City of Morro Bay

City Council Agenda

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

REGULAR MEETING
TUESDAY, FEBRUARY 25, 2014
VETERANS MEMORIAL HALL - 6:00 P.M.
209 SURF ST., MORRO BAY, CA

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
CLOSED SESSION REPORT
MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS – **Morro Bay Beautiful**
World Spay Day Proclamation

PUBLIC COMMENT - Members of the audience wishing to address the Council on City business matters not on the agenda may do so at this time. For those desiring to speak on items on the agenda, but unable to stay for the item, may also address the Council at this time.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Mayor, please come forward to the podium and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall be addressed to Council, as a whole, and not to any individual member thereof.
- The Council respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (805) 772-6205. Notification 72 hours

prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT AGENDA

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

A-1 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON FEBRUARY 11, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETING HELD ON FEBRUARY 11, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON FEBRUARY 12, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON FEBRUARY 18, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 A PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING TUESDAY, FEBRUARY 25, 2014 AS "WORLD SPAY DAY"; (ADMINISTRATION)

RECOMMENDATION: Approve Proclamation.

A-6 AUTHORIZATION FOR ATTENDANCE AT THE C-MANC ANNUAL WASHINGTON, D.C., "WASHINGTON WEEK" MEETINGS; (HARBOR)

RECOMMENDATION: Approve authorization for a two-person delegation, the Mayor and Harbor Director, to attend the California Marine Affairs and Navigation Conference (C-MANC) "Washington Week" meetings in Washington, D.C.

A-7 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE PROJECT NO. MB-2013-S1: 2013 STREET REHABILITATION PROGRAM- DIG-OUT AND PAVEMENT REPLACEMENT PROJECT; (PUBLIC SERVICES)

RECOMMENDATION: File the Notice of Completion of the 2013 Street Rehabilitation Program- Dig-out and Pavement Replacement Project.

A-8 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE PROJECT NO. MB-2013-S4: 2013 STREET REHABILITATION PROGRAM- 3-LAYER CAPE AND MICRO SURFACING PROJECT; (PUBLIC SERVICES)

RECOMMENDATION: File the Notice of Completion of the 2013 Street Rehabilitation Program- 3-Layer Cape and Micro Surfacing Project.

A-9 AUTHORIZATION TO FILL A FINANCE DIVISION VACANCY (ACCOUNT CLERK II/III) AND POTENTIAL RECRUITMENT TO FILL ANY RESULTING FINANCE VACANCY; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Authorize an internal/external recruitment for an Account Clerk II/III position, and depending on the outcome of that recruitment, an internal/external recruitment for any potential Finance Division vacancy created.

B. PUBLIC HEARINGS

B-1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 584; AMENDMENTS TO TITLE 17 (ZONING ORDINANCE - #A00-018) OF THE MUNICIPAL CODE; (PUBLIC SERVICES)

RECOMMENDATION: Introduce for first reading by number and title only, Ordinance No. 584 which approves proposed amendments to Title 17 (Zoning Regulations) of the Morro Bay Municipal Code (Exhibit B).

C. UNFINISHED BUSINESS

C-1 RE-CONSIDERATION OF PROPOSAL SUBMITTED BY VIRG'S SPORTFISHING IN RESPONSE TO REQUEST FOR PROPOSALS MB-2013-HRFP2 TO DEVELOP VACANT LEASE SITE 107W-108W; (HARBOR)

RECOMMENDATION: Approve proposal as submitted and direct staff to execute Consent of Landowner agreement and begin negotiations with the applicant while applicant concurrently begins submission of plans to the City's Planning Division.

C-2 DISCUSSION OF RECRUITMENT FOR CITY MANAGER AND DECISION TO AWARD A CONTRACT TO A RECRUITMENT FIRM OR UTILIZE IN-HOUSE STAFF; (ADMINISTRATION)

RECOMMENDATION: Direct the Interim City Manager to conduct the City Manager recruitment.

D. NEW BUSINESS

D-1 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS INCLUDING: CONSTRAINTS ANALYSIS, SCHEDULE, PROJECT MANAGEMENT, (TECHNICAL) ADVISORY COMMITTEE AND THE CALIFORNIA MEN'S COLONY OPTION; (PUBLIC SERVICES)

RECOMMENDATION: Review this information and adopt Resolution 17-14 prescribing a five year time-line for the construction of a new Water Reclamation Facility.

D-2 DISCUSSION AND POTENTIAL ACTION ON THE CHAMBER OF COMMERCE ECONOMIC AND BUSINESS DEVELOPMENT CONTRACT; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Discuss this item and direct staff accordingly.

D-3 STORM WATER MANAGEMENT GUIDANCE MANUAL FOR LOW IMPACT DEVELOPMENT & POST-CONSTRUCTION REQUIREMENTS; (PUBLIC SERVICES)

RECOMMENDATION: Receive a presentation of the Stormwater Management Guidance Manual for Low Impact Development & Post-Construction Requirements and inform the public of the March 6, 2014 effective date.

D-4 AUTHORIZATION FOR SOLE SOURCE PURCHASE OF A LADDER TRUCK FROM PIERCE MANUFACTURING; (FIRE)

RECOMMENDATION: Authorize the sole source purchase of a 75 foot, 1,500 GPM Ladder Truck, from Pierce Manufacturing, in an amount not to exceed $780,000.

D-5 APPROVAL OF AGREEMENT WITH CONTRACT CITY ATTORNEY; (CITY ATTORNEY)

RECOMMENDATION: Approve Agreement with Contract City Attorney.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 72 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 772-6205 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

AGENDA NO: A-1

MEETING DATE: 2/25/14

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
FEBRUARY 11, 2014
CITY HALL CONFERENCE ROOM – 5:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Susan Slayton	Administrative Services Director
	Anne Russell	Interim City Attorney

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Irons called the meeting to order at 5:00pm.

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

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for Public Comment; seeing none, the public comment section was closed.

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

CS-1 GOVERNMENT CODE SECTION 54957(b)(1) – PUBLIC EMPLOYMENT:
Title: Interim City Attorney

CITY COUNCIL CONVENED TO OPEN SESSION – The City Council convened to open session; Interim City Attorney Anne Russell reported at that with regards to the item heard in Closed Session, no reportable action under the Brown Act was taken.

ADJOURNMENT
The meeting adjourned at 5:16pm.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: A-2

MEETING DATE: 2/25/2014

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – FEBRUARY 11, 2014
VETERAN'S MEMORIAL HALL – 6:00P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Susan Slayton	Administrative Services Director
	Anne Russell	Interim City Attorney
	Jamie Boucher	City Clerk
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief
	Joe Woods	Recreation & Parks Director
	Eric Endersby	Harbor Director
	Rob Livick	Public Services Director
	Cindy Jacinth	Associate Planner

Mayor Irons called the meeting to order at 6:00 p.m.

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT – Interim City Attorney Anne Russell reported that with regards to the Closed Session Item: Government Code Section, 54957(b)(1), Public Employment with regards to the Interim City Attorney; no reportable action under the Brown Act was taken.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS

Jennifer Redman, President of the Morro Bay Chamber of Commerce presented the Chamber's Annual Report. The Chamber promotes the community's economic vitality, quality of life and provides a united base for the business community to advance and prosper. Their mission is creating a strong local economy while promoting the community and providing networking opportunities and being a liaison between business and government. Goals of the Chamber include: Plan to Increase Membership and Benefits to Members through increased face to face contact with the business community via forums, meeting with key organization partners, small focus groups and an Ambassador Program; Revamped Benefits of Membership, cross networking and marketing between members, mobile app to help locals and visitors find Chamber members, developing a new Chamber website; and, through Events and Promotion

with the Avocado and Margarita Festival, Film Commission and Saturday's Farmer's Market. The Chamber hopes to expand on the following: Communications with Members and Community via Weekly blasts to all Chamber members, City Council and other community leaders and organizations; Monthly Newsletter; Forums, Surveys; and, Collaboration with other organizations in the community like TBID, Merchant's Association, MB Beautiful, MB in Bloom, Harbor Festival, MB 4th and the MB Tourism Bureau. They provided their 2013 gross revenues as well as 2014 Projected Budget which shows projected increases in all phases – membership, Avocado Margarita Festival, Saturday's Farmers Markets and Incubators. Regarding their Economic Contract with the City, they stated that what the Visitor's Center does for tourists, the Chamber of Commerce does for the business community. They help retain, strengthen and expand existing businesses; recruit new businesses; as well as work jointly with the City Council and City Departments on issues affecting the businesses and community. They thank the Council and City for the rent assistance for their facility which they share with many businesses and community organizations.

PUBLIC COMMENT

Trevor Green, General Manager of Fish Bonez Restaurant, located at 725 Embarcadero encouraged locals and tourists alike to stop in and see what they have to offer. They boast that they are Local, Fresh and Affordable with meals ranging from $15-39; they are open Monday – Sunday from 4-close and offer a Happy Hour from 4-6pm featuring local beers and wines.

Garry Johnson spoke on his water collection barrels for his outdoor landscaping stating that he collected enough water with the last rain to almost last him for the year. He encouraged everybody to do the same as it would help tremendously with the City's conservation efforts.

Jeff Ekkles spoke on behalf of the Community Foundation advertising their fundraising event, "Love Letters" being held on February 15th at the Veteran's Hall beginning at 730pm. The Community Foundation exists to financially assist those children who aren't able to participate in Recreation & Parks Department youth activities. Every child deserves an opportunity to play.

Nancy Castle thanked everybody for the fee waiver approved at the last meeting. They have hosted 2 dinners since, and the attendance numbers continue to climb; attendees are not always the same people. Servers show up at 4:30pm and everybody is encouraged to come and help; or if you know someone in need, invite them for a meal. The next EBAC meeting is scheduled for February 20th at 3:45pm at St. Timothy's Church. She read the EBAC Mission Statement: The Estero Bay Alliance for Care is an all-volunteer network of organizations and individuals dedicated to enhancing the quality of life for local homeless and in-need citizens through outreach, education, and liaison with appropriate agencies and organizations. She also advertised an upcoming event being held at the Madonna Expo on March 22nd & 23rd – The Central Coast Health and Fitness Expo.

John Barta announced that the law suit he had brought up against the Attorney General and Secretary of State ended favorably. He spoke out against the article in the New Times written by Colin Rigley attacking Councilmembers Leage and our town. Mr. Leage always wants to do the right thing for our town and his donations and work on the Morro Bay 50th was no exception.

Mr. Rigley got things exactly backwards and he feels that whoever brought this forward to him should be ashamed. You don't save our town by destroying it, George is a builder, not a destroyer and he thanked George, Nancy and Carla for doing a good thing.

Barry Brannin stated that we pump 1 million gallons of water into the ocean every day. He spoke with a local avocado grower who is willing to pay for some of this water which could net the City $1500/day/ 365 days/year. To throw the water away is wrong and the quicker we can get a water reclamation facility on-line, the quicker we can save ourselves from our water problem.

The Public Comment period was closed.

A. CONSENT AGENDA

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

A-1 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON JANUARY 28, 2014; (CITY ATTORNEY)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETING HELD ON JANUARY 28, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON JANUARY 29, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING HELD ON JANUARY 29, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

RECOMMENDATION: Receive and file; informational only.

A-6 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (PUBLIC SERVICES)

RECOMMENDATION: Review; informational item only.

A-7 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AUTHORIZING AND DIRECTING THE INSTALLATION OF STOP SIGNS ON FRESNO AVENUE AND MARINA STREET; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 15-14.

A-8 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, ESTABLISHING A POLICY TO GUIDE THE INSTALLATION OF STOP SIGNS; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution 16-14.

Mayor Irons opened up the public comment period for items on the Consent Calendar; seeing none, the public comment period was closed.

Councilmember Nancy Johnson pulled Items A-7 and A-8.

MOTION: Councilmember Christine Johnson moved the City Council approve Items A-1, A-2, A-3, A-4, A-5, and A-6, of the Consent Calendar as presented. The motion was seconded by Councilmember Nancy Johnson and carried unanimously 5-0.

A-7 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AUTHORIZING AND DIRECTING THE INSTALLATION OF STOP SIGNS ON FRESNO AVENUE AND MARINA STREET; (PUBLIC SERVICES)

A-8 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, ESTABLISHING A POLICY TO GUIDE THE INSTALLATION OF STOP SIGNS; (PUBLIC SERVICES)

Councilmember Nancy Johnson pulled both of these items as she doesn't see the solution being more stop signs, the problem is the vegetation in the right of way; stop sign or not. Rather than putting in more stop signs, we should instead move forward with enforcing the rules of right of ways.

MOTION: Councilmember Smukler moved approval of Item A-7 and Item A-8 of the Consent Calendar. The motion was seconded by Councilmember Christine Johnson and carried 4-1 with Councilmember Nancy Johnson voting no.

B. <u>PUBLIC HEARINGS</u>

B-1 REVIEW OF DRAFT ZONING TEXT AMENDMENT #A00-013 AMENDING SECTION 17.48.320 SECONDARY UNIT ORDINANCE; (PUBLIC SERVICES)

Associate Planner Cindy Jacinth presented the staff report.

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

John Barta stated that the purpose of secondary housing is to increase housing stock without expanding the borders of our town outward and without having to build infra-structure for all of that; it's also a State mandate. He supports the staff report. The reason we have a 20 foot setback is to allow people and their guests to park their cars in their driveway. This recognizes that people can use that 20 feet for parking.

Homer Alexander quoted Supervisor Gibson stating that the only thing California hates more than sprawl is density.

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

Councilmember Smukler thanked staff and the Planning Commission for their work on this, particularly with the outreach to Coastal Commission. He had strong concerns with the previous adjustment to expand up to 1200 square feet with no trigger for a conditional development permit. He thinks we are now on track with something that is going to work. We are also providing the neighborhoods protection and safeguards.

Councilmember Leage is disappointed that we moved from 1200 square feet but stated that this will work and appreciates the good work put into it.

Councilmember Christine Johnson complimented those involved on coming up with a good balanced and compromised policy as it seems to be something that will meet everybody's needs. Given the goal of this is to provide affordable low and moderate income housing, she is happy to see this come forward. In her research, the 300-900 square foot range is where most of this type of building has gone.

Mayor Irons echoes everybody's comments. He appreciated the way addressing the 900 vs 1200 square foot situation was dealt with. 900 square feet address compatibility in R1 zones and parking issues were well thought out and well discussed.

> MOTION: Councilmember Smukler moved to accept the Planning Commission's recommendations to the Zoning Text Amendment and bring back the modified Zoning Text Amendment for Introduction and First Reading of the modified Ordinance 576. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

B-2 2013 ANNUAL WATER REPORT AND ALLOCATION OF 2014 WATER EQUIVALENCY UNITS; (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report.

Councilmember Smukler wanted to reaffirm that we are talking about new water units.

The public comment period for Item B-2 was opened.

John Barta feels that this is outrageous. We have the water and we have it for the next year; we aren't going to run out of water in Morro Bay. He feels that this in fact a building moratorium.

He feels Council should approve the annual water report and revisit the WEU's; he also feels confident that we will get our desalination permit and that state water will deliver in the future.

Kurt Najarian, a local plumbing contractor, stated that there is no real way to sell these retrofits. Trying to get people to go to a 1.2 gallon toilet will be a tough sell. He is concerned that vacant lots already aren't selling, and there's very little building. He hoped that if you've walked in and paid a fee, you should be deemed "in process" and be exempt from these regulations.

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

Mr. Livick agreed that to do just toilet retrofits, probably isn't viable. He also stated that we know we have state water this year, we do have permits for 1100 acre feet from Chorro and 500 acre feet from Morro but if doesn't rain, these ground water basins won't being replenished and are at a finite supply. Regarding the desalination plant, we have kind of an unlimited supply there and he believes we will have a permit to operate the desalination plant this year albeit for very expensive water. Conservation is also working; the community has done a great job in these efforts. One thing, we don't have enough time in this water year to make up for the lack of rainfall.

Councilmember Noah Smukler added in the case of a remodel, that the only additional WEU's that would be required only apply to any expanded square footage or use, not to the historic use. He feels certain that if we don't start taking action now, we asking the existing community to take the burden of paying the cost of the debt service of state water as well as the cost of operating the desal plant. He feels strongly that tonight we should be pursuing an update of our retrofit program. We have a lot of opportunities for new programs that haven't even been explored. If the retrofit program were expanded, it's aiding in the financial affordability for the rest of the community and water system into the future. This can act as a driver to greatly improve our conservation efforts. Let's move forward, update the guidelines tonight and keep this on our radar with continual updates so we can make adjustments as necessary.

Councilmember Nancy Johnson agrees we need to be prepared for water shortages. Our use of state water has already dropped and she thanked Mr. Livick for his suggestions for other possibilities. She feels that tonight, Council needs to pass the water report and before going any further, send the water allocation back to Public Services and PWAB to look at other water conservation and retrofit options.

Councilmember Leage doesn't want to see a moratorium; there are other things we can do that are better than retrofitting.

Councilmember Christine Johnson agrees and asked that if all but recommendation #5 in the Resolution were approved, would that get us to where we need to go; ie: would that be the same as last year? Mr. Livick responded that if you passed all the recommendations but #5, it would be business as usual with the assumption that we would bring this back for alternates. To move this item along, she suggested taking #5 off the table; doing a community-wide "water summit" meeting – bringing the public into discussions and have more of a menu approach to any kind of retrofit program.

Mayor Irons stated that with a Special PWAB meeting, we could hopefully accomplish a similar type success with the implementation of a water summit. This is unfortunately poor timing, we would agree that building is picking up and we want to see that continue. As far as the 6 recommended items, if all were to be approved, we are locked into the 2 for 1 required calculation.

Mr. Livick stated he could schedule a Special PWAB meeting in the 2nd or 3rd week of March and could probably bring something back to Council in early April. He also feels that a definition of "in the pipeline" is submission of a complete application at the time of the imposition of the new regulations; you are vested in the old way of doing things.

> MOTION: Councilmember Smukler moved to adopt the staff report as recommended with the necessary adjustments in #5 to read "two for one basis" as required and ask staff to return with a draft set of guidelines that includes a stakeholder input component; that we update the process with a code revision to reflect the February data availability and we receive monthly updates on the water supply scenario to keep us informed. The motion was seconded by Mayor Irons and failed by a vote of 1-4 with Mayor Irons and Councilmembers Christine Johnson, Nancy Johnson and Leage voting no.

Mayor Irons stated it was interesting to add the monthly update on that; this should come back to us, whether or not we make adjustments, we should probably have this come back to us in 60 days.

Councilmember Nancy Johnson stated she would be voting no because she feels it is too over-reactive; she thinks it needs to go back to PWAB and staff; she also feels that with our limited staff, it's difficult to ask staff to come back each month with a report.

Councilmember Christine Johnson is on the fence as she doesn't know how many technically completed applications have been submitted. If this goes to PWAB, will they be able to give direction on options for retrofitting. She is concerned with putting people under duress if we are going to let this slide for another month even though we are committed to creating a process that includes everyone. She is also struggling with recommendation #5; she sees the need to take time to come up with things that fit for Morro Bay.

Mayor Irons agrees that timing is a factor and as such would probably be voting no.

Councilmember Smukler will only vote for something that includes #5 because the writing is on the wall; we know the situation we are going to be in with the water supply. It's much easier to withdraw this if we get the rain.

> MOTION: Mayor Irons moved to adopt Resolution 14-14, approving staff recommendation with the elimination of item #5 and bring come back in 60 days following PWAB review of item #5 having to do with Municipal Code 13.20.080 retrofitting requirements. The motion was seconded by Councilmember Leage and carried 4-1 with Councilmember Smukler voting no.

C. UNFINISHED BUSINESS - NONE

D. NEW BUSINESS

D-1 DISCUSSION ON OPERATIONAL HOURS FOR THE RESTROOM AT 1196 FRONT STREET – (LIFT STATION 2 ON THE EMBARCADERO); (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

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

Rick Young is a member of a small group of classic car owners who meet at the parking lot by the submarine. Lots of times, they show up with families and having the restroom close by is really convenient, particularly over the weekends.

Larry and Les Deedan are also involved with car enthusiasts. Since the restroom has been open, it's really been a blessing. They encourage us to look into using internet surveillance help with our graffiti/vandalism problem.

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

Councilmember Christine Johnson felt that if Mr. Woods can find the funds to keep it open, she supports it remaining open.

Councilmember Nancy Johnson feels that there are many users – the car group, the Harborwalkers – people like the location, they like that it's clean and more modern. She supports keeping the restroom open.

Councilmember Smukler agrees, recognizing the maritime/kiosk/museum being there, the traffic has increased and having the restroom open is important.

