) with a demonstrated record of success in reaching these market segments.

In order to ensure project objectives remain on track, we direct SoCalGas to establish a system to track and attribute the conservation impacts of its AMI roll-out. Every six months, SoCalGas shall file a report of measured savings. In addition, the semi-annual reports should describe marketing, education, outreach, and customer support activities undertaken during the six month period.

These reports shall serve as a forum to adjust, as necessary the elements laid out in the final outreach plan described above. We expect that customer outreach, education and communications will continue to evolve and improve as SoCalGas conducts customer research, monitors customer reaction to new AMI technology and various customer usage presentation tools, and incorporates feedback from these activities into its AMI outreach and education activities.

If the project is falling short of SoCalGas' projections presented in this docket, the company must submit revisions to its outreach plan to increase awareness, participation, and durability of conservation actions among customers. Additional costs incurred in order to improve conservation response will be funded out of contingency funds or otherwise subject to the risk sharing mechanism outlined above.

#### **10. Categorization and Assignment of Proceeding**

This proceeding is categorized as Ratesetting. The assigned Commissioner is Dian M. Grueneich and the assigned ALJ is Jessica T. Hecht.

#### **11. Comments on Proposed Decision**

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on March 1, 2010 and reply comments were filed on March 8, 2010 by SoCalGas, DRA, TURN, and UWUA.

The following revisions were made based on comments:

- A technical error (misapplication of discounted total project life costs as the deployment costs sought for approval) was corrected. Authorized deployment cost recovery was adjusted from \$1.0112 billion to \$1.0507 billion.
- SoCalGas is directed to convene a Technical Advisory Panel, similar to the one formed by SDG&E, to assist in AMI planning and implementation.
- SoCalGas is required provide access to near-real time gas usage data directly to consumers, provide retail and wholesale prices to customers on a real-time or near real-time basis in a machine readable form, and provide access to authorized third parties, concurrent with meter installation.

- More time is allowed to develop a plan for outreach and conservation support, to ensure that the draft plan and public workshop are informed by vendor selections. The public workshop must be held within 180 days from the effective date of this decision, with a final outreach plan due to the Commission's Energy Division 60 days thereafter.
- SoCalGas is required to file an advice letter to Energy Division for purposes of review and approval of AMI contracts finalized by SoCalGas. The advice letters should describe how their choice of vendors enables compliance with criteria set forth in Section 7, in particular compatibility with widely adopted standards for communications with consumer-owned devices, and assurance that changes in customer preference of access frequency do not result in additional AMI system hardware costs.

In addition, a number of clarifications were made to the Proposed Decision, as well as fixes to typographical errors and minor corrections.

### **Findings of Fact**

1. In order to approve this application, we must find that the proposed AMI system affirmatively answers the following questions:
  - a) Should the Commission approve SoCalGas's proposed AMI deployment activities and funding, either as proposed in this application or with modifications?
    - i) Are the various elements of the proposed SoCalGas AMI business case and deployment plan reasonable?
      - a. Are the technology choices proposed by SoCalGas appropriate and technically feasible? Specific elements of the technology plan that should be evaluated include (but are not limited to):
        - i. Is the proposed SoCalGas-only communication system reasonable? What if any additional communication options, such as shared communications infrastructure between SoCalGas and other utilities with overlapping jurisdictions, should be considered?

ii. Is the battery proposed to power the AMI system reasonable? What if any additional options for powering the meters and communications systems should be considered?

b. Is the SoCalGas AMI proposal for a gas-only AMI system consistent with state energy policy objectives or desirable for other policy reasons?

c. Is the SoCalGas AMI proposal cost-effective, and will it provide lasting value for SoCalGas's customers?

2. The technology choices proposed by SoCalGas, including the stand-alone communications equipment, the choice of battery technology, and the information technology solutions are reasonable, appropriate, and technically feasible.

3. The SoCalGas AMI proposal meets those functionality criteria defined by the Commission for previous (electric or dual fuel) AMI proposals that are relevant to a gas AMI system, to the extent that we understand the applicability of those requirements to a gas-only AMI system.

4. Development and implementation of a cost-effective gas-only AMI system is consistent with state energy policy objectives.

5. Commission precedence dictates in concept the inclusion of terminal value in AMI cost effectiveness showings.

6. The proposed \$26.3 million benefit for terminal value of AMI equipment included in the SoCalGas business case is appropriately calculated, and therefore shall be included in the business case analysis.

7. The proposed \$757.5 million benefit for elimination of the meter reading workforce after the implementation of an AMI system is reasonably forecast in the SoCalGas AMI business case, and therefore shall be included in the business case analysis.

8. The proposed \$148 million gas conservation benefit included in the SoCalGas business case is reasonably forecast in the SoCalGas AMI business case, and therefore shall be included in the business case analysis.

9. SoCalGas' proposed 10% contingency fund is not consistent with AMI deemed reasonable in past AMI cases.

10. Moving forward with the AMI rollout will affect, in some way, a workforce of approximately 970 meter readers, both part-time and full-time.

11. The SoCalGas AMI proposal is cost effective.

12. The cost-effectiveness of SoCalGas' AMI proposal relies upon the materialization of forecast conservation benefits.

13. If the forecast conservation benefits of this project do not materialize, ratepayers may face undue burden.

14. The degree of conservation response depends in part on supporting efforts and outreach on the part of SoCalGas to ensure customers are aware of and engaged in conservation opportunities.

**Conclusions of Law**

1. The SoCalGas AMI proposal should be approved, with modifications.
2. It is reasonable to reduce SoCalGas' contingency fund to a level consistent with past AMI cases approved by this Commission.
3. It is reasonable to require additional funds to assist SoCalGas' displaced meter reading workforce in transitioning and retraining.
4. It is reasonable to modify SoCalGas' proposed sharing mechanism to reduce the potential risk faced by ratepayers if conservation benefits are lower than forecast.
5. SoCalGas should develop a dedicated plan for consumer outreach to ensure customer awareness of smart meters and engagement in conservation opportunities.
6. It is reasonable to require SoCalGas to offer customers direct access to near-real time gas usage data, provide retail and wholesale prices to customers on a real-time or near real-time basis in a machine readable form, and provide access to such AMI data to customer authorized third parties, on a timeline concurrent with meter installation.
7. It is reasonable to require SoCalGas to provide periodic reports to the Commission on the conservation benefits attributable to AMI deployment.
8. The cost recovery mechanism proposed by SoCalGas is reasonable and consistent with law.

**O R D E R**

**IT IS ORDERED** that:

1. Application 08-09-023 is approved with the following modifications:

- Southern California Gas Company shall reduce its contingency fund from 10% to 7%, resulting in a \$68.7 million total allowance for contingencies.
- Southern California Gas Company shall supplement by \$1 million its funding for workforce retention and retraining. This fund is established to better protect the employment interests of Southern California Gas Company's meter reading workforce and should be used to extend severance, vocational training, and other transitional opportunities to employees affected by the decision to pursue advanced metering infrastructure.

2. Southern California Gas Company's sharing mechanism shall allocate cost overruns of less than \$100 million 50/50 to shareholders and ratepayers; cost under runs of up to \$100 million shall be allocated 90% to ratepayers and 10% to shareholders, as proposed by Southern California Gas Company.

3. SoCalGas shall offer customers direct access to near-real time gas usage data, provide retail and wholesale prices to customers on a real-time or near real-time basis in a machine readable form, and provide access to such AMI data to customer authorized third parties, on a timeline concurrent with meter installation.

4. Southern California Gas Company shall host a public workshop within 180 days of the issuance of this decision to present a draft plan for advanced metering infrastructure outreach and conservation support. The plan shall include marketing and education elements to prepare customers for advanced metering infrastructure roll-out, sample versions of web-based energy management feedback to encourage conservation, as well as planned marketing to channel customers towards energy efficiency offerings. In order to support the development of its plan, SoCalGas shall convene a Technical Advisory Panel to assist in planning and implementation of AMI. A final written plan shall be

submitted to the director of the Commission's Energy Division and served on the most recent service list for this proceeding within 60 days after the workshop.

5. Southern California Gas Company shall establish a system to track and attribute program costs and projected savings from conservation. Based on this tracking system, Southern California Gas Company shall submit a report to the Director of the Commission's Energy Division semi-annually, tracking the gas conservation impacts of the advanced metering infrastructure project to date. These reports shall serve as a forum to adjust, as necessary the elements laid out in the final outreach plan described above. We expect that customer outreach, education and communications will continue to evolve and improve as SoCalGas conducts customer research, monitors customer reaction to new AMI technology and various customer usage presentation tools, and incorporates feedback from these activities into its AMI outreach and education activities. If the report shows that the company is falling short of its projections, it shall submit revisions to its conservation plan to increase awareness, participation, and durability of conservation actions among its customers. The semi-annual reports and any revisions to the advanced metering infrastructure outreach and conservation plan shall be submitted to the director of the Commission's Energy Division and served on the most recent service list for this proceeding. Additional costs incurred in order to improve conservation response will be funded out of contingency funds, or otherwise subject to the risk sharing mechanism authorized in Ordering Paragraph 2.

6. SoCalGas shall file one or more Advice Letter with the executed contract with vendors for AMI technology, installation and/or systems integration for its AMI project, as adopted herein. These contracts are contingent upon Commission approval that they meet the functionality criteria set forth in

Section 7 of this decision. The advice letters should describe how their choice of vendors enables compliance with criteria set forth in Section 7, in particular compatibility with widely adopted standards for communications with consumer-owned devices, and assurance that changes in customer preference of access frequency do not result in additional AMI system hardware costs.

7. Southern California Gas Company shall file an advice letter no later than 30 days from the effective date of this decision, establishing a balancing account and detailing the cost recovery mechanism in conformance with this decision. Southern California Gas Company is authorized to recover deployment costs of up to \$1.0507 billion in this account, plus additional amounts, if any, consistent with the terms and conditions of the Risk Sharing Mechanism approved in Ordering Paragraph 2.

8. Application 08-09-023 is closed.

This order is effective today.

Dated April 8, 2010, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
DIAN M. GRUENEICH  
TIMOTHY ALAN SIMON  
Commissioners

I reserve the right to file a concurrence.

/s/ TIMOTHY ALAN SIMON  
Commissioner

I will file a dissent.

/s/ JOHN A. BOHN  
Commissioner

A.08-09-023 COM/DGX/ALJ/JHE/gd2

I will file a dissent.

/s/ NANCY E. RYAN  
Commissioner

**Concurrence of Commissioner Timothy Alan Simon  
Decision Approving Southern California Gas Application  
for Advanced Metering Infrastructure  
A.08-09-023/D.10-04-027**

I support this decision approving the Southern California Gas Company's (SoCalGas) Application for Advanced Metering Infrastructure (AMI). However, the true cost-effectiveness of this AMI project, as in any demand side management technology, is almost entirely dependent on the success of our efforts in customer outreach, adoption, and education. At my request, this decision sets forth a detailed roadmap for ensuring that residential and small business customers are fully aware of the functionality and potential benefits of their AMI technology, and that focuses on adoption methods through workshops with faith-based and Community Based Organizations (CBOs).<sup>38</sup> If we are to swiftly and effectively transform behavior and maximize conservation, acceleration in adoption rates for the use of customer interfaces and online energy management tools must occur.

**Near Real-Time Information Delivery and Web-based Platforms**

Much of the debate surrounding the proposed gas AMI projects involves concerns about the delivery of the usage and pricing data to the consumer and its impact on demand side management. I acknowledge that currently there are fewer potential discretionary applications for gas AMI than electric AMI. However, near real-time price signals and effective web-based customer applications will successfully increase the awareness of consumption patterns as they occur.

I am impressed with the web-based tools that are available to customers to manage their consumption.<sup>39</sup> Technology companies have developed

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<sup>38</sup> Decision on Application of Southern California Gas Company for Approval of Advanced Metering Infrastructure (D.10-04-027), February 9, 2010, at 44.

<sup>39</sup> For instance, Microsoft and iGoogle have web-based tools for consumers to manager their bills and consumption.

effective platforms for viewing near real-time pricing data, and mobile applications will be available for the smartphones and other similar devices. Along with electric AMI pricing and billing information, user-friendly customer web portals and analytical tools for gas AMI will lend themselves to a better understanding of consumption patterns and home energy management options. It should also be noted that these web-based portals are offered free of charge to customers and will interface with other utilities that share service territories with SoCalGas. Hence, eventually ratepayers can embrace the comparative analytics on gas, electric, and water consumption. However, it will be absolutely essential that the benefits of these platforms are conveyed to all customers – particularly in underserved communities that have been historically “hard to reach”.

### **Raising the Bar on Customer Education and Outreach**

As with electric AMI and dynamic pricing implementation, it is crucial that we protect our public investment in gas AMI through a carefully coordinated customer outreach and education plan. This is a critically important part of this Decision. This Commission raised the bar in customer education and outreach planning in our recent PG&E Peak Day Pricing decision. This Decision advances this trend.

It is imperative that we recognize that despite the few residential uses of natural gas, conservation practices are not necessarily widely adopted or maximized. Residential consumers and small businesses must be properly educated on the benefits of near real-time pricing information and web tools in order to make incremental progress in conservation. Based on the results of a “Customer Insight Panel,” SoCalGas assumed “an initial 13% participation rate for its customers, and growing at 1% per year.”<sup>40</sup> Growth in participation will occur at a faster rate with a robust customer education campaign that enlists the marketing strengths of the selected AMI vendor, and the help of Community Based Organizations.

The Decision’s workshop and Technical Advisory Panel requirements will help to establish a plan and a budget for customer education to empower

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<sup>40</sup> *Id.* at 34.

A.08-09-023/D.10-04-027

residential and small business customers.<sup>41</sup> I am confident that semiannual reporting on SoCalGas' progress in meeting education and outreach performance metrics is the appropriate vehicle for transforming behavior and increasing conservation. By monitoring the performance metrics, my office supports the Decision as an important addition to California's energy efficiency goals.

Dated April 13, 2010, at San Francisco, California.

/s/ TIMOTHY ALAN SIMON  
TIMOTHY ALAN SIMON  
Commissioner

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<sup>41</sup> *Id.* at 44.

DISSENT OF COMMISSIONER BOHN

In prior cases, I have voted in support of the advanced meter programs proposed by PG&E, SCE and SDG&E. I support the general policy of improving the technical capability of the utility infrastructure and moving ahead on the path to a smart grid. However, in this instance I find that I agree with the Administrative Law Judge's (ALJ) conclusion that the proposal presented by Southern California Gas Company (SoCal Gas) should not be approved.

Simply put, the benefits of advanced meters are less for a gas-only utility such as SoCal Gas, than it is for electric-only or combined electric-gas utilities. The cost of electricity varies dramatically over the course of a day and the improved ability to track electric usage provided by advanced meters can go a long way towards reducing demand during the most expensive hours. Individual choice on a real time basis can have a significant effect, both on consumers and the system.

The same is not true of natural gas. Gas is bought by utilities primarily on a monthly basis, not hourly. Daily fluctuations in gas prices and costs are relatively small compared to electricity. There is simply little benefit today to the increased information provided by advanced meters for natural gas.

The decision adopted by the Commission concludes that this program is cost-effective, relying on estimates of conservation savings presented by SoCal Gas. The ALJ found it unlikely that these savings would actually occur. I note that SoCal Gas' expectation of conservation savings is inconsistent with the analyses we relied upon in approving PG&E's and SDG&E's advanced meter cases. In finding this proposal

worthwhile, the adopted decision also assumes that without advanced meters, SoCal Gas' meter reading costs would increase significantly compared to their historic levels. This is another assumption that has little merit and was rejected by the ALJ.

My concern here is that the proposal approved today is not cost-effective. That does not mean advanced meters should never be considered by SoCal Gas. As technology costs change and as we gain more experience with the advanced meters installed by PG&E and SDG&E, it may well be appropriate for SoCal Gas to submit a new proposal for advanced meters in the future. However, there is no urgency to implementing this program for SoCal Gas now, and the proposal adopted in this decision, despite heroic efforts to justify its costs, simply does not pencil out. Capital is not infinitely available, nor is the ratepayer's burden expected to decline. This expenditure is not the place to use scarce resources.

/s/ JOHN A. BOHN  
John A. Bohn  
Commissioner

San Francisco, CA  
April 8, 2010

**Dissenting Statement of Commissioner Nancy E. Ryan  
Decision Approving Application of Southern California Gas Company  
for Advanced Metering Infrastructure  
A.08-09-023  
April 8, 2010**

I do not support the Commission's decision today to approve Southern California Gas Company's (SoCalGas) Advanced Metering Infrastructure project, and write this dissenting statement to set forth my reasons.

This decision is a close call. SoCalGas' proposed advanced metering project has the potential to give consumers new information about when and how they consume gas. I strongly believe that information will lead to smarter energy use—lowering costs to consumers and reducing greenhouse gas emissions. That is why I remain a strong supporter of advanced metering.

The Commission's decision includes some important enhancements to SoCalGas' proposal. For example, the decision includes a cost sharing mechanism to reduce the risk that consumers see cost overruns. It also reflects lessons-learned from the electric advanced metering context and requires SoCalGas to put energy usage information into the hands of consumers as soon as possible.

However, I believe that each advanced metering project also needs to pass a cost-benefit test. In my judgment, the project that SoCalGas presented here does not pass the test. In particular, I am not sufficiently comfortable with the energy conservation projections.

Rather than approve this project today, I would prefer to spend the next few years observing the Pacific Gas & Electric Company (PG&E) and

A.08-09-023/D.10-04-027

San Diego Gas & Electric Company (SDG&E) gas advanced meter deployments. I expect the PG&E and SDG&E experiences will provide valuable data that SoCalGas can use to develop firmer energy conservation forecasts. The other utilities' projects will also help SoCalGas identify additional strategies to engage consumers. SoCalGas can then bring forward a new application to the Commission as part of a holistic campaign on gas conservation.

For all of these reasons I am voting against Commissioner Grueneich's alternate proposed decision, which approves SoCalGas's advanced metering initiative.

Dated April 8, 2010, at San Francisco, California.

/s/ NANCY E. RYAN  
NANCY E. RYAN  
Commissioner



**SITE ID:**  
**RK089**

499 LITTLE MORRO CREEK RD., MORRO BAY, CA 93442



**VIEW NOTE:**  
**LOOKING WEST AT PROPOSED PROJECT**

 **Synergy**  
Engineering Services, Inc.  
18147 Myrtle St. San Diego, CA 92148  
Office: (619) 540-0088 Fax: (619) 540-0794

 Southern  
California  
Gas Company

A Sem **RECEIVED**

**MAY 03 2013**  
City of Morro Bay  
Public Services Department

REFERENCED EQUIPMENT & DCU, BOTH SOURCED WITHIN THE SOLAR PANEL AND ANCHORAGES ARE "AGORA" PROPRIETARY PRODUCTS



SITE NUMBER: RK089

SITE TYPE: (N) 29' A.G.L. WOOD POLE SOLAR POWER, EMBEDDED

CITY: MORRO BAY

COUNTY: SAN LUIS OBISPO COUNTY

JURISDICTION: CITY OF MORRO BAY

**PROJECT SUMMARY**

**PROJECT ADDRESS:**  
 400 LITTLE WOODS LANE #20  
 MORRO BAY, CA 94052

**PROPERTY OWNER CONTACT:**  
 PUBLIC WORKS DEPT

**LOT:** 0400010  
**ZONE:** -0400010  
**APPLICABLE:**

**SOUTHERN CALIFORNIA GAS CO.**  
 800 W. 5TH ST. 3RD FLOOR, LOS ANGELES CA 90012  
 REPRESENTATIVE: 310.771.1111

**PROJECT DESCRIPTION:**

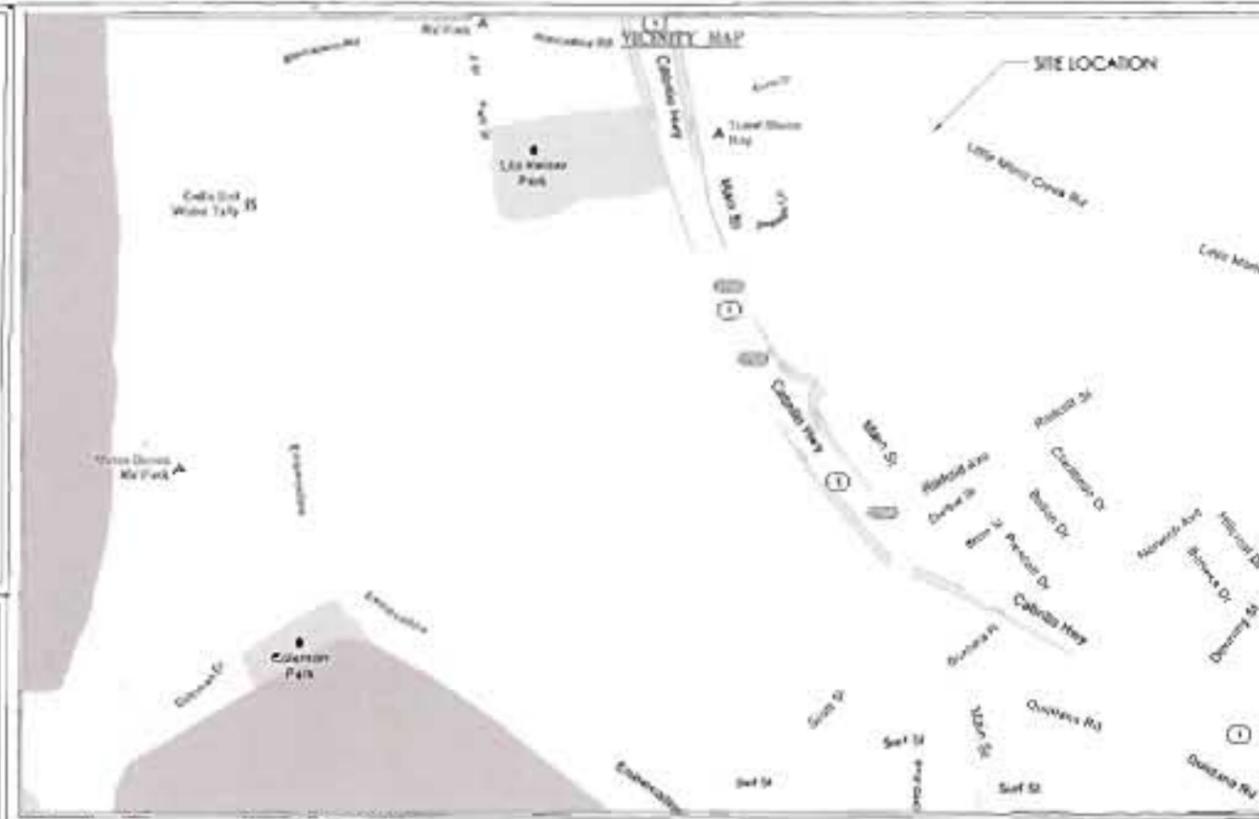
THE PROJECT OFFICE  
 THE INSTALLATION OF (N) 29' A.G.L. WOOD POLE SOLAR POWER, EMBEDDED  
 WITHIN THE LOT.