Mayor Irons feels we are all in agreement in keeping this open and are ready to move on this.

MOTION: Mayor Irons motioned for approval of staff recommendation Alternative #3, allow the restroom at Lift Station 2 to be open to the public on the same schedule as all Embarcadero restrooms and provide City resources to support usage and open the restroom immediately. The motion was seconded by Councilmember Nancy Johnson and carried 4-0-1 with Councilmember Leage having recused himself.

D-2 APPROVAL OF CONSENT OF LANDOWNER AGREEMENT FOR LEASE SITE 87-88/87W-88W AT 833 EMBARCADERO (OFF THE HOOK, B&L FLASH INC. / V. LEAGE) TO FILE AN APPLICATION FOR LEASE SITE IMPROVEMENTS AND ALLOW STAFF TO ENTER INTO LEASE NEGOTIATIONS; (HARBOR)

Councilmember George Leage recused himself from this item as he is the project applicant's brother. Mr. Leage requested to recuse himself from the last item, item D-1, as well.

Harbor Director Eric Endersby presented the staff report.

Cathy Novak, representing the applicant Vi Leage, gave a presentation. Ms. Leage was asked to submit a project that would retain the individual character and ownership for her lease site. She is proposing to reconfigure the lease site with the demolition of most of the first floor as well as completely removing the second floor. The new configuration will keep the footprint of the existing building on the southern and western sides with the northern side being reduced in width to allow for a 10 foot wide corridor and one new building located on the northern portion of the site. There will also be an 18 foot walkway between that building and the Boat Yard complex. This area will provide a children's area, an area for bike racks, trash/recycling and public seating. The Embarcadero side will open up the sidewalk to 8 feet and have an angled entryway to lead visitors into the retail shops, restaurant and public restrooms. The restaurant will be downsized to 1400 square feet and provide 2 ADA compliant restrooms and a small office. The proposed site will have 2 retail units which will bring the total to 3 retail units and 1 restaurant. On the western side, that area will be transformed into the Harborwalk with the existing outdoor dining being relocated to the northern courtyard. Regarding the existing side tie dock; the dock will be the same size but relocated north a couple of feet to have it within the lease site boundaries as well as to accommodate the relocated gangway. In summary, this proposal will open up the views, provide an 8 foot sidewalk, new Harborwalk, public restrooms and new retail units.

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

Councilmember Christine Johnson thinks it's exciting to take a second story off the building opening up the view corridor. She would love to see a focused children's area enhanced in the gathering spot/courtyard area.

Councilmember Smukler feels this is a really good start and agrees that opening up the view corridor is great. He agrees with enhancing the family area. The diversity on the Embarcadero is a good thing and appreciates the 3 retail storefronts.

Mayor Irons noticed that the restaurant is being downsized to 1400 square feet; he wouldn't be in favor of opening the Harborwalk/Boardwalk to eating/seating. He would like to see this project and Mr. Caldwell's project move together at the same time to ensure the Harborwalk is lined up properly.

Councilmember Nancy Johnson can understand both projects moving along together but would hate to see one being held up for the other. She doesn't see a problem with the retail space.

> MOTION: Councilmember Christine Johnson moved approval of Alternate A, execute the Consent of Landowner Agreement with the leaseholder as well as authorize staff to begin lease negotiations with the leaseholder for their proposed development.

The motion was seconded by Councilmember Smukler and carried 4-0-1 with Councilmember Leage having recused himself.

D-3 RESOLUTION NO. 13-14 AUTHORIZING THE 2013/14 MID-YEAR BUDGET AMENDMENTS, PLUS THE CITIZENS OVERSIGHT COMMITTEE REPORT, DECEMBER 31, 2013 PORTFOLIO PERFORMANCE, AND CONTRACT SERVICES PAYMENTS THROUGH DECEMBER 31, 2013; (ADMINISTRATIVE SERVICES)

Citizen's Oversight Committee (Measure Q) members Homer Alexander, Dan Glesmann and Barbara Spagnola presented the Citizen's Oversight Committee Overview. The Committee met in December 2013 to review all Measure Q transactions made during the 2012/13 fiscal year. The total revenues for the fiscal year were $917,000; total expenditures were $1,851,000 which left an ending fund balance of approximately $746,000. Measure Q spending included the following: >Fire Dept – vacation relief person and overtime to maintain a 4th firefighter position for each shift; additional equipment for the new Fire Station; >Street Maintenance – progress on the Pavement Management Plan; routine street maintenance; >Storm Drains/Creek Maintenance – mutt mitts; $70,000 budgeted for Storm Drain Master Plan (unspent); and $70,000 budgeted for New Phase II MS4 Storm Water Permit requirements which the Measure Q Committee does not recommend funding with Measure Q funds; >Police Dept – communications tower and vehicle repeaters; SART exams; School Resource Officer at MBHS which the Measure Q Committee hopes can be renegotiated in future years so that the City and the School District share the expense more equitably. The Measure Q Committee recommends that in addition, we pay off and retire the second USDA loan; that we issue an RFP for a Storm Drain Master Plan this spring and we transfer $70,000 budgeted for New Phase II MS4 Storm Water Permit requirements to the 2013/14 general fund budget; and, continue progress on the Pavement Management Plan. The Measure Q Committee made the following conclusions: Measure Q revenues should not be used to fund mandated government expenses; with the exception of the cost associated with the 4th firefighter position, limit the Measure Q carryover funds to multi-year projects; and continue progress on funding categories identified in the 2006 Measure Q ballot initiative.

Administrative Services Director Susan Slayton presented the staff report.

Councilmember Smukler questioned the concept of restricting the use of funds for mandates. Mr. Alexander responded that the basic premise told to the voters in 2006 was that the money would only be used for those projects above and beyond the budget's normal ability to pay for things. It would be their intent to revisit Resolution 46-12 and add a sentence that would address the mandate issue.

Councilmember Smukler felt that Council has seen mandated items funded before. Ms. Slayton reviewed prior FY Measure Q expenditures; she doesn't feel we are abusing the intent of Measure Q with the Storm Drain permit.

Mayor Irons stated that regardless of whether or not it is a state mandate, and as we go forward, if something we currently fund becomes a mandate that would pose a question as to how we would fund it moving forward. Per the Resolution, he feels we are meeting the intent.

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

Councilmember Nancy Johnson stated that the City has a responsibility through the general fund to provide for things we need, including state and federal mandates. The public was told the monies from the Measure Q funds would be used to enhance above and beyond what the City is already supposed to do. She has a tough time spending Measure Q money on mandated programs. She asked Mr. Livick where that $70,000 cost could be found.

Mr. Livick stated that this project is for the expressed purpose of preventing toxic run-off into the bay which made the use of Measure Q funds the logical choice.

Councilmember Christine Johnson understands the mandated program situation and agrees that it is a frustration and a burden. For this particular recommendation, she feels that when she looks at the Measure, storm drains are mentioned and when you look at the Resolution, storm drains and toxic run-off is specifically mentioned. In her opinion, for this year, that information wasn't heard; as such, Council can take a harder look in the future at the mandates issue and likely meet that recommendation looking forward but would have a tough time doing that going backwards.

Councilmember Smukler feels there needs to be a deeper discussion about Measure Q funds and mandates. There could be serious consequences about adopting those restrictions. We should have the conversation moving forward. He is hesitant to reach into an approved budget and change this. He hopes Council can commit to these discussions on how to frame a mandate component moving forward but continue with the recommendations from staff.

Councilmember Nancy Johnson is looking at the expenditure amendments and notice. We are being asked to move $416,000 from Risk Management to the General Fund for expenses that many of the public felt wasn't necessary. Regarding storm drains, there is a big difference between storm drain maintenance and a federally mandated storm drain permit; if Council chooses to take the $70,000 out, she will be forced to vote against it.

Mayor Irons feels it still meets the intent of the Measure and the Resolution. Regardless of whether or not it is state mandate, it is going toward one of the 4 items listed on the Resolution which is more important. He questioned how far the mandate will take us - $500 didn't raise the flag last year but $70,000 did this year and maybe it would be $200,000 next year. He is hesitant to apply the restriction of the mandate to this year's requests.

Councilmember Smukler feels that Resolution 46-12 is very clear about the intent of Measure Q, it lays out the 4 items: Fire Department, Public Safety, street maintenance, and storm drain maintenance and prevention of toxic run off into the bay. The Resolution needs to be addressed; in the future we need to have discussion about mandates with the Measure Q Committee and Finance moving forward. He went on to say that LTF Funds are earmarked for the Senior Limo Project and he is requesting to retain that $24,500 in the Senior Limo/Shuttle Fund, don't spend them on the Morro Creek Bridge and use the unallocated Measure Q funds instead. Councilmember Christine Johnson concurred with this request.

Councilmember Smukler also wanted to clarify that the Risk Management fund was also used to pay down employee vacation balances.

> MOTION: Councilmember Smukler moved to adopt Resolution 13-14 authorizing the budget amendments as revised at this meeting, and accept all Citizen Oversight Committee's recommendations with the exception of the $70,000 transfer of Storm Water Phase II MS4 Permit from Measure Q to the general fund and add the final payment of the Morro Creek Bridge of $24,500 from the unallocated Measure Q funds. The motion was seconded by Councilmember Christine Johnson and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

Mayor Irons requested a report and recommendation for City Manager Recruitment; Councilmembers Christine Johnson, Nancy Johnson and Smukler concurred.

Mayor Irons requested a discussion of the Chamber of Commerce's Economic Development contract; Councilmembers Christine Johnson, Nancy Johnson and Smukler concurred.

Councilmember Nancy Johnson requested discussion on the development of a plan to save money due to the changes to the PERS structure; Mayor Irons and Councilmembers Christine Johnson, and Smukler concurred.

Councilmember Smukler requested a discussion on the Measure Q Resolution 46-12 regarding the intended use of Measure Q monies specific to unfunded mandates with input from the Measure Q Committee; Mayor Irons and Councilmember Christine Johnson concurred.

Councilmember Christine Johnson requested a presentation of the events and financials for the Morro Bay 50th Committee; Mayor Irons and Councilmembers Nancy Johnson and Smukler concurred.

ADJOURNMENT

The meeting adjourned at 10:32pm.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: A-3

MEETING DATE: 2/25/14

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
FEBRUARY 12, 2014
CITY HALL CONFERENCE ROOM – 8:45 A.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Susan Slayton	Administrative Services Director
	Anne Russell	Interim City Attorney

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Irons called the meeting to order at 8:55am.

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

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for Public Comment; seeing none, the public comment section was closed.

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

CS-1 GOVERNMENT CODE SECTION 54957(b)(1) – PUBLIC EMPLOYMENT:
Title: Interim City Attorney

CITY COUNCIL CONVENED TO OPEN SESSION – The City Council convened to open session; Interim City Attorney Anne Russell reported at that with regards to the item heard in Closed Session, no reportable action under the Brown Act was taken.

ADJOURNMENT
The meeting adjourned at 4:45pm.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: A-4

MEETING DATE: 2/25/14

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
FEBRUARY 18, 2014
CITY HALL CONFERENCE ROOM – 4:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Ed Kreins	Interim City Manager
	Anne Russell	Interim City Attorney

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Irons called the meeting to order at 4:00pm.

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

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for Public Comment; seeing none, the public comment section was closed.

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

CS-1 GOVERNMENT CODE SECTION 54957(b)(1) – PUBLIC EMPLOYMENT:
Title: Interim City Attorney

CITY COUNCIL CONVENED TO OPEN SESSION – The City Council convened to open session; Interim City Attorney Anne Russell reported at that with regards to the item heard in Closed Session, no reportable action under the Brown Act was taken.

ADJOURNMENT
The meeting adjourned at 4:50pm.

Recorded by:

Jamie Boucher
City Clerk

AGENDA NO: A-5

MEETING DATE: February 25, 2014

A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY
DECLARING
Tuesday, February 25, 2014 as
"WORLD SPAY DAY"

CITY COUNCIL
City of Morro Bay, California

WHEREAS, pets provide companionship to more than 71,000,000 households in the United States; and

WHEREAS, humane societies and animal shelters have to put down millions of cats, dogs, rabbits and other animals each year, many of whom are healthy and adoptable, due to a lack of critical resources and public awareness; and

WHEREAS, this tragic overpopulation of pets costs citizens and taxpayers of this country millions of dollars annually through animal service programs aimed at coping with the millions of homeless animals; and

WHEREAS, spaying and neutering has been shown to dramatically reduce the overpopulation of pets and feral cats, proving to be a wise investment in saving animal lives and taxpayer dollars; and

WHEREAS, veterinarians, national and local animal protection organizations, and private citizens worked together to ensure the spaying or neutering of more than 49,000 pets and feral cats through "World Spay Day" in the United States in 2013; and

WHEREAS, veterinarians, national and local animal protection organizations, and private citizens have joined together again to advocate the spaying and neutering of pets and feral cats on "World Spay Day 2014":

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay, does hereby proclaim February 25, 2014, as "**WORLD SPAY DAY**" calling for the citizens of Morro Bay to observe the day by having their own pets spayed or neutered or by sponsoring the spaying or neutering of another person's pet or of an animal in a shelter awaiting adoption.

IN WITNESS WHEREOF I have
hereunto set my hand and caused the
seal of the City of Morro Bay to be
affixed this 25th day of February, 2014

_____

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

AGENDA NO:	**A-6**
MEETING DATE:	**February 25, 2014**

Staff Report

TO: **Honorable Mayor & City Council** **DATE: February 18, 2014**

FROM: **Eric Endersby, Harbor Director**

SUBJECT: **Authorization for Attendance at the C-MANC Annual Washington, D.C., "Washington Week" Meetings**

RECOMMENDATION

Staff recommends that the City Council approve authorization for a two-person delegation, the Mayor and Harbor Director, to attend the California Marine Affairs and Navigation Conference (C-MANC) "Washington Week" meetings in Washington, D.C. This year's meetings are scheduled for March 25 - March 27, 2014.

ALTERNATIVES

A. Approve authorization for the recommended two-person "Washington Week" C-MANC delegation.
B. Do not approve authorization for the "Washington Week" delegation.

FISCAL IMPACT

Total costs for airfare, hotel, and monetary contribution to the Golden State Reception for the "Washington Week" meetings are estimated at $7,750, including approximately $1,500 in staff time in preparatory meeting attendance, grant preparation, and travel/meeting logistics. Staff expenses will be assumed by the Harbor Fund. The City has applied for a grant of $6,250 from the Central Coast Joint Cable Fisheries Liaison Committee, which will be used for reimbursement of the actual travel, attendance and associated costs of attendance. The City has been successful in attaining the Cable Committee Grant for the last several years, and is hopeful that this year will be no different. However, if we are not successful we would need to come back to Council for a budget adjustment as those funds are not currently budgeted.

BACKGROUND

C-MANC annually hosts "Washington Week" meetings, where representatives of California Ports and Harbors have the opportunity to remind Congress of the importance of dredging projects and other coastal-related legislation in California and nation-wide. The City of Morro Bay is a long-standing member of C-MANC, and for the past 20 years, has sent representatives to the "Washington Week" meetings. Historically, Morro Bay's delegation has consisted of the

Prepared By: __EE____	**Dept Review:_____**
City Manager Review: _____	
City Attorney Review: _____	

Mayor and Harbor Director, with the exception of 2012, where the City Manager went instead of the Mayor.

DISCUSSION

As the federal budget has become more constricted, the opportunity for face-to-face meetings with our representative to stress the critical need to fund navigational and entrance dredging is a high priority, and the annual "Washington Week" proceedings are the City's most effective way to have Morro Bay's voice heard.

Additional meetings will be scheduled, including office visits to federal agencies such as OMB, EPA, U.S. Fish and Wildlife, Army Corps of Engineers, U.S. Coast Guard, NOAA and other congressional offices regarding the proposed FY15 budget appropriations. Also at this annual event, C-MANC members host the Golden State Reception attended by over 200 elected and appointed Washington officials, for a "meet and greet" gathering, where agencies can meet with representatives and staffers of various levels to discuss their issues and concerns in a less formal setting.

For federal FY15, C-MANC and the City are recommending that the President's budget include $3 million; $2.5 million toward Spring 2015 entrance dredging and $500,000 toward testing, planning and permitting for our next whole-channel dredging project anticipated for FY16.

CONCLUSION

Staff is recommending approval of City Council authorization to send the Mayor and Harbor Director to C-MANC's "Washington Week" proceedings this coming March. Staff has applied for grant funding to cover the trip's costs, and is supplying "in-kind" City staff time as its share; therefore, no direct fiscal impacts are anticipated provided the grant is approved.

AGENDA NO: A-7

MEETING DATE: February 25, 2014

Staff Report

TO: **Honorable Mayor and City Council** **DATE: February 18, 2014**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**
Rick Sauerwein, PE, Capital Projects Manager

SUBJECT: **Authorization to File Notice of Completion for the Project No. MB-2013-S1: 2013 Street Rehabilitation Program- Dig-out and Pavement Replacement Project**

RECOMMENDATION

Authorize staff to file the Notice of Completion of the 2013 Street Rehabilitation Program- Dig-out and Pavement Replacement Project.

ALTERNATIVES

Staff does not recommend any alternatives to the recommendation.

FISCAL IMPACT

The Project is fully funded from accumulated Measure Q Funds. With the adoption of the FY 2013/2014 budget, City Council approved $757,557 from the Measure Q funds for the Pavement Maintenance program. Staff has "set-aside" $50,000 for day-to-day maintenance activities, such as potholing and other safety related street repairs. Therefore, a total of $707,557 will be used to fund the 2013 Pavement Management Program Street Rehabilitation Projects. Approximately ten percent of the funding is being used for consultant services (design, resident engineering, and testing) and the remaining $646,801 for actual construction.

SUMMARY

MB2013-S1 is a City-wide dig-out of various streets, as well as the replacement of Andros Street from Sandalwood to Coral Avenue, and Kings Avenue from Pacific to Ridgeway Street. The City awarded the project to Souza Construction, Inc. on October 23, 2013 in the amount of $402,585. The contract stipulated a 60-Day completion period, with the Notice to Proceed dated November 12, 2013 and the Notice of Substantial Completion dated January 8, 2014.

During the course of the project, contract change orders and deductive items added approximately $16,329 to the contract price. This resulted in a total contract cost of $418,914.

Prepared By: RPS **Dept Review:** RL

City Manager Review: _____

City Attorney Review: _____

Contract Change Order #1 directed the contractor to perform additional dig-outs on Bonita Street.

Contract Change Order #2 was due to a discrepancy between the actual areas of concrete placed for the ADA ramp versus the drafted area.

Contract Change Order #3, was placed as the contractor expressed concerns of the existing cross-slopes of 5% to 9%. Proceeding with the contract plans would increase the slope by an additional 2% or more. The City made a verbal Request for Quote for Kings Avenue to have a 4" dig out with 4" HMA placement.

Contract Change Order #4 was as a result of ground water appearing along the north side of Andros Street. Andros Street is composed primarily of dark, very stiff, greyish-brown clay. Recommendations concluded that the saturated areas be excavated and, in addition, treated with 80 sacks of Portland Cement the entire length of Andros along the north side street; cement treatment will stiffen the clay soil, which will prevent major pumping and lifting of the street section.

Filing of a Notice of Completion is a routine task for public works projects.

CONCLUSION

Sousa Construction, Inc. has completed the Project, and staff recommends the City Council accept the Project and authorize the filing of a Notice of Completion.

Recording requested by: and
When recorded mail to:
City of Morro Bay – City Engineer
595 Harbor Street
Morro Bay, Ca. 93442-1957

NOTICE OF COMPLETION
CITY OF MORRO BAY

TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN by the undersigned City Clerk of the City of Morro Bay, 595 Harbor Street, Morro Bay, County of San Luis Obispo, California, 93442, having the sole interest in fee, that the construction of the

MORRO BAY DIG-OUT AND PAVEMENT REPLACEMENT PROJECT

in the City of Morro Bay, has been completed by

SOUZA CONSTRUCTION, INC.

and was accepted on February 25, 2014.

_____
Jamie Boucher, City Clerk
City of Morro Bay, California

The undersigned hereby deposes and says:

That she is the City Clerk of the City of Morro Bay, County of San Luis Obispo, California; that she has read the foregoing Notice and knows the contents thereof and that the same is true of her own knowledge.

I declare the foregoing to be true under penalty of perjury.

Executed at Morro Bay, California, this _____ day of _____, 2014

_____
Jamie Boucher, City Clerk

AGENDA NO: A-8

MEETING DATE: February 25, 2014

Staff Report

TO: **Honorable Mayor and City Council** **DATE: February 18, 2014**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**
Rick Sauerwein, PE, Capital Projects Manager

SUBJECT: **Authorization to File Notice of Completion for the Project No. MB-2013-S4: 2013 Street Rehabilitation Program- 3-Layer Cape and Micro Surfacing Project**

RECOMMENDATION

Authorize staff to file the Notice of Completion of the 2013 Street Rehabilitation Program- 3-Layer Cape and Micro Surfacing Project.

ALTERNATIVES

Staff does not recommend any alternatives to the recommendation.

FISCAL IMPACT

The Project is fully funded from accumulated Measure Q Funds. With the adoption of the FY 2013/2014 budget, council approved $757,557 from the Measure Q funds for the Pavement Maintenance program. Staff has "set-aside" $50,000 for day-to-day maintenance activities, such as potholing and other safety related street repairs. Therefore, a total of $707,557 will be used to fund the 2013 Pavement Management Program Street Rehabilitation Projects. Approximately ten percent of the funding is being used for consultant services (design, resident engineering, and testing) and the remaining $646,801 for actual construction.

SUMMARY

MB2013-S04 is a City-wide micro surfacing project of various streets, and the 3-Layer Cape on Nevis and Nassau Streets as well as Norwich Street from Hillcrest to Prescott Drive. The City awarded the project to American Asphalt South on November 14, 2013 in the amount of $250,107. The contract stipulated a 30-Day completion period, with the Notice to Proceed dated December 16, 2013 and the Notice of Substantial Completion dated January 8, 2014.

During the course of the project, contract change orders and deductive items subtracted approximately <$7,040> to the contract price. This resulted in a total contract cost of $243,067.

Prepared By: RPS **Dept Review:** RL

City Manager Review: _____

City Attorney Review: _____

An important part of this project included a cooperative effort with the property owner at 1190 Quintana Road to upgrade the commercial entrance to this Heavy Construction Equipment Yard and complete much-needed repairs, prior to repair of the badly deteriorated bike lane and the pavement micro surfacing. This work included installation of a new concrete drive approach, paved shoulder, AC berm, and an extension of a storm drain from an existing catch basin to the intersection of La Loma Street. The work also included the installation of one new catch basin, removal of an old deteriorated catch basin and storm drain pipe that drained directly onto the street at La Loma Street. The final product provides a uniform street width from Morro Bay Boulevard to La Loma Street. The final cost was $20,728.

Filing of a Notice of Completion is a routine task for public works projects.

CONCLUSION

American Asphalt South has completed the Project, and staff recommends the City Council accept the Project and authorize the filing of a Notice of Completion.

Recording requested by: and
When recorded mail to:
City of Morro Bay – City Engineer
595 Harbor Street
Morro Bay, Ca. 93442-1957

NOTICE OF COMPLETION
CITY OF MORRO BAY

TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN by the undersigned City Clerk of the City of Morro Bay, 595 Harbor Street, Morro Bay, County of San Luis Obispo, California, 93442, having the sole interest in fee, that the construction of the

MORRO BAY 3-LAYER CAPE AND MICRO SURFACING PROJECT

in the City of Morro Bay, has been completed by

AMERICAN ASPHALT SOUTH

and was accepted on February 25, 2014.

_____
Jamie Boucher, City Clerk
City of Morro Bay, California

The undersigned hereby deposes and says:

That she is the City Clerk of the City of Morro Bay, County of San Luis Obispo, California; that she has read the foregoing Notice and knows the contents thereof and that the same is true of her own knowledge.

I declare the foregoing to be true under penalty of perjury.

Executed at Morro Bay, California, this _____ day of _____, 2014

_____
Jamie Boucher, City Clerk

AGENDA NO:	**A-9**
MEETING DATE:	**02/25/14**

Staff Report

TO: **Mayor and City Council** **DATE:** **February 13, 2014**

FROM: **Susan Slayton, Administrative Services Director**

SUBJECT: **Authorization to fill a Finance Division Vacancy (Account Clerk II/III) and Potential Recruitment to fill any Resulting Finance Vacancy**

RECOMMENDATION

Staff recommends that Council authorize an internal/external recruitment for an Account Clerk II/III position, and depending on the outcome of that recruitment, an internal/external recruitment for any potential Finance Division vacancy created.

ALTERNATIVES

Staff does not believe that alternatives are available, as both positions are critical to the functionality of the department.

FISCAL IMPACT

By reclassifying this position, at minimum, a savings of $5,300 in salary will be recognized.

SUMMARY

The Finance Division has a vacancy in its Accounts Payable/Revenue Collection position. Staff is recommending/requesting:

1. To downgrade the position from an Accounting Technician in the Confidential Employees group to an Account Clerk II/III in the Miscellaneous Employees (SEIU) group;
2. To hold an internal/external recruitment for the Account Clerk II/III position;
3. To hold an internal/external recruitment for any vacancy that might be created within the Finance Division as a result of the Account Clerk II/III recruitment.

DISCUSSION

In November 2013, the Finance Division's Confidential Accounting Technician was promoted to the Support Services Coordinator in the Police Department. At that time, the Accounting Technician vacancy was temporarily filled by the Account Clerk I/II Utility Billing Clerk; she was paid the required 5% out-of-classification pay, and the Account Clerk I/II Utility Billing position was filled with existing part-time staff.

Prepared By: __SS____	**Dept Review:**_____
City Manager Review: _____	
City Attorney Review: _____	

Administrative Services staff reviewed the Confidential Accounting Technician classification, and believes that this position does not belong in the Confidential Employee group, as it is more clerical in nature. The better job fit for that position is an Account Clerk II/III in the Miscellaneous Employees (SEIU) group (job description is included).

Reclassifying this position will result in at least an annual salary savings of $5,300. This is the difference between the top step salary of the Confidential Accounting Technician and the top step of the Account Clerk III position. Additionally, this position will no longer be entitled to accrue administrative leave which is an additional savings in the City's unfunded liabilities.

Staff is first requesting authorization for the recruitment of an Account Clerk II/III, as an internal recruitment, and if that fails to produce a viable candidate for the position, an external recruitment would follow. If the position is successfully filled internally, it has the potential to create another vacancy within the Finance Division. With this in mind, authorization to fill any other vacancy that occurs as a result of filling the Account Clerk II/III is being requested.

Per Budget Resolution No. 37-13, it is necessary to request Council approval to begin a recruitment for this position, or any ensuing vacancy in the Finance Division. The language on page xiv in the 2013/14 budget states:

> "City Council directs that the hiring freeze for positions in the City workforce continue for those positions funded within the General Fund, with the exception of safety personnel, and the City Council reserves the right to review any vacancies on a case-by-case basis as to its official policy…"

CONCLUSION

Staff recommends that Council allow staff to conduct the recruitment to fill the vacant Account Clerk II/III position, as well as any subsequent vacancies that this process may produce in the Finance Division.

CITY OF MORRO BAY
ACCOUNT CLERK II/III

DEFINITION

Under general supervision to perform payables, receivables, revenue reconciliation/processing and general ledger account clerical work in the keeping, maintaining, posting, and verification of accounting, financial and statistical records; to process customer application and utility billing; maintain office supplies and to do related work as required.

ESSENTIAL DUTIES & RESPONSIBILITIES

1. Audits, prepares, processes and pays accounts payable.
2. Maintains vendor documentation and files.
3. Reconciles statements.
4. Checks source documents and inputs to accounts receivable and payable
5. Prepares periodic reports to include annual 1099's and 1098's.
6. Checks data processing output for accuracy.
7. May balance cash drawer and prepare bank deposit.
8. Computes and processes water bills.
9. Maintains Utility customer files.
10. Interprets monthly water consumption records to determine accuracy of readings.
11. Initiates new water service.
12. Collects money.
13. Accepts payment and writes receipts.
14. Performs related duties as required.

QUALIFICATIONS

Knowledge of:

Methods, procedures and terminology used in financial clerical work, including the processing and preparation of payables, receivables, miscellaneous revenue ~~payrolls~~; modern office methods and procedures; filing methods and procedures; correct English usage, spelling, grammar and punctuation; policies, procedures, and services of a data processing center.

Ability to:

Perform account, financial, and statistical record-keeping work, including the ability to make arithmetical calculations quickly and accurately; operate calculating and adding equipment with speed and accuracy; use independent judgment in carrying out instructions involving the control and auditing of data processing input and output; read and write at the level requirement for successful job performance; work effectively with co-workers and the public; type at a speed of 40 words per minutes from clear copy; operate copier/facsimile/scanner.

Education and Experience:

Equivalent to graduation from high school with one year post high school education, relating to business or accounting preferred. Two years' experience can be substituted for post high school education. Two years prior clerical experience, preferably to include one year as an Account Clerk I/II.

TOOLS & EQUIPMENT USED
Personal computer, including word processing and spreadsheet software; central financial computer; 10-key calculator, phone, facsimile, scanner and copy machine.

PHYSICAL DEMANDS
The physical demands described herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk and hear. as well as use hands to operate, finger, handle, or feel objects, tools, or controls; and reach with hands and arms. The employee may occasionally lift and/or move up to 25 pounds. Specific vision abilities required by this job include close vision and the ability to adjust focus.

WORK ENVIRONMENT
The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The noise level in the work environment is usually moderately quiet.

SELECTION GUIDELINES
Formal application, rating of education and/or experience, oral interview and reference check; job-related tests may be required.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position, if the work is similar, related or a logical assignment to the position. The job description does not constitute an employment agreement between the employer and employee, and is subject to change by the employer as the needs of the employer and requirements of the job change.

Approved by the Morro Bay City Council on May 28, 1996.

AGENDA NO: B-1

MEETING DATE: February 25, 2014

Staff Report

TO: **Honorable Mayor and City Council** **DATE: February 19, 2014**

FROM: **Cindy Jacinth, Associate Planner**

SUBJECT: **Introduction and First Reading of Ordinance No. 584; Amendments to Title 17 (Zoning Ordinance - #A00-018) of the Municipal Code**

RECOMMENDATION

Staff recommends that the City Council introduce for first reading by number and title only, Ordinance No. 584 which approves proposed amendments to Title 17 (Zoning Regulations) of the Morro Bay Municipal Code (Exhibit B).

ALTERNATIVES

Council may modify or deny the proposed amendments. However, this may result in inconsistencies with the adopted Housing Element, State, or Federal Law, rendering the City ineligible for the California Department of Housing and Community Developments new streamlined process for the next Housing Element Update, required by June 30, 2014.

FISCAL IMPACT

The proposed amendments will have negligible effect of City finances.

SUMMARY

This item was brought before the City Council as a public hearing item on January 28, 2014 and was approved by a 4-1 vote. Due to inconsistencies in the ordinance language and a clarification needed for the approving motion, this public hearing item is being brought back for Council approval via an Introduction and First Reading of Ordinance No. 584.

The City's 2009 adopted Housing Element establishes a precise and detailed plan for the use of land in the City, based on the General Plan and Local Coastal Plan. Amendments to the Zoning Regulations are necessary to implement that plan, and remain in compliance with State and Federal law.

Prepared By: __CJ____ **Dept Review:_RL___**

City Manager Review: __EK____

City Attorney Review: _____

BACKGROUND

The State of California requires each municipality to review and update their General Plan Housing Element on a five (5) year cycle to ensure that the needs of all California residents can be met. The City's adopted and certified Housing Element (November 2009) includes programs intended to comply with California Department of Housing and Community Development (hereafter, HCD) statutory requirements and State law. In order to be implemented, these programs must be integrated by Ordinance into Title 17 (henceforth, Zoning Regulations) of the Municipal Code. Included in these is a new process, which necessitates an associated fee be adopted. With adoption of these updates the City will be eligible for HCD's new streamlined process with the next Housing Element Update, required by June 30, 2014.

DISCUSSION

Environmental Determination

The proposed amendments to the text of the Zoning Regulations are exempt from environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines under the general rule that CEQA only applies to projects which have the potential for causing a significant effect on the environment.

Amendments

The proposed amendments to the text of the Zoning Regulations are intended to implement programs identified in the adopted 2009-2013 Housing Element of the Morro Bay General Plan. The following discussion identifies the targeted Housing Element programs and associated amendments to the Zoning Regulations necessary for implementation. These policy determinations and associated programs were adopted by the City Council with approval of the Housing Element.

1. Program H 4.2: Single Family Housing: To ensure that multi-family housing can be accommodated in the remaining sites within the R-3 and R-4 zoning districts, consider amending the Zoning Code to prohibit single-family homes in those districts.

   Section 17.24, uses permitted in each zone, is amended to only allow single-family residential and "all principally permitted uses in the R-1 and R-2 districts" in the Multiple-family residential (R-3) and Multifamily residential-hotel-professional (R-4) zones with approval of a Minor Use Permit when characteristics of the site, such as size or topography, would preclude multi-family development.

2. Program H 6.1: The City will continue to require a percentage of new housing units built in the City be affordable to very low-, low- and moderate-income households. When the provisions for the required affordable housing are not being met on-site or off-site, the applicant may contribute in-lieu fees.

   Program H 1.4 and H 8.1: Density Bonuses: To ensure that affordable multifamily projects meet maximum densities, the City will establish procedures with objective standards to provide flexibility in development standards (height, parking, and set backs) and promote the use of density bonuses to increase densities.

Section 17.12, Definitions is amended to provide or alter definitions consistent with State Law, and necessary to implement the adopted Housing Element. These include:

- *17.12.432 "Low-, very-low, extremely-low, and moderate-income household income"*
- *17.12.433 "Low-, very-low, extremely-low, and moderate-income housing"*

Section 17.50, Affordable Housing, Density Bonuses and Incentives, is revoked in its entirety and replaced to comply with the Housing Element and changes to both the Government and Civil Codes. The new language implements thresholds and processes adopted in the Housing Element for inclusionary housing requirements and density bonuses and other incentives/concessions/waivers that are available when additional affordable housing is developed. This section also provides additional clarification for calculating in-lieu fees, and the assurance of continued availability of affordable units.

3. <u>Program H 23.1: Supportive and Transitional Housing</u>: Pursuant to SB 2, the City must explicitly allow both supportive and transitional housing types in all residential zones, subject to only the same restrictions on residential uses contained in the same type of structure.

   Section 17.12, Definitions is amended to provide or alter definitions consistent with State Law, and necessary to implement the adopted Housing Element. These include:

   - *17.12.626 "Supportive housing"*
   - *17.12.627 "Target population"*
   - *17.12.640 "Transitional housing"*
   - *17.12.504 "Residential Density" was added since the Planning Commission review at the direction of the Coastal Commission, to clarify that all residential uses are subject to the maximum number of dwelling units allowed per acre by the Local Coastal Program for each zoning district.*

   Section 17.24, uses permitted in each zone, is amended to allow Supportive and Transitional Housing as a principally permitted use in the following districts: Agriculture (AG – subject to a Coastal Development Permit where applicable), Suburban Residential (RA), Single-family residential (R-1), Duplex residential (R-2), Multiple-family residential (R-3), Multifamily residential-hotel-professional (R-4), Coastal resource residential (CRR), and Central business (C-1), and with a Minor Use Permit in the Mixed Commercial/Residential (MCR) district.

4. <u>Program H 23.2: Farmworker Housing</u>: The City shall allow farmworker housing in the Agricultural and Multi-family Zones as prescribed by state law. Farmworker housing for 12 or fewer workers shall not require a conditional use permit but shall be required to obtain a Coastal Development Permit consistent with the Local Coastal Plan. Farmworker housing in the Agricultural Zone for 6 or fewer workers shall be deemed to be a single-family structure.

   Section 17.12, Definitions is amended to provide a definition consistent with State Law,

and necessary to implement the adopted Housing Element. This includes:

- *17.12.268 "Employee housing"*

Section 17.24.020, Agricultural (AG) District, is amended to identify the provision of agricultural worker housing as part of the intent of the district.

5. Program H 23.3: Reasonable Accommodation: As required by both the Federal Fair Housing Act and the California Fair Employment and Housing Act, the City will establish a reasonable accommodation procedure to ensure a fair and efficient process for persons with disabilities to make necessary accessibility adjustments to their homes.

   Section 17.48.120, Projections into required yards, is amended to expressly add handicap ramps to those items which may extend into required yards as established by that provision.

   Section 17.48.400, Reasonable Accommodation Procedure, is added to establish who, and under what circumstances one is eligible to seek reasonable accommodations, and the application procedure, review authority, and basis of findings and conditions.

6. Program H 23.4: Extremely Low-Income Housing Needs: Pursuant to AB 2634, the Housing Element requires the City to address the needs of extremely low-income households by encouraging and facilitating the development of supportive housing and single-room occupancy units (SRO's)

   Section 17.12, Definitions is amended to provide a definition consistent with State Law, and necessary to implement the adopted Housing Element. This includes:

   - *17.12.581 "Single-Room Occupancy (SRO)"*

   Section 17.48.370, Single-Room Occupancy, is added to establish permitting requirements for the development of SRO's, and additional requirements specific to these units.

   Section 17.24, uses permitted in each zone, is amended to allow SRO's by right in the Central business (C-1), and with a Minor Use Permit in the Mixed Commercial/Residential (MCR) district.

7. Program H 26.1: Emergency Shelter: Pursuant to SB 2, the Housing Element requires that emergency shelters be permitted in the Central business (C-1) district by right, and that specific development and managerial standards consistent with Government Code Section 65583 (a)(4) be adopted.

   Section 17.12, Definitions is amended to provide a definition consistent with State Law, and necessary to implement the adopted Housing Element. This includes:

   - *17.12.267 "Emergency shelter"*

Section 17.48.360, Emergency Shelter, is added to establish permitting requirements for the development of Emergency Shelters, and requirements specific to them.

Section 17.24, uses permitted in each zone, is amended to allow Emergency Shelters by right in the Central business (C-1).

PUBLIC NOTICE:

Notice of this item was published in the San Luis Obispo Tribune newspaper on February 14, 2014 as a 1/8 page notice meeting the legal requirements for projects affecting over 1,000 property owners.

CONCLUSION

Adoption of the proposed amendments to Title 17 (Zoning Regulations) of the Municipal Code will implement programs in the City's 2009 Housing Element and remain in compliance with State and Federal Law. The proposed amendments are consistent with the General Plan, Local Coastal Plan, and Municipal Code, therefore staff recommends their approval (#A00-018).

ATTACHMENTS

Exhibit A: Council Ordinance No. 584
Exhibit B: Link to Planning Commission January 15, 2014 agenda (see item B-1 for Housing Element Implementation) http://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/2005
Exhibit C: Link to City Council minutes for January 28, 2014 meeting (see item B-2 http://morro-bay.ca.us/ArchiveCenter/ViewFile/Item/2048)

ORDINANCE NO. 584

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA AMENDING TITLE 17 OF THE MORRO BAY MUNICIPAL CODE TO COMPLY WITH REVISIONS TO STATE HOUSING LAW AND THE HOUSING ELEMENT OF THE GENERAL PLAN

WHEREAS, it is the purpose of Title 17 of the Morro Bay Municipal Code (Zoning Ordinance) to establish a precise and detailed plan for the use of land in the City of Morro Bay based on the Local Coastal Plan and General Plan; and

WHEREAS, it is important to have clear, consistent, and easy to use and interpret regulations within the Zoning Ordinance; and

WHEREAS, Government Code Section 65583(c)(1) requires that sites with appropriate zoning and development standards and services and facilities be identified as needed to facilitate and encourage the development of a variety of types of housing, including housing for agricultural employees, supportive housing, single-room occupancies, emergency shelters, and transitional housing; and

WHEREAS, Sections 17021.5 and 17021.6 the State Health and Safety Code and the Employee Housing Act set standards for the construction, maintenance, use and occupancy of living quarters called "employee housing", including but not limited to farmworker housing; and

WHEREAS, Government Code Section 65583(a)(4) requires the identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit, and that the identified zone or zones shall include sufficient capacity to accommodate the need for emergency shelter identified in paragraph (7) of Government Code Section 65583(a), except that each local government shall identify a zone or zones that can accommodate at least one year-round emergency shelter; and

WHEREAS, Government Code Section 65583(a)(5) requires an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing that demonstrates local efforts to remove governmental constraints that hinder the locality from meeting the need for housing for persons with disabilities, supportive housing, and transitional housing, and that transitional housing and supportive housing shall be considered a residential use of property and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone; and

WHEREAS, the Federal Fair Housing Act and the California Fair Employment and Housing Act require that a reasonable accommodation procedure be established to ensure a fair and efficient process for persons with disabilities to make necessary accessibility adjustments to their homes, which will allow housing retrofits for disabled persons without discretionary review; and

WHEREAS, the adopted 2009-2014 Housing Element of the Morro Bay General Plan requires consideration of amendments to the text of the Zoning Code to increase housing supply and obtain densities closer to those envisioned by zoning policies by prohibiting single-family homes in the R-3 and R-4 zoning districts; and

WHEREAS, Government Code Section 65915 requirements for the adoption of a density bonus program to facilitate and encourage the maximum build out of available sites has been modified in 2005 (SB 1818); and

WHEREAS, the proposed amendments to the text of the Zoning Ordinance are intended to implement programs identified in the adopted 2009-2014 Housing Element of the Morro Bay General Plan, which that will bring the Zoning Ordinance into compliance with the above cited Government Code sections; and

WHEREAS, the proposed amendments to the text of the Zoning Ordinance are exempt from environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines under the general rule that CEQA only applies to projects which have the potential for causing a significant effect on the environment; and

WHEREAS, environmental review was conducted for the 2009-2014 Housing Element (SCH#2009081040) and the proposed amendments are to implement policies contained in the Housing Element which do not increase density, nor cause additional development impacts associated with the proposed amendment beyond that which was included in the environmental review; and

WHEREAS, the Planning Commission of the City of Morro Bay, on January 15, 2014 after a duly noticed PUBLIC HEARING, did forward a recommendation, by adoption of Planning Commission Resolution No. 01-14 that the City Council amend Title 17 (Zoning Ordinance) to bring the Zoning Ordinance into compliance with the above cited Government Code sections and more specifically approves Zoning Text Amendment #A00-018 and forwards a favorable recommendation to the City Council to approve said Zoning Text Amendment "Amending Title 17 of the Morro Bay Municipal Code implementing policies of the Morro Bay 2009 Housing Element" by adopting Ordinance Number 584; and

WHEREAS, the City Council held a duly advertised public hearing on January 28, 2014 and on February 25, 2014 to consider adoption of the proposed amendments to the Zoning Ordinance; and

WHEREAS, following the PUBLIC HEARING, and upon consideration of the testimony of all persons, both written and oral, the City Council accepted the Planning Commission recommendation and approved the amendment.