**PERMIT INFORMATION:**

PERMIT NO. 2012-0011

**SHEET INDEX**

SHEET NUMBER	DESCRIPTION
1	TITLE SHEET
2	SITE PLAN
3	ELEVATIONS
4	DCU BOX DETAILS
5	MATERIALS LIST



**CONSULTING TEAM**

**ENGINEER/ARCHITECT:**

SOUTHERN CALIFORNIA GAS CO.  
 800 W. 5TH ST. 3RD FLOOR  
 LOS ANGELES, CA 90012  
 (213) 394-1111

**CONSTRUCTION CONTRACTOR:**

SOUTHERN CALIFORNIA GAS CO.  
 800 W. 5TH ST. 3RD FLOOR  
 LOS ANGELES, CA 90012  
 (213) 394-1111

**DESIGNER:**

SKIDMORE OWINGS & MERRILL LLP  
 100 W. WASHINGTON ST.  
 LOS ANGELES, CA 90012  
 (213) 394-1111

**PERMITTING CONSULTANT:**

SOUTHERN CALIFORNIA GAS CO.  
 800 W. 5TH ST. 3RD FLOOR  
 LOS ANGELES, CA 90012  
 (213) 394-1111

**APPROVALS**

THE FOLLOWING PARTIES HEREBY APPROVE AND ACCEPT THESE DOCUMENTS AND AUTHORIZE THE CONTRACTOR TO PROCEED WITH THE CONSTRUCTION DESCRIBED HEREIN. ALL CONSTRUCTION REQUIREMENTS ARE SUBJECT TO APPROVAL BY THE LOCAL BUILDING DEPARTMENT AND ALL CONSTRUCTION NOTIFICATIONS MUST BE APPROVED.

DESIGNER	PROJECT NAME	DATE
PUBLIC WORKS DEPT CITY OF MORRO BAY		
PROJECT ENGINEER		
PROJECT ARCHITECT		
PROJECT DESIGNER		
PROJECT CHECKER		
PROJECT REVIEWER		
PROJECT APPROVER		

PERMIT #

REVISION HISTORY

APPLICABLE CODES:

CALIFORNIA ADMINISTRATIVE CODE  
 2012 CALIFORNIA ELECTRICAL CODE  
 2012 CALIFORNIA MECHANICAL CODE  
 2012 CALIFORNIA PLUMBING CODE  
 2012 CALIFORNIA FIRE SAFETY CODE  
 2012 CALIFORNIA BUILDING CODE  
 2012 CALIFORNIA INTERNATIONAL ELECTRIC CODE  
 LOCAL BUILDING CODE  
 CITY OF MORRO BAY ORDINANCES

REVISION HISTORY

RECEIVED

MAY 03 2012

City of Morro Bay  
 Public Services Department

35' WOOD  
 CLASS 3 - SOLE  
 PERMIT #

TITLE SHEET

PC  
 WC  
 12/12/12

1 of 5

**Synergy**  
 Development Services, INC.  
 1000 W. 10TH ST. SUITE 100  
 MORRO BAY, CA 94052

**Synergy**  
 Development Services, INC.  
 1000 W. 10TH ST. SUITE 100  
 MORRO BAY, CA 94052

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REFERENCED EQUIPMENT - DCU, BODY MOUNTED ANTENNAS, SOLAR PANEL AND ACCESSORIES ARE "ACLARA" PROPRIETARY PRODUCTS.

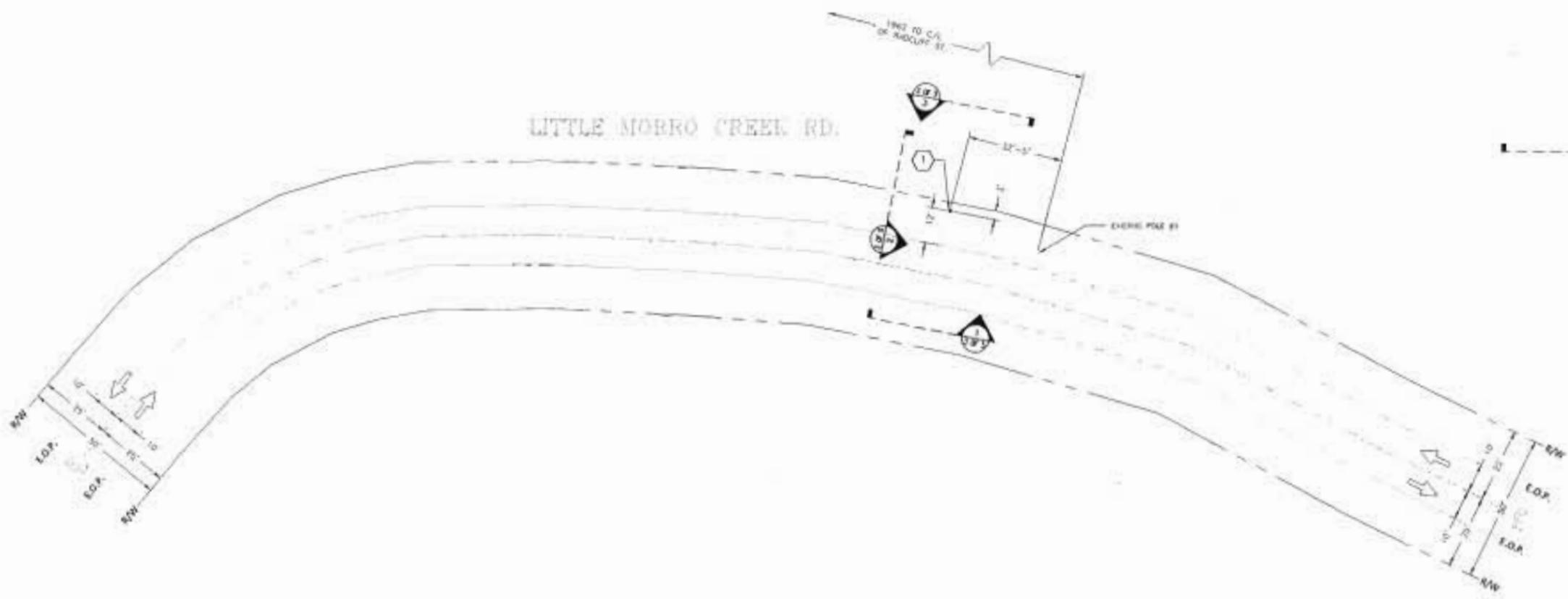
**PLACEMENT AND CONSTRUCTION DATA**

① PL. 35' CLASS 5 WOOD POLE  
SEE DETAILS SHEETS FOR EQUIPMENT

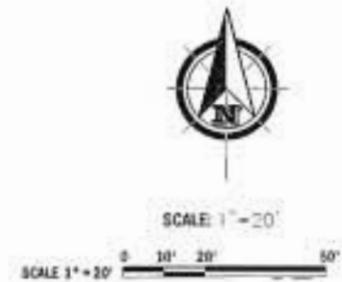
**LEGEND**

---	PROPOSED TRENCH
---	GAS LINE
---	POWER LINE
---	TELCO LINE
---	WATER LINE
---	CABLE TV LINE
---	OE LINE
---	STREET LIGHT LINE
---	SEWER LINE
---	STORM DRAIN LINE
---	PROPERTY LINE
---	CENTER LINE
---	CHAIN LINK FENCE
---	BLOCK WALL
---	DRIVEWAY

×	GUY POLE
×	JOINT POLE
●	FIRE HYDRANT
⚠	CURVE DATA
⊕	DETAIL NUMBER
⊕	SHEET NUMBER
⊕	DETAIL NUMBER CROSS SECTION SHEET NUMBER
⊕	PLACEMENT DATA
---	PROPERTY LINE
---	CENTER LINE
E.O.P.	EDGE OF PAVEMENT
E.O.D.	EDGE OF DIRT
R/W	RIGHT OF WAY
CURB	CURB



**CONSTRUCTION NOTE**  
LOCATION OF SUBSTRUCTURES AS SHOWN MAY NOT BE EXACT. THE SPECIFIC LOCATIONS AND DEPTHS OF SUBSTRUCTURES MUST BE DETERMINED BY THE CONTRACTOR BEFORE INITIATING WORK.




**Synergy**  
Development Services, Inc.  
18181 Alameda St., Van Nuys, CA 91410  
(818) 708-1000 Fax: (818) 708-1008

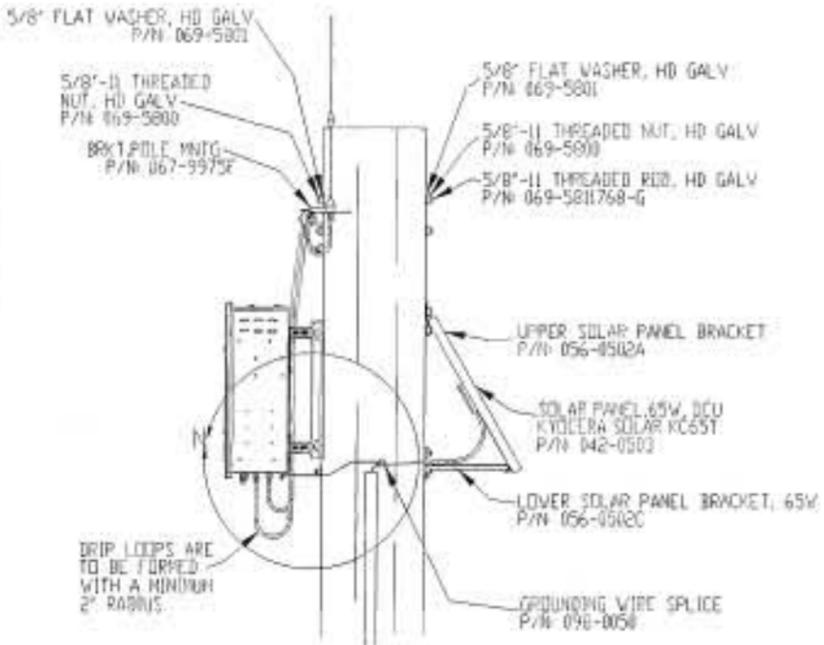
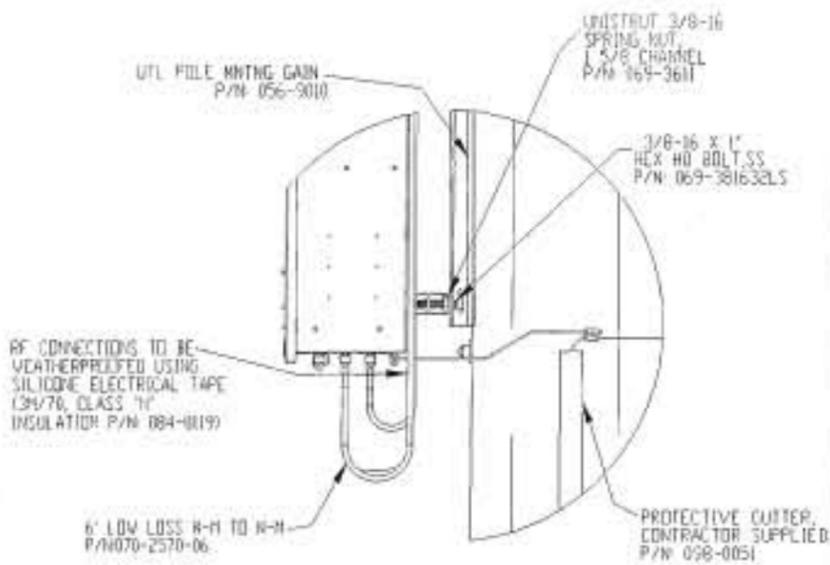
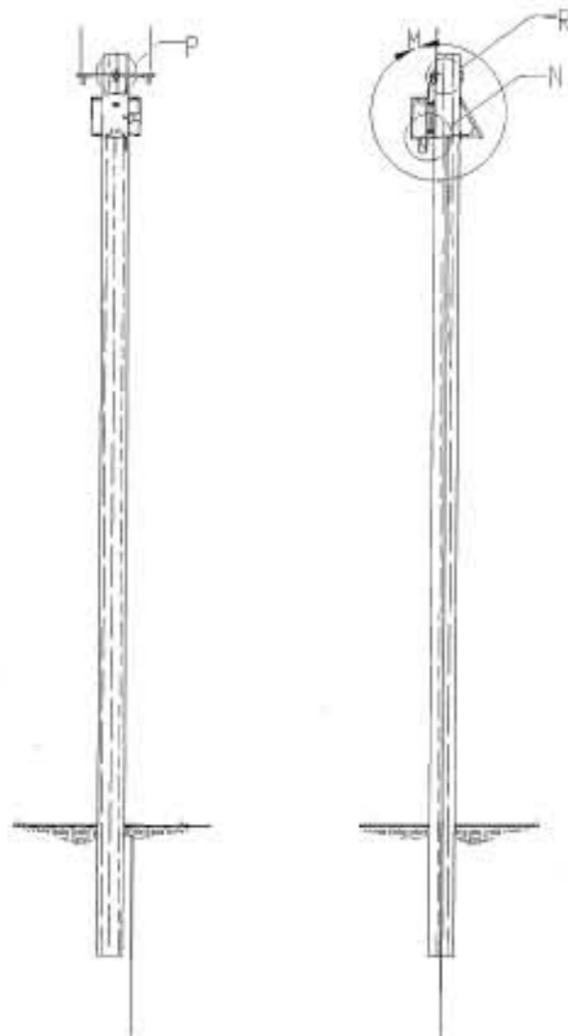
Sanjour  
Caldwell  
En Design  
A Sempra Energy Company

35' WOOD  
CLASS 5 POLE  
PERMIT #:

SITE PLAN

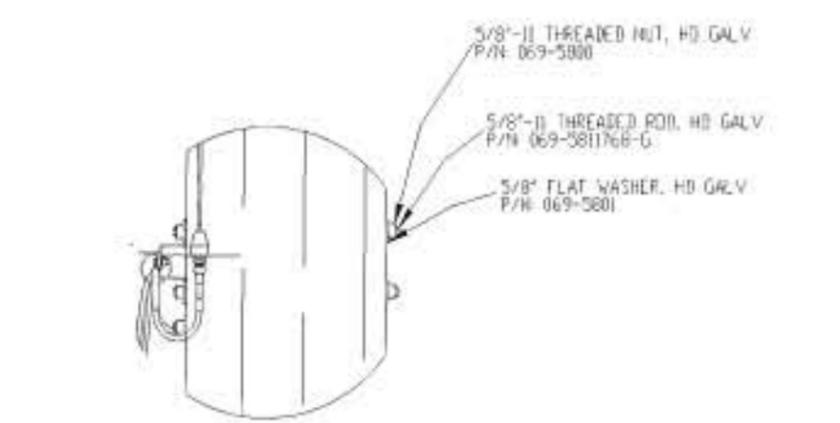
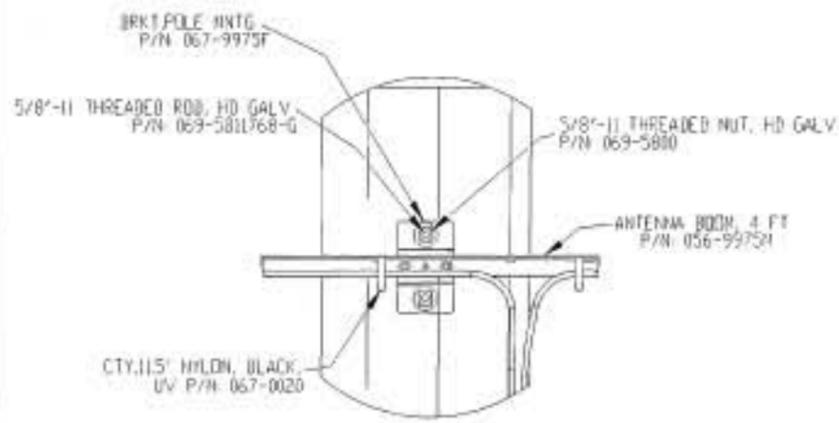
12/18/12  
2 of 5





2 DETAIL N

3 DETAIL M



4 DETAIL P

5 DETAIL R

1 USED TO CREATE DETAIL VIEWS

- NOTES:
- APPROXIMATE DCU CABINET WEIGHT 55#
  - ENCLOSURE RATED NEMA 3R
  - DRAWING NOT TO SCALE
  - RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.
  - DRAWING DEPICTS AN ACLARA RECOMMENDED INSTALLATION. LOCAL CODES AND INDEPENDENT EVALUATION SHOULD BE USED TO CERTIFY THE METHOD OF INSTALLATION AT THE SPECIFIC SITE.
  - CONTRACTOR TO PERFORM GROUND TEST PER G99S REQUIREMENTS.

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DATE	BY	REV	DESCRIPTION
12/10/12	MSL	1	TYPICAL INSTALLATION ACCORDANT TO DCU, WOOD POLE, SOLAR

REV C

NO SCALE WEIGHT



35' WOOD CLASS 5, POLE PERMIT #

DCU BOX DETAILS





A  Sempra Energy utility™

January 30, 2013

Cindy Jacinth  
Assistant Planner  
Public Services Department  
City of Morro Bay  
955 Shasta Avenue,  
Morro Bay, CA 93442

Ms. Jacinth,

This letter is in response to today's e-mail requesting additional information regarding Southern California Gas Company's (SoCalGas) coastal development permit application submitted to the city in association with its Advanced Meter Project network.

The Advanced Meter Project requires the installation of five data collector units (DCUs) in Morro Bay to ensure that sufficient network coverage is provided to all gas customers served in the area. Typically, each DCU has the capability to collect gas meter data from meters within a mile square radius. Redundancy in the network is required in case one or more DCUs become non-functional. Separately included is a city map approximating the network coverage radius for each of the DCUs.

The proposed DCU locations were determined at site surveys SoCalGas conducted with the city in June 2013. At these surveys, SoCalGas coordinated with the city in selecting optimal locations that will meet network coverage requirements while minimizing the impact to the community. While SoCalGas has an agreement with Pacific Gas and Electric Company (PG&E) allowing SoCalGas to attach its DCUs to stand-alone street light poles, unfortunately we were unable to locate any such poles within our coverage areas. While PG&E has distribution poles in these areas, SoCalGas does not have authorization under its agreement with PG&E to attach to their distribution poles, including those with street light attachments.

Pursuant to our application, SoCalGas proposes to install the DCUs on wood poles 29 feet in height (above ground level). While the two antennas exceed the top of the pole by approximately two feet in our standard design, SoCalGas will modify its design in Morro Bay to meet the 30' height restriction delineated in the city's wireless ordinance. Specifically, we will install the antennas one foot lower on the pole so that the top of the antennas will exceed the top of pole by one foot, rather than two feet.

Please let me know if you have any questions or need further information.

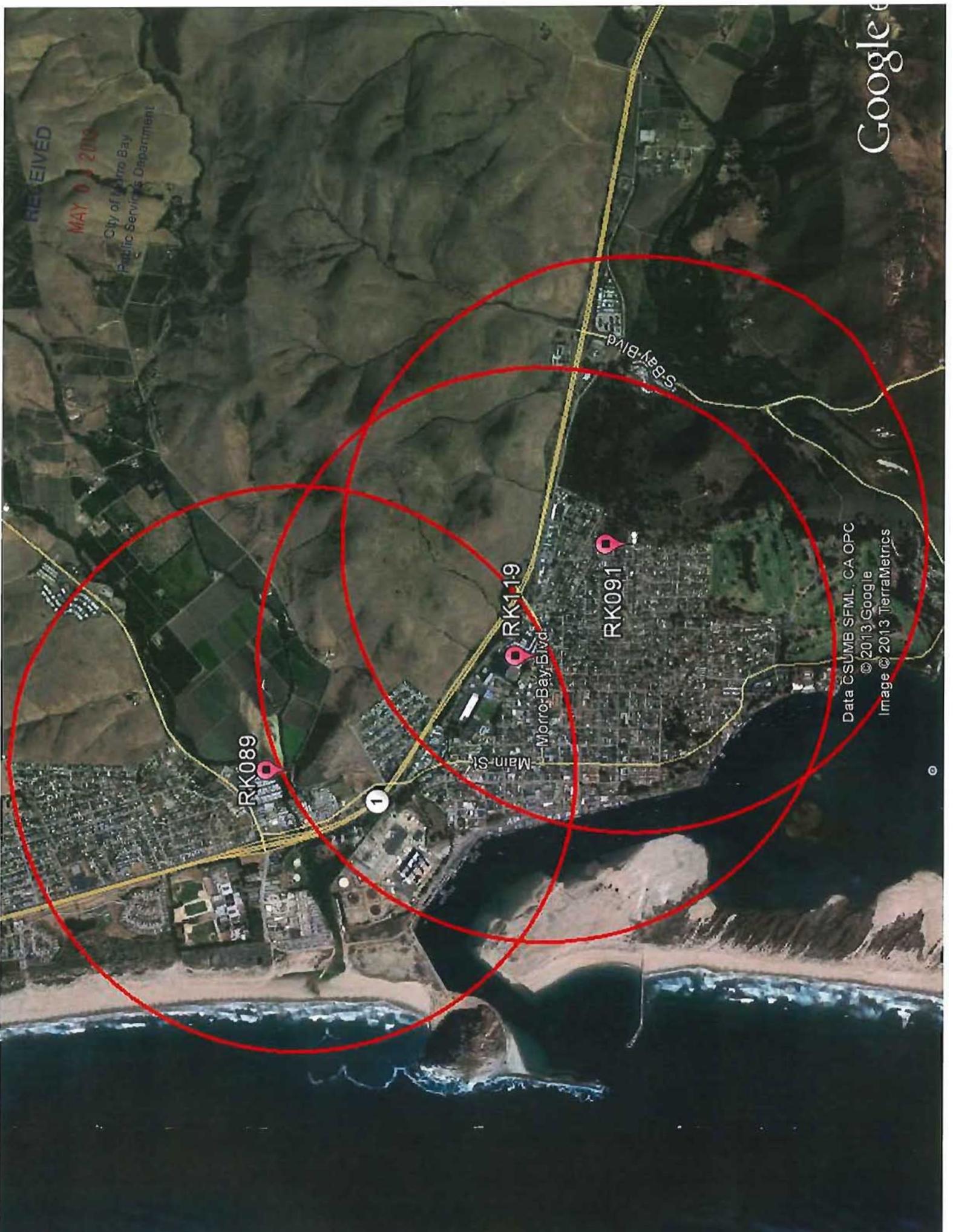
Thank you,

A handwritten signature in black ink that reads "Scott Loveless".