NOW, THEREFORE, the City Council of the City of Morro Bay finds as follows:

1. That the above recitations are true and correct and constitute the findings of the Council in this matter.
2. That the proposed Zoning Ordinance Amendments will not be injurious or detrimental to the health, safety, comfort, general welfare or well-being of the persons residing or working in the neighborhood.
3. That the proposed amendments are in general conformance with the City General Plan and Local Coastal Plan.
4. That the Local Coastal Program Implementation Program (Zoning Ordinance) Amendments are in compliance with the intent, objectives, and all applicable policies and provisions of the California Coastal Act; and
5. Pursuant to Morro Bay Municipal Code Section 17.64.080 no amendment to Title 17 shall be legally effective in the coastal zone until the amendment is certified by the Coastal Commission.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

Title 17 of the Morro Bay Municipal Code is amended to read in applicable part as follows:

Section 1. Chapter 17.12 –Definitions, is hereby amended to add or modify the following:

A. Section 17.12.267 - Emergency Shelter. "Emergency shelter" means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

B. Section 17.12.268 – Employee Housing. "Employee housing," includes but is not limited to farmworker housing. Employee housing for 6 or fewer workers shall be deemed to be a single-family structure with a residential land use, and shall be treated the same as a single family dwelling of the same type in the same zone. The permitted occupancy in employee housing in a zone allowing agricultural uses shall include agricultural employees who do not work on the property where the employee housing is located, and may consist of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household on land zoned for agricultural uses. Such employee housing shall be considered to be an activity that in no way differs from an agricultural use.

C. Section ~~17.12.267~~ 17.12.269 – Environmentally sensitive habitat.

D. Section ~~17.12.268~~ 17.12.270 – Equestrian boarding.

E. Section ~~17.12.269~~ 17.12.271 – Estuary.

F. Section ~~17.12.270~~ 17.12.272 – Family.

G. Section 17.12.432 – Low, very low, extremely low, and moderate household income. "Low, very low, and moderate household income" means, for the

purpose of evaluating housing affordability, housing need, and eligibility for housing assistance, State Income Limits as defined by guidelines adopted annually by the California Department of Housing and Community Development (HCD)for San Luis Obispo County.

H. Section 17.12.433 – Low, very-low, extremely low, and moderate income housing. "Low, very-low, extremely-low, and moderate income housing" means housing for which the rent or monthly mortgage payment, together with taxes and basic utilities, does not exceed 30% of total household income. ~~the current fair market rent for existing housing standards applicable to San Luis Obispo County as established for Section 8, Housing Assistance Payments Programs by the United States Department of Housing and Urban Development.~~

I. Section 17.12.504 – Residential Density. “Residential density” is the maximum number of dwelling units allowed per acre by the Local Coastal Program for each zoning district. All residential development, including but not limited to single-family, multi-family, residential care facilities, supportive and transitional housing is subject to the residential density established by the parcel’s zoning district and cannot exceed the LCP’s density restrictions, except as provided for elsewhere in this Chapter.

J. Section 17.12.581 – Single-Room Occupancy (SRO). “SRO” means a multi-unit housing project for single persons typically consisting of single rooms and shared bathrooms, and may include a shared common kitchen and activity area. SROs may be restricted to seniors or be available to persons of all ages.

K. Section 17.12.626 – Supportive Housing. “Supportive housing” means housing with no limit on length of stay, that is occupied by a target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live, and, when possible, work in the community.

L. Section 17.12.627 –Target Population. “Target population” means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

M. Section 17.12.640 – Transitional Housing. “Transitional housing” means buildings configured as rental housing developments, but operated under program requirements that mandate the termination of assistance and recirculation of the

assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance.

Section 2. Section 17.24.020 – Agriculture (AG) District, is hereby amended as follows:

A. Section 17.24.020.A Purpose. The purpose of the Agriculture (AG) district is to provide for the continuation of agricultural uses in suitable areas and for supplemental commercial uses which may be necessary to support such continued agricultural activities. New development in this district shall also be sited and designed to protect and enhance scenic resources associated with the rural character of agricultural lands.

It is the intent of the city that it shall maintain the maximum amount of prime agricultural land in agricultural production to assure the protection of the area's agricultural economy, and to facilitate and encourage the provision of decent, affordable housing for farm workers by not requiring a conditional use permit, zoning variance, or other zoning clearance for farmworker housing that is not required of any other agricultural activity in the Agriculture (AG) zone, except that a Coastal Development Permit is required consistent with the Local Coastal Program. In addition, it is the city's intent that all nonprime agricultural land within the city suitable for agricultural use shall not be converted to nonagricultural uses unless:

1. Continued or renewed agricultural use is not feasible; or
2. Such conversion would preserve prime agricultural land or concentrate development consistent with Public Resources Code, Section 30250.

Section 3. Section 17.48 – General Regulations, Conditions and Exceptions, is hereby amended to add or modify the following:

A. Section 17.48.120 Porch, landing place or stairway projections is hereby amended to expressly add handicapped ramps to those items that may project into interior side, rear, front yard or street side yards, as established by this provision.

B. Section 17.48.360– Emergency Shelter. It is the purpose of this section to facilitate and encourage the provision of emergency shelter for homeless persons and households by allowing permanent year-round emergency shelters without a conditional use permit or other discretionary action in the C-1 (Central Business) zone, subject only to the same development standards that apply to the other permitted uses in these zones, except for the following requirements unique to emergency shelters, as authorized by Government Code Section 65583(a)(4):

1. The maximum number of beds or persons to be served nightly by an emergency shelter shall be 35.
2. Off-street parking shall be based upon demonstrated need, provided that parking for an emergency shelter shall not be more than that required for other commercial or industrial uses permitted in the Central Business (C-1) zone.
3. Appropriately sized and located exterior and interior on-site waiting and intake areas shall be provided.
4. Appropriate exterior lighting shall be provided.

5. On-site management shall be provided.
6. Security shall be provided during the hours that the emergency shelter is in operation.
7. The maximum length of stay by a homeless person in an emergency shelter shall be six (6) months.
8. An emergency shelter shall not be located within 300 feet of another emergency shelter.
9. No individual or household shall be denied emergency shelter because of an inability to pay.

C. Section 17.48.370 – Single-Room Occupancy (SRO). It is the intent of this section to facilitate and encourage the provision of affordable shelter for low-income persons with special housing needs by allowing SRO housing without a conditional use permit or other discretionary action in the Central Business (C-1) zone, and with a minor use permit in the Mixed Commercial/Residential (MCR) zone, subject only to the same development standards that apply to the other permitted uses in these zones, except for the following requirements unique to SROs:

1. Occupancy. An SRO unit shall be occupied by a single person. Occupancy of SRO units may be restricted to seniors or be available to persons of all ages.
2. Special Development. Units in an SRO housing development shall consist of a single room and may have a private or shared bathroom. A shared common kitchen and activity area may also be provided.
3. Management Standard. On-site management shall be provided.

D. Section 17.48.400 – Reasonable Accommodation Procedure. This section provides a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act (the Acts) in the application of zoning laws and other land use regulations, policies and procedures.

1. Applicability.
   A. A request for reasonable accommodation may be made by any person with a disability, their representative or any entity, when the application of a requirement of this Zoning Ordinance or other city requirement, policy or practice acts as a barrier to fair housing opportunities. A person with a disability is a person who has a physical or developmental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such impairment or anyone who has a record of such impairment. This chapter is intended to apply to those persons who are defined as disabled under the Acts.
   B. A request for reasonable accommodation may include a modification or exception to the rules, standards and practices for the siting,

development and use of housing or housing- related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice.

C. A reasonable accommodation is granted to the household that needs the accommodation and does not apply to successors in interest to the property.

D. A reasonable accommodation may be granted in compliance with this chapter without the need for the approval of a variance.

E. Requests for reasonable accommodation shall be as described in the following section.

2. Application Procedure.

A. Application. Requests for reasonable accommodation shall be submitted in the form of a letter to the Public Services Director and shall contain the following information:

1. The applicant's name, address and telephone number;
2. Address of the property for which the request is being made;
3. The current actual use of the property;
4. The basis for the claim that the individual is considered disabled under the Acts;
5. The Zoning Ordinance provision, regulation or policy from which reasonable accommodation is being requested; and
6. Why the reasonable accommodation is necessary to make the specific property accessible to the individual.

B. Review with Other Land Use Applications. If the project for which the request for reasonable accommodation is being made also requires some other discretionary approval (e.g., conditional use permit, coastal development permit, etc.), then the applicant shall file the application for discretionary approval together with the information required by Subsection A above for concurrent review.

3. Review Authority.

A. Public Services Director. Requests for reasonable accommodation shall be reviewed by the Public Services Director, or his/her designee if no approval is sought other than the request for reasonable accommodation. The written determination to grant, grant with modifications, or deny the request for reasonable accommodation shall be made in accordance with the Findings and Decision as established below.

B. Other Review Authority. Requests for reasonable accommodation submitted for concurrent review with another discretionary land use application shall be reviewed by the authority responsible for reviewing the discretionary land use application. The written determination to grant, grant with modifications, or deny the request for reasonable accommodation shall be made in accordance with the Findings and Decision as established below.

4. Findings and Decision. The written decision to grant or deny a request for reasonable accommodation will be consistent with the Acts and shall be based on consideration of the following factors:
   A. Whether the housing, which is the subject of the request, will be used by an individual disabled under the Acts;
   B. Whether the request for reasonable accommodation is necessary to make specific housing available to an individual with a disability under the Acts;
   C. Whether the requested reasonable accommodation would impose an undue financial or administrative burden on the City;
   D. Whether the requested reasonable accommodation would require a fundamental alteration in the nature of a City program or law, including but not limited to land use, zoning, or the Local Coastal Program;
   E. Potential impact on surrounding uses;
   F. Physical attributes of the property and structures; and
   G. Alternative reasonable accommodations that may provide an equivalent level of benefit.

5. Conditions of Approval. In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings required herein. The conditions shall also state whether the accommodation granted shall be rescinded in the event that the person for whom the accommodation was requested no longer resides on the property.

Section 4. Section 17.24 - Primary Districts, is hereby amended as follows:

A. Section 17.24 – Uses permitted in each zone are amended to allow the following uses to be principally permitted in the zones indicated:

ZONES		**USE TYPE**
Symbol	**Zone Name**	
AG	Agriculture	Employee Housing (max 36 beds in a group quarters or 12 units or spaces) *with approval of a CDP where applicable*
		Supportive Housing and Transitional Housing *within a residential structure that is consistent with the LC* *with approval of a CDP where applicable*
RA	Suburban Residential	Employee Housing (max 36 beds in a group quarters or 12 units or spaces)
		Supportive Housing and Transitional Housing
R-1	Single-family residential	Employee Housing (for 6 or fewer workers)

		Supportive Housing and Transitional Housing
R-2	Duplex residential	Employee Housing (for 6 or fewer workers)
		Supportive Housing and Transitional Housing
R-3	Multiple-family residential	Employee Housing (for 6 or fewer workers)
		Supportive Housing and Transitional Housing
R-4	Multifamily residential-hote professional	Employee Housing (for 6 or fewer workers)
		Supportive Housing and Transitional Housing
CRR	Coastal resource residential	Supportive Housing and Transitional Housing
		Employee Housing (for 6 or fewer workers)
C-1	Central business	Supportive Housing and Transitional Housing
		Single Room Occupancy (SRO)
		Emergency Shelter
		Employee Housing (for 6 or fewer workers)

B. Section 17.24 – Uses permitted in each zone are amended to allow the following uses to be permitted with a Minor Use Permit in the zones indicated:

ZONES		**USE TYPES**
Symbol	**Zone Name**	
MCR	Mixed Commercial/Residential	Employee Housing (for 6 or fewer workers)
		Single Room Occupancy (SRO)
		Supportive Housing and Transitional Housing
R-3	Multiple-family residential	Single-family residential, where the sites' characteristics, such as size or topography, would preclude multi-family development.
		All principally permitted uses in the R-1 and R-2 districts, where the sites' characteristics, such as size or topography, would preclude multi-family development.
R-4	Multifamily residential-hote professional	Single-family residential, where the sites' characteristics, such as size or topography, would preclude multi-family development.

		All principally permitted uses listed in the R-1 and R-2 districts, where the sites' characteristics, such as size or topography, would preclude multi-family development.

Section 5. **Section 17.50 – Affordable Housing, Density Bonuses and Incentives**, is hereby revoked in its entirety and replaced as follows:

Sections:
17.50.010 - Purpose.
17.50.020 - General affordable housing requirements.
17.50.030 - In-lieu fees for affordable housing.
17.50.040 - Density bonuses and incentives.
17.50.050 – Assurance of continued availability.
17.50.060 – Consistency with State Law.

Section 17.50.010 - Purpose. The purpose of this chapter is to:

A. Meet the requirements to provide affordable housing contained in Government Code Sections 65580-65589.8 through inclusionary housing; and
B. Promote and facilitate the provisions of very low, low, and moderate-income housing consistent with the provisions of Government Code Sections 65915-65918 and the Housing Element of the General Plan.

Section 17.50.020 – General affordable housing requirements.

A. Pursuant to the requirements of Government Code Sections 65580-65589, all new residential developments of five or more for-sale units shall provide a minimum of one inclusionary unit or ten percent of the total number of units, whichever is greater, to be affordable to families with incomes in the very low-, low-, or moderate-income ranges, depending on the needs of the City at the time of approval. The lower-income units may be either for rent or for sale, but shall remain affordable for at least 30 years, or such other term approved by the City, consistent with state law.
B. In accordance with Government Code Section 65590, the City shall require the developer to provide affordable housing on-site where feasible. If the City determines that this is not feasible based on a detailed economic analysis prepared by a City-contracted consultant at the cost of the applicant, the City shall require the developer to provide such housing at another location in Morro Bay. If the City determines that it is not feasible for the developer to provide such affordable housing off-site, the developer shall pay a fee in lieu of providing such housing. Said fee shall be as prescribed in 17.50.030.
C. For the purposes of calculating the number of affordable inclusionary units required by this Section, any additional units authorized as a density bonus will not be counted in determining the required number of inclusionary units.

Section 17.50.030 – In-lieu fees for affordable housing.

In cases where the provisions for the required affordable housing are not being met on-site or off-site, the applicant may contribute in-lieu fees. Said fees shall be paid prior to issuance of a building permit or final tract map. Fees shall be established on a project basis using the following method:

Construction Cost X % of Fee based on Project Size, where construction costs include all expenses related to the development of housing units, including land, construction, on- and off-site infrastructure, and associated soft costs.

Project Size	**% of each 1 unit cost or fraction there of**
8 Units	10%
9 Units	15%
10 Units	20%
11 Units	30%
12 Units	40%
13 Units	50%
14 Units	60%
15 Units	70%
16 Units	80%
17 Units	90%
18 Units	100%

A. Fees accepted for affordable housing shall be used by the city to construct or assist in the construction of housing for rent or sale to very low, low and moderate income families or to purchase land for the purpose of affordable housing or to assist very low, low and moderate income families to afford adequate housing or for other measures to provide housing for low and moderate income families. The city may, at its option, transfer in-lieu fees to another public agency as a nonprofit housing provider for the purpose of providing affordable housing in the city of Morro Bay.

Section 17.50.040 – Density bonuses and incentives.

A. Applicability. Pursuant to the requirements of Government Code Sections 65915-65918, the provisions of this Section apply to the construction of five or more housing units that satisfy one or more of the following criteria:

1. At least 10% of the units are designated for low-income households;
2. At least 5% of the units are designated for very low-income households;
3. At least 10% of the units are designated for moderate-income households, provided that all units in the development are offered to the public for purchase;

4. 100% of the units are designated for seniors citizens as defined in Section 51.3 and 51.12 of the Civil Code or mobile home park that limits residency based on age requirements for housing for older persons pursuant to Government Code Section 798.76 or 799.5;
5. Donation of land to the city consisting of at least one acre, or of sufficient developable acreage and zoning classification to permit construction of at least 40 units, and not less than 10% of the residential units in the proposed development, that are affordable to very-low income households.

B. Calculating the density bonus. A density bonus shall be calculated on a sliding scale based upon the amount by which the percentage of affordable housing units exceeds the minimum number of affordable units required to qualify for a density bonus established in Section 17.50.020. The density bonus shall be calculated as follows:

1. A 20% density bonus, increasing by an additional 1.5% for each additional 1% increase in low-income units above the initial 10% threshold, per Section 17.50.040A1, above.
2. A 20% density bonus, increasing by an additional 2.5% for each additional 1% increase in very low-income units above the initial 5% threshold , per Section 17.50.040A2, above.
3. A 20% density bonus for senior citizen housing developments pursuant Government Code Section 65915(g)(3).
4. A 5% density bonus, increasing by an additional 1% for each additional 1% increase in moderate-income units above the initial 10% threshold, per Section 17.50.040A4, above.
5. When an applicant proposes to construct a housing development that is eligible for a density bonus under Section17.50.030 A and includes a childcare facility that will be located on the premises of, or adjacent to, the housing development, the city shall grant either:
    a. An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the square footage of the childcare facility; or
    b. An additional concession or incentive that contributes significantly to the economic feasibility of the construction of the childcare facility.
6. Maximum density bonus. The maximum density bonus authorized by this section, Section 17.50.030A, and Section 17.50.030 B, collectively, is 35% when a project provides either 11% very low-income units, 20% low-income units, or 40% moderate-income units. All density bonus calculations resulting in fractional units shall be rounded up to the next whole number of housing units.

C. Developer incentives.

1. Restrictions. When an applicant seeks a density bonus as prescribed by Government Code Section 65915, the City will grant the number of developer

incentives as required by Section 17.50.040C2, below, unless it makes any of the following findings:

a. The developer incentives are not required in order to provide affordable housing, as defined in Section 50052.3 of the Health and Safety Code, or for rents for the targeted units to be set as specified in Government Code Section 65915(c).
b. The developer incentives would have a specific adverse impact, as defined in paragraph (2) of Subdivision (d) of Section 65589.5, upon public health and safety or the physical environment or an any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low- and moderate-income households.
c. The developer incentives would be contrary to State or Federal law.

2. Number of developer incentives. A developer eligible to receive a density bonus shall receive the following number of concessions or incentives, in addition to a density bonus:
    a. One concession or incentive for projects that provide either 10% of the units affordable to low-income households, 5% of the units affordable to very low-income households, 10% of the units affordable to moderate-income households, or childcare facilities.
    b. Two concessions or incentives for projects that provide either 20% of the units affordable to low-income households, at least 10% of the units affordable to very low-income households, or 20% of the units affordable to moderate-income households.
    c. Three concessions or incentives for projects that provide either 30% of the units affordable to low-income households, at least 15% of the units affordable to very low-income households, or 30% of the units affordable to moderate-income households.