Scott Loveless  
Site Acquisition Project Manager  
Advanced Meter Project

RECEIVED  
MAY 03 2010  
City of Morro Bay  
Public Services Department

Google



Data ©SUMB SFML, CA OPC  
© 2013 Google  
Image © 2013 TerraMetrics



# ADVANCEDmeter

## PROJECT OVERVIEW

May 2012

# What is the Advanced Meter Project?

- California Public Utilities Commission (CPUC) decision received in April 2010 authorizing \$1.05 billion to upgrade approximately 6 million existing natural gas meters with a wireless communication device by 2017
- Automatically reads and securely transmits hourly gas usage information on a "next day" basis
- Provides more frequent and detailed information to help customers better control energy use and costs
- SoCalGas employees will perform installations



PHOTOS FOR DISCUSSION PURPOSES ONLY

**ADVANCEDmeter**

## What are the Benefits?



**Get  
Information**



**Save  
Money**



**Help the  
Environment**

## How Does it Work?

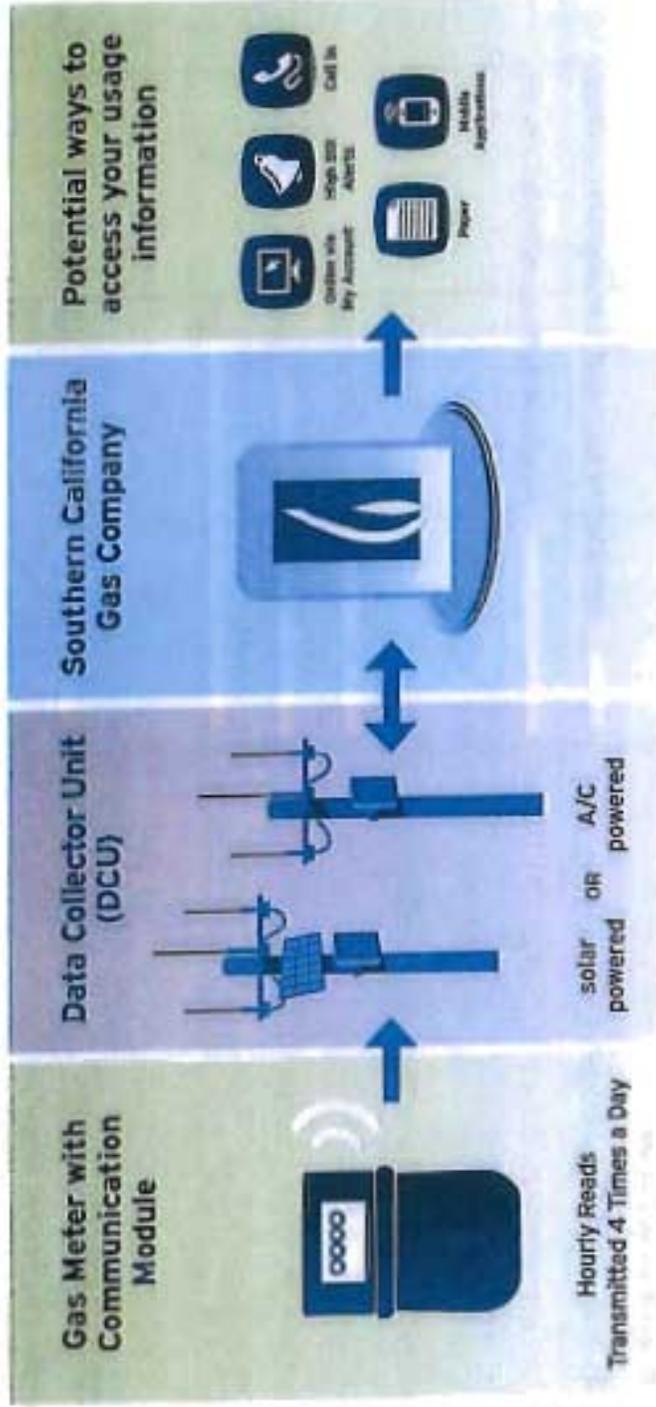
*Gas usage is still recorded in the traditional way, it's a new wireless communication device that transmits the information electronically*



- Does not change the functionality of the gas meter; No remote connect / disconnect capabilities
- Device is **off** most of the time
- Securely transmits 12 hours of data 4 times per day to a Data Collector Unit (total "on" time is less than 2 minutes per year)
- **Battery-powered**
- Does not communicate with other meters
- Does not communicate with appliances in the home

**ADVANCEDmeter**

# How is the information transmitted?



# High Level Timeline

- ★ Milestone
- Planning
- Implementation

## Network Installation

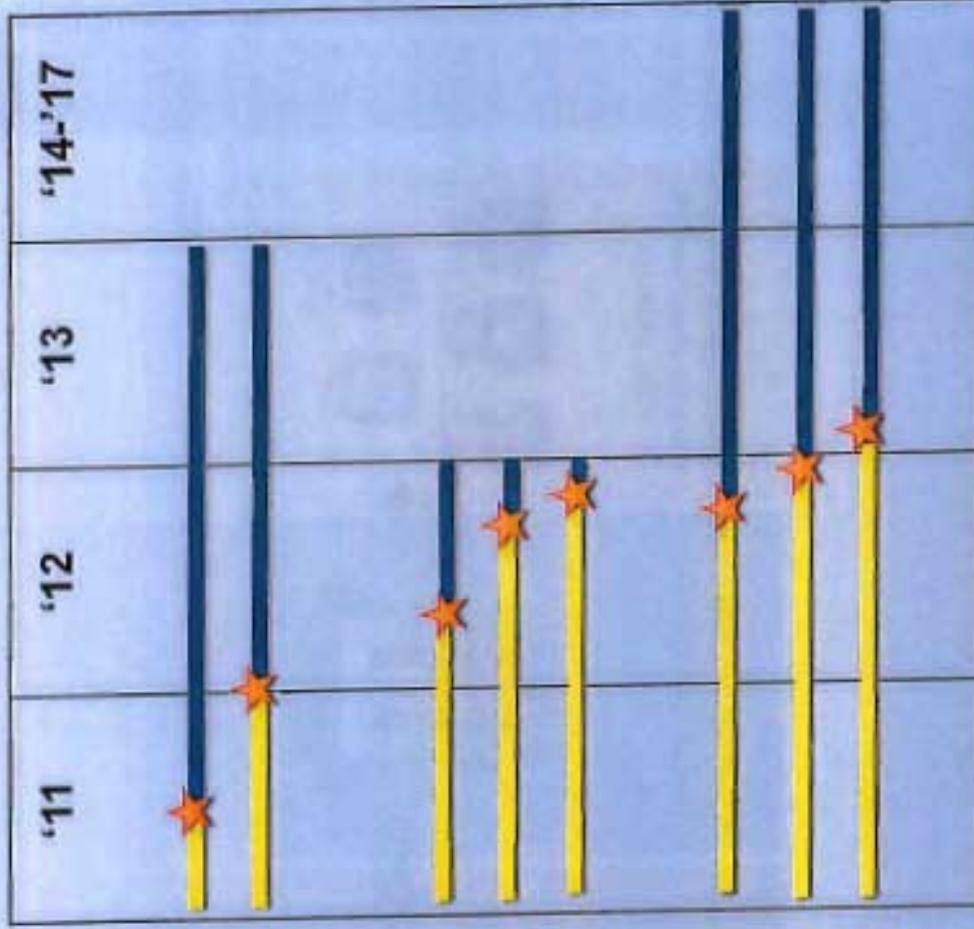
- Outreach and Briefings (Begin May '11)
- Install Communication Network (Begin Q1 '12)

## End-to-End Test (Early Module Installation)

- Community Outreach (Begin Q2 '12)
- Customer Notification (Begin Q3 '12)
- Early Installation (Begin Q4 '12)

## Mass Installation

- Community Outreach (Begins Q4 '13)
- Customer Notification (Begins Q1 '13)
- Mass Installation (Begins Q1 '13)



# About the Communication Network – Data Collection Units (DCUs)



- Installing approximately 4,000 DCUs throughout SoCalGas' service territory beginning early 2012
- Pole mounted at 30 feet or higher
- A/C or Solar Powered
- DCU cabinet is 25" H x 15.5" W x 9" D and weighs 80 lbs
- Built-in Redundancy: advanced meters will communicate with two to three DCUs

PHOTO FOR DISCUSSION PURPOSES ONLY  
Final Product Will Depend on Local Conditions

# Community Outreach Efforts

- **Phase 1: Communication Network Installation Outreach**

*SoCalGas' local outreach efforts include notifying customers within the geographic area where DCUs will be installed*

- **Phase 2: Advanced Meter Installation Outreach**

*SoCalGas' will implement local community outreach and customer communication to prepare customers for advanced meter installation*

## Phase 2: Local Communication & Community Outreach

### 90 to 60 Days Prior to Installation:

Briefings with Local Elected Officials, Community Leaders, Chambers, etc.

### 60 to 30 Days Prior to Installation:

Local Community Involvement & Events

### 30 Days Prior to Installation:

Customer receives notification letter  
(*geographically distributed*)

### Installation Day:

Customer receives door hanger confirming installation has occurred

### Post Installation:

Obtain feedback on installation experience

ADVANCEDmeter

# Contact Information

- To learn more about the project, visit:  
[socialgas.com/advanced](http://socialgas.com/advanced)
- For questions, please contact:
  - Timothy Mahoney  
tmahoney@semprautilities.com  
805-681-7930
  - Lizette Verduzco  
lverduzco@semprautilities.com  
213-244-4427
  - Scott Loveless  
slopeless@semprautilities.com  
213-244-2218



**ADVANCEDmeter**

# Advanced Meter Radio Frequency

- Communication device is **battery-powered** and transmits a signal for **less than 2 minutes per year**
- RF energy emitted is considerably less than common, everyday-living items such as laptops, cell phones wireless routers and handheld radios
- Advanced meters will be located in the same place as the existing meter
- When transmitting, the exposure level is thousands of times lower than the general population exposure limits set by the Federal Communications Commission

**Radio Frequency Emission Comparison Chart**

Maximum exposure level operates at microwave oven (18 inches from the oven)	Using a laptop computer with a wireless internet connection	Talking on a cellular phone*
		
up to 500,000 times more	up to 5,000 times more	up to 1,000,000 times more
		
Reference level		

**ADVANCEDmeter**

# Advanced Meter Radio Frequency Comparisons to Similar Wireless Technologies

Source	Radio Frequency Output Compared to Maximum Output from an Advanced Meter
Bluetooth Headset	Up to 400 times more
Most Electric Smart Meters	Up to 500 times more
Cordless Phones	Up to 700 times more
Baby Monitors	Up to 2,400 times more
Laptop computer with a wireless internet connection	Up to 5,000 times more
Car or plane remote controllers	Up to 7,500 times more
Maximum exposure level operating a microwave oven (8 inches from the door)	Up to 500,000 times more
Talking on a cellular phone	Up to 1,000,000 times more



AGENDA NO: B-3

MEETING DATE: May 15, 2013

## Staff Report

**TO:** Planning Commissioners

**DATE:** May 8, 2013

**FROM:** Cindy Jacinth, Associate Planner

**SUBJECT:** Coastal Development Permit (#CP0-384) to co-locate on an existing PG&E street light pole, a photo-cell powered data collector unit for the Advance Meter Project at the intersection of Morro Bay Boulevard & Harbor Streets (nearest situs address 815 Morro Bay Boulevard).

**RECOMMENDATION:**

*CONDITIONALLY APPROVE THE PROJECT* by adopting a motion including the following action(s):

- A. Adopt the Findings included as Exhibit "A";
- B. Approve Coastal Development Permit (#CP0-384) subject to the Conditions included as Exhibit "B" and the site development plans dated May 3, 2013.

**APPLICANT/AGENT:** Southern California Gas Company

**LEGAL DESCRIPTION:** Intersection of Morro Bay Boulevard and Harbor Street. Public right of way; Lat. 35 degrees 21' 57.93" N, Long -120 degrees 50' 35.82"W

**PROJECT DESCRIPTION:** The Applicant is seeking a coastal development permit approval to co-locate a data collector unit and solar panel on an existing PG&E street light pole in the public right of way at the northeast intersection of Morro Bay Boulevard and Harbor Street. The nearest situs address is 815 Morro Bay Boulevard. This location is not located within the Coastal Commission Appeals Jurisdiction. This location was formerly located at 781 Quintana Road.

The project was originally heard by the Planning Commission at the February 6, 2013 meeting. At that meeting, Planning Commission continued the hearing item to direct the Applicant to research co-location opportunities in order to minimize the impact of installing new wood poles in the community. The Applicant's original proposal of installing five new wood utility poles

Prepared By:  CJ

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

with data collector units has been reduced in scope to applications for three data collector units. As directed by Planning Commission, the Applicant has researched the possibility of co-locating a data collector unit on existing poles. The Applicant made contact with PG&E on several locations in this vicinity of town and was able to find a viable PG&E street light pole to co-locate under the terms of their existing master agreement.

**PROJECT SETTING:**

<b><u>Adjacent Zoning/Land Use</u></b>			
North:	C-1/S.4, District & Service Commercial	South	C-1/S.4, District & Service Commercial
East:	C-1/S.4, District & Service Commercial	West:	G-O/S.4, General Office

<b><u>Site Characteristics</u></b>	
Site Area	Public right of way
Existing Use	Public right of way, adjacent to commercial
Terrain	Public right of way is flat.
Vegetation/Wildlife	Previously disturbed site
Archaeological Resources	Property not within 300 feet of archeological resource.
Access	Morro Bay Boulevard & Harbor Street

<b><u>General Plan, Zoning Ordinance &amp; Local Coastal Plan Designations</u></b>	
General Plan/Coastal Plan Land Use Designation	Adjacent to Commercial
Base Zone District	Adjacent to C-1, Central Business
Zoning Overlay District	Adjacent to S.4
Special Treatment Area	N/A
Combining District	N/A
Specific Plan Area	N/A
Coastal Zone	Not within the original or appeals jurisdiction.

**BACKGROUND:**

Southern California Gas Company is upgrading their metering system statewide by adding a communication device to all residential and business natural gas meters. This technology is called Advanced Meter. The advanced meter will automatically read and transmit customer gas usage information to their customer service and billing center. The device, which will be installed on existing analog meters, is battery powered and turns on for a fraction of a second a day, for less than two minutes per year. The radio frequency output is hundreds of times less

than other commonly used household devices. The metering is one way communication and the Gas Company cannot turn on or off gas service with this new metering program.

In April 2010, the California Public Utilities Commission approved a budget of \$1.05 billion to upgrade approximately 6 million existing natural gas meters with a wireless communication device by 2017. The Advanced Meter project would cover all residential and business consumers. The Public Utilities Commission decision is attached as Exhibit C.

In order to ensure adequate network coverage but also minimize impact to the community, staff met with the Applicant in June 2012 and again in February 2013 to review proposed optimal locations. It was initially determined in 2012 that five locations would be necessary to meet the goals of the Advanced Meter project. After the February 2013 Planning Commission hearings regarding this project, the project was re-analyzed and it was determined that the goals of the Advance Meter project could be met with three locations instead of five. Of the original five locations, two of the locations were moved outside of the City limits into County jurisdiction, specifically on County-owned land at the Blanca Water Tank and another location in Baywood-Los Osos. See chart below.

<i>Advance Meter Project Location Summary</i>			
<b>Permit #</b>	<b>Original Location</b>	<b>Status</b>	<b>Proposed Location</b>
CP0-382	Alder & Sequoia	Application Withdrawn	County jurisdiction at Blanca Water Tank
CP0-388	300 Kings	Application Withdrawn	County jurisdiction
CP0-383	Little Morro Creek	No viable alternative; location unchanged	Little Morro Creek
CP0-384	781 Quintana	Moved to co-locate on PG&E pole	Morro Bay Blvd & Harbor
CP0-385	Driftwood & Main	Moved	Kings Water Tank property

The remaining three proposed pole locations were chosen within City limits. These include the proposed co-location on a PG& E street light pole at the intersection of Morro Bay Boulevard and Harbor Street. A second location is on property at the Kings Water Tank, nearest Kings Avenue and Pecho Street. The third location is proposed to be in the public right of way nearest 499 Little Morro Creek Road. The net effect of the three applications for coastal development permit would be two new wood poles and one co-location on existing pole. Attempts to co-locate on additional PG&E free-standing poles were unsuccessful for a variety of reasons. For example, Southern California Gas Company has an agreement with PG&E to attach to their stand-alone street light poles. However, the agreement does not allow the Applicant to attach to distribution poles, including those with street lights attached.

The specific pole locations were selected as the center point in a radius of where data collector units (DCU) are needed. DCU installations will be within an approximate 500 foot radius of this center point. In order to provide 100% coverage to consumers as mandated by the State Public Utilities Commission, the Applicant is requesting permit approval for these three locations spread throughout the City. (See Exhibit E Map).

#### *Project Specifics*

The PG&E street light pole at the northeast intersection of Morro Bay Boulevard and Harbor Street is a 26 foot ameron concrete pole (with an overall height of 28 feet above ground height). A data collector unit (DCU) is proposed to be installed at 23 feet 7 inches in height. The DCU measures 25" H x 15.5" W x 9" D. Unlike the other two proposed applications, a solar panel will not be necessary to be installed opposite the DCU, because the DCU will be photo-cell powered. The photo-cell is the power source that PG&E uses to power the street light. Under the Applicant's master agreement with PG&E, co-locating on this pole also includes utilizing the same power source for operation of the DCU. A four foot wide antenna boom is proposed to be installed at 25 feet above ground level.

#### *Environmental Determination*

Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

#### *General Plan*

The General Plan has designated this area of the city as District Commercial. The Visual Resources and Scenic Highway Element addresses the issues of overhead utility lines which serves to "(1) create a jumbled, blighted appearance for those areas in which it is most predominant; (2) interfere with, obstruct, and in some cases render unsightly views that would otherwise be spectacular." Additionally, Policy VR-6 states that the City will work toward the undergrounding of utilities where feasible.

The Applicant's proposal avoids the unsightly maze of overhead utility lines because the proposed location is both wireless and co-locating on an existing PG&E street light pole. It does not contribute, add to, or interfere with existing network of overhead utility lines or existing utility poles. The proposed DCU at the top of the pre-existing street light pole co-located both the pole and the power source. It would be infeasible and cost-prohibitive to underground the data collector unit, due to the Applicant's lack of infrastructure and the inherent design of the Advance Meter project.

The community's desires for limiting height of antennas and wireless facilities was demonstrated by the City Council passage of ordinance 17.27 Antennas and Wireless Telecommunications Facilities in 2010. The ordinance is currently in the process of being sent to the Coastal

Commission as part of the process to be codified by the City. As such, staff is applying these community standards to the Applicant's project. Section 17.27.020, paragraph G would exempt the project from a use permit since the utility is regulated by the California Public Utilities Commission.

*Zoning Ordinance*

This location is within City public right of way. It is adjacent to C-1/S.4 zoning, which is a district intended for district commercial. S.4 is a special design criteria overlay zone. The proposed project is located in the public right of way. This project of co-locating on an existing street light pole is allowed by the Franchise Agreement the City has with the Gas Company (Ordinance 12). The Franchise Agreement specifies that utility poles can be placed in the public right of way. The project conforms to the Zoning Ordinance.

**PUBLIC NOTICE:** Notice of this item was published in the San Luis Obispo Tribune newspaper on May 3, 2013 and all property owners of record within 300 feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application. This project was also brought forth to City Council on June 12, 2012 as an informational item.

**CONCLUSION:** The proposed project as conditioned is consistent with the General Plan, Local Coastal Plan, and Municipal Code for development standards. Installation of a data collector unit (DCU) is considered development under the Coastal Act and therefore requires a Coastal Development permit. Staff recommends that the Planning Commission conditionally approve Coastal Development Permit (#CP0-384) to co-locate on an existing PG&E street light pole, a photo-cell powered data collector unit for purposes of the Advance Meter Project at the intersection of Morro Bay Boulevard & Harbor Streets (nearest situs address 815 Morro Bay Boulevard).

**Exhibits:**

Exhibit A – Findings

Exhibit B – Conditions of Approval

Exhibit C – California Public Utilities Decision (See Agenda Item B-2's exhibit D)

Exhibit D – Visual Simulation Graphics/Plan Reductions dated May 3, 2013

Exhibit E – Letter from Applicant dated January 30, 2013 and Revised DCU Map dated May 3, 2013

Exhibit F – Letter from Applicant dated March 21, 2013

Exhibit G – Advanced Meter Project Overview (See Agenda Item B-2's exhibit H)

**EXHIBIT A**

**FINDINGS**

**SITE: INTERSECTION OF MORRO BAY BOULEVARD & HARBOR STREET  
(NEAREST SITUS ADDRESS 815 MORRO BAY BOULEVARD)**

**PROJECT DESCRIPTION:** Coastal Development Permit approval to install a 29 foot wood above ground level utility pole with data collector unit (DCU) and solar panel in the public right of way on Little Morro Creek Road (nearest situs address is 499 Little Morro Creek Road).

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

- A. Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

**COASTAL DEVELOPMENT PERMIT FINDINGS**

- A. That the project is an allowable use in its zoning district and is also in accordance with the certified Local Coastal Program and the General Plan for the City of Morro Bay based on the analysis contained with the staff report dated May 8, 2013.

## **EXHIBIT B**

### **CONDITIONS OF APPROVAL**

#### **SITE: INTERSECTION OF MORRO BAY BOULEVARD & HARBOR STREET (NEAREST SITUS ADDRESS 815 MORRO BAY BOULEVARD)**

**PROJECT DESCRIPTION:** Coastal Development Permit (#CP0-384) to co-locate on an existing PG&E street light pole, a photo-cell powered data collector unit for the Advance Meter Project at the intersection of Morro Bay Boulevard & Harbor Streets (nearest situs address 815 Morro Bay Boulevard).

#### **STANDARD CONDITIONS**

1. This permit is granted for the land described in the staff report dated May 8, 2013, for the project depicted on plans dated May 3, 2013 on file with the Public Services Department, as modified by these conditions of approval, and more specifically described as follows:

Site development, including all buildings 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 approval 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. Said extensions may be granted by the Public Services Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and 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 Public Services Director. Any changes to this approved permit determined not to be minor by the Director 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, City of Morro Bay, 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 Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use Plan and General Plan

for the City of Morro Bay.

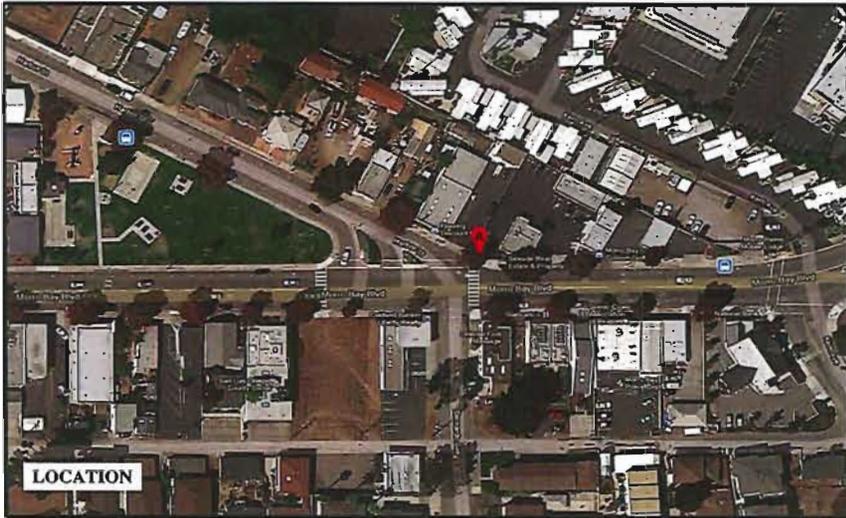
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set 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 that 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 and/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 Public Services Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
7. Compliance with Morro Bay Standards: This projects shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.
8. 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.

### **PLANNING CONDITIONS**

1. The facility shall be constructed to allow for co-location and/or co-operation of City of Morro Bay automatic water meter reading infrastructure at no cost to the City and no objection from the Applicant.

**EXHIBIT C**

California Public Utilities Decision (See Agenda Item B-2's exhibit D)



**SITE ID:**  
**RK119**

**MORRO BAY BLVD & HARBOR ST, MORRO BAY, CA 93442**



**VIEW NOTE:**  
**LOOKING NORTH AT PROPOSED PROJECT**

**Synergy**  
Engineering Services, Inc.  
16147 Wyandotte St. Van Nuys, CA 91406  
Office: (818) 840-0608 Fax: (818) 840-0708



**RECEIVED** Sempra Energy utility

**MAY 03 2013**  
City of Morro Bay  
Public Services Department

FEDERAL EQUIPMENT- FOR UNMANNED WIRELESS COMMUNICATIONS  
 LOCAL PERMITS AND REGULATIONS ARE SUBJECT TO CHANGE



A Sempra Energy utility®

**SITE NUMBER:** RK119  
**SITE TYPE:** (E) 26' AMERON CONCRETE POLE  
 1C1-25-CH8, AC POWER, ATTACHMENT

**CITY:** CITY OF MORRO BAY  
**COUNTY:** MORRO BAY  
**JURISDICTION:** CITY OF MORRO BAY

**PROJECT SUMMARY:**

**SITE ADDRESS**  
 MORRO BAY BLVD. & HARBOR ST.  
 MORRO BAY, CA 93442

**PROPERTY OWNER CONTACT:**  
 PUBLIC RIGHT OF WAY

**LAT. 35° 21' 57.83" N**  
**LONG. 120° 50' 35.82" W**

**APPLICANT:**

SOUTHERN CALIFORNIA GAS CO.  
 555 W. 5TH ST., SUITE 3RD., LOS ANGELES CA 90013

**REPRESENTATIVE:**  
 DEVELOPMENT MANAGER:  
 DEVELOPMENT MANAGER:  
 PROJECT MANAGER:

**PROJECT DESCRIPTION**

THE PROJECT ENTAILS  
 THE INSTALLATION OF ACLAIRA EQUIPMENT MOUNTED ABOVE GROUND LEVEL  
 ON EXISTING CITY OF MORRO BAY CONCRETE STREET LIGHTS.

**BUILDING SUMMARY**

OCCUPANCY CLASSIFICATION: UNMANNED WIRELESS TELECOMMUNICATION FACILITY  
 CLASSIFICATION:  
 BUILDING TYPE: NA

**SHEET INDEX:**

SHEET NUMBER	DESCRIPTION
1	TITLE SHEET
2	SITE PLAN
3	ELEVATIONS
4	DCU BOX DETAILS
5	MATERIALS LIST

**VICINITY MAP**



**CONSULTING TEAM:**

**SAC/ZONING/PERMITTING:**

SOUTHERN CALIFORNIA GAS CO.  
 TAMMY STYLES/DANIELS GARCIA  
 555 W. 5TH ST., 3RD FLOOR  
 LOS ANGELES, CA 90013  
 (213) 244-2217

**CONSTRUCTION PROJECT MANAGER:**

SOUTHERN CALIFORNIA GAS CO.  
 SCOTT JACOBSON  
 555 W. 5TH ST., 3RD FLOOR  
 LOS ANGELES, CA 90013

**CONTRACTOR:**

HEINKELS & MCCOY  
 ERIC TODD  
 2840 FIGUS STREET  
 POMONA, CA 91768  
 PHONE: (909) 270-7800  
 FAX: (909) 548-6664  
 CONTACT: ERIC TODD  
 DATE: 10-19-12

**NETWORK CONSTRUCTION ENGINEER:**

SOUTHERN CALIFORNIA GAS CO.  
 PAMELA THORNTON  
 555 S. GRAND AVE., 3RD FL.  
 LOS ANGELES, CA 90013  
 (213) 244-2324

**APPROVALS:**

THE FOLLOWING PARTIES HEREBY APPROVE AND ACCEPT THESE DOCUMENTS AND  
 AUTHORIZE THE CONTRACTOR TO PROCEED WITH THE CONSTRUCTION DESCRIBED  
 HEREIN. ALL CONSTRUCTION DOCUMENTS ARE SUBJECT TO REVIEW BY THE LOCAL  
 BUILDING DEPARTMENT AND ANY CHANGES AND MODIFICATIONS THEY MAY IMPOSE.

LANDLORD	PUBLIC R.O.W.	PRINT NAME	SIGNATURE	DATE
PRECON. MGR				
DEVELOP. MGR				
CONST. MGR				
PROJECT. MGR				
SR. RF ENGINEER				
RF ENGINEER				
OPERATIONS				
SAC REP.				

PERMIT #:

REVISION HISTORY

APPLICABLE CODES:

CALIFORNIA ADMINISTRATIVE CODE  
 2010 CALIFORNIA BUILDING CODE  
 UNIFORM MECHANICAL CODE  
 ANSIEIA-222-F LIFE SAFETY CODE NFPA-101  
 2010 UNIFORM PLUMBING CODE  
 910 NATIONAL ELECTRIC CODE  
 LOCAL BUILDING CODE  
 CITY/COUNTY ORDINANCES

REVISION B: SUBMITTAL  
 REVISION C: CHANGED TO AC POWER.

RECEIVED

MAY 03 2013

City of Morro Bay  
 Public Services Department

**Synergy**  
 Development Services, Inc.  
 18147 Wyandotte St., Van Nuys, CA 91410  
 Office: (818) 840-0805 Fax: (818) 840-0703

Southern California Gas Company  
 A Sempra Energy utility®

CITY OF MORRO BAY  
 26' CONCRETE POLE  
 AC POWER, POLE ATTACHMENT

TITLE SHEET

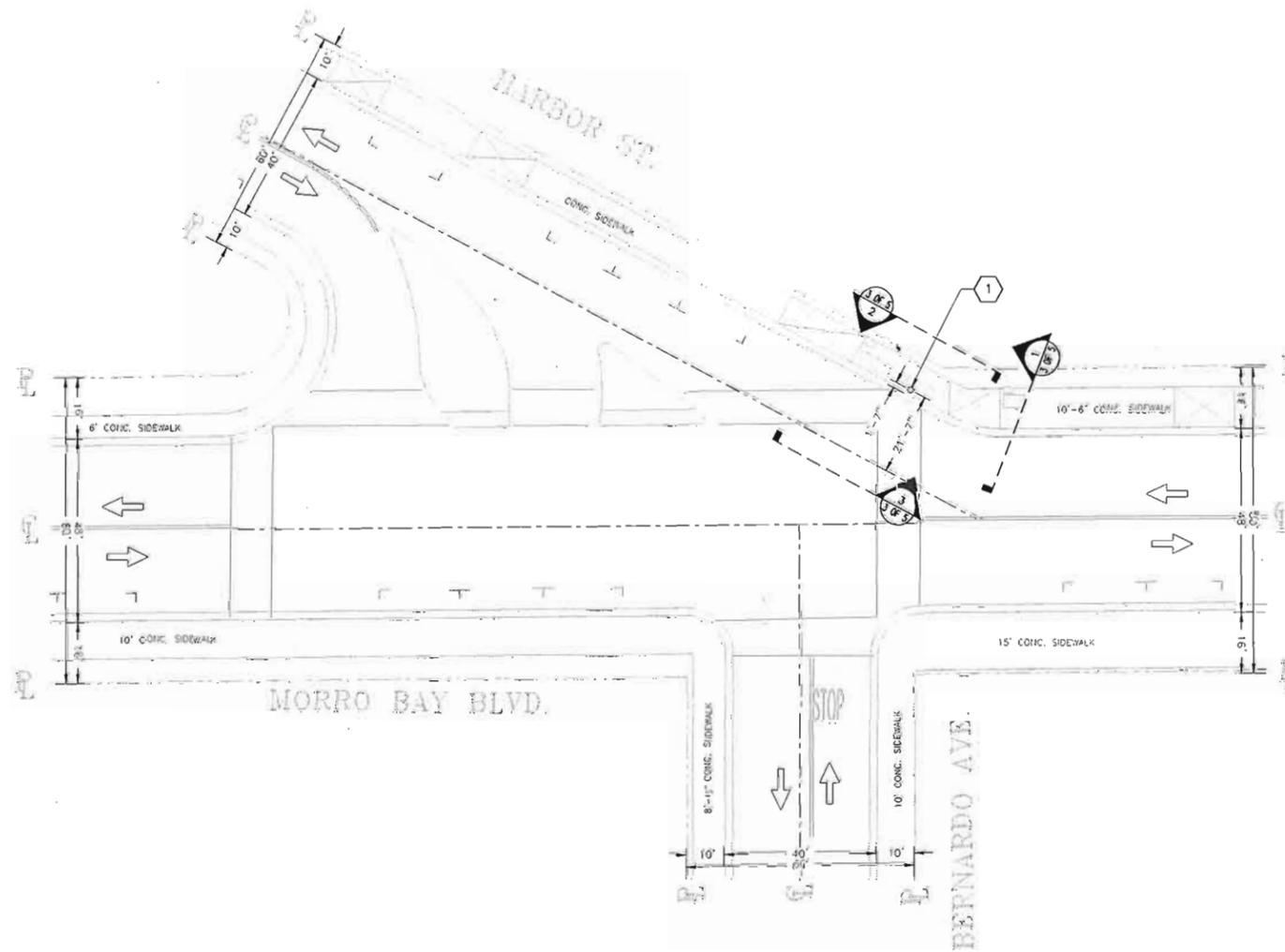
DATE: 4/10/13  
 SHEET: RK119

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REFERENCED EQUIPMENT- DCU, BOOM MOUNTED ANTENNAS, STAR ANTENNA, SOLAR PANELS AND ANCILLARIES ARE "ACLARA" PROPRIETARY PRODUCTS.

### PLACEMENT AND CONSTRUCTION DATA

1 PL. EQUIPMENT ON EXISTING STREET LIGHT  
SEE DETAILS SHEETS FOR EQUIPMENT.



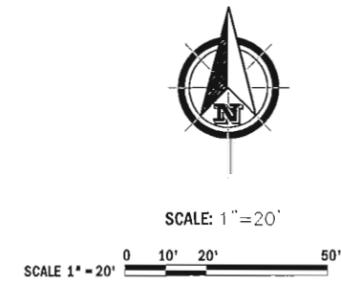
**LEGEND**

---	PROPOSED TRENCH
---	GAS LINE
---	POWER LINE
---	TELCO LINE
---	WATER LINE
---	CABLE TV LINE
---	OIL LINE
---	STL STREET LIGHT LINE
---	SWR SEWER LINE
---	STD STORM DRAIN LINE
---	PROPERTY LINE
---	CENTER LINE
---	CHAIN LINK FENCE
---	BLOCK WALL
---	DRIVEWAY

×	GUY POLE
⊗	JOIT POLE
●	FIRE HYDRANT
△	CURVE DATA
⊕	DETAIL NUMBER
⊕	SHEET NUMBER
⊕	DETAIL NUMBER CROSS SECTION SHEET NUMBER
⊕	PLACEMENT DATA
---	PROPERTY LINE
---	CENTER LINE
E.O.P.	EDGE OF PAVEMENT.
E.O.D.	EDGE OF DIRT
R/W	RIGHT OF WAY

**SITE ADDRESS**  
MORRO BAY BLVD. & HARBOR ST.  
MORRO BAY, CA 93442

**CONSTRUCTION NOTE**  
LOCATION OF SUBSTRUCTURES AS SHOWN MAY NOT BE EXACT. THE SPECIFIC LOCATIONS AND DEPTHS OF SUBSTRUCTURES MUST BE DETERMINED BY THE CONTRACTOR BEFORE INITIATING WORK.



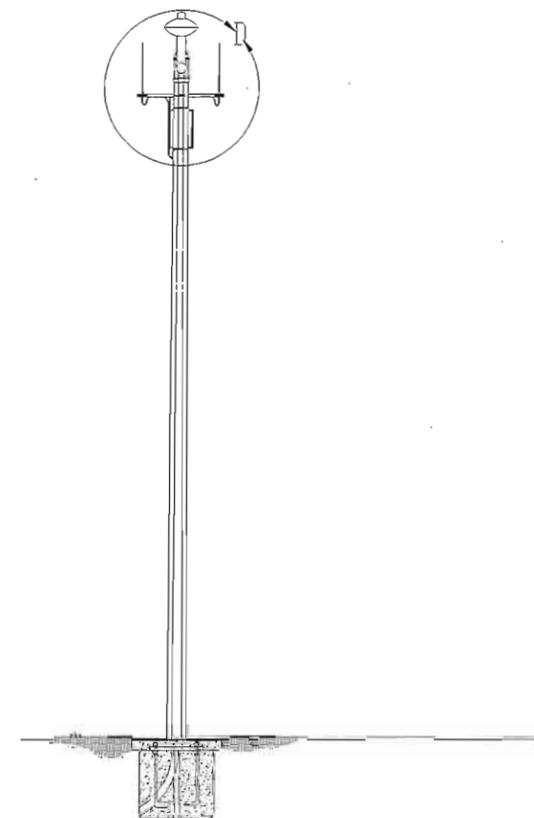
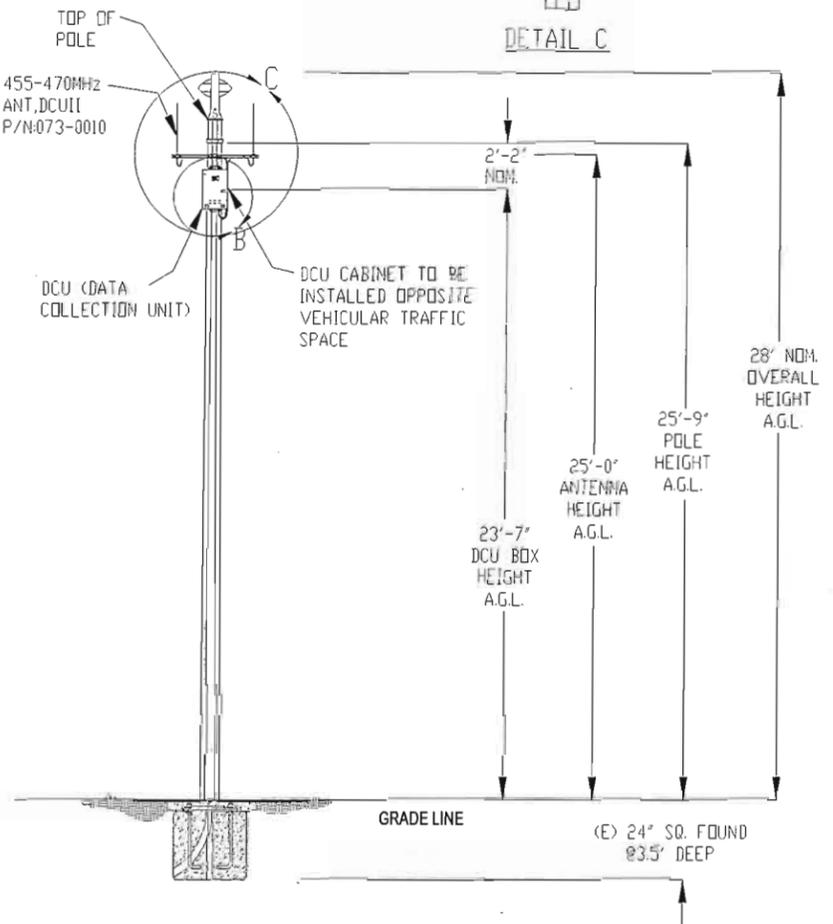
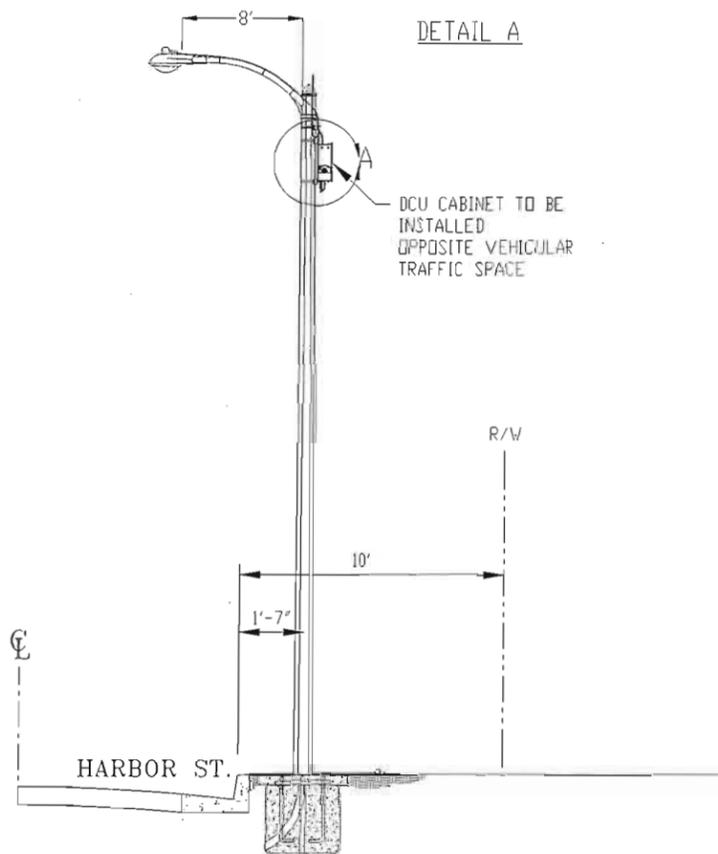
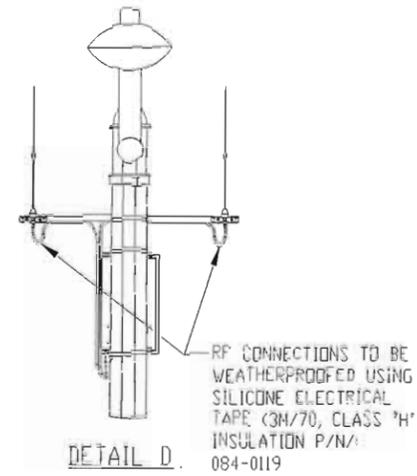
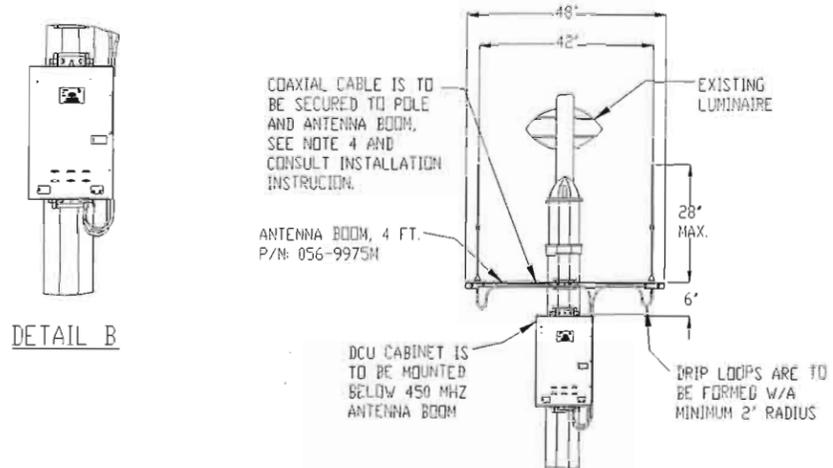
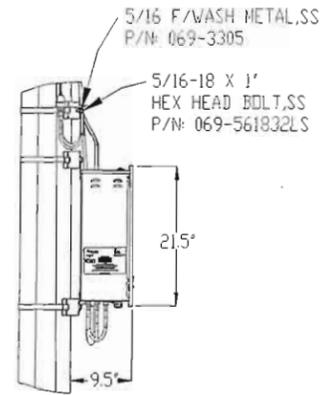

**Synergy**  
Development Services, Inc.  
18147 Wyandotte St. Van Nuys, CA 91406  
Office: (818) 840-0888 Fax: (818) 840-0708

Southern California Gas Company  
A Sempra Energy utility

CITY OF MORRO BAY  
26' CONCRETE POLE  
AC. POWER, POLE ATTACHMENT

SITE PLAN

DESIGNER	R.P.
CHECKED	W.C.
DATE	4/10/13
TICKET #	PK119
SHEET	2 of 5



**1 SITE ELEVATION LOOKING WEST**

**2 SITE ELEVATION LOOKING SOUTH**

**3 SITE ELEVATION LOOKING NORTH**

- NOTES:
1. MAXIMUM ACENDANT CABINET WEIGHT NOT TO EXCEED 55#
  2. ENCLOSURE RATED NEMA 3R.
  3. DRAWING NOT TO SCALE.
  4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.
  5. DRAWING DEPICTS AN ACLARA RECOMMENDED INSTALLATION, LOCAL CODES AND INDEPENDENT EVALUATION SHOULD BE USED TO CERTIFY THE METHOD OF INSTALLATION AT THE SPECIFIC SITE.
  6. CONTRACTOR TO PERFORM GROUND TEST PER G095 REQUIREMENTS.