3. Parking. Upon request of a developer eligible to receive a density bonus, the city shall grant the following parking standards, inclusive of handicapped and guest parking, for the entire project as required by Government Code Section 65915(p)(1):
    a. Zero to 1-bedroom units – 1 on-site parking space per unit
    b. Two or more-bedroom units – 2 on-site parking spaces per unit

4. Developer incentives defined. For the purposes of this Section, concession or incentive means any of the following:
    a. Reduced site development standards or modified zoning code or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission as provided in Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code, including, but not limited to, a reduction in setback and square footage requirements and the ratio of

vehicular parking spaces that would otherwise be required that results in identifiable, financially sufficient, and actual cost reductions.

b. Approval of mixed-use zoning if commercial, office, industrial, or other land uses will reduce the cost of the housing development and if the commercial, office, industrial, or other land uses are compatible with the housing project.

c. A density bonus greater than the amount required by this section.

d. Deferred or waived planning, plan check, construction permit, and/or development impact fees, in accordance with any fee deferral and waiver process and policies adopted by the city.

e. Direct financial aid in the form of a loan or grant to subsidize off-site improvements, land or construction costs.

f. Other regulatory developer incentives proposed by the developer or the City that result in identifiable, financially sufficient, and actual cost reductions.

5. Waivers and modifications of development standards.

a. Proposal. In accordance with Government Code Section 65915(e), an applicant may propose a waiver or modification of development standards if they would physically preclude the construction of a development meeting the criteria for Applicability, at the densities or with the developer incentives permitted by this Section.

A proposal for the waiver or reduction of development standards pursuant to this subdivision shall neither reduce nor increase the number of developer incentives to which the applicant is entitled pursuant to Section 17.50.040D, above.

b. Grounds for denial. In accordance with Government Code Section 65915(e), the City Council, or the Coastal Commission on appeal, may deny an applicant's request to waive or modify the City's development standards in any of the following circumstances:

1. The application does not conform with the requirements of this Section, Government Code Section 65915-65918, or Coastal Act Section 30604(f).
2. The applicant fails to demonstrate that the City's development standards physically preclude the utilization of a density bonus on a specific site.
3. The waiver or reduction would have a specific, adverse impact, as defined in Government Code Section 65589.5(d)(2), upon health, safety, or the physical environment, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.
4. The waiver or reduction would have an adverse impact on any real property that is listed in the California Register of Historical Resources.
5. The waiver or reduction would be contrary to State or Federal law.

6. If in the coastal zone, the project is found to be inconsistent with the Local Coastal Program (including but not limited to sensitive habitat, agriculture, public view shed, public services, public recreational access and open space protections), with the exception of the density bonus.

D. Application and Evaluation.

1. All applications. All applications for a density bonus, developer incentive, or waiver or modification of development standards must include the following information:
   a. The total number of base units and affordable housing units;
   b. The specific developer incentive(s) sought, if any, and documentation regarding the necessity of the incentive in order to provide affordable housing costs or rents;
   c. The specific waiver or modification to development standard(s), if any, and documentation regarding the necessity of the waver or modification, including documentation demonstrating that the City's development standards physically preclude the utilization of a density bonus.

2. Land Donations. If requesting a density bonus based on land donation in accordance with Government Code Section 65915(g), in addition to the above listed information, the application must:
   a. Demonstrate the developable acreage and zoning classification is compliant with eligibility criteria of 17.50.030A, and that the site is, or will be served by adequate public facilities and infrastructure;
   b. Verify that all permits and approvals, other than building permits, necessary for the development of the very low-income housing units have been secured prior to the date of approval of the final subdivision map, parcel map, or other development permits;
   c. Verify that the developer can donate and transfer land no later than the date of approval of the final subdivision map, parcel map, or residential development application; and
   d. The land will be transferred to the city or to a housing developer approved by the city. The city may require the developer to identify and transfer the land to the affordable housing developer.

3. Childcare Facilities. If requesting a density bonus based on the provision of a child day care facility in accordance with Government Code Section 65915 (h), in addition to the above listed information, the application must:
   a. Provide the location of the proposed child day care facility and the proposed operator;
   b. Agree to operate the child day care facility for a period of time that is as long as or longer than the period of time during which the density bonus units are required to remain affordable;

c. Agree to have contracted with a child day care facility operator for operation of the child day care facility before the first building permit is issued;

d. Agree that the child day care facility will be in operation when the first certificate of occupancy is issued; and

e. Of the children who attend the childcare facility, the children of very low-income households, low-income households and moderate-income households shall equal a percentage that is equal to or greater than the percentage of affordable units in the housing development that are required for very low-, low- or moderate-income households.

The city shall not be required to provide a density bonus or concession or incentive for a child care facility if it finds, based upon substantial evidence, that the community has adequate child care facilities.

Section 17.50.050 – Assurance of continued availability.

A. Term of Availability. Where affordable housing units have been provided per the requirements of 17.50.020, or where a density bonus, incentives, or waivers of development standards has been made pursuant to this chapter, the developer shall assure both of the following:
   1. Continued availability of affordable units for a minimum of thirty years.
   2. Project phasing, including timing of completion, and rental or sale of affordable housing units shall occur concurrently with non-restricted units.

B. Long Term Affordability. A developer of affordable units shall enter into an affordable housing agreement with the city prior to the recordation of the final map, or the issuance of a grading permit or a building permit where approval of a map is not requested. The agreement shall be recorded against the parcel(s) designated for construction of the affordable units. The agreement shall run with the land and shall be binding upon the successor(s) in interest. At a minimum, the agreement shall include:
   1. Total number and size of affordable units.
   2. Maximum qualifying household incomes for the affordable units.
   3. Standards for calculating affordable rents or affordable sales prices.
   4. Enforcement mechanisms, including annual reporting and monitoring to ensure affordable units are continuously occupied by eligible households and remedies for breach of the agreement.
   5. Affordability term.

Section 17.50.060 – Consistency with State Law.

The provisions of this subchapter are intended to comply with Government Code Section 65915 and related state laws. In the event that any provision of this section conflicts with Government Code Section 65915 or any related state laws, the state law shall apply.

Section 6. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of all other provisions of this Ordinance.

The City Council hereby declares that it would have passed the Ordinance codified in this title, and each chapter, section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that anyone or more of the sections, subsections, sentences, clauses, or phrases or portions thereof be declared invalid or unconstitutional.

Section 7. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published in the same manner required by law; provided this Ordinance shall not become effective until final certification by the California Coastal Commission.

INTRODUCED at the regular meeting of the City Council held on February 25, 2014 by motion of Councilmember _____ and seconded by Councilmember _____.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Morro Bay on the _____ day of _____, 2014 by the following vote to wit:

AYES:
NOES:
ABSENT:

_____
JAMIE L. IRONS
MAYOR

ATTEST:

_____
JAMIE BOUCHER
CITY CLERK

APPROVED AS TO FORM:

_____
ANNE M. RUSSELL
INTERIM CITY ATTORNEY

AGENDA NO: C-1

MEETING DATE: February 25, 2014

Staff Report

TO: **Honorable Mayor and City Council** **DATE: February 19, 2014**

FROM: **Eric Endersby, Harbor Director**

SUBJECT: **Re-Consideration of Proposal Submitted by Virg's Sportfishing in Response to Request for Proposals MB-2013-HRFP2 to Develop Vacant Lease Site 107W-108W**

RECOMMENDATION

Review and re-evaluate the Request for Proposals (RFP) submittal from Virg's Sportfishing and provide staff direction. Staff is recommending support of the proposed project.

ALTERNATIVES

A. Approve proposal as submitted and direct staff to execute Consent of Landowner agreement and begin negotiations with the applicant while applicant concurrently begins submission of plans to the City's Planning Division (staff recommendation).

B. Approve proposal with conditions/comments and/or amendments for applicant's consideration, with proposal to be brought back to a future City Council meeting (if necessary) for approval of Consent of Landowner agreement.

C. Reject proposal as submitted.

FISCAL IMPACT

No fiscal impact at this time. Positive fiscal impact is expected in the future if the vacant lease site is developed.

SUMMARY

Virg's Sportfishing responded to a RFP issued by the City in early 2013 to develop the vacant lease site 107W-108W. The Harbor Advisory Board (HAB) reviewed and evaluated this proposal late last year with comments provided for Council's consideration. Council considered the proposal in January 2014, but requested additional evaluation on two perceived issues with the site location. Those issues have received further review and staff is bringing the item back to Council for a second consideration.

Prepared By: __EE____ **Dept Review:_____**

City Manager Review: _____

City Attorney Review: _____

BACKGROUND

At the January 14, 2014 City Council meeting, Council considered the development proposal for vacant Lease Site 107W-108W submitted by Virg's Sportfishing. The staff report from that item is included with this staff report for reference.

At that time, while supportive of the proposal, Council was concerned with two outstanding issues of developing that lease site: whether or not the proposed development would hinder vessel access to the public hoist on the south T-Pier adjacent to the site; and, whether or not the lease site and adjacent water area was a viable candidate for the location of the City's long-sought after vessel boatyard haulout ways. On the 14th, Council voted to recognize Virg's proposal, but to first prioritize the location for a possible haulout ways, to support the HAB's Boatyard Ad-Hoc Committee's evaluation of the site, and report back to Council. At the February 6, 2014 HAB meeting, the Boatyard Ad-Hoc committee did provide an update.

DISCUSSION

Of the two outstanding issues:

•Representatives of Virg's placed a small buoy in the water at the location of their proposed dock to provide a visual representation as to what the proposed dock's effect on using the adjacent public hoist might be. The float was left it in the water for approximately two weeks. To date, neither the project proponent nor the City has received any feedback from fishermen or other hoist users that the proposed dock would cause an untenable hoist access condition.

•The Boatyard Ad-Hoc Committee report at the February 6, 2014 HAB meeting focused on the potential locations of both the haulout ways and actual yard itself. The Committee's preferred location for the haulout ways is the area immediately north of the power plant intake building. This was identified for several reasons: it's "out of the way" location; it has less tidal current effects; it is deeper in draft for larger size vessels; and, it is the area previously identified in the City's previous efforts to study and site a boatyard haulout ways. The area of Lease Site 107W-108W was considered secondary at best due to several issues: the space is too tight to fully accommodate the ways and is more constrained by draft than the northern location; that area is too congested with other boat traffic and uses including the adjacent slips and public hoist; significant environmental concerns exist (eelgrass beds and sea otter rafting); and, there would be street-crossing issues interfering with the level of other business activity in the area.

CONCLUSION

Staff is seeking Council evaluation and input a second time on the proposal received from Virg's Sportfishing for the RFP on vacant Lease Site 107W-108W as the issues previously identified by Council have received further review. In addition, the Harbor Advisory Board's unanimous vote of support for Virg's proposal still stands, which the board members reiterated at their February meeting.

City of Morro Bay
Tidelands Trust Grant Properties
Consent of Landowner Form

Consent For:

Development of Lease Site 107W-108W by Virg's Sportfishing, as proposed in response to Request for Proposals Project MB-2013-HRFP2 and negotiation of new lease.

Site Location: Lease Site 107W-108W, 1155 & 1159 Embarcadero, Morro Bay, CA 93442

Property Owner: City of Morro Bay Telephone: 805-772-6254

Address: 595 Harbor St. City: Morro Bay State: CA Zip: 93442

Applicant: Virg's Sportfishing, Inc. Telephone: 805-772-1222

Address: 1169 Market Ave. City: Morro Bay State: CA Zip: 93430

I/We, the undersigned owner(s) of record of the fee interest in the above noted land for which an application for a permit, business license or other City entitlement is being requested, do certify that:

1. **Building Permits, Land Use Permits**: Such application may be filed and processed with my/our full consent. The applicant is authorized to act as our agent in all contacts with the City in connection with this matter. I/We hereby grant the City of Morro Bay or any of its authorized agents the right to enter upon the land described herein at any time during normal business hours for the purposes of site inspection in advance of City action on the Land Use Permits; inspection of any construction, grading or other development activities following any land use permit approval or evaluation of the satisfactory completion of development authorized through land use permit approval, including continuing compliance with any conditions of approval.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

_____

Edward S. Kreins, Interim City Manager **Date**

AGENDA NO: D-1

MEETING DATE: January 14, 2014

Staff Report

TO: **Honorable Mayor and City Council** **DATE: January 8, 2014**

FROM: **Eric Endersby, Harbor Director**

SUBJECT: **Consideration of Proposal Submitted by Virg's Sportfishing in Response to Request for Proposals MB-2013-HRFP2 to Develop Vacant Lease Site 107W-108W**

RECOMMENDATION

Review and evaluate the Request for Proposals (RFP) submittal from Virg's Sportfishing and provide staff direction. Staff is recommending support provided two issues identified (proposed dock potentially impeding vessel access to the public hoist on the South T-Pier and the site's potential as a haul-out site for the City's desired boatyard) can be adequately addressed, mitigated, and/or determined to not be factors.

ALTERNATIVES

1. Approve proposal as submitted and direct staff to execute Consent of Landowner agreement and begin negotiations with the applicant while applicant concurrently begins submission of plans to the City's Planning Division.

2. Approve proposal with conditions/comments and/or amendments for applicant's consideration, with proposal to be brought back to a future City Council meeting (if necessary) for approval of Consent of Landowner agreement.

3. Reject proposal as submitted.

FISCAL IMPACT

No fiscal impact at this time. Positive fiscal impact is expected in the future if the vacant lease site is developed.

SUMMARY

Several vacant waterfront lease sites were put out for development Request for Proposals early in 2013. One proposal was received for Lease Site 107W-108W, the site immediately adjacent to the City's South T-Pier. The Harbor Advisory Board (HAB) reviewed and evaluated this proposal late last year with comments provided for Council's consideration. The next step in the

Prepared By: __EE____ **Dept Review:_____**

City Manager Review: _____

City Attorney Review: _____

RFP process is City Council consideration of the proposal.

BACKGROUND

During spring of 2013, three vacant lease sites were put out for RFP's. The deadline to submit proposals was mid-August, 2013. Of the 3 lease site RFP requests, only one proposal was received, Virg's Sportfishing submitted for the vacant water-only lease site at 107W-108W between the South T-Pier and the commercial fishing vessel slips to the pier's south.

Since only one proposal for this site was received and there was no ranking of one proposal over another necessary, and after conferring with the City Manager and agents for the applicant, staff elected to combine the Selection Panel review and HAB review process into one HAB review and proposal evaluation. Section III C of the RFP reserves the right for the City to amend the RFP process at any time.

At their December 5, 2013 meeting, the HAB reviewed and evaluated Virg's proposal. The staff report from that item is included with this staff report. During the HAB hearing, project consultant Cathy Novak presented an overview of the proposal, and public comment was received.

The HAB commented on the following RFP rating criteria:

Overall Quality of Design and Benefit to the Public: The HAB questioned the length of the proposed gangway in the project as being too short, and recommended that the applicant consider a longer one for ADA compliance and other reasons. The HAB appreciated the benefit that would come with the proposed ADA-compliant restroom being available for public use.

Development Constraints on the Embarcadero: The HAB commented that the applicants should receive a legal opinion as to whether or not the project is Measure D compliant. It is staff's opinion that the project is Measure D compliant as Virg's Sportfishing is a recreational fishing-serving and dependant use.

Green and/or "LEED" Building Features: HAB raised concerns that the eelgrass present and recent otter activity in the area will have to be taken into consideration.

Overall Applicant and Team Qualifications and Experience in Similar Projects: The HAB noted that the applicant team has many years of local experience with operation out of City lease sites, and that local architects with waterfront experience are being used.

Ability to Secure and Develop Major Sub-Tenants: Although not intending to build space for any sub-tenants, project applicants did express willingness to work with the City or a boatyard operator if that location was identified as a potential haul-out site for a new boatyard. In evaluating project drawings, there was general consensus by the HAB and project applicants that there may be enough room at the south end of the site for haul-out piers to be located; one thing

of note, that location does have a considerable amount of eelgrass present.

Public comment received, while supportive of Virg's Sportfishing, was concerned about the proposed new dock's impact on fishing and other vessels' maneuvering room and access to the public hoist opposite the site on the south T-Pier. Project applicants commented that they would set buoys or other devices out that would delineate where the proposed new dock would be located and that fishermen or others could bring their boats down to see if they could adequately maneuver in the reduced area with the floats in place. The floats were recently installed, however, as of this writing no comments have been received as to their impact.

At the conclusion of the discussion, the HAB voted unanimously to support moving the project forward for City Council consideration.

DISCUSSION

Included with this staff report is the complete proposal received from Virg's, less the confidential financial information, as well as the RFP itself. Submitted financial documentation does meet the requirements of the RFP, and preliminary evaluation by staff appears that Virg's has sufficient financial means to undertake the project and operate the site. Should the project continue forward, staff will continue with additional financial evaluation as the project is fully submitted and negotiations begin on a new draft lease.

Staff concurs with the HAB that the proposed project is worthy of support and consideration, and may be a good use of that empty lease site space. Concerns raised about potential impeded access to the public hoist on the nearby pier and that this site may be a viable one for the location of the haul-out for the City's long-desired boatyard are two major outstanding issues warranting further consideration.

Staff recommends support of the project provided these two issues can be adequately addressed, mitigated, and/or determined to not be factors.

CONCLUSION

Staff is seeking Council evaluation and input of the sole proposal received for the RFP on vacant Lease Site 107W-108W.

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AGENDA NO: C-2

MEETING DATE: 02/25/14

Staff Report

TO: **Mayor and City Council** **DATE:** **February 8, 2014**

FROM: **Edward Kreins, Interim City Manager**

SUBJECT: **Discussion of Recruitment for City Manager and Decision to Award a Contract to a Recruitment Firm or Utilize In-house Staff**

RECOMMENDATION

The recommendation to the City Council is to direct the Interim City Manager to conduct the City Manager recruitment.

ALTERNATIVES

City Council may instead choose to use a professional recruitment firm from the list provided, and direct staff to engage the selected firm.

FISCAL IMPACT

The cost estimates for the City Manager recruitment are approximately $2,000 - $26,000, depending on the Council choice of either utilizing the Interim City Manager for this purpose (+/-$2,000) or engaging a recruitment firm ($22,400 - $26,000). The costs will be borne by the General Fund.

DISCUSSION

Staff would like to provide an alternative to the City Council for your consideration with regard to recruiting a new City Manager. In lieu of selecting a recruiting firm to conduct a search, Council can direct the Interim City Manager to conduct the search on behalf of the Council.

I have extensive experience in the recruitment and selection of candidates at all levels. Past experiences include the development, recruitment and staffing of an entire Police Department of fifty-five personnel from its inception; in addition to conducting the recruitments of an entire City's staff at its incorporation, including City Manager and department heads. In my various assignments as Interim City Manager, I participated in the recruitment of City Managers in every City that I served; in addition, I have recruited City Managers while in the role of consultant. Other relevant experience includes recruitment of and appointments of executive staff at every level, including Chiefs of Police, Fire Chiefs, City Attorneys, Finance Officers, Personnel Officers, and Public Works Directors.

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

City Manager Review: _____

City Attorney Review: _____

If chosen to conduct the search, the following would be proposed:

- Discussions with the Council regarding desired qualifications and backgrounds of candidates in an effort to establish a profile of preferred candidates; discussions of compensation guidelines as it relates to prospective candidates with the full knowledge that final compensation and benefit package parameters would be established at the Council level.

- Meet with staff to receive their input to include potential problems, desires, and management style.

- Advertisements, based on the developed profile, in professional publications such as Western City, Jobs Available, the web and other sources as necessary.

- Receive, review and process all applications; notifications would be sent to each candidate to acknowledge their candidacy at varying stages of the process.

- Conduct preliminary background checks on candidates, more in-depth backgrounds on the seemingly more qualified candidates, and a complete background on candidates selected for interviews.

- Travel to interview candidates that meet the qualifications so that all candidates do not have to come to Morro Bay at their own expense.

Once the process is completed and the final candidates have been selected, then interviews will be scheduled with the Council as well as one with a community interest group and one with an executive/management team. This is not an exclusive list, and would be the Council's discretion.

Once Council has made a final decision, negotiations with the candidate would commence; it is suggested that the Interim City Manager and/or the City Attorney negotiate with the selected candidate as to terms and conditions of employment.