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UNLESS OTHERWISE SPECIFIED	DATE	BY	DATE	BY
DESIGNED	05/24/11	SMR	05/24/11	SMR
CHECKED	05/24/11	DWG	05/24/11	DWG
APPROVED				

TITLE: MFG KIT CONCRETE POLE, AC

SCALE: NO SCALE

WEIGHT:

**Synergy**  
Development Services, Inc.  
1847 Wynton St. Van Nuys, CA 91406  
Office: (818) 840-0665 Fax: (818) 840-0708

Southern California Gas Company  
Sempra Energy utility

CITY OF MORRO BAY  
26' CONCRETE POLE  
AC POWER POLE ATTACHMENT

ELEVATIONS

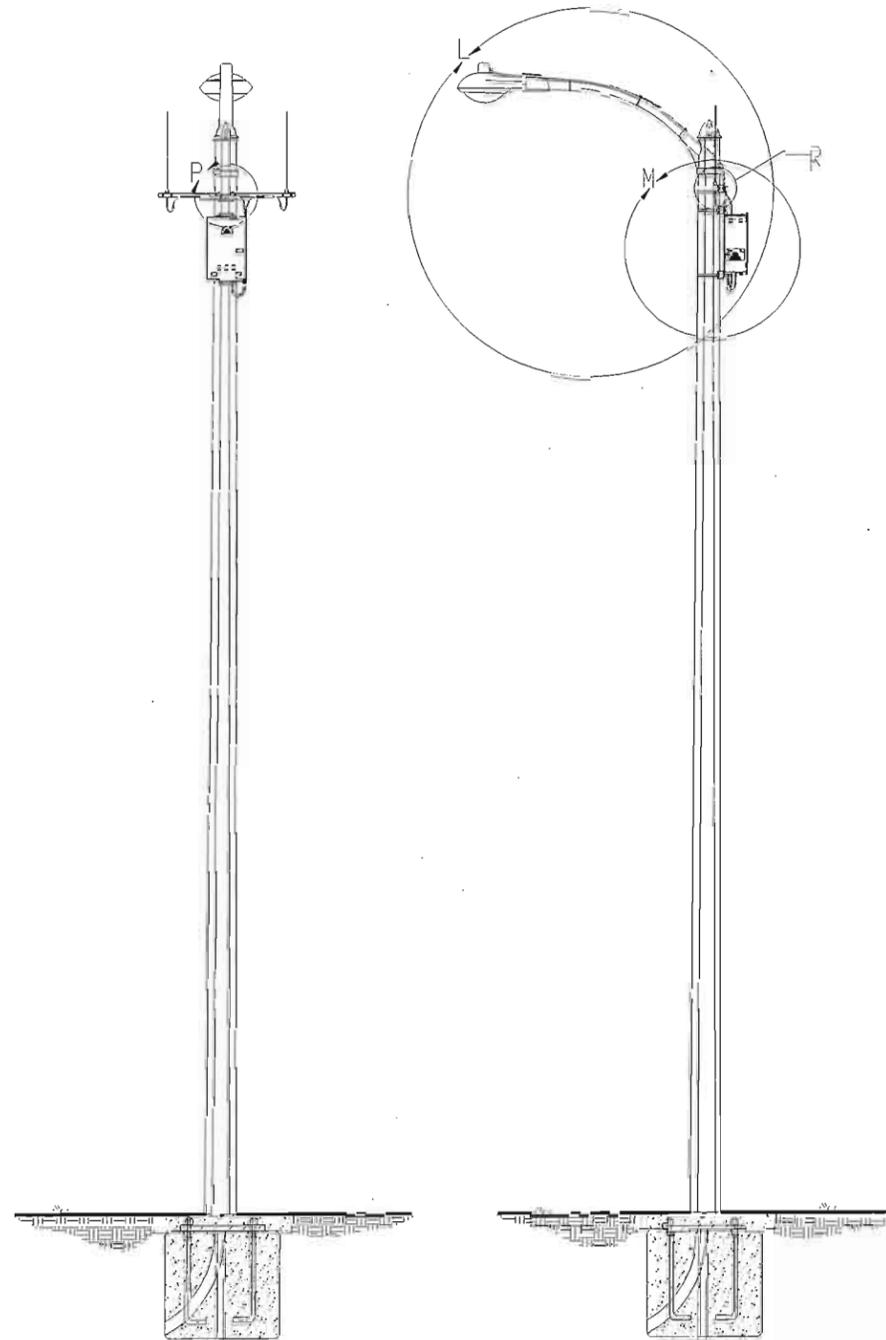
REVISIONS  
DATE  
BY  
1/30/13  
RK119  
3 of 5



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REFERENCED EQUIPMENT- DCU, BOOM MOUNTED ANTENNAS, STAR ANTENNA, SOLAR PANELS AND ANCILLARIES ARE "ACLARA" PROPRIETARY PRODUCTS.

MATERIALS LIST			
ITEM NO.	PART NUMBER	DESCRIPTION	QTY.
1	11700-CELL-AC-SCG	DCU, CELL, AC PWR, SCG	1
2	042-9975	BATTERY, 26 AMP HOUR, DCU 9975	1
3	109-9975D	UHF ANT BASE ASSY	2
4	073-0010	455-470MHZ ANT, DCUII	2
5	056-9975H	ANTENNA BOOM, 4 FT	1
6	109-10700-02	MTG KIT, CONCRETE POLE, AC	1
	069-561832LS	5/16-18 X 1", HEX HEAD BOLT, SS	6
	069-3304	5/16" SPR LW, .32 ID X .59 OD, 18-8 SS	6
	069-3305	5/16" F/WASH METAL, SS	6
	069-3306	5/16-18 HEX NUT SS	6
	067-5373D	BANDING CLAMP 3/4" SS 201, UB256	3
	067-5373G	BANDING BRACKET	3
	067-5373C	BANDING STRAP 1/2"X.02" A302 SS	3
	070-2570-10	10' COAX CABLES BETWEEN ANTENNAS & DCU	2
#7	071-1509	GROUNDING WIRE 8 GA, CU, SOLID	1
#8	098-0048	GROUND ROD, 3/4" X 8'	1
#9	098-0049	GROUNDING CLAMP	1
#10	098-0054	CABLE MGMT. BRACKETS (TRAP BOXES)	AS NEEDED
#11	TBD	SNAP-IN CLAMP	AS NEEDED
#12	098-0056	LMT-400 2 HOLE BOOM CLAMP	AS NEEDED
#13	098-0057	LMT-400 4 HOLE BOOM CLAMP	AS NEEDED
#14	084-0119	FUSION TAPE	AS NEEDED
#15	TBD	RIPLEY 5731 PHOTOCELL ADAPTER	1
*CONTRACTOR SUPPLIED MATERIALS			



NOTES:

1. MAXIMUM ACENDANT CABINET WEIGHT NOT TO EXCEED 55#
2. ENCLOSURE RATED NEMA 3R.
3. DRAWING NOT TO SCALE.
4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.
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6. CONTRACTOR TO PERFORM GROUND TEST PER G095 REQUIREMENTS.

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DESIGNER	DATE	SCALE	TITLE
W.C.	05/04/12		MTG KIT CONCRETE POLE, AC
DATE	05/04/12		
SCALE			
NO SCALE			
WEIGHT:			

**Synergy**  
Development Services, Inc.  
15147 Wyomondo St. Van Nuys, CA 91406  
Office: (818) 340-0808 Fax: (818) 340-0709

Santhem  
California  
Gas Company  
A Sempra Energy utility

CITY OF MORRO BAY  
26' CONCRETE POLE  
AC POWER POLE ATTACHMENT

MATERIALS LIST

5 of 5



A  Sempra Energy utility™

January 30, 2013

Cindy Jacinth  
Assistant Planner  
Public Services Department  
City of Morro Bay  
955 Shasta Avenue,  
Morro Bay, CA 93442

Ms. Jacinth,

This letter is in response to today's e-mail requesting additional information regarding Southern California Gas Company's (SoCalGas) coastal development permit application submitted to the city in association with its Advanced Meter Project network.

The Advanced Meter Project requires the installation of five data collector units (DCUs) in Morro Bay to ensure that sufficient network coverage is provided to all gas customers served in the area. Typically, each DCU has the capability to collect gas meter data from meters within a mile square radius. Redundancy in the network is required in case one or more DCUs become non-functional. Separately included is a city map approximating the network coverage radius for each of the DCUs.

The proposed DCU locations were determined at site surveys SoCalGas conducted with the city in June 2013. At these surveys, SoCalGas coordinated with the city in selecting optimal locations that will meet network coverage requirements while minimizing the impact to the community. While SoCalGas has an agreement with Pacific Gas and Electric Company (PG&E) allowing SoCalGas to attach its DCUs to stand-alone street light poles, unfortunately we were unable to locate any such poles within our coverage areas. While PG&E has distribution poles in these areas, SoCalGas does not have authorization under its agreement with PG&E to attach to their distribution poles, including those with street light attachments.

Pursuant to our application, SoCalGas proposes to install the DCUs on wood poles 29 feet in height (above ground level). While the two antennas exceed the top of the pole by approximately two feet in our standard design, SoCalGas will modify its design in Morro Bay to meet the 30' height restriction delineated in the city's wireless ordinance. Specifically, we will install the antennas one foot lower on the pole so that the top of the antennas will exceed the top of pole by one foot, rather than two feet.

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in black ink that reads "Scott Loveless".

Scott Loveless  
Site Acquisition Project Manager  
Advanced Meter Project

RECEIVED  
MAY 23 2013  
City of Morro Bay  
Public Services Department

RK089

RK119

RK091

1

Main St

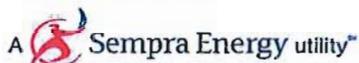
Morro Bay Blvd

S Bay Blvd

Data © SUMB SFML, CA OPC  
© 2013 Google  
Image © 2013 TerraMetrics

Google





RECEIVED

MAR 25 2013

City of Morro Bay  
Public Services Department

March 21, 2013

Cindy Jacinth  
Assistant Planner  
Public Services Department  
City of Morro Bay  
955 Shasta Avenue,  
Morro Bay, CA 93442

Ms. Jacinth,

As discussed, Southern California Gas Company (SoCalGas) requests that its coastal development permit applications for three of its Advanced Meter network locations in Morro Bay (#CP0-383, #CP0-384 and #CP0-385) be continued from the April 3<sup>rd</sup> to the May 1<sup>st</sup> Planning Commission meeting. The continuance will allow SoCalGas to complete its analysis of relocating two sites to city-owned water tank properties.

In addition, SoCalGas requests to withdraw two of the five coastal development permit applications (#CP0-382 and #CP0-388) as we will attempt to relocate these two network sites into San Luis Obispo County at a later date.

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in blue ink that reads "Scott Loveless".

Scott Loveless  
Site Acquisition Project Manager  
Advanced Meter Project

**EXHIBIT G**

Exhibit G – Advanced Meter Project Overview (See Agenda Item B-2’s exhibit H)



AGENDA NO: B-4

MEETING DATE: May 15, 2013

## Staff Report

**TO:** Planning Commissioners

**DATE:** May 8, 2013

**FROM:** Cindy Jacinth, Associate Planner

**SUBJECT:** Coastal Development Permit (#CP0-384) to install a 29 foot wood utility pole on property at the Kings Water Tank located at Kings Avenue (nearest situs address 0 Kings Avenue).

**RECOMMENDATION:**

*CONDITIONALLY APPROVE THE PROJECT* by adopting a motion including the following action(s):

- A. Adopt the Findings included as Exhibit "A";
- B. Approve Coastal Development Permit (#CP0-383) subject to the Conditions included as Exhibit "B" and the site development plans dated May 3, 2013.

**APPLICANT/AGENT:** Southern California Gas Company

**LEGAL DESCRIPTION:** Public right of way; Lat. 35 degrees 21' 46.08" N, Long W120 degrees 50' 6" southwest corner of Kings Water Tank property

**PROJECT DESCRIPTION:** The Applicant is seeking a coastal development permit approval to install a 29 foot wood utility pole with data collector unit (DCU) and solar panel on California State Park property at the southwest corner of Kings Water Tank located at Kings Avenue, approximately 282 feet east of Kings Avenue. The nearest situs address is 0 Kings Avenue. This location is not located within the Coastal Commission Appeals Jurisdiction. This location was formerly proposed to be at Driftwood and Main (255 Driftwood).

This project was originally heard by the Planning Commission at the February 6, 2013 meeting. At that meeting, Planning Commission continued the hearing item to direct the Applicant to research co-location opportunities in order to minimize the impact of installing new wood poles in the community. The Applicant's original proposal of installing five new wood utility poles

Prepared By:   CJ  

Dept Review:

with data collector units has been reduced in scope to applications for three data collector units. As directed by Planning Commission, the Applicant has researched the possibility of co-locating a data collector unit on existing locations in the area. The Applicant's conclusion to this research is that there are no viable nearby PG&E street light locations that would permit co-location. However, in an effort to minimize viewshed impacts to the neighborhood, the Applicant's new proposal request is to install a 29 foot wood utility pole with data collector unit and solar panel on property at the Kings Water Tank. It is the Applicant's position that the proposed pole at Kings Water Tank which is east of residential development is preferable to their original location at Driftwood and Main which is surrounded by a mix of residential and commercial development with greater likelihood for viewshed impacts.

The property at Kings Water Tank is not public right of way, but owned by State Parks. The Applicant is currently in negotiation for a lease agreement with State Parks representatives that would allow them land permission to site the pole in its proposed location.

**PROJECT SETTING:**

<b><u>Adjacent Zoning/Land Use</u></b>			
North:	OA-2/PD, Open Space	South	R-1, Low/Medium Residential
East:	OA-2/PD, Open Space	West:	R-2, Medium Residential

<b><u>Site Characteristics</u></b>	
Site Area	King Water Tank, State Parks Property
Existing Use	Municipal water tank, adjacent to vacant
Terrain	Proposed area flat surrounding by sloping hillside.
Vegetation/Wildlife	Previously disturbed site
Archaeological Resources	Property not within 300 feet of archeological resource.
Access	Kings Avenue and Pecho

<b><u>General Plan, Zoning Ordinance &amp; Local Coastal Plan Designations</u></b>	
General Plan/Coastal Plan Land Use Designation	Adjacent to Open Space
Base Zone District	Adjacent to OA-2/PD, Open Space/Recreation
Zoning Overlay District	PD, Planned Development Overlay Zone
Special Treatment Area	N/A
Combining District	N/A
Specific Plan Area	N/A
Coastal Zone	Not within the original or appeals jurisdiction.

**BACKGROUND:**

Southern California Gas Company is upgrading their metering system statewide by adding a communication device to all residential and business natural gas meters. This technology is called Advanced Meter. The advanced meter will automatically read and transmit customer gas usage information to their customer service and billing center. The device, which will be installed on existing analog meters, is battery powered and turns on for a fraction of a second a day, for less than two minutes per year. The radio frequency output is hundreds of times less than other commonly used household devices. The metering is one way communication and the Gas Company cannot turn on or off gas service with this new metering program.

In April 2010, the California Public Utilities Commission approved a budget of \$1.05 billion to upgrade approximately 6 million existing natural gas meters with a wireless communication device by 2017. The Advanced Meter project would cover all residential and business consumers. The Public Utilities Commission decision is attached as Exhibit C.

In order to ensure adequate network coverage but also minimize impact to the community, staff met with the Applicant in June 2012 and again in February 2013 to review proposed optimal locations. It was initially determined in 2012 that five locations would be necessary to meet the goals of the Advanced Meter project. After the February 2013 Planning Commission hearings regarding this project, the project was re-analyzed and it was determined that the goals of the Advance Meter project could be met with three locations instead of five. Of the original five locations, two of the locations were moved outside of the City limits into County jurisdiction, specifically on County-owned land at the Blanca Water Tank and another location in Baywood-Los Osos. See chart below.

<i>Advance Meter Project Location Summary</i>			
<b><u>Permit #</u></b>	<b><u>Original Location</u></b>	<b><u>Status</u></b>	<b><u>Proposed Location</u></b>
CP0-382	Alder & Sequoia	Application Withdrawn	County jurisdiction at Blanca Water Tank
CP0-388	300 Kings	Application Withdrawn	County jurisdiction
CP0-383	Little Morro Creek	No viable alternative; location unchanged	Little Morro Creek
CP0-384	781 Quintana	Moved to co-locate on PG&E pole	Morro Bay Blvd & Harbor
CP0-385	Driftwood & Main	Moved	Kings Water Tank property

The remaining three proposed pole locations were chosen within City limits. These include the proposed location at Kings Water Tank formerly proposed for Driftwood and Main Streets. A second location is proposed to be in the public right of way nearest 499 Little Morro Creek Road.

The third location is proposed to be in the public right of way co-located on an existing PG&E street light pole at the northeast intersection of Morro Bay Boulevard and Harbor Street. The net effect of the three applications for coastal development permit would be two new wood poles and one co-location on existing pole. Other attempts to co-locate on existing PG&E free-standing poles were unsuccessful for a variety of reasons. For example, Southern California Gas Company has an agreement with PG&E to attach to their stand-alone street light poles. However, the agreement does not allow the Applicant to attach to distribution poles, including those with street lights attached. Furthermore, no viable stand-alone street light poles with sufficient height clearances were available for potential co-location that would have allowed the Applicant to avoid installation of any new poles.

The specific pole locations were selected as the center point in a radius of where data collector units (DCU) are needed. DCU installations will be within an approximate 500 foot radius of this center point. In order to provide 100% coverage to consumers as mandated by the State Public Utilities Commission, the Applicant is requesting permit approval for these three locations spread throughout the City.

#### *Project Specifics*

The wood pole proposed for installation on Kings Avenue will be 29 feet above ground level and six feet below ground level for a total length of 35 feet. A data collector unit (DCU) will be installed at 26 feet that measures 25" H x 15.5" W x 9" D. A solar panel will be installed opposite the DCU. The solar panel serves to recharge the batteries contained within the DCU cabinet. The solar panel will be mounted at a 120 degree angle with the dimensions 31.3" L x 26.5" W x 2" D. A 4 foot wide antenna boom is proposed to be installed at 28 feet above ground level, or two feet above the DCU and solar panel. The attached plan reduction shows the overall height to be 31 feet above ground level due to the projection of the antenna. However, the Applicant has indicated that the antenna height can be lowered so as not to exceed 30 feet in overall height (see attached Exhibit D). Therefore, staff is recommending a condition be added that overall height shall not exceed 30 feet as allowed by Ordinance 17.27, Antennas and Wireless Telecommunications Facilities.

#### *Environmental Determination*

Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

#### *General Plan*

The General Plan has designated this area of the city as Moderate Density Residential. The Visual Resources and Scenic Highway Element addresses the issues of overhead utility lines which serves to "(1) create a jumbled, blighted appearance for those areas in which it is most predominant; (2) interfere with, obstruct, and in some cases render unsightly views that would otherwise be spectacular." Additionally, Policy VR-6 states that the City will work toward the

undergrounding of utilities where feasible.

The Applicant's proposal avoids the unsightly maze of overhead utility lines because the proposed pole is wireless and does not contribute, add to, or interfere with existing network of overhead utility lines or existing utility poles. As a wireless pole, this pole and the others proposed within the City are all self-sufficient because the DCU to be installed at the top of the pole is operated by the solar panel, which would be infeasible to underground.

The community's desires for limiting height of antennas and wireless facilities was demonstrated by the City Council passage of ordinance 17.27 Antennas and Wireless Telecommunications Facilities in 2010. The ordinance is currently in the process of being sent to the Coastal Commission as part of the process to be codified by the City. As such, staff is applying these community standards to the Applicant's project. Section 17.27.020, paragraph G would exempt the project from a use permit since the utility is regulated by the California Public Utilities Commission.

#### *Zoning Ordinance*

The location of the wood pole is on property at the Kings Water Tank facility. This property is east of a residential development. It is within OA-2/PD zoning, which is a district intended for open space/recreation. The property at Kings Water Tank is not public right of way, but owned by State Parks. Kings Water Tank, although within City limits, is on property not owned by the City. The Applicant is currently in negotiation for a lease agreement with State Parks representatives that would allow them land permission to site the pole in its proposed location. The property is also in a planned development overlay but owned by State Parks. As a superior agency, the Applicant is not required to obtain a use permit. As a zone district intended for open space/recreation, the proposed pole is sited to be on the southwest corner of the King Water Tank. This is an area not open to public access and therefore will not interfere or impact with open space/recreation goals of the public. Therefore, the project conforms to the Zoning Ordinance.

**PUBLIC NOTICE:** Notice of this item was published in the San Luis Obispo Tribune newspaper on May 3, 2013 and all property owners of record within 300 feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application. This project was also brought forth to City Council on June 12, 2012 as an informational item.

**CONCLUSION:** The proposed project as conditioned is consistent with the General Plan, Local Coastal Plan, and Municipal Code for development standards. Installation of the wood pole with DCU is considered development under the Coastal Act and therefore requires a Coastal Development permit. Staff recommends that the Planning Commission conditionally approve Coastal Development Permit (#CP0-385) to install a 29 foot above ground level wood utility pole for purposes of the Advanced Meter project.

**Exhibits:**

Exhibit A – Findings

Exhibit B – Conditions of Approval

Exhibit C – California Public Utilities Decision (See Agenda Item B-2's exhibit D)

Exhibit D – Visual Simulation Graphics/Plan Reductions dated May 3, 2013

Exhibit E – Letter from Applicant dated January 30, 2013 and Revised DCU Map dated  
May 3, 2013

Exhibit F – Letter from Applicant dated March 21, 2013

Exhibit G – Advanced Meter Project Overview (See Agenda Item B-2's exhibit H)

## **EXHIBIT A**

### **FINDINGS**

**SITE: KINGS WATER TANK (NEAREST SITUS ADDRESS 0 KINGS AVENUE)**

**PROJECT DESCRIPTION:** Coastal Development Permit approval to install a 29 foot wood above ground level utility pole with data collector unit (DCU) and solar panel in the public right of way on Little Morro Creek Road (nearest situs address is 499 Little Morro Creek Road).

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

- A. Pursuant to the California Environmental Quality Act the project is categorically exempt pursuant Section 15303, Class 3 for new construction or conversion of small structures. The exemption provides for gas and other utility extensions.

### **COASTAL DEVELOPMENT PERMIT FINDINGS**

- A. That the project is an allowable use in its zoning district and is also in accordance with the certified Local Coastal Program and the General Plan for the City of Morro Bay based on the analysis contained with the staff report dated May 8, 2013.

## **EXHIBIT B**

### **CONDITIONS OF APPROVAL**

**SITE: KINGS WATER TANK (NEAREST SITUS ADDRESS 0 KINGS AVENUE)**

**PROJECT DESCRIPTION:** Coastal Development Permit approval to install a 29 foot wood above ground level utility pole with data collector unit (DCU) and solar panel in the public right of way on property at Kings Water Tank (nearest situs address is 0 Kings Avenue).

### **STANDARD CONDITIONS**

1. This permit is granted for the land described in the staff report dated May 8, 2013, for the project depicted on plans dated May 3, 2013 on file with the Public Services Department, as modified by these conditions of approval, and more specifically described as follows:

Site development, including all buildings 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 approval 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. Said extensions may be granted by the Public Services Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and 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 Public Services Director. Any changes to this approved permit determined not to be minor by the Director 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, City of Morro Bay, 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 Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use Plan and General Plan for the City of Morro Bay.

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 that 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 and/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 Public Services Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
7. Compliance with Morro Bay Standards: This projects shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.
8. 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.

### **PLANNING CONDITIONS**

1. The facility shall be constructed to allow for co-location and/or co-operation of City of Morro Bay automatic water meter reading infrastructure at no cost to the City and no objection from the Applicant.
2. The total overall height of wood pole and antenna shall not exceed 30 feet above ground level. Certification shall be required to verify height and shall be submitted to the Public Services Director.

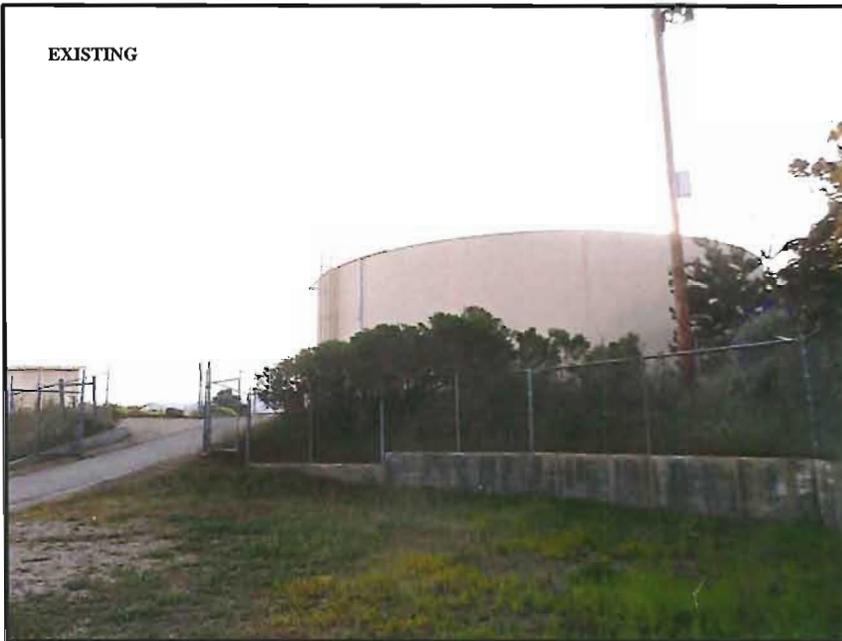
**EXHIBIT C**

California Public Utilities Decision (See Agenda Item B-2's exhibit D)



**SITE ID:**  
**RK091**

**KINGS AVE & PECHO ST, MORRO BAY, CA 93442**



**VIEW NOTE:**  
**LOOKING EAST AT PROPOSED PROJECT**

**Synergy**  
Engineering Services, Inc.  
16147 Wyandotte St. Van Nuys, CA 91406  
Office: (818) 840-0808 Fax: (818) 840-0708



RECEIVED Sempra Energy utility

**MAY 03 2013**

City of Morro Bay  
Public Services Department



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**PLACEMENT AND CONSTRUCTION DATA**

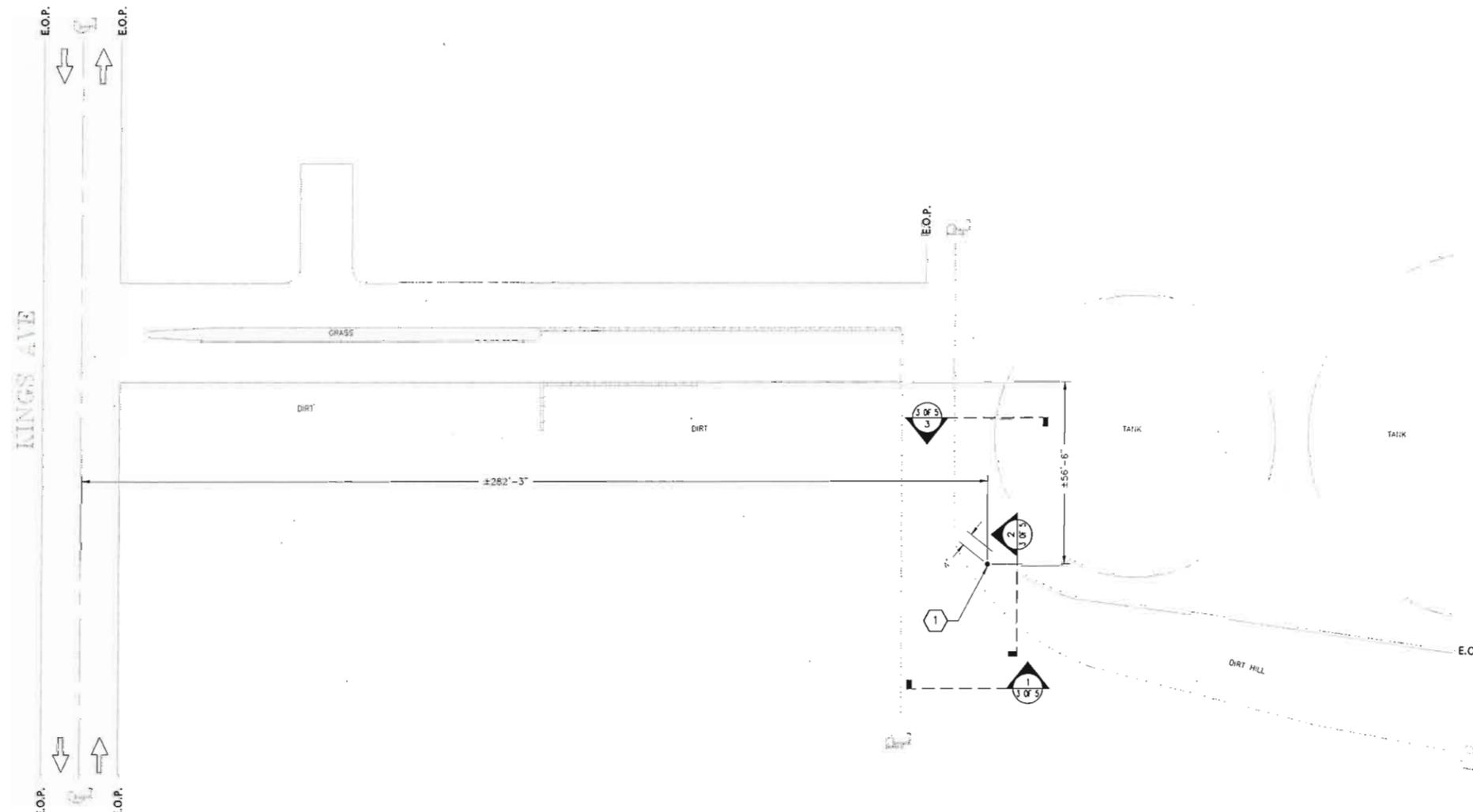
1 PL. 35' CLASS 5 WOOD POLE  
SEE DETAILS SHEETS FOR EQUIPMENT.

**LEGEND**

- PROPOSED TRENCH
- GAS LINE
- POWER LINE
- TELCO LINE
- WATER LINE
- CABLE TV LINE
- OIL LINE
- STREET LIGHT LINE
- SEWER LINE
- STORM DRAIN LINE
- PROPERTY LINE
- CENTER LINE
- CHAIN LINK FENCE
- BLOCK WALL
- DRIVEWAY

- × GUY POLE
- ⊗ JOIT POLE
- FIRE HYDRANT
- ⚠ CURVE DATA
- Ⓜ DETAIL NUMBER
- Ⓝ SHEET NUMBER
- Ⓜ DETAIL NUMBER CROSS SECTION SHEET NUMBER
- Ⓝ PLACEMENT DATA
- Ⓝ PROPERTY LINE
- Ⓝ CENTER LINE
- E.O.P. EDGE OF PAVEMENT.
- E.O.D. EDGE OF DIRT
- R/W RIGHT OF WAY

SITE ADDRESS  
KINGS AVE. & PECHO ST.  
MORRO BAY, CA 93442



**CONSTRUCTION NOTE**  
LOCATION OF SUBSTRUCTURES AS SHOWN MAY NOT BE EXACT. THE SPECIFIC LOCATIONS AND DEPTHS OF SUBSTRUCTURES MUST BE DETERMINED BY THE CONTRACTOR BEFORE INITIATING WORK.



SCALE: 1" = 20'  
SCALE 1" = 20' 0 10' 20' 50'

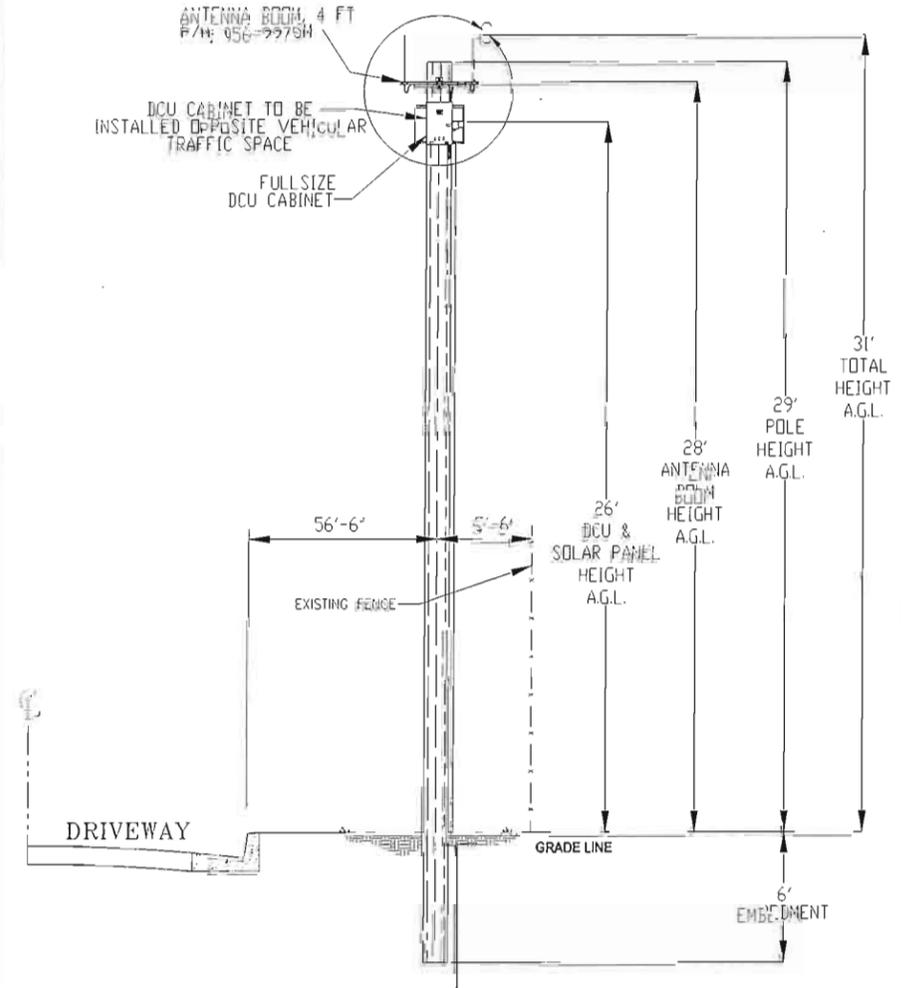
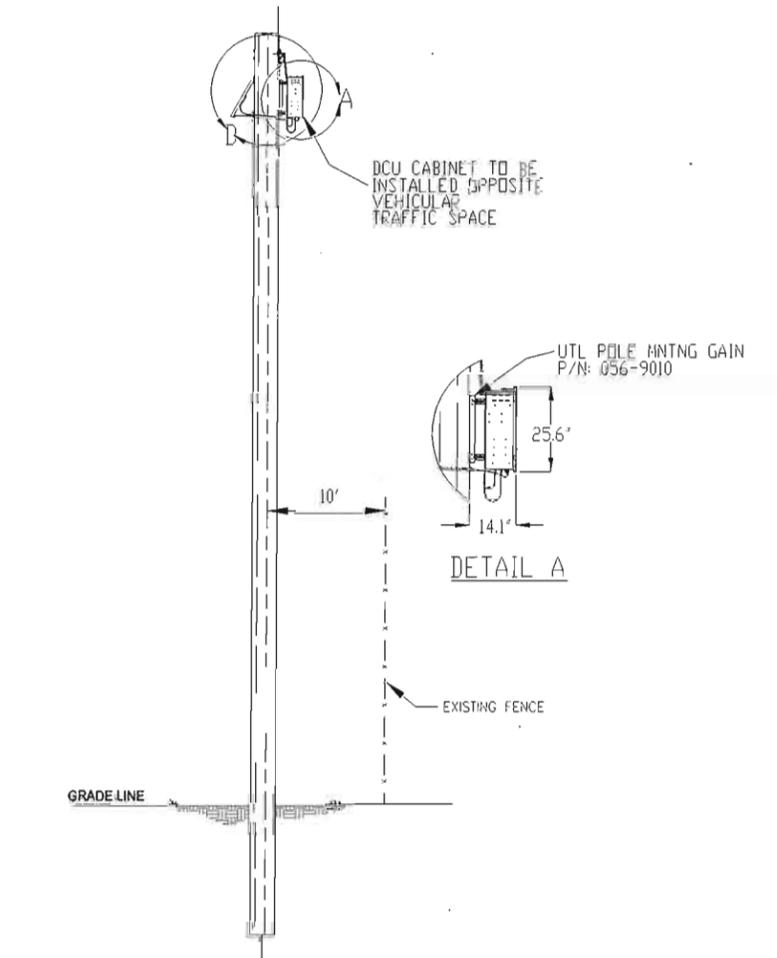
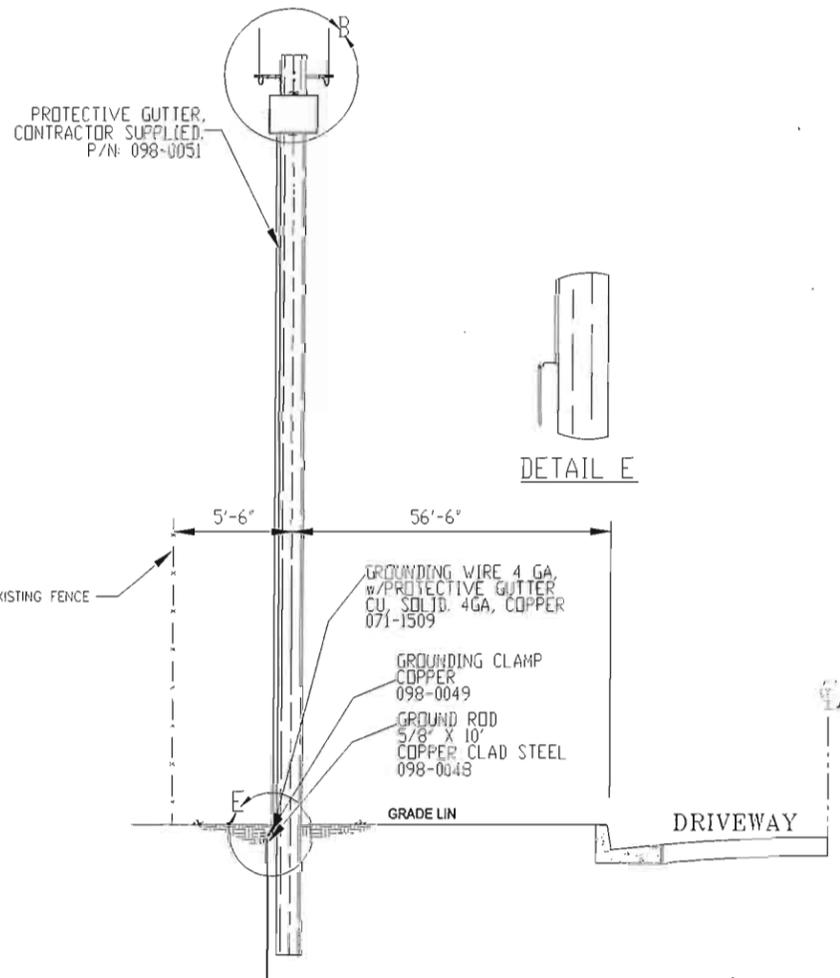
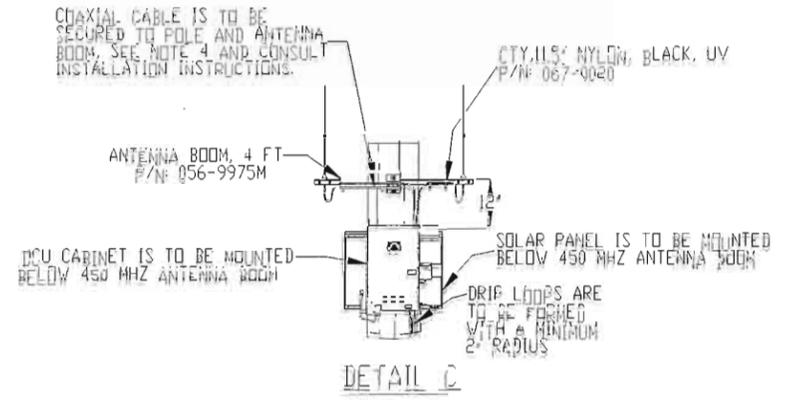
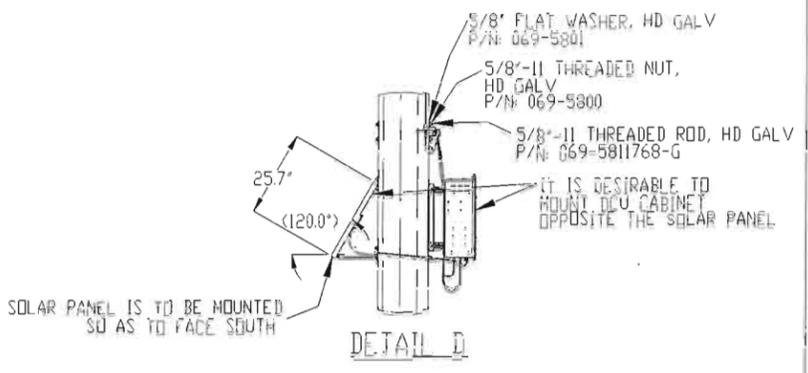
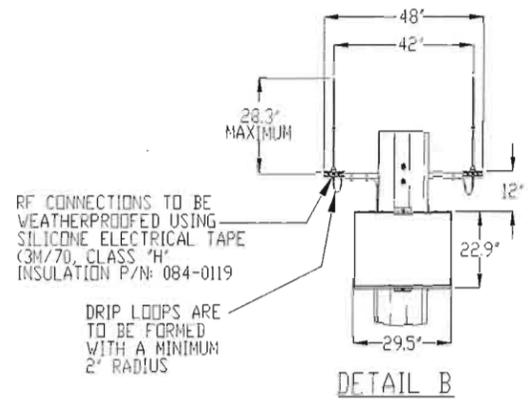

**Synergy**  
Development Services, Inc.  
16147 Wyandale St. Van Nuys, CA 91406  
Office: (818) 840-0808 Fax: (818) 840-0708

**Southern California Gas Company**  
A Sempra Energy utility

35' WOOD  
CLASS 5 POLE  
PERMIT #:

**SITE PLAN**

PC  
W.C.  
441113  
NIKOS  
2 of 5



1 SITE ELEVATION LOOKING NORTH

2 SITE ELEVATION LOOKING WEST

3 SITE ELEVATION LOOKING SOUTH

- NOTES:
1. MAXIMUM ADJACENT CABINET WEIGHT NOT TO EXCEED 55#.
  2. ENCLOSURE RATED NEMA 3R.
  3. DRAWING NOT TO SCALE.
  4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.
  5. DRAWING EXPECTS AN ACLARA RECOMMENDED INSTALLATION. LOCAL CODES AND INDEPENDENT EVALUATION SHOULD BE USED TO CERTIFY THE METHOD OF INSTALLATION AT THE SPECIFIC SITE.
  6. CONTRACTOR TO PERFORM GROUND TEST PER GDBS REQUIREMENTS.