Should Council choose to engage a recruitment firm, the list of firms with cost estimates and proposals from Avery & Associates, Ralph Andersen & Associates, Peckham & McKenney, and Slavin Management Consultants (staff was unable to reach TB & Company for a written proposal) are attached.

CITY OF MORRO BAY
LIST OF EXECUTIVE RECRUITMENT FIRMS FOR CITY MANAGER RECRUITMENT
JANUARY 8, 2014

NAME OF FIRM	CONTACT	PHONE NUMBER	BASE COST	EXPENSES	TOTAL ESTIMATE	NOTES
Peckham & McKenney	Bobbi Peckham	916-730-2014 (cell)	$18,000.00	Approximately $7,000	$25,000.00	Begin Jan 2014
TB & Co	Teri Black	310-377-2612 310-781-0878 (cell)	$18,000.00	Approximately $8 - 9k	$26,000.00	Begin Jan 2014
Avery & Associates	Bill Avery	408-472-7873 (cell)	$15,900.00	Not to exceed $6,500	$22,400.00	Begin now
Ralph Andersen & Associates	Robert Burg	916-630-4900	$25,000.00	$0 expenses, unless focus groups held	$25,000.00	Begin Jan 2014
Slavin Management Consultants	Paul Wenbert	480-664-2676 480-444-9512 (cell)	$15,580.00	Not to exceed $8,569 City pays for finalists' actual travel costs - not included in the $8,569; est = $450-650 per candidate	$24,149.00	

PECKHAM & MCKENNEY
EXECUTIVE SEARCH AND CONSULTING

January 7, 2014

Mayor James L. Irons
and Members of the City Council
c/o Susan Slayton
City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

Dear Mayor Irons and Council Members:

Thank you for the opportunity to express our interest in assisting you in the recruitment of the next City Manager. With over 50 years of combined experience in executive search, we understand that the selection of the new City Manager is a crucial decision for the Council, and we will do everything within our power to make this recruitment process a positive experience for everyone involved.

Headquartered in Sacramento, our firm provides executive search services to local government agencies throughout the Western United States. With over 50 years of combined experience in executive search, management and local government, Peckham & McKenney was established as a partnership in 2004. We have conducted hundreds of searches over the years and have extensive experience conducting City Manager recruitments, in particular. More specifically, we have conducted nearly 40 similar searches within the past three years alone.

City Manager placements made within the past three years (34):

City of American Canyon
City of Anderson
City of Antioch
City of Bell
City of Belmont
City of Belvedere
City of Benicia
City of Burbank
City of Burlingame
City of Campbell
City of Carmel-by-the Sea
City of Corvallis, OR
City of Cupertino
City of Encinitas
City of Exeter
City of Fremont (Assistant)
City of Indian Wells
City of Hayward (Assistant)
City of La Palma
City of La Quinta
City of Mill Valley
Town of Moraga
City of Novato
City of Palmdale
City of Palos Verdes Estates
City of Palo Alto (Assistant)
City of Park City, UT
City of Rohnert Park
City of San Clemente (Assistant)
City of Santa Clara
City of Tracy
City of Tulare
City of Waterford
City of West Sacramento
Town of Woodside

Current City Manager searches include:

City of Eureka, California
City of Piedmont, California
Town of Snowmass Village, Colorado
City of Daly City, California (Assistant City Manager)

A full list of executive searches conducted by either Bobbi Peckham or Phil McKenney is included in our proposal. Clearly, we have established an extensive database of industry contacts. We are also active in the Cal-ICMA Preparing the Next Generation Committee, Municipal Management Associations of Northern and Southern California (MMANC and MMASC), and Women Leading Government.

Bringing 26 years of experience in executive search as well as significant experience in conducting City Manager searches, I would personally serve as the City's Recruiter. My experience working with coastal communities is significant and includes the cities of Carmel-by-the-Sea, Dana Point, Del Mar, Encinitas, Oceanside, Palos Verdes Estates, and San Clemente, among others.

Again, thank you for this opportunity. Please contact me toll-free at (866) 912-1919 if you have any questions or would like to meet with me personally to ensure a good "fit" as your Recruiter.

Sincerely,

Bobbi C. Peckham
Partner, Peckham & McKenney
bobbi@peckhamandmckenney.com

Attachment

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FULL LIST OF EXECUTIVE SEARCHES CONDUCTED 9
All conducted by either Bobbi Peckham or Phil McKenney

INTRODUCTION

Peckham & McKenney provides Executive Search services to local government agencies throughout the Western United States and is headquartered in Sacramento, California. The firm was established as a partnership in June 2004 by Bobbi Peckham and Phil McKenney, who serve as the firm's Recruiters. We are supported by an Office Manager, marketing and design professional, research specialist, web technician, and distribution staff.

Peckham & McKenney was established on the premise that an executive search and consulting firm must be dedicated to providing its clients and candidates with professional service, as well as a personal, hands-on approach. Our business philosophy centers upon the understanding that this is a "people" related industry and that attention to others' needs is the key to providing effective customer service. Not only are we committed to providing our clients with well-qualified candidates, but we also take pride in treating both our clients and candidates with utmost respect. This commitment has lead to multi-year retainer agreements with a number of agencies, as well as numerous client and candidate testimonials to their experiences with us. We invite you to visit our web site at www.PeckhamAndMcKenney.com.

At Peckham & McKenney, we are committed to local government and sensitive to the challenges and issues faced by our clients. As such, we participate in the Cal-ICMA *Preparing the Next Generation* Committee and also serve as the Administrator for the Credentialed Government Leader program for the Municipal Management Associations of Northern & Southern California. In addition, we have provided workshops and training sessions in California and Colorado to up-and-comers on resume and interview preparation and general career guidance.

Bobbi C. Peckham

Bobbi Peckham is one of the West Coast's leading local government recruiters and has 30 years' experience in local government and executive search. Ms. Peckham began her career with the City of Naperville, IL, where she became familiar with all aspects of local government. Ms. Peckham was then recruited to join the Executive Search practice of a leading California recruitment firm. Later, she played an integral role in creating a national search business for what became the largest recruitment practice serving local government in the country. Here, she became Regional Director overseeing Northern California and a nine-state region.

In 2004, Ms. Peckham formed her own search firm in partnership with Phil McKenney. Ms. Peckham has personally conducted hundreds of national searches throughout the Western United States. She has extensive experience working with City Councils, Executive Boards, and local government administrators, listening to and understanding their needs in executive level placements.

Ms. Peckham received a Bachelor of Science degree in Organizational Behavior from the University of San Francisco. She is a contributing member of the International City/County Management Association, Cal-ICMA, Women Leading Government, and Municipal Management Associations of Northern & Southern California. Ms. Peckham serves on the Planning Committee

for the annual *Women's Leadership Summit,* at which she coordinates and leads the highly regarded Executive Roundtable Discussions with over 30 female local government leaders. In addition, Ms. Peckham was instrumental in writing the ICMA's *Job Hunting Handbook.*

Phil McKenney

Phil McKenney has over 35 years' management experience and is very familiar with local government agencies, having led a county organization and having worked with numerous city governments and special districts. Mr. McKenney began his career in the resort and hospitality industry and served as General Manager for Mattakesett Properties on the island of Martha's Vineyard. He then relocated to Keystone Resort in Colorado, which is now acknowledged as a premiere all-season resort with special recognition for its level of guest services. Mr. McKenney later took over the helm of the Summit County Chamber of Commerce as their Executive Director. This hybrid-Chamber was the only countywide organization responsible for marketing all of Summit County, Colorado, home to Breckenridge, Keystone, and Copper Mountain resorts. Through his leadership and collaborative style, and working with the cities and county within Summit County, he led the Chamber to being a readily recognized and well-respected organization within Colorado and the Western United States.

Mr. McKenney was then selected by Placer County, California to lead the merger of the North Lake Tahoe Chamber of Commerce and the North Tahoe Visitors and Convention Bureau into the North Lake Tahoe Resort Association. As Executive Director of this new county organization, he represented the Tourism industry for all of North Lake Tahoe. The Resort Association is now a proactive, nationally recognized organization whose model of governance is being replicated in numerous resort communities across the western United States.

Mr. McKenney joined Ms. Peckham in executive recruitment in January 2003 and has since conducted numerous national recruitments throughout the Western states, including Colorado, Arizona, Oregon, and California. Mr. McKenney has an undergraduate degree in Recreation from Slippery Rock State College as well as a Master of Business Administration from the University of Denver.

Joyce Johnson

Joyce Johnson joined Peckham & McKenney in 2005 and serves as the firm's Office Manager. Ms. Johnson is complimented regularly on her strong customer orientation working with both clients and candidates alike. She oversees internal administration of the firm as well as directing contract administrative support in the areas of advertising and design, web posting, and duplication and mailing services. Prior to joining Peckham & McKenney, Ms. Johnson oversaw internal administration in the Western Region headquarters of two national management consulting and executive recruitment firms. She has a total of 28 years' experience in the field of administrative and executive support for all aspects of the executive recruitment process. Ms. Johnson holds an Associate of Arts degree from American River College.

THE SEARCH PROCESS

While it is our intent to customize the search and project schedule to fit the City of Morro Bay's specific needs, the search process typically includes the following key actions:

Project Organization – This phase provides for the development of a detailed Candidate Profile. We will meet individually with the Mayor and members of the City Council, as well as others you identify, to discuss the issues and challenges facing the City of Morro Bay. The desired background and experience, leadership style and personality traits, skills and abilities of the ideal candidate will be discussed. We will also discuss expected parameters of the search, the search timeline, and schedule future meeting dates with the City Council.

Typically, we devote significant time to this phase of the recruitment in order to become fully knowledgeable of the organization, community, and desired profile of your next City Manager. We encourage our clients to allow us to meet with staff, the executive management team, Commission members, labor representatives, community business leaders, residents, and others. These may be one-on-one meetings, small group discussions, or larger public forums, depending upon the appropriate style and venue desired by the City. Electronic survey tools may also be utilized to provide input opportunities to the community on a broader scale. We have significant experience in a variety of methods for gaining input on the candidate profile, and we will provide advice and recommendations to City Council. In addition, we ask for a tour of the community in order to more fully understand current and future projects as well as gain a stronger familiarity with the community.

Recruitment – Advertisements will be placed in the appropriate industry publications and websites, and our firm will assume responsibility for presenting your opportunity in an accurate and professional manner. Full information on the position will be posted on our firm's web site as well as the site of the City. In addition, an attractive brochure will be prepared to market the organization and position to potential candidates. This brochure will be mailed to 300-400 industry professionals, and it will also be available on our firm's web site. Copies of the brochure will also be made available to the City.

The main focus of our outreach, however, will be direct phone contact with quality potential candidates. With over 30 combined years of executive search experience, we have developed an extensive candidate database that is continuously utilized and updated. Our recruiting efforts will focus on direct and aggressive recruiting of individuals within the search parameters established during the Project Organization phase. We believe direct recruiting produces the most qualified candidates. We know how to identify the "hidden" candidates, including those passive candidates who may be resistant to considering an employment change. Throughout this active search process, we will regularly notify the City of the status and share questions, concerns, and comments received from potential candidates as they consider the opportunity. By doing so, we will "team" with the City to ensure that all issues and concerns of candidates are discussed and understood thereby eliminating "surprises" once the resume filing deadline has occurred.

As resumes are received, they will be promptly acknowledged, and we will personally respond to all inquiries. Once the resume filing deadline has passed, the City will be updated on the status of the recruitment, the number of resumes received, and our intent for preliminary interviews.

Preliminary Interviews/Recommendation – As resumes are received, supplemental questionnaires will be sent to candidates who appear to meet the candidate profile. Following the resume filing deadline and a thorough review of the resumes and questionnaires received, we will conduct preliminary interviews with those individuals most closely matching the candidate profile. Preliminary reference and background (credit and criminal) checks will be conducted, and a written recommendation of finalists will be personally presented at an on-site, one- to two-hour meeting with the Mayor and City Council. The Council will receive a full listing of all candidates who applied for the position, as well as the cover letters, resumes, and supplemental questionnaires of the recommended group of candidates for further consideration.

Once a group of finalists has been selected by the City, all candidates will be notified of their status. We will prepare a finalist interview schedule and notify finalist candidates accordingly. If necessary, finalists will make their own travel plans and reservations. It is customary that the City reimburse finalists for roundtrip airfare, car rental, and lodging necessary to attend the interviews with the City. We will confirm this with the City at our meeting to recommend finalists.

Final Interviews/Selection – During this phase, finalists will be interviewed by the City Council. We will provide on-site advice and facilitation assistance during the final interview process. Interview materials, including suggested interview questions, evaluation and ranking sheets will be provided for the Council's convenience.

An orientation session will be held with those involved prior to the finalist interviews, and we will work with the City Council through a ranking process and discussion of the finalists at the end of the day. We will assist the City in coming to consensus on the leading two to three finalists for further consideration, and we will provide recommendations on next steps, including additional meetings or social engagement with each finalist to learn more of the "fit" they may bring. In the past, our clients have chosen to conduct subsequent interviews, roundtable discussions, meals, or receptions with these finalists; we will provide the City Council with recommendations and options.

Qualification – Once the final candidate has been selected, our firm will verify, at your discretion, professional work experience; degree verification; and criminal, civil, credit, and motor vehicle records (beyond industry-standard seven years). Second "tier" references will also be contacted. This comprehensive process ensures that only the most thoroughly screened candidate is hired. In addition, negotiation assistance will be provided as requested by the City. Our ultimate goal is to exceed your expectations and successfully place a candidate who "fits" your organization's and community's needs now and into the future.

PROJECT SCHEDULE

This sample schedule anticipates a 14-week process. In today's competitive recruiting environment, our goal is to make the process as efficient and effective as possible.

	ACTIVITY	TIME FRAME
I.	Project Organization	(Two Weeks)

- Kick-Off Meeting to discuss Candidate Profile and formalize project schedule
- Finalize Candidate Profile with City of Morro Bay and identify "fit" required
- Develop advertising and recruiting plan
- Prepare marketing brochure

II.	Recruitment	(Six Weeks)

- Advertise, network, and electronically post in appropriate venues
- Send marketing brochure to 300-400 industry professionals
- Post opportunity on firm's web site as well as City's site
- Search for/identify/recruit individuals within the parameters of the Profile
- Respond to all inquiries and acknowledge all resumes received

III.	Preliminary Interviews/Recommendation	(Three Weeks)

- Review candidates' resumes and supplemental questionnaires
- Conduct preliminary interviews with leading candidates
- Conduct first-tier reference checks and credit/criminal checks
- Present written recommendation of finalists to City Council
- Notify all candidates of search status

IV.	Final Interviews/Selection	(Two Weeks)

- Schedule finalist candidate interviews
- Design process and facilitate finalist interviews with City
- Assist City throughout process and provide recommendations
- City Council selects candidate or leading 2-3 candidates for further consideration

V.	Qualification	(One Week)

- Conduct thorough background checks and second "tier" references
- City conducts site visit to community of selected candidate (Optional)
- Negotiation assistance
- Exceed expectations and successfully place candidate who "fits."

PROFESSIONAL FEE AND EXPENSES

The professional fee for the recruitment of the City Manager is $18,500. One-third of this fee is due as a retainer upon execution of the agreement. The remainder of the fee will be divided and billed in two separate, monthly invoices.

The proposed project and professional fee includes a series of three scheduled meetings with the City of Morro Bay; the first to develop the Candidate Profile, the second to recommend finalists, and the third to facilitate finalist interviews. Requested additional meetings will be negotiated and billed accordingly.

The City of Morro Bay will also be responsible for reimbursement of expenses not to exceed $7,500. Expenses will be pre-approved and will be billed back at cost. Expenses include out-of-pocket costs associated with consultant travel, clerical, advertising, telephone, printing/copying, supplies/postage, and background checks (partial checks on recommended candidates; full background check on selected candidate). Additional expenses incurred due to requested additional meetings as well as full background checks on more than one candidate will be negotiated and billed accordingly.

Insurance

Peckham & McKenney carries Professional Liability Insurance ($1,000,000 limit) and Commercial General Liability Insurance ($2,000,000 General Liability, and $4,000,000 Products). Our Insurance Broker is Northeast Agencies out of San Antonio, Texas, and our coverage is provided by Markel America Insurance Company and The Hartford.

In addition, Bobbi Peckham and Phil McKenney each carry personal automobile liability insurance in the amount of $1,000,000.

PLACEMENT GUARANTEE AND ETHICS

Our placement record is particularly strong in that 90% of the candidates we have placed within the past nine years continue in those positions today. In the unlikely event, however, that a candidate recruited and recommended by our firm leaves your employment ***for any reason within the first two years*** (except in the event of budgetary cutbacks, promotion, or position elimination), we agree to provide a one-time replacement at no additional charge, except expenses.

Time and again, we receive unsolicited comments from clients and candidates relating to our integrity and high ethics.

- First, we believe in honesty. No client should ever appoint an individual without being fully knowledgeable of the candidate's complete background and history. Conversely, no candidate should ever enter into a new career opportunity without full disclosure of any organizational "issues."

- We strive to keep everyone involved in a recruitment process informed of the status. Not only do we provide regular updates to our clients, but we also have a reputation for keeping our candidates posted, even to the extent of informing them as to who was eventually selected.

- As recruitment professionals, we do not recruit our placements -- ***ever***. Should a placement of ours have an interest in a position for which we are recruiting, they may choose to apply. However, if they become a finalist, we ask that they speak to their supervisor (Council member or Manager) to alert them of their intent.

- We do not recruit staff from our clients for another recruitment during an active engagement. Nor do we "parallel process" a candidate, thereby pitting one client against another for the same candidate.

- We are retained only by client agencies and not by our candidates. While we have a reputation for being actively involved in the profession and providing training, workshops, and general advice to candidates, we represent only our clients. In addition, we ***always*** represent and speak of our client in a positive manner; during the recruitment engagement as well as years after.

- We do not misrepresent our client list. Only those searches that we personally conducted appear on our list; rather than those conducted by other Recruiters while with other executive search firms.

CLIENT REFERENCES

Please feel free to contact any of the following current and recent clients to inquire about their experience with Bobbi Peckham. In addition, we would be pleased to furnish the client contact and phone numbers for any past clients of Ms. Peckham or Mr. McKenney listed in the Attachment.