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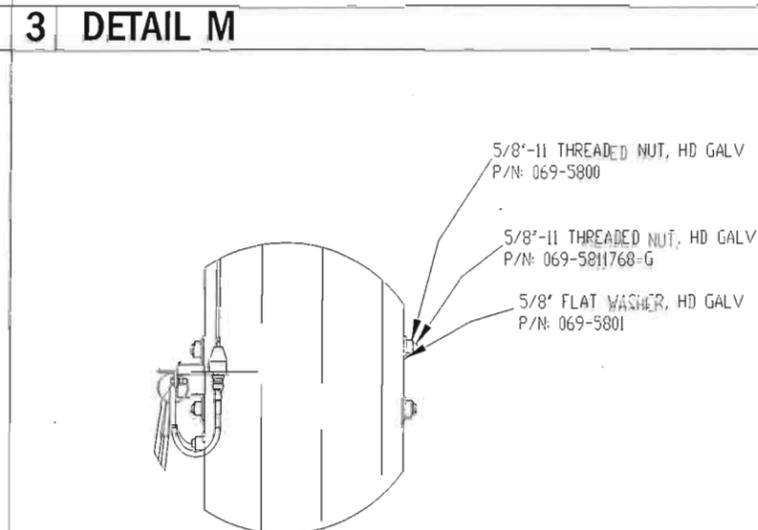
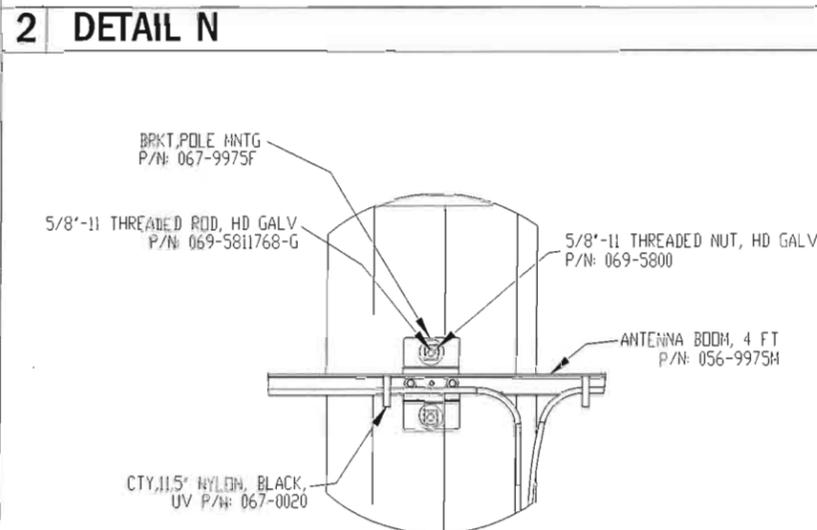
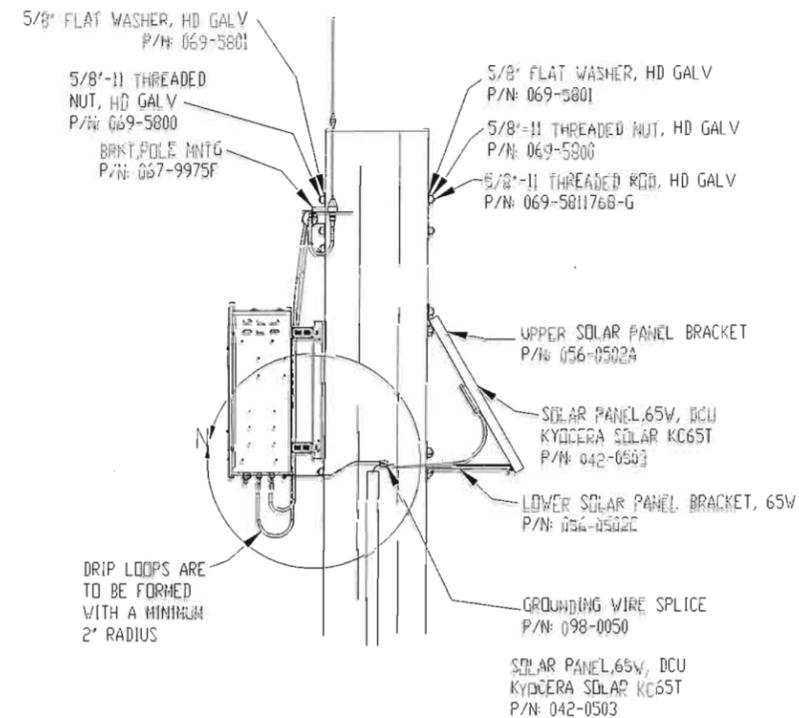
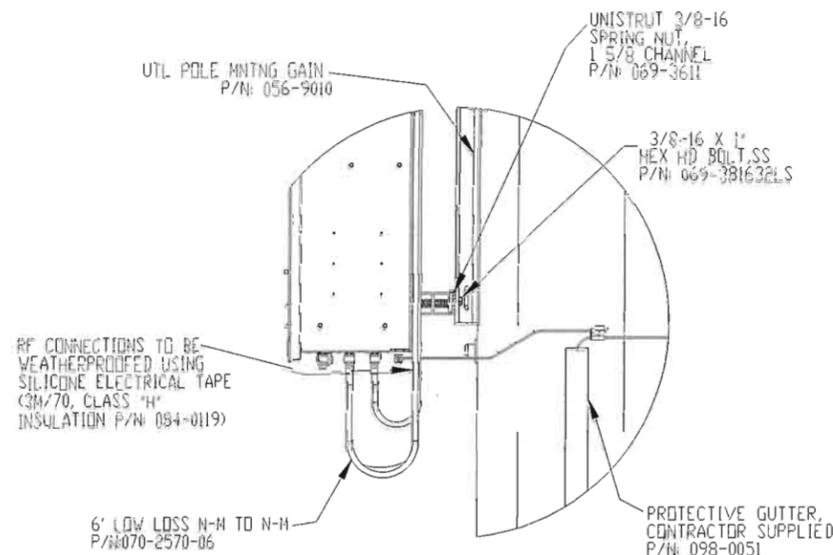
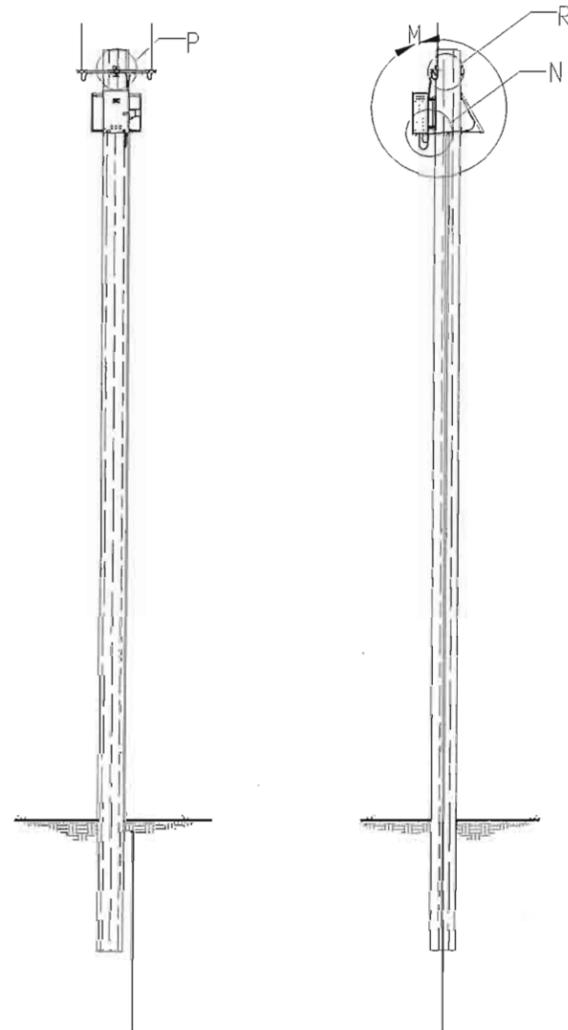
(C) 2011 ACLARA TECHNOLOGIES LLC. ALL RIGHTS RESERVED. PROPRIETARY AND CONFIDENTIAL.			
UNLESS OTHERWISE SPECIFIED: DIMENSIONS AS SHOWN TO INCLUDE FINISH PROTECTIVE COATING SOLAR PANELS TWO PLACE DECIMAL THREE PLACE DECIMAL	DRAWN: SJS CHECKED: DUG ENG APPR: [Signature] MFG APPR: [Signature]	DATE: 05/04/12 DWG: 050412	TITLE: TYPICAL INSTALLATION ADJACENT WOOD POLE, SOLAR
INTERFERE SPECIFIC UTILITIES PER: FIELD FINISH: N/A	COMMENTS: PROPRIETARY AND CONFIDENTIAL THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF ACLARA. ANY REPRODUCTION IN PART OR WHOLE WITHOUT THE WRITTEN PERMISSION OF ACLARA IS PROHIBITED.	SIZE: B DWG NO.: 05-0412-SOL-EMB REV: D	REV. #: 1 2 3 4 5 6


**Synergy**  
 Development Services, Inc.  
 16147 Wyandotte St., Van Nuys, CA 91406  
 Office: (818) 840-0908 Fax: (818) 840-0708

**Southern California Gas Company**  
 Sempra Energy utility

35' WOOD POLE  
 CLASS 15 POLE  
 PERMIT #:

ELEVATIONS



**1 USED TO CREATE DETAIL VIEWS**

**4 DETAIL P**

**5 DETAIL R**

- NOTES:
1. MAXIMUM ACENDANT CABINET WEIGHT NOT TO EXCEED 55#.
  2. ENCLOSURE RATED NEMA 3R.
  3. DRAWING NOT TO SCALE.
  4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.
  5. DRAWING DEPICTS AN ACLARA RECOMMENDED INSTALLATION. LOCAL CODES AND INDEPENDENT EVALUATION SHOULD BE USED TO CERTIFY THE METHOD OF INSTALLATION AT THE SPECIFIC SITE.
  6. CONTRACTOR TO PERFORM GROUND TEST PER G95 REQUIREMENTS.

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UNLESS OTHERWISE SPECIFIED	DATE	BY	REV.
REVISED AS SHOWN	05/04/12	WJC	1
FRAGMENTS	05/04/12	WJC	2
ANGULAR HOLE P.			
TWO PLACE DECIMAL			
THREE PLACE DECIMAL			
UNLESS OTHERWISE SPECIFIED	DATE	BY	REV.
WOOD			
FINISH	N/A		
TITLE:		SIZE:	REV.
TYPICAL INSTALLATION: ANTENNA MOUNT, WOOD POLE, SOLAR		B	C
NO SCALE		WEIGHT:	



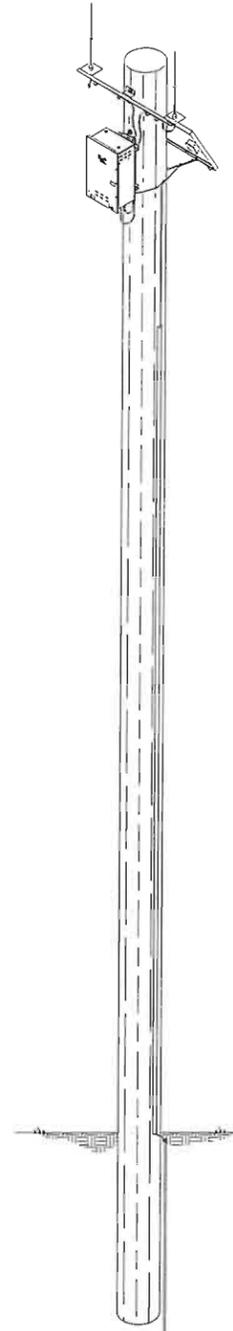
35' WOOD CLASS 5 POLE PERMIT #:

DCU BOX DETAILS

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MATERIALS LIST			
ITEM NO.	PART NUMBER	DESCRIPTION	QTY.
1	073-0010	455-470MHz ANT,DCU1	2
2	109-9975D	UHF ANT BASE ASSY	2
3	109-9975F65	65W SOL PANEL W/ MNTG	1
4	056-9975M	ANTENNA BOOM, 4 FT	1
5	067-0020	CTY,115" NYLON, BLACK, UV	4
6	109-11700-01	MTG KIT, WOOD POLE, SOLAR	1
	056-0120	CLAMP BRACKET	2
	069-0101	U-BOLT,2 DD,5/16-18 X 1 1/2, SS	2
	056-0100	MAST MNTNG BRACKET	1
	069-381632LS	3/8-16 X 1" HEX HD BOLT,SS	4
	069-3611	UNISTRUT 3/8-16 SPRING NUT, 1 5/8 CHANNEL	4
	056-9010	UTL POLE MNTNG GAIN	1
	069-3306	5/16-18 HEX NUT SS	2
	069-3305	5/16 F/WASH METAL,SS	2
	069-3304	5/16" SPR LW, .32 ID X .59 DD, 18-8 SS	2
	069-561832LS	5/16-18 X 1", HEX HEAD BOLT,SS	2
	067-9975F	BRKT,POLE MNTG	1
	070-2570-06	6' LDW LOSS N-M TO N-M	2
*7	069-5801	5/8" FLAT WASHER, HD GALV	16
*8	071-1509	GROUNDING WIRE 4 GA, CU, SOLID	2
*9	098-0051	PROTECTIVE GUTTER, CONTRACTOR SUPPLIED	1
*10	098-0049	GROUNDING CLAMP	1
*11	098-0050	GROUNDING WIRE SPLICE	1
*12	098-0048	GROUND ROD, 5/8" X 8'	1
*13	069-5811768-G	5/8"-11 THREADED ROD, HD GALV	8
*14	069-5800	5/8"-11 THREADED NUT, HD GALV	16
*15	098-0054	CABLE MGMT. BRACKETS, (TRAP BOX)	AS NEEDED
*16	TBD	SNAP-IN CLAMP	AS NEEDED
*17	098-0056	LHR-400 2 HOLE BOOM CLAMP	AS NEEDED
*18	084-0119	FUSION TAPE	AS NEEDED
*19	098-0057	LHR-400 4 HOLE BOOM CLAMP	AS NEEDED
		*CONTRACTOR SUPPLIED MATERIALS	



- NOTES:
1. MAXIMUM ACENDANT CABINET WEIGHT NOT TO EXCEED 55#.
  2. ENCLOSURE RATED NEMA 3R.
  3. DRAWING NOT TO SCALE.
  4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.
  5. DRAWING DEPICTS AN ACLARA RECOMMENDED INSTALLATION, LOCAL CODES AND INDEPENDENT EVALUATION SHOULD BE USED TO CERTIFY THE METHOD OF INSTALLATION AT THE SPECIFIC SITE.
  6. CONTRACTOR TO PERFORM GROUND TEST PER G095 REQUIREMENTS.

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UNLESS OTHERWISE SPECIFIED	NAME	DATE	
DIMENSIONS AS SHOWN	DRAWN	SYR 05/04/12	
TOLERANCES: FRACTIONAL & ANGULAR THREE & TWO PLACE DECIMAL & THREE PLACE DECIMAL	CHECKED	DJG 05/04/12	
	ENG APPR.		
	HTG APPR.		
INTERPRET GEOMETRIC TOLERANCING PER	DATE		
MATERIAL	COMMENTS		
WOOD	PROPRIETARY AND CONFIDENTIAL. THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF ACLARA. ANY REPRODUCTION IN PART OR AS A WHOLE WITHOUT THE WRITTEN PERMISSION OF ACLARA IS PROHIBITED.		
FINISH	N/A		

TITLE: TYPICAL INSTALLATION, ACENDANT NODE, WOOD POLE, SOLAR

SIZE DWG. NO. B 35'-WOOD-SOL-EMB

REV. D

NO SCALE WEIGHT:


**Synergy**  
Development Services, Inc.  
16147 Wyandale St., Van Nuys, CA 91406  
Office: (818) 800-0808 Fax: (818) 800-0709

**Southern California Gas Company**  
A Sempra Energy utility

35' WOOD  
CLASS 5 POLE  
PERMIT #:

MATERIALS LIST

DESIGNED BY: P.C.  
JOB DRAWING NO: W.C.  
DATE: 4/11/13  
SCALE: 1/8"=1'-0"  
SHEET: RK091  
5 of 5



January 30, 2013

Cindy Jacinth  
Assistant Planner  
Public Services Department  
City of Morro Bay  
955 Shasta Avenue,  
Morro Bay, CA 93442

Ms. Jacinth,

This letter is in response to today's e-mail requesting additional information regarding Southern California Gas Company's (SoCalGas) coastal development permit application submitted to the city in association with its Advanced Meter Project network.

The Advanced Meter Project requires the installation of five data collector units (DCUs) in Morro Bay to ensure that sufficient network coverage is provided to all gas customers served in the area. Typically, each DCU has the capability to collect gas meter data from meters within a mile square radius. Redundancy in the network is required in case one or more DCUs become non-functional. Separately included is a city map approximating the network coverage radius for each of the DCUs.

The proposed DCU locations were determined at site surveys SoCalGas conducted with the city in June 2013. At these surveys, SoCalGas coordinated with the city in selecting optimal locations that will meet network coverage requirements while minimizing the impact to the community. While SoCalGas has an agreement with Pacific Gas and Electric Company (PG&E) allowing SoCalGas to attach its DCUs to stand-alone street light poles, unfortunately we were unable to locate any such poles within our coverage areas. While PG&E has distribution poles in these areas, SoCalGas does not have authorization under its agreement with PG&E to attach to their distribution poles, including those with street light attachments.

Pursuant to our application, SoCalGas proposes to install the DCUs on wood poles 29 feet in height (above ground level). While the two antennas exceed the top of the pole by approximately two feet in our standard design, SoCalGas will modify its design in Morro Bay to meet the 30' height restriction delineated in the city's wireless ordinance. Specifically, we will install the antennas one foot lower on the pole so that the top of the antennas will exceed the top of pole by one foot, rather than two feet.

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in black ink that reads "Scott Loveless".

Scott Loveless  
Site Acquisition Project Manager  
Advanced Meter Project



Data ©SUNB SFML, CA OPC  
© 2013 Google  
Image © 2013 TerraMetrics

Google

RECEIVED  
MAY 09 2013  
City of Morro Bay  
Public Services Department



A  Sempra Energy utility™

RECEIVED

MAR 25 2013

City of Morro Bay  
Public Services Department

March 21, 2013

Cindy Jacinth  
Assistant Planner  
Public Services Department  
City of Morro Bay  
955 Shasta Avenue,  
Morro Bay, CA 93442

Ms. Jacinth,

As discussed, Southern California Gas Company (SoCalGas) requests that its coastal development permit applications for three of its Advanced Meter network locations in Morro Bay (#CP0-383, #CP0-384 and #CP0-385) be continued from the April 3<sup>rd</sup> to the May 1<sup>st</sup> Planning Commission meeting. The continuance will allow SoCalGas to complete its analysis of relocating two sites to city-owned water tank properties.

In addition, SoCalGas requests to withdraw two of the five coastal development permit applications (#CP0-382 and #CP0-388) as we will attempt to relocate these two network sites into San Luis Obispo County at a later date.

Please let me know if you have any questions or need further information.

Thank you,

A handwritten signature in blue ink that reads "Scott Loveless".

Scott Loveless  
Site Acquisition Project Manager  
Advanced Meter Project

**EXHIBIT G**

Exhibit G – Advanced Meter Project Overview (See Agenda Item B-2's exhibit H)



City of Morro Bay  
Public Services/Planning Division  
Current Project Tracking Sheet

This tracking sheet shows the status of the work being processed by the Planning Division  
New Planning items or items recently updated are highlighted in yellow. Building permit updates are highlighted in green.

Approved projects are deleted on next version of log.

Agenda No: C-2

Meeting Date: May 15, 2013

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
<b>Hearing or Action Ready</b>									
1	So Cal Gas Company	499 Little Morro Creek (Nearest Address)	10/10/12	CP0-383	<b>Advance Metering Project - 5 separate locations</b>	Incomplete letter sent 11-29-12. Various sites. Resubmittal received 1/3/12 and ready for Planning Commission. CJ. Applicant requesting continuance to May PC to investigate alternate locations.	Review complete, no conditions noted.	Review complete, no conditions	
2	So Cal Gas Company	Intersection of Morro Bay Blvd & Harbor Street (formerly proposed at 781 Quintana)	10/10/12	CP0-384	<b>Advance Metering Project - separate locations</b>	Incomplete letter sent 11-29-12. Various sites. Resubmittal received 1/3/12 and ready for Planning Commission. CJ. Applicant requesting continuance to May PC to investigate alternate locations. Reviewing potential <b>Location change to Morro Bay Blvd &amp; Harbor co-located on PG&amp; E street pole</b>	Review complete, no conditions noted.	Review complete, no conditions	
3	So Cal Gas Company	Kings Water Tank property at Kings & Pecho. (formerly proposed at 255 Driftwood)	10/10/12	CP0-385	<b>Advance Metering Project - 5 separate locations</b>	Incomplete letter sent 11-29-12. Various sites. Resubmittal received 1/3/12 and ready for Planning Commission. CJ. Applicant requesting continuance to May PC to investigate alternate locations. Planning & Public Works staff met on site with applicant. Reviewing potential location change to Kings Water Tank property.	Review complete, no conditions noted.	Review complete, no conditions	

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
4	Nicki Turner	360 Cerrito	8/15/07	CP0-246	<b>Appeal of Demo/Rebuild SFR and 2 trees removal. Planning Commission c</b> continued to a date uncertain. Project folder given to Rob S.	<i>Project placed on hold for a long extended period of time. Staff contacted the applicant for information concerning the status of this project and received a letter on April 1, 2013. Project scheduled for next Planning Commission meeting to hear appeal.</i>	Review complete, no conditions noted.	Review completed in 2007, provide drainage details, erosion control, utility locations	
5	Lemos	1320 Main	6/1/12	UP0-350/CP0-373	<b>New Commercial Building</b>	<i>MR- Met with applicant - revising plans to leave storage building as in in order to reduce potential environmental impacts. Applicant submitted letter in August 2012 to City Council requesting purchase or easement of city property for access to existing facility. Submittal received 11/9/12. Deemed incomplete letter sent 12/7/12. MR. Met with project architect on 1/22/2013 regarding setbacks. 2nd meeting held on 1/30/2013 project moving ahead to environmental review. Resubmittal received 3/18/13. Under review. Project deemed cat ex. Project to be scheduled for PC meeting on 5-29-13.</i>	Review complete, applicant to obtain building permit prior to construction.	BCR- requested revised drainage and flood study from developer. Revised flood study approved 4/11/13. Full SW mgmt required, EC, frontage imp, storage bldg removal, regulatory permits needed, elevation certs.	
<b>30 -Day Review, Incomplete or Additional Submittal Review</b>									
6	Held	901 Embarcadero	4/26/13	UP0-342	<b>Amendment to Use Permit and Mitigated Negative Declaration. Adding new water lease area and proposing floating dock for the Harbor Center project.</b>	<i>Plans submitted and project description. CJ- under initial review. Project deemed incomplete, letter sent to applicant/agent.</i>	TP- Cond.App.w/FDCode Req.5/7/13		

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
7	City of Morro Bay	End of Nutmeg	1/18/12	UP0-344	<b>Environmental.</b> Permit number for tracking purposes only County issuing permit. Demo existing and replace with two larger reservoirs. City handling environmental review	KW--Environmental contracted out to SWCA estimated to be complete on 4/27/2012. SWCA submitted draft I.S. to City on May 1, 2012. MR-Reviewed MND and met with SWCA to make corrections. In contact with County Environmental Division for their review. MND received by SWCA on 10/7/12. MND out for public notice and 30 day review as of 11/19/12. 30 day review ends on 12/25/12. No comments received. Scheduled for 1/16/13 Planning Commission meeting and then to be referred back to SLO County. Planning Commission continued this item to address concerns regarding traffic generated from the removal of soil. Applicant reviewing.	No review performed.	BCR- consultant tasked to provide additional alternatives to reduce export of soil and other impacts to neighbors. Will resubmit to PC when alternative analysis complete.	Not applicable
8	Lucky 7	1860 Main	3/12/13	CP0-394	<b>Construct Fuel Island Canopy</b>	CJ- Requested additional info. 3-29-13	Review complete, applicant to obtain building permit prior to construction.	N/A	
9	Norris	335 Las Vegas	3/6/13	CP0-393 and AD0-079	<b>Secondary Unit and Parking Exception. Already built</b>	Under review. Deemed incomplete and requested additional information from applicant 3-13-13. CJ- Parking exception application received 4-24 and under review. Resubmittal reviewed and project deemed still incomplete, letter sent to applicant/agent	Review complete, applicant to obtain building permit prior to construction.	BCRcomments submitted 3-18-13. Provide erosion control, separate water meter, maintain frontage improvements, do not concentrate drainage	
10	Perry	3202 Beachcomber	9/8/11	CP0-381	<b>Coastal Development Permit. Demo/Reconstruct new home with basement in S2.A overlay.</b>	KW--Planning requested status of CDP for house and LLA for parcels. Item scheduled for July 18 2012. Applicant requested a continuance to August 15, 2012. P.C. approved height at 9-19-12 PC Meeting. CDP application submitted. Initial Study reqt. letter sent 12-12. Corrections letter sent 12-17-12. Waiting to hear from Applicant. Setbacks and lot coverage an issue.	Review complete, applicant to obtain building permit prior to construction.	BCR- Flood study approved 6/18/12. provide erosion control, drainage report (full SW mgmt)	No Comments to date
11	Diaz	1149 Market			<b>Business License App for Mexican Market.</b>	Directed Applicant on 11-27-12 to re-submit parking plan demonstrating compliance with Zoning Ordinance. Parking plan submitted demonstrating seven parking spaces 12-20-2012. Sent letter requesting plan corrections 1-15-13. Waiting for response from applicant.	Review complete, applicant to obtain building permit prior to construction.	N/A	
<b>Ongoing Projects</b>									
12	City of Morro Bay	N/A			CDBG funding to CAPSLO for operation of the Prado Day Center	Staff has ongoing responsibilities for contract management			

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
<b>Projects in Process</b>									
13	LaPlante	3093 Beachcomber	11/3/11	CP0-365	New SFR. Resubmittal and Phase 1 Arch report 2/6/12.	SD-- Incomplete Letter 12/12/11. Phase 1 Arch Report required and Environmental Document. Environmental in process. Letter sent 4/11/2012 requesting environmental study. Applicant has requested a meeting on August 9, 2012 to review environmental study request. MR-Met with Applicant and discussed potential impacts of project and CEQA information requested to complete MND. Applicant will provide MND fees with submittal of Biological report. 8/9/12 MR met with applicant and owner to discuss environmental issues. Would require a detailed MND. Applicant is still considering preparation of Biological Report. Staff met with applicant and his agent, discussed elements of the project especially the Biological report needs to be prepared. Draft biological report received and under review	Review complete, applicant to obtain building permit prior to construction.	DH comments submitted 1/18/2012. Provide EC, drainage report, SW mgmt.	No Comments to date

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
<b>Environmental Review</b>									
14	City of Morro Bay	Morro Creek/Embarcadero	3/14/13	-	<b>FHWA Approved PE funds - CASB12RP-5391(013) - Phase 1 Morro Creek Trail &amp; Bridge Project</b>	<i>In process. NEPA review required.RFP released 3-25-13. Planning working on PES form</i>	No review performed.	Planning and engineering consultant to be selected in June	
15	City of Morro Bay	Morro Bay State Park	3/8/12		<b>Environmental Review of the Morro Bay State Park Waterline Interconnect Project</b>	<i>MR-Reviewed request and determined the project needed MND; major issues are archaeological and presence of habitat for Morro Shoulderband Dune Snail. Waiting for Archaeological surface survey and Shoulderband Snail Protocol survey. Expect by May 2013. Arch report results indicate no issues. Snail report came back negative. Project exempt from CDP requirement. CEQA Notice of Exemption to be issued to Public Works for filing.</i>	No review performed.	Not applicable	Not applicable
16	Sequoia Court Estates	670 Sequoia	4/3/12	UP0-349 & S00-112	<b>Parcel Map. 3 parcels and an open space parcel. A revised subdivision map was submitted for review on August 6, 2012.</b>	<i>Incomplete letter sent to applicant/agent. Project submitted without necessary materials for processing. Applicant submitted a revised plan reducing the number of lots, and is providing additional information as requested addressing City requested information. Additional information submitted; waiting for biological report. Report should be submitted in September 2012. Needs drainage plans. MR: Second incomplete letter sent 11/13/12. MND in preparation. Susan Craig, Coastal Commission staff confirmed property is entirely outside coastal zone. Met with applicant on 1/30/2013 project moving ahead, staff waiting on resubmittal</i>	Review complete, applicant to obtain building permit prior to construction.	BCR- comments submitted 4/4/12. Drainage issues need to be addressed.	
<b>Grants</b>									
17	Community Development Block Grant (CDBG) / HOME Program through Urban County Consortium	Downtown area	11/13/12		<b>CDBG Applications received 10/12/12. Nine applications received. Draft funding recommendations to be adopted at 11/13/12 City Council Meeting. Final Funding Approval heard at 2-13-13 City Council Meeting. Final action taken by County Board of Supervisors 3-5-13.</b>	<i>Application recommended for funding is Pedestrian Accessibility Improvements for City of Morro Bay. Council approved on 11-13 funding for Senior Nutrition and Pedestrian Accessibility. 2nd Funding Workshop to be held at Community Center on 1/9/13. Subrecipient Agreement and NEPA Environmental Review under review. CEQA NOE filed. NEPA submitted to County for approval.</i>	No review performed.		

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
18	Sustainable Communities	City-wide			<i>\$900,000 Grant Opportunity for funding for long-range planning activities including LCP update, General Plan. State has not released grant information for the next application cycle.</i>	In process	No review performed.	N/A	
<b>Project requiring coordination with another jurisdiction</b>									
19	City of Morro Bay	Outfall			<b>Original jurisdiction CDP for the outfall and for the associated wells</b>	Coastal staff is working on this and will be submitting a letter to City in the next week.			
20	City of Morro Bay Desal Plant	170 Atascadero			<b>Project requires a Coastal Development Permit for upgrades at the Plant. Final action taken Sent to CCC but pursuant to their request the City has rescinded the action.</b>	Waiting for outcome from the CDP application for the outfall	No review performed.	BCR-project is belong revised to do maint and repair only with completion postponed pending permit renewal.	
<b>Reapplication projects</b>									
21	Martini	399 Quintana			<b>Vacant parcel adjacent to wetland area (per U.S. Wildlife mapping) requesting a CDP for new construction</b>	Staff has reviewed the project and determined that due to the project's location adjacent to a mapped wetland that the project will have to conduct a wetland delineation per LCP 11.01. Direct the applicant/agent on 4/16/2013			
22	Galvin	861 Quintana			Applicant/agent requests to fence and rock vacant lot	Commercial structure demolished pursuant to approved CDP. Meeting scheduled to discuss issues regarding expansion of the U-Haul business without benefit of permit			
23	ATT	788 Main			Inquires regarding establishing a recycle center in the parking lot	Various phone conversations regarding the issues concerning the proposal.			
24		110 Orcas			Inquires regarding construction of a new house on a vacant lot with wetlands (per U.S. Wildlife mapper)	Staff met with seller and potential buyer			
25	Sonic	1840 Main Street			Applicant/agent inquires on parcel to develop Sonic restaurant.	Explain to agent regarding environmental issues, queuing, lighting etc.			
26	Triad Homes	253 Main			Discussions on a parcel map, dividing residential use from commercial uses				
<b>Projects Continued Indefinitely, No Response to Date on Incomplete Letter or inactive</b>									

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
27	Maritime Museum Association (Larry Newland)	Embarcadero	11/21/05	UP0-092 & CP0-139	<b>Embarcadero-Maritime Museum (Larry Newland).</b> Submitted 11/21/05. Resubmitted 10/5/06, tentative CC for landowner consent 1/22/07 Landowner consent granted. Resubmitted 5/25/07. Applicant resubmitted additional material on 9/30/2009. Applicant working with City Staff regarding an lease for the subject site. Applicants enter into an agreement with City Council on project. Applicant to provide revised site plan. Staff is processing a "Summary Vacation (abandonment)" for a portion of Surf Street. Staff waiting on applicant's resubmittal. Meeting held with applicant on 2/23/2011. Staff met with applicant on January 27, 2011 and reviewed new drawings, left meeting with the applicant indicating they would be resubmitting new plans based on our discussions.	KW--Incomplete 12/15/05. Incomplete 3/7/07. Incomplete Letter sent 6/27/07. Met to discuss status 10/4/07 Incomplete 2/4/08. Met with applicants on 3/3/09 regarding inc. later. Met with applicants on 2/19/2010. Environmental documents being prepared. Meeting held with city staff and applicants on 2/3/2011.	Please route project to Building upon resubmittal.	An abandonment of Front street necessary. To be scheduled for CC mtg.	Not applicable
28	James Maul	530, 532, Morro Ave 534	3/12/10	SP0-323 & UP0-282	<b>Parcel Map. CDP &amp; CUP for 3 townhomes.</b> Resubmittal 11/8/10. Resubmittal did not address all issues identified in correction letter.	KW-Incomplete letter sent 4/20/10. Met with applicant 5/25/10. Letter sent to applicant/agent indicating the City's intent to terminate the application based on inactivity. City advised there will be a new applicant and to keep the application viable.MR: Received letter from applicant's rep 11/15/12 requesting project remain open. Called B. Elster for further information. Six month extension granted.	Please route project to Building upon resubmittal.		
<b>Projects going forward to Coastal Commission for review</b>									
29	City of Morro Bay		Citywide	2/1/13	Ordinance 556	AMENDING THE MUNICIPAL CODE BY ADDING CHAPTER 17.27 ESTABLISHING REGULATIONS AND PROCEDURES ENTITLED "Antennas and Wireless Telecommunications Facilities" AND MODIFYING CHAPTER 17.12 TO INCORPORATE NEW DEFINITIONS, 17.24 to MODIFY primary district matrices to incorporate the text changes , 17.30 to eliminate section 17.30.030.F "antennas", 17.48 modify to eliminate section 17.48.340 "Satellite dish antennas" and Modify THE TITLE PAGE TO REFLECT THE NEW CHAPTER.	In progress	No review preformed.	N/A
<b>Projects Appealed to City Council</b>									

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
30	Perry	3202 Beachcomber	9/8/11	AD0-067	<i>Variance. Demo/Reconstruct. New home with basement in S2.A overlay. Variance approved for deck only; the issue of stories was resolved due to inconsistencies in Zoning Ordinance.</i>	<i>Variance approved at 8/15/12 PC meeting. Appealed by 3 parties to City Council. Appeal to be heard. City Attorney reviewing. Appeal in abeyance until coastal application complete.</i>	Review complete, applicant to obtain building permit prior to construction.	See above	
<b>Projects in Building Plan Check</b>									
31	Sangren	675 Anchor	11/28/12	B-29813	SFR Addition	Requested corrections 1/9/13. CJ.	BC- Returned for corrections 1/9/13.	N/A	
32	Loomis	660 Bay	2/11/13	B-29851	SFR Addition	Conditionally approved. CJ 3-26	BC- Issued 4/25/13.	BCR- need SWR video	

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
33	LaPlante	3093 Beachcomber	11/3/11	B-29586	New SFR	SD--Incomplete Letter 12/12/11. Phase 1 Arch Report required and Environmental Document. Incomplete letter sent 2/2012. MR: Met with applicant to go over environmental issues.	BC- Application on hold during planning process	DH- conditionally approved. Provide SW mgmt, drainage rpt, EC.	
34	Bylo	593 Driftwood	3/12/13	B-29870	SFR Addition	Disapproved. Compact in-fill permit conditions not met. 3-27	BC-Returned for corrections 3/28/13.		
35	Imani	571 Embarcadero	4/23/12	B-29695	Commercial alteration, addition	CJ- Incomplete Memo 11/26/2012 sent to applicant's representative. Awaiting response.	BC- resubmitted 11/5/2012.		
36	GAFCO	1185 Embarcadero	4/8/13	B-29835	R&R existing floating dock	Needs CDP from Coastal	BC- Issued 4/25/13.		
37	Harbor	1620 Embarcadero	4/4/13	B-29888	Construct restroom and storage mezzanine within existing "Cal Poly Building."	CJ-requested corrections 4-15	BC-Returned for corrections 4/16/13.		
38	Methodist Church	3000 Hemlock	8/16/12	B-29752	Construct new modular classroom, site work.		BC- Spoke with PH 3/29/13.		
39	Ferguson	605 Ironwood	4/24/13	B-29861	New SFR	Needs CDP from Planning		BCR-returned for CDP app	
40	Sturgill	1885 Ironwood	12/29/11	B-29677	14 new townhouses		BC- first ten building permits issued.		
41	Wilber	481 La Jolla	4/8/13	B-29889	Deck	CJ-approved 4-15	BC-Returned for corrections.		
42	Lemos	1320 Main	5/2/13	B-29845	Commercial demo/ reconstruct		BC- under review		
43	Chevron	3072 Main	4/29/13	G-39	Remove abandoned oil terminal infrastructure	CJ-under review	BC- under review	SWPP review complete, PW approval	
44	Storm	1029 Monterey	5/3/12	B-29702	Partial Demo/ Reconstruct of MFR dwelling	KW-under review	BC- Returned for corrections 7/3/2012.		
45	Markowitz	589 Morro Avenue	8/17/11	B-29820	Roof Deck	Under review. Spoke with architect 1/23/13 to clarify requested corrections. Architect to discuss with applicant. CJ.	BC- Corrections		
46	Maston	257 Morro Bay Blvd.	4/25/13	B-29907	Remedial foundation repairs.		BC-Issued.		
47	Shirkey	341 Nevis	2/13/13	B-29821	New SFR	Approved. CJ.	BC- Returned for corrections 3/13/13.TP-Sprinkler Approved	BCR- Needs to elevate FF additional 3 inches	
48	Frantz	499 Nevis	9/23/12	B-29510	New SFR		BC- Resubmitted 4/25/13.		
49	Vallely	460 Olive	3/29/13	B-29885	New Second Unit, Detached garage	CJ- approved 4-15-13	BC- Returned for corrections 4/25/13.		
50	Rite Aid	740 Quintana	3/25/13	B-29878	Interior remodel	Planning approved	BC- Issued 5/2/13.TP-FD approves 4/29/13	BCR-approved 4/3/13	
51	Rock Harbor	1478 Quintana	1/10/13	B-29834	Microwave Dish	CJ -Planning approved.	BC-RTI 2/27/13		
52	Glen	409 Rennel	4/11/13	B-29893	Deck	CJ-requested corrections 4-15	BC- RTI 5/6/13		
53	Romero	291 Shasta	4/30/13	B-29909	SFR Addition		BC-under review	BCR-approved 5/9/13	

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
54	Inn at MB	60 State Park	3/28/13	B-29882	Rooftop clerestory structures	CJ- Amendment to Use Permit and CDP needed. 4-15-13	BC- Returned for corrections 5/1/13.		
55	Inn at MB	60 State Park	3/28/13	B-29884	Modifications to fireplace venting		BC- RTI pending approval of B-29882.		

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
<b>Final Map Under Review</b>									
56	Zinngarde	1305 Teresa	5/9/11	Map	<b>Final Map. Public Works review of the final map, CCR's and conditions of approval. Plans 8/5/11. Applicant resubmitted CCRS. Incomplete submittal as of 1/23/12. Resubmitted 4/4/2012</b>	KW--Comments given to applicant, held meeting on 9/27/2011 regarding comments. Biological being review by applicant to address drainage issues. Biological Report approved by Planning as well as the CCRs.	Review complete, applicant to obtain building permit prior to construction.	DH - map check complete, PIP are on hold.	
57	Medina	3390 Main	10/7/11	Map	<b>Final Map. Issues with ESH restoration. Applicant placed processing of final map on hold by proposing an amendment to the approved tentative map and coastal development permit. Applicant proposed administrative amendment. Elevated to PC, approved 1/4/12. Appealed, scheduled for 2/14/12 CC Meeting. Appeal upheld by City Council, and project with denied 2/14/12. map check returning for corrections on 3/9/12</b>	SD--Meeting with applicant regarding ESH Area and Biological Study. MR- Received letters from biologist regarding revegetation on 9/2/12. Letter sent to biologist. Recent Submittal reviewed and memo sent to PW regarding deficiencies. Initial review shows resubmitted map does not meet the 50 foot ESH boundary. CJ.	No review preformed.	DH - resubmitted map and Biological study on Dec 19th 2012. PW has completed their review. Received a letter from Median's lawyer and preparing response. PW comments sent to RS to be included with his response letter.	
58	Strugill	1885 Ironwood		Map	<b>Final Map: Submitted on 6/26/12 complete application.</b>	MR - review map and gave corrections on CC&Rs. CJ- Deed restriction prepared and being reviewed for signature 3-27	No review preformed.	DH - Map check complete Mylars being prepared.	
<b>Projects &amp; Permits with Final Action</b>									
59	Santoanni & Bear	2570 Ironwood	3/20/13	Admin CP0-395	<b>Demo/Reconstruct Single Family Home</b>	<i>CJ- Complete and ready for noticing. Comments received 4-26. Permit issued 5-2</i>	Review complete, applicant to obtain building permit prior to construction.	BCRcomments submitted 4-3-13, require utility locations, erosion control, frontage improvements, driveway approach	
60	Fry	3450 Toro Ln	11/5/12	E00-103	<b>Partial abandonment of Toro Ln. north of Yerba Buena to North Point tract</b>	<i>RL- under review. Notification sent to utilities. Response due 12/20/12. City Council continued abandonment request.</i>	No review preformed.		
61	City of Morro Bay	170 Atascadero	1/9/13	CP0-389	<b>Coastal Development Permit for water treatment plant (Desal) modifications.</b>	<i>Permit approved at 2-6-13 PC Mtg. Letter received from Coastal Commission staff regarding permit and response sent 2-15. Final action pending until resolution with Coastal Commission</i>	No review preformed.	BCR-Project on hold pending permit resolution. Performance of repair and maintenance under consideration.	

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations
62	State Park	North Morro Strand	1/23/13	CP0-390	<b>Upgrade 25 existing campsites plus camp host sites to include RV hookups in order to modernize services and increase visitation</b>	<i>Reviewed and scheduled for March Planning Commission meeting. Two appeals received. Council upheld appeal and denied project due to not consistent with LCP. Coastal Commission received Final Action Notice on 4-12-13 - 10 day Appeal period</i>	Review complete, no conditions noted.	No engineering impacts	