City of Burbank, CA – City Manager
Emily Gabel-Luddy, Mayor; or Mark Scott, City Manager
(213) 280-5784; egluddy@aol.com

City of Carmel-by-the-Sea, CA – City Administrator
Jason Burnett, Mayor; or Jason Stilwell, City Administrator
(831) 620-2000; Jason@burnettforcarmel.com

City of Encinitas, CA – City Manager
Teresa Barth, Mayor; or Gus Vina, City Manager
(760) 633-2620; tbarth@encinitasca.gov

City of Indian Wells, CA – City Manager
Mary Roche, Mayor; or Wade McKinney, City Manager
(760) 346-2489; mwindsor@indianwells.com

City of La Palma, CA – City Manager
Laurie Murray, Administrative Services Manager
(714) 690-3338; lauriem@cityoflapalma.org

City of Palmdale, CA – City Manager
James Ledford, Mayor; Matt Ditzhazy, City Attorney; or David Childs, City Manager
(661) 267-5151; mditzhazy@cityofpalmdale.org

City of Palos Verdes Estates, CA – City Manager
Jim Goodhart, Mayor; or Tony Dahlerbruch, City Manager
(310) 378-0383; jgoodhart@pvestates.org

City of San Clemente, CA – Assistant City Manager
Pall Gudgiersson, City Manager; or Sam Penrod, Human Resources Manager
(760) 525-1817; penrods@san-clemente.org

City of Santa Clara, CA – City Manager
Jamie Matthews, Mayor; Julio Fuentes, City Manager; or Liz Brown, Human Resources Director
(408) 482-7713; lizbrown@santaclaraca.gov

RECENT CLIENTS AND EXECUTIVE SEARCHES

City/County Manager, Executive Director, and Related

Alameda County Waste Mgt. Authority	Executive Director
American Canyon, City of	City Manager
American Water Works Assoc., CA/NV Section	Executive Director
Antioch, City of	City Manager
Arvada, CO, City of	Deputy City Manager
Ashland, OR, City of	City Administrator (2002 and 2005)
Atherton, City of	Assistant City Manager
Baldwin Park, City of	Chief Executive Officer
Belmont, City of	City Manager
Benicia, City of	City Manager
Big Bear Lake, City of	City Manager (1995, 2001 and 2006)
Big Bear Lake, City of	General Manager, Dept. of Water & Power
Big Bear Lake, City of	Asst. General Mgr., Dept. of Water & Power
Buellton, City of	City Manager
Burbank, City of	City Manager
California Water Pollution Control Association	Association Manager
Calistoga, City of	City Manager
Campbell, City of	City Manager
Carlsbad, City of	Assistant City Manager
Carmel-by-the-Sea, City of	City Administrator
Corvallis, OR, City of	City Manager
Daly City, City of	Assistant City Manager
Del Mar, City of	City Manager
Delano, City of	City Manager
Douglas County, CO	Deputy County Manager
Durango, CO, City of	City Manager
Encinitas, City of	City Manager
Eureka, City of	City Manager
Exeter, City of	City Administrator
Foothills Park & Recreation District, Littleton, CO	Executive Director
Fort Lupton, CO, City of	City Administrator
Fremont, City of	Assistant City Manager
Garfield County, CO	County Manager
Gilroy, City of	City Administrator
Gilroy, City of	Assistant City Administrator
Glendora, City of	City Manager
Grand Junction, CO, City of	City Manager (2001 and 2006)
Greeley, CO, City of	City Manager
Hayward, City of	City Manager
Hayward, City of	Assistant City Manager
Hesperia, City of	City Manager
Hughson, City of	City Manager
Indian Wells, City of	City Manager
Indio, City of	City Manager
Incline Village General Improvement District, NV	General Manager

King City, City of	City Manager
La Plata County, CO	County Manager
Laramie, WY, City of	City Manager
Mammoth Lakes, Town of	Town Manager
Manitou Springs Chamber of Commerce, Visitors Bureau & Office of Economic Development, CO	Chief Operating Officer
Martinez, City of	City Manager
Midpeninsula Regional Open Space District	General Manager
Midpeninsula Regional Open Space District	Assistant General Manager
Mill Valley, City of	City Manager
Milpitas, City of	City Manager
Monte Vista Water District	General Manager
Moraga, Town of	Town Manager
Mountain House Community Svcs. District, CA	General Manager
Mountain Village, CO, Town of	Town Manager
Norco, City of	City Manager
North Lake Tahoe Public Utility District	General Manager (2004 and 2007)
North Lake Tahoe Resort Association	Executive Director
Novato, City of	City Manager
Orange County Fire Authority	Assistant Chief, Business Services
Palmdale, City of	City Manager
Palo Alto, City of	Assistant City Manager
Palos Verdes Estates, City of	City Manager
Park City Municipal Corporation, UT	City Manager
Pleasant Hill, City of	City Manager
Porterville, City of	Deputy City Manager
Public Agency Risk Sharing Authority of CA	General Manager
Redding, City of	City Manager
Redlands, City of	City Manager
Redwood City, City of	City Manager
Rohnert Park, City of	City Manager
Sacramento, CA, Crocker Art Museum	Executive Director
San Clemente, City of	Assistant City Manager
San Jacinto, City of	City Manager
San Jose, City of	Executive Director, Historical Museum
San Mateo, County of	County Manager
San Rafael, City of	Assistant City Manager
Santa Clara Co. Open Space Authority	General Manager
Sea Ranch Association, CA	Community Manager
Sedona, AZ, City of	City Manager
Snowmass Village, CO, Town of	Town Manager
South San Francisco, City of	City Manager
St. Helena, City of	City Manager
Steamboat Springs, CO, City of	City Manager
Steamboat Springs Chamber Resort Assoc., CO	Executive Vice President
Teton County, WY	County Administrator
Tracy, City of	City Manager
Tracy, City of	Assistant City Manager
Truckee, Town of	Town Manager

Tulare, City of	City Manager (2005 and 2011)
Tulare Co. Economic Development Corporation	President
Washington County, OR	Director of Health & Human Services
Waterford, City of	City Administrator
Windsor, CO, Town of	Town Manager
Winter Park, CO, Town of	Town Manager
Woodside, Town of	Town Manager
Yakima Regional Clean Air Authority, WA	Executive Director/Air Pollution Contl Officer
Yolo, County of	County Administrator

City Attorney/Legal Counsel

Antioch, City of	City Attorney
Archuleta County, CO	County Attorney
Ashland, OR, City of	City Attorney
Brisbane, City of	City Attorney
Burlingame, City of	City Attorney
Eureka, City of	City Attorney
Garfield County, CO	County Attorney
Hayward, City of	City Attorney
Midpeninsula Regional Open Space District, CA	General Counsel
Milpitas, City of	Assistant City Attorney
Mountain Village, CO, Town of	Town Attorney
Pleasanton, City of	City Attorney
Redding, City of	Assistant City Attorney
Richmond, City of	City Attorney
San Bruno, City of	City Attorney
South Lake Tahoe, City of	City Attorney

Community Development/Planning/Environmental Services

Alhambra, City of	Director of Development Services
Ashland, OR, City of	Community Development Director
Baldwin Park, City of	Community Development Director
Belmont, City of	Community Development Director
Beverly Hills, City of	Community Development Director
Brookings Economic Development Agency, SD	Executive Director
Delano, City of	Economic Development Manager
Eastern Municipal Water District	Director, Development & Customer Services
Fremont, City of	Deputy Director of Community Development
Fremont, City of	Deputy Rdvlpmnt Agency Director, Housing
Hayward, City of	Community Development Director
Hayward, City of	Economic Development Manager
Hesperia, City of	Redevelopment Director
Jefferson County, CO	Planning & Development Director
Laguna Niguel, City of	Director of Community Development
Livermore, City of	Economic Development Director
Martinez, City of	Community Development Director
Mountain Village, CO, Town of	Dir. Of Community Development & Housing
Murrieta, City of	Development Services Director
Needles, City of	City Planner

North Tahoe Public Utility District, CA	Planning & Engineering Manager
Novato, City of	Community Development Director
Novato, City of	Planning Manager
Oceanside, City of	Economic Development Director
Palo Alto, City of	Development Services Director
Pasadena, City of	Director of Planning & Permitting
Reno, NV, City of	Redevelopment Administrator
San Bernardino, City of	Business Development Manager
San Bruno, City of	Community Development Director
San Clemente, City of	Econo. Development & Housing Director
San Mateo, City of	Planning Manager
San Mateo, City of	Building Official
San Pablo, City of	Development Services Director
San Rafael, City of	Community Development Director
County of Santa Clara, San Jose, CA	Director, Dept. of Planning & Development
Seaside, City of	Sr. Planning Services Manager
Seaside, City of	Redevelopment Services Manager
Teton County, CO	Planning & Development Director
Vail, CO, Town of	Director of Community Development
Walnut Creek, City of	Economic Development Manager
Washington County, OR	Land Development Services Manager
Winters, City of	Community Development Director

Library Director and Related

Boulder, CO, City of	Library Director
Hayward, City of	Library Director
Huntington Beach, City of	Library Director
Mountain View, City of	Library Director
Oceanside, City of	Library Director
Orange, City of	City Librarian
Palo Alto, City of	Library Director
Pleasanton, City of	Library Services Director
Torrance, City of	Cultural Arts Administrator

Parks & Recreation

Foothills Park & Rec. District, CO	Executive Director
Los Altos, City of	Recreation Director
North Clackamas County, OR	Parks & Recreation Director
Pacifica, City of	Dir. Of Parks, Beaches & Recreation
Palo Alto, City of	Community Services Director
Pleasanton, City of	Community Services Manager
Pleasanton, City of	Director of Parks & Community Svcs.
Reno, NV, City of	Director of Parks & Recreation
Rialto, City of	Parks & Community Services Director
Roseville, City of	Parks, Rec. & Libraries Director
San Clemente, City of	Dir. Of Beaches, Parks & Recreation
Tracy, City of	Parks & Community Services Director

Public Works/Engineering and Related

Ashland, OR, City of	Public Works Director
Belmont, City of	Public Works Director
Belmont, City of	Senior Civil Engineer
Benicia, City of	Land Use & Engineering Manager
Big Bear Lake, City of	City Engineer
Campbell, City of	City Engineer
Campbell, City of	Associate Civil Engineer
Carlsbad, City of	Deputy Public Works Director
Chino Basin Municipal Water District, CA	Manager of Planning & Engineering
Delta Diablo Sanitary District, CA	Senior Engineer
Fremont, City of	Manager of Maintenance Operations
Galt, City of	Public Works Director
Gilroy, City of	Building Field Services Manager
Greeley, CO, City of	Public Works Director
Greenfield, City of	Public Works Director
Hayward, City of	Director of Public Works
Jefferson County, Golden, CO	Airport Manager
Louisville, CO, City of	Public Works Director
Marin Municipal Water District, CA	Environmental Resources Division Manager
Milpitas, City of	Public Works Director/City Engineer
North Tahoe Public Utility District, CA	Planning & Engineering Manager
Oceanside, City of	Community Services Director
Orange County Fire Authority, CA	Fleet Manager
Port San Luis Harbor District, CA	Facilities Manager
Sacramento County, CA	Associate Civil Engineer
San Jose, City of	General Services Director
San Luis Obispo, City of	Public Works Director
South Lake Tahoe, City of	Public Works Director
Steamboat Springs, CO, City of	Public Works Director
Yorba Linda, City of	Field Services Supervisor

Human Resources/Personnel

AC Transit District	Human Resources Manager
American Canyon, City of	Administrative Services Director
Azusa, City of	Human Resources Director
Belmont, City of	Human Resources Director
Belmont, City of	Personnel Analyst
Brookings, SD, City of	Director of Human Resources
Contra Costa Water District, CA	Human Resources Manager
Delta Diablo Sanitation District, CA	Personnel Officer
Douglas County, CO	Human Services Director
East Bay Regional Park District	Personnel Director
Encinitas, City of	Human Resources Manager
Glendale, AZ, City of	Personnel Director
Hayward, City of	Human Resources Director
Jefferson County, CO	Human Resources Director
Mountain View, City of	Director of Employee Services

Oceanside, City of	Personnel Director
Orange County Fire Authority, CA	Human Resources Director
Palm Desert, City of	Human Resources Manager
Palo Alto, City of	Chief People Officer
Porterville, City of	Administrative Services Manager
Redwood City, City of	Human Resources Director
San Bruno, City of	Human Resources Director
San Rafael, City of	Human Resources Director
Seaside, City of	Personnel Services Manager
South Lake Tahoe, City of	Administrative Services Manager
Southern CA Association of Governments	Human Resources Manager
Torrance, City of	Risk Manager

Finance Director/Controller/Treasurer

Alameda County, CA	Finance Director
Alhambra, City of	Finance Director
American Canyon, City of	Finance Director
Antioch, City of	Finance Director
Arvada, CO, City of	Director of Finance
Atherton, City of	Finance Director
Aurora, CO, City of	Finance Director
Azusa, City of	Director of Finance
Brisbane, City of	Finance Director
Burbank, City of	Finance Director
Claremont, City of	Finance Director
Contra Costa Water District	Finance Director
Daly City, City of	Director of Finance
Dublin, City of	Administrative Services Director
Durango, CO, City of	Finance Director
East Bay Regional Park District	Controller
Emeryville, City of	Finance Director
Fairfield, City of	Director of Finance
Goodwill Industries of San Joaquin Valley	Finance Director/Controller
Gonzales, City of	Finance Director
Hayward, City of	Finance Director
La Quinta, City of	Finance Director
Long Beach, City of	City Treasurer
Marin Municipal Water District	Auditor/Controller
Menlo Park, City of	Financial Services Manager
Milpitas, City of	Finance Director
Modesto, City of	Director of Finance
Monterey, City of	Finance Director
Morgan Hill, City of	Finance Director
Needles, City of	Finance Director
Oakland, City of	Budget Director
Orange County Fire Authority	Assistant Chief, Business Services
Orange County Fire Authority	Financial Services Manager
Orange County Fire Authority	Treasurer (2000 and 2004)
Oxnard, City of	Finance Director

Pasadena, City of	Controller
Pasadena, City of	Accounting Manager
Porterville, City of	Administrative Services Manager
Rancho Cordova, City of	Assistant Finance Director
Reno, NV, City of	Finance Director
San Mateo, City of	Finance Director
San Mateo, City of	Deputy Director of Finance
Santa Clarita, City of	Finance Manager
Santa Cruz, City of	Finance Director
Seaside, City of	Financial Services Manager
Steamboat Springs, CO, City of	Finance Director
Superior Court of Calif./Co. of San Mateo	Finance Director
Union City, City of	Finance Director
Ventura, City of	Treasury Manager
Visalia, City of	Finance Director
Washington County, OR	Finance Director
Western Municipal Water District	Finance Director
Winter Park, CO, City of	Finance Director
Yorba Linda, City of	Finance Director

Public Safety/Law Enforcement

Alhambra, City of	Chief of Police
Alhambra, City of	Fire Chief
Antioch, City of	Police Chief
Atherton, City of	Police Chief
Baldwin Park, City of	Police Chief
Belmont, City of	Police Chief
Clayton, City of	Police Chief
Eureka, City of	Police Chief
Gilroy, City of	Fire Chief
Hayward, City of	Fire Chief
Livermore, City of	Fire Chief
Lone Tree, CO, City of	Patrol Operations Commander
Lone Tree, CO, City of	Police Chief
Los Altos, City of	Police Captain
Menlo Park, City of	Police Chief
Milpitas, City of	Police Chief
Modesto, City of	Fire Chief
Oceanside, City of	Police Captain
Porterville, City of	Chief of Police
Redondo Beach, City of	Communications Manager
Riverton, WY, City of	Police Chief
San Rafael, City of	Chief of Police
Santa Monica, City of	Police Chief
Vail, CO, Town of	Fire Chief
West Covina, City of	Fire Chief

City/County Clerk

Alameda County, CA	Clerk of the Board

Berkeley, City of	City Clerk
Hayward, City of	City Clerk
Oceanside, City of	Public Information Officer
Menlo Park, City of	City Clerk
Midpeninsula Regional Open Space District, CA	Public Information Officer
Monterey, City of	City Clerk
Mountain View, City of	City Clerk
San Jose, City of	City Clerk
San Luis Obispo, City of	City Clerk
San Mateo, City of	City Clerk
Santa Cruz, City of	City Clerk

Information Technology

Fremont, City of	Information Svcs. Tech. Director
Jefferson County, Golden, CO	Information Technology Director
Superior Court of Calif., County of San Mateo	Information Technology Director

AVERY
associates
Los Gatos ♦ San Luis Obispo

January 8, 2014

Susan Slayton, Administrative Services Director
City of Morro Bay
595 Harbor
Morro Bay, CA 93442

Dear Susan:

Avery Associates is pleased to submit our proposal for the recruitment of a new City Manager for the City of Morro Bay. We value our ongoing working relationship with the City and would look forward to supporting your needs in this assignment.

We feel well suited to support your recruitment needs in this assignment. Our firm has extensive experience in City Manager recruitments. Currently, we are at various stages of City Manager searches for the cities of South San Francisco, San Mateo, Sunnyvale, Monterey and Lynwood and have recently completed City Manager assignments for the cities of Hollister, Pacifica and Emeryville, and the County Executive Officer for the County of Santa Barbara. As several of these communities are on the coast, we also appreciate the additional complexities associated with your coastal location. During the past 24 months we have also completed City Manager recruitments for the cities of Chico, Los Altos, Riverbank, Menlo Park, Dixon, Rio Vista and Greenfield. As a result of these collective assignments, we have a very current and active database of City Manager candidates that would be of great value in this search.

Our extensive database of executives in municipal government provides an excellent foundation for the outreach efforts we describe in our proposal. We've also had extensive interaction with City Councils, City Managers and Assistant City Managers based on our labor relations practice. All of these contacts would be an excellent resource in support of this recruitment.

Following review of our proposal, it is our hope that our prior work relationship with your city, our history of successful recruitments, our professionalism, and positive results we have delivered for our clients will provide the basis for selection of our firm. The enclosed proposal contains the following information:

- Company Overview
- Firm Qualifications/Experience
- Recruitment Team
- Recruitment Strategy

William Avery & Associates, Inc.
Consultants to Management

3-1/2 N. Santa Cruz Ave., Suite A
Los Gatos, CA 95030
408.399.4424
Fax: 408.399.4423
www.averyassoc.net

* Recruitment Schedule
- Consulting Fee
- Guarantees & Ethics

Thank you for the opportunity to be considered for this recruitment. If you have any questions, please do not hesitate to call me at 408-399-4424.

Sincerely,

William H. Avery

WHA:jmc

PROPOSAL FOR THE CITY OF MORRO BAY
RECRUITMENT FOR THE CITY MANAGER

William Avery & Associates, Inc. – Overview

William Avery & Associates, Inc. (Avery Associates) is a successful and service focused Management Consulting firm based in Los Gatos, California. Incorporated in 1982, the firm specializes in Executive Search, Labor Relations and Human Resources/Management Consulting.

The firm currently includes two Principals and several key consultants. Bill Avery, the founder of Avery Associates, heads the firm. He oversees the Labor Relations practice and also leads key searches. Paul Kimura is the Principal who oversees the Executive Search and Recruitment practice. Key staff members include Ann Slate, who supports the search practice and the firm's administrative staff includes Anne Matteini, the Finance/Contracts Administrator, and Jackie Collins and Jessica Towner. Temporary staff as needed augments the team.

Mr. Avery, having served in the past as a City Manager, provides the firm with direct experience and knowledge of city administration. Mr. Kimura's expertise in executive, technical and business recruitment, which he gained during his nineteen years of high technology experience, provides the basis for many of the recruitment strategies and tactics utilized by the firm. Collectively and combined, the firms Principals offer exceptional expertise in the area of public sector recruitment and consulting.

Firm Qualifications/Experience – What Differentiates Avery Associates

Exceptional service delivery and a very high quality work product provide excellent results for our clients. This begins with the initial client meetings, which lead to detailed timelines for deliverables followed by weekly recruitment status updates following initiation of the search. Our candidate outreach efforts are professionally and confidentially conducted. The evaluation materials we provide clients are routinely characterized as accurate, comprehensive and of very high quality. We believe more so than any other public sector recruitment firm. This is largely based on our interview system utilizing behavioral interview techniques, which we describe in our recruitment plan. This leads to a quality product with excellent end results for our clients.

The service element is based on two factors: The first is the collective service philosophy from all of our organizational team members. They are each dedicated to providing service and support to clients. The second factor is based on the high level of engagement and participation from the firm Principals in every search assignment. This hands-on involvement includes client interface, identifying and developing the ideal candidate profile and position specification, development of the search strategy, candidate outreach, interviewing and assessment, completion of reference interviews, candidate presentation, final interview facilitation and when desired, negotiation of employment terms with the successful candidate.

Recruitment Team for the City of Morro Bay

William Avery will serve as the Project Lead and will be assisted by Ann Slate. Mr. Avery will be personally involved in the initial client discussions, strategy development, outreach, interview and assessment of candidates, presentation of final candidates and will be available throughout the search process to provide other related consulting services.

Recruitment Strategy and Services Provided

I. Position Profile and Organizational Assessment

The initial assessment phase is a critical component of the search process. Mr. Avery will meet with the key decision makers to discuss the organizational needs and position requirements and to formalize the job description.

In this assignment we would anticipate Mr. Avery having individual meetings with the City Council and with key staff members to solicit their views on the ideal candidate. If desired, the team would also meet with community groups and key stakeholders identified by the City. Community/stakeholder input can occur in several ways. Most of our clients utilize either one or a combination of the following approaches: (1) Creation of an online survey that is accessible to the public through the City's website; (2) Convening a community meeting to solicit input on the ideal qualifications and attributes for the city manager; (3) Council identifies representatives from the community who would then be contacted and "interviewed" by the consulting firm; or (4) Creation of a link from the City's website to an Avery email box for forwarding direct input.

Our goal for this aspect of the recruitment process is to:

- Understand the City priorities for this position.
- Develop a clear understanding and consensus on the expertise, experience, education, performance attributes and operational style of the ideal candidate.
- Discuss the goals, objectives, deliverables, and challenges related to this position.
- Gain insight of the various organizational dynamics and departmental issues that exist within the organization.
- Identify the compelling aspects to this opportunity.

The formal position description and a subsequent ideal candidate profile would be developed from the above discussions and incorporated into the formal position announcement. The candidate profile is also utilized in various other means as a marketing tool, for advertising copy, postings, and for other announcements.

II. Development of the Search Strategy

Our search strategy will be developed in conjunction with the organizational assessment. The final approach is based on your input and considerations during the assessment activity. For this assignment, we feel it is critical to develop a high level of visibility with a comprehensive outreach program supplemented by a focused targeted recruitment approach. It is our experience that despite extensive mailing, postings and announcements, many qualified individuals will not know of a position being available. We would incorporate the following elements into this search:

- Development of a targeted candidate list based on our extensive database of key executive contacts, referrals and recommendations from key sources, and other current and former City Management personnel who have extensive contacts and networks in this area. Throughout the outreach period, this list of potential candidates is expanded through phone and/or email contact regarding this position.

- Direct outreach and contact to various city managers and city/county executives who could be viable candidates for the position. This allows us to contact and market the position to potential candidates that are not actively seeking new opportunities. This aspect of outreach is essential to the success of the recruitment as many times, the successful candidate is not looking for another opportunity or is not aware the opportunity exists. Our role is to actively and aggressively, yet professionally, identify and contact individuals that meet the position specifications.

- To ensure we create as much visibility to the position as possible. This includes an extensive mailing campaign to current city managers in the state and where possible utilizing email blasts to city management membership. Additionally, we would utilize Internet posting on sites such as the ICMA, Western City and other appropriate online sites. We would also use print advertising the ICMA newsletter, Jobs Available and if turn around time allows for it, Western City magazine.

III. Candidate Assessment

Our assessment process involves several "tiers" of evaluation. All candidates responding to this position will initially be evaluated based on their resume and if appropriate, an extensive phone "screening" by a member of the project team. Candidates who pass the initial "qualifying" criteria are then scheduled for a formal interview with Mr. Avery. These extended personal interviews typically take one hour and a thorough discussion of their experience, accomplishments, management philosophy and interpersonal style takes place.

In interviewing candidates, we utilize a methodology based on "behavioral" interview techniques. Fundamentally, this approach explores a candidate's past accomplishments and experiences that relate to the position being considered. The philosophy here is that

the best indicator of future performance is to evaluate past behavior. This methodology allows the firm to "project" how a candidate would approach and address the key challenges in the new position.

Those individuals who best fit the position requirements will have a Candidate Assessment Report developed by the Principal who conducted the interview. Additionally, two initial reference interviews are performed on these candidates. The reference interviews provide our clients with additional insights on the candidate's "behavior" and style.

IV. Candidate Presentation

Upon completion of formal interviews, a selection of candidates for presentation is made. We feel our extensive qualification, interview, and reference interviewing process and the knowledge gained during our initial assessment period; enable our client to proceed with fewer rather than more finalists. However, we will not restrict or limit the number of candidates recommended as this decision is related to the overall strength and depth of the candidate pool.

The final candidates are presented in our extensive candidate presentation "book". Each finalist will have a file consisting of a candidate summary sheet, the submitted cover letter and resume, the Candidate Assessment Report (based on the "behavioral" interview), and two candidate reference interviews. This extensive profile on each recommended candidate continually generates positive feedback from our clients as it provides extensive detail beyond just a resume.

The Candidate book also identifies other candidates who were given secondary consideration, which provides the client insight on others who were interviewed. Candidate summary sheets are created for everyone who submitted a resume would also be included. This provides the client an insight to the level and nature of response for their position.

V. Selection Process

Once the final candidate interview group is identified, we will assist in the structuring of the interview process and coordinate the interview scheduling activity. Our firm will also provide candidates with guidance related to travel planning, hotel accommodations, as well as other interview planning issues. Our firm will also develop potential interview questions and be in attendance during final interviews to help facilitate the process and to lead an end of day debrief and evaluation process.

Upon request, our firm will also arrange for summary background evaluations on the City's final one or two candidates. A copy of these confidential reports can be provided for you. The costs for these investigations are considered independent of the recruitment expenses listed below and will be invoiced separately.

VI. Position Closure and Follow-Up

Based on the firm's experience in human resource management and executive search, we are able to assist our clients in formulating appropriate compensation and other employment arrangements. We will be available throughout our retention to assist in this process.

As a matter of policy, Avery Associates monitors the transition and progress of any executive we place with a client. Within the first three to six months following the hired individual joining the City, we will speak with that individual to ensure the transition has effectively occurred. During the same period we will also review the individual's status with your office.

Recruitment Schedule

Task	Scheduled Dates
Search Initiation, Marketing & Advertising Development: ▪ *Initial meetings with City Council, staff, key stakeholders/community to define the ideal candidate profile* ▪ *Develop working draft of the recruitment brochure for approval by client* ▪ *Recruitment strategy finalized* ▪ *Determination of advertising scope and placement deadlines* ▪ *Brochure designed and printed*	*Weeks 1 - 4*
Marketing, Advertisement and Outreach Period: *Advertise in:* ▪ *Mailing to City Managers* ▪ *Jobs Available* ▪ *Western City* ▪ *ICMA newsletter and website* ▪ *City Management Internet advertising* *Preliminary candidate screening*	*Weeks 4 - 10*
Candidate Review - Screening and Finalists Selection	*Weeks 6 - 10*
Development and finalization of Oral Board Interview process and interview questions	*Weeks 11-13*
Oral Board Interviews with City Council	*Week 14*
Department Head/Finance Staff/Council and/or Community representative interviews with finalists (if desired)	*Week 14-15*
Final interviews and reference checks	*Week 16*
Appointment Offer/Acceptance	*Week >17*
Report to Work Date	*Week >17*

Consulting Fee

Based on the services described in our proposal, the professional services consulting fee for this recruitment will be $15,900. If awarded the search, we would request an initial retainer of $5,900 at the outset of the search. A second invoice of $5,000 would be submitted upon the Clients acceptance of a finalist candidate group. The final balance of $5,000 would be invoiced upon acceptance of a job offer constituting completion of the search. Our invoicing models ensures the firm will remain totally committed to the City throughout the duration of the search as the final invoice is not submitted until the City has an accepted candidate. The consulting fee will be inclusive of all services defined within this proposal unless otherwise stated.

In addition to the Professional Services Fee, normal and direct out-of-pocket expenses associated with the search are charged back to the client. Expenses for this assignment would be a not-to-exceed amount of $6,500 without the express consent of the City. These expenses include: advertising, clerical time, supplies, printing, telephone, postage, summary background evaluations, and consultant travel for client discussions, meetings and local or out-of-area candidate interviews. All expense items will be detailed and billed on a monthly basis.

Guarantees and Ethics

Whenever William Avery & Associates, Inc. is retained; we make several guarantees and commitments to a client. Due to our experience, knowledge and success within the management-consulting field, we assure a client that we will only present candidates who meet a substantial majority of the ideal qualifications that you have outlined. We are also committed to continue our search efforts until a successful candidate is employed.

During our placement efforts, we openly share any relationships, previous experience and knowledge for any candidate we present for consideration. Our commitment and responsibility is to our clients and their best interests.

It is also our practice to replace a candidate who may voluntarily resign during the first year of his/her employment. This same commitment applies if the client finds it necessary to terminate or to request the resignation of the selected individual in the first year for reasons which would have precluded his/her employment had they been known at the time employment started. In either case, we invoice a client only for out-of-pocket expenses incurred in identifying a replacement.

AGREEMENT BETWEEN

MORRO BAY

AND

WILLIAM AVERY & ASSOCIATES

This agreement, effective immediately, is entered into by and between WILLIAM AVERY & ASSOCIATES, INC. (hereinafter referred to as CONSULTANT) at 3 1/2 N. Santa Cruz Avenue, Suite A, Los Gatos, California 95030 and the CITY OF MORRO BAY (hereinafter referred to as CITY).

WITNESSETH:

WHEREAS, CITY has need for specialized consultant services; and

WHEREAS, CONSULTANT has the training, experience and competence to perform the specialized service required by the CITY; and

WHEREAS, CITY has the authority under state law to employ CONSULTANT;

NOW THEREFORE, the parties to this agreement do hereby mutually agree as follows:

I.

DUTIES OF CONSULTANT

1. CONSULTANT will perform any and all necessary work in order to assist the CITY in recruiting and hiring a qualified CITY MANAGER. Work to be performed includes:

    a) CONSULTANT to meet with CITY Officials and others deemed appropriate by the CITY.

    b) CONSULTANT will develop recruitment materials (including the candidate profile, job announcement, and employment ads) for the CITY.

    c) CONSULTANT will conduct outreach to seek out and recruit qualified candidates for the position.

    d) CONSULTANT will conduct preliminary screening to eliminate candidates who do not possess minimum required qualifications.

f) CONSULTANT will work with the CITY to provide a recommended list of finalists. In performing the screening, CONSULTANT will utilize a combination of the following techniques:

1. Resume review
2. Phone interviews
3. Formal interviews
4. Initial reference interviews

g) CONSULTANT will present the CITY with the recommended list of finalists accompanied by detailed written reports. CONSULTANT will work with the CITY to arrange for interviews, suggest interview questions, and if requested, attend interview sessions.

h) CONSULTANT will notify all unsuccessful candidates.

i) CONSULTANT will, if requested, assist with final reference checks, compensation negotiations, etc.

2. All work on this assignment will be performed by Paul Kimura of William Avery & Associates.

3. Attached is a scope of services document, which details the work to be performed and the process to be followed.

II.

DUTIES OF CITY

1. CITY shall cooperate with CONSULTANT in the performance of this agreement as follows:

a) Providing all information reasonably accessible to CITY which may be helpful to CONSULTANT in the performance of services, and

b) Make staff available for interviews/consultation, etc.

c) Providing clerical and stenographic assistance as CONSULTANT may reasonably require on-site, and

d) Providing a suitable location where interview sessions may be conducted.

III.

CONSIDERATION

1. For the services described above, the CITY shall pay CONSULTANT the sum of Fifteen Thousand Nine Hundred ($15,900) Dollars. Five Thousand Three Hundred ($5,300) Dollars to be due and payable upon commencement of work. A second invoice of Five Thousand Three Hundred ($5,300) Dollars will be submitted upon presentation of candidate recommendations and the final balance of Five Thousand Three Hundred ($5,300) Dollars will be invoiced at the completion of the search.

2. CONSULTANT shall bill CITY for direct expenses for advertisement, clerical time, long distance telephone, travel, etc. Total billings for expenses shall not exceed Six Thousand Five Hundred ($6,500) Dollars. Expenses will be detailed and billed monthly.

IV.

INSURANCE

1. Consultant shall obtain and maintain for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the Services by Consultant or Consultant's agents, representatives, employees or subcontractors.

2. Consultant, at its sole expense, shall maintain the types of coverages and minimum limits indicated below, unless otherwise approved by City in writing. These minimum amounts of coverage will not constitute any limitations or cap on Consultant's indemnification obligations under this Agreement.

   a) Commercial General Liability Insurance. Consultant shall maintain occurrence based coverage with limits not less than $1,000,000 per occurrence.

   b) Business Automobile Liability Insurance. Consultant shall maintain coverage with limits not less than $1,000,000 per each accident for owned, hired and non-owned automobiles.

   c) Workers' Compensation Insurance. Consultant shall maintain coverage as required by the California Labor Code.

   d) Professional Liability Insurance. Consultant shall maintain coverage with limits not less than $1,000,000 per occurrence. Professional Liability may be written as claims-made coverage.

V.

INDEMNITY

CONSULTANT shall indemnify, defend, and hold harmless the CITY, its officers, agents and employees against any and all liability, claims, actions, causes of actions or demands whatsoever against them, or any of them, for injury to or death of persons or damage to property arising out of, connected with, or caused by CONSULTANT, CONSULTANT'S employees, agents or independent contractors or companies in the performance of (or in any way arising from) the terms and provisions of this Agreement.

WILLIAM AVERY & ASSOCIATES	**CITY OF MORRO BAY**
_____	_____
William Avery, President	
Dated: _____	Dated: _____

SCOPE OF SERVICES
FOR THE
CITY MANAGER RECRUITMENT
FOR THE CITY OF MORRO BAY

Recruitment Team for the City of Morro Bay

Bill Avery will serve as the Project Lead and will be assisted by Ann Slate in this assignment. Mr. Avery will be personally involved in the initial client discussions, strategy development, outreach, interview and assessment of candidates, presentation of final candidates and will be available throughout the search process to provide other related consulting services.

Recruitment Plan and Services Provided

I. Position Profile and Organizational Assessment

The initial assessment phase is a critical component of the search process. Mr. Avery, or Ms. Slate will meet with the key decision makers to discuss the organizational needs and position requirements and to formalize the job description. In this assignment we would anticipate individual meetings with the City Council in addition to various department heads as designated by the City. We also feel it important to reach out to the community and solicit their input on the ideal candidate. If desired, we would meet with community groups identified by you. Our goal for this aspect of the recruitment process is to:

- Understand the Council and City priorities for this position.
- Develop a clear understanding and consensus on the expertise, experience, education, performance attributes and operational style of the ideal candidate.
- Discuss the goals, objectives, deliverables, and challenges related to this position.
- Gain insight of the various organizational dynamics and departmental issues that exist within the organization.
- Identify the compelling aspects to this opportunity.

The formal position description and a subsequent ideal candidate profile would be developed from the above discussions and incorporated into the formal position announcement. The candidate profile is also utilized in various other means as a marketing tool, for advertising copy, postings, and for other announcements.

II. Development of the Search Strategy

We anticipate this assignment to be a nationwide search. Our search strategy will reflect that approach and will be developed in conjunction with the organizational assessment. The final approach is based on your input and considerations during the assessment activity. For this assignment, we feel it is critical to develop a high level of visibility with a comprehensive outreach program supplemented by a focused targeted recruitment approach. We would incorporate the following elements into this search:

- Original research, which consists of identification and contact of current incumbents or other candidates who meet the profile, but are not actively seeking other employment.

- Development of a targeted candidate list based on our extensive database of key executive contacts, referrals and recommendations from key sources, and other current and former City Management personnel who have extensive contacts and networks in this area.

- Public information sources that include various membership listings such as the California League of Cities, ICMA and the various municipal organizations within the State.

- An extensive mailing campaign to current city managers and select assistant managers throughout the State.

- Print advertising in Western City and Jobs Available magazines and ICMA newsletter.

- Internet job postings on national public sector employment bulletin boards, City Management and Municipal Assistant association-based web sites, and our company website.

III. Candidate Assessment

Our assessment process involves several "tiers" of evaluation. All candidates responding to this position will initially, be evaluated based on their resume and if appropriate, an extensive phone "screening" by a firm Consultant. Candidates who pass the initial "qualifying" criteria are then scheduled for a formal interview with the Principal in charge of the project. These extended personal interviews typically take one hour and a thorough discussion of their experience, accomplishments, management philosophy and interpersonal style takes place. Those individuals who best fit the position requirements will have a Candidate Assessment Report developed by the Principal who conducted the interview. Additionally, two initial reference interviews are performed on these candidates.

IV. Candidate Presentation

Upon completion of formal interviews, a selection of candidates for presentation is made. Typically, the number of final candidates requested by our clients range from four to seven. We feel our extensive qualification, interview, and reference interviewing process and the knowledge gained during our initial assessment period, enable our client to proceed with fewer rather than more finalists.

The final candidates are presented in our in depth candidate presentation "book". Each finalist will have a file consisting of a candidate summary sheet, a resume, the Candidate Assessment Report (based on the formal interview), and two candidate reference interviews.

Candidate summary sheets for everyone else who submitted a resume will also be included. This provides the client an insight to the level and nature of response for their position.

V. Selection Process

Once the final candidate interview group is identified, we will assist in the structuring of the interview process and coordinate the interview scheduling activity. Our firm will also provide candidates with guidance related to travel planning, hotel accommodations, as well as other interview planning issues.

Upon request, our firm will also arrange a summary background evaluation on the City's final one or two candidates. A copy of these confidential reports can be provided to you.

VI. Position Closure and Follow-Up

Based on the firm's experience in human resource management and executive search, we are able to assist our clients in formulating appropriate compensation and other employment arrangements. We will be available throughout our retention to assist in this process.

As a matter of policy, Avery Associates monitors the transition and progress of any executive we place with a client. Within the first three to six months following the hired individual joining the City, we will speak with that individual to ensure the transition has effectively occurred. During the same period we will also review the individual's status with your office.

Scope of Services

Search Work Plan

The key elements of the search process will include:

- Work with the City of Morro Bay's Mayor and City Council to develop characteristics and attributes of the successful candidate, appropriate and necessary selection criteria, selection process, and timeline, representing a proposed initial path for selection of a new City Manager.
- Develop recruitment materials and solicitations that describe the City Manager position, the City organization, and the community.
- Conduct a broad and thorough national recruitment utilizing professional publications including, but not necessarily limited to, Jobs Available and Western City Magazine.
- Conduct targeted recruitment of qualified individuals.
- Acknowledge receipt of candidates' application materials and maintain communication with all candidates throughout the recruitment process.
- Conduct initial screening of all candidates' applications.
- Develop a list of top candidates for presentation to the Mayor and City Council.
- Assist the Mayor and City Council in the selection of finalists.
- Prepare and recommend appropriate interview questions and evaluation tools.
- Coordinate the final on-site selection process as determined at a time designated by the Mayor and City Council. Tasks that should occur during this phase of the process include at a minimum formal interviews with the Mayor and City Council. Other tasks may include facilitation of candidate meetings with existing executive level employees and tours of City facilities.
- Coordinate the on-site portion of the process including scheduling interviews and other activities, and making travel and lodging arrangements as directed by the City.
- Conduct all background and reference checks, including public records searches and credit checks, on the finalists.
- Negotiate and finalize an initial contract with the selected candidate following consent and approval and with the advice of the Mayor and City Council. If a contract cannot be successfully negotiated with the final can-

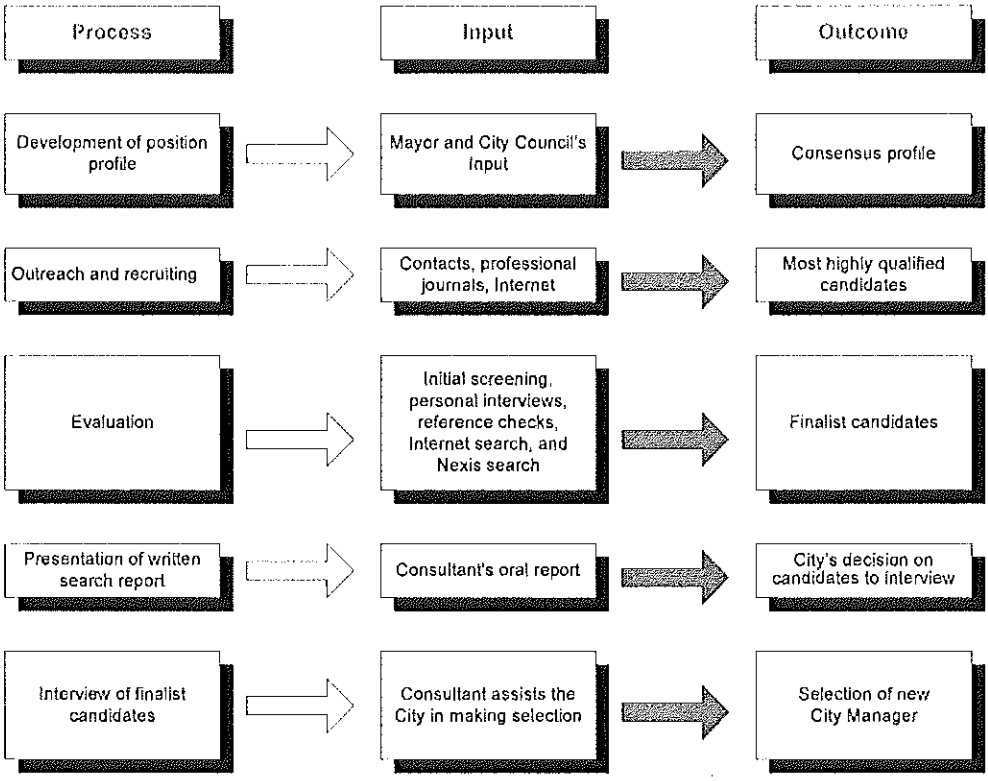
4800 Stanford Ranch Road, Suite 410, Rocklin, California 95765 Phone: 916/630-4900 Fax: 916/630-4911 Website: www.ralphandersen.com

didate, the Mayor and City Council may select another candidate from the finalists and the firm may re-interview any previously selected final candidate.

- Provide notification to all candidates not selected as finalists for the position.

- Provide weekly progress reports to the City. Periodic on-site meetings may be required to discuss ongoing progress and to determine the process for screening candidates.

City of Morro Bay – City Manager
Search Process



This section describes the usual steps in the search for the position of City Manager.

Task 1 – Review Project Management Approach

The Project Director on this assignment will be Mr. Robert Burg. The Project Director will meet with the Mayor and City Council, and others as appropriate, to discuss the project management for the search. The discussion will include a review of the work plan, confirmation of timing, and communication methods.

Task 2 – Develop Position Profile and Recruitment Brochure

The position profile for the City Manager is the guide for the entire search process. The development of the profile includes the collection of technical information and recruitment criteria.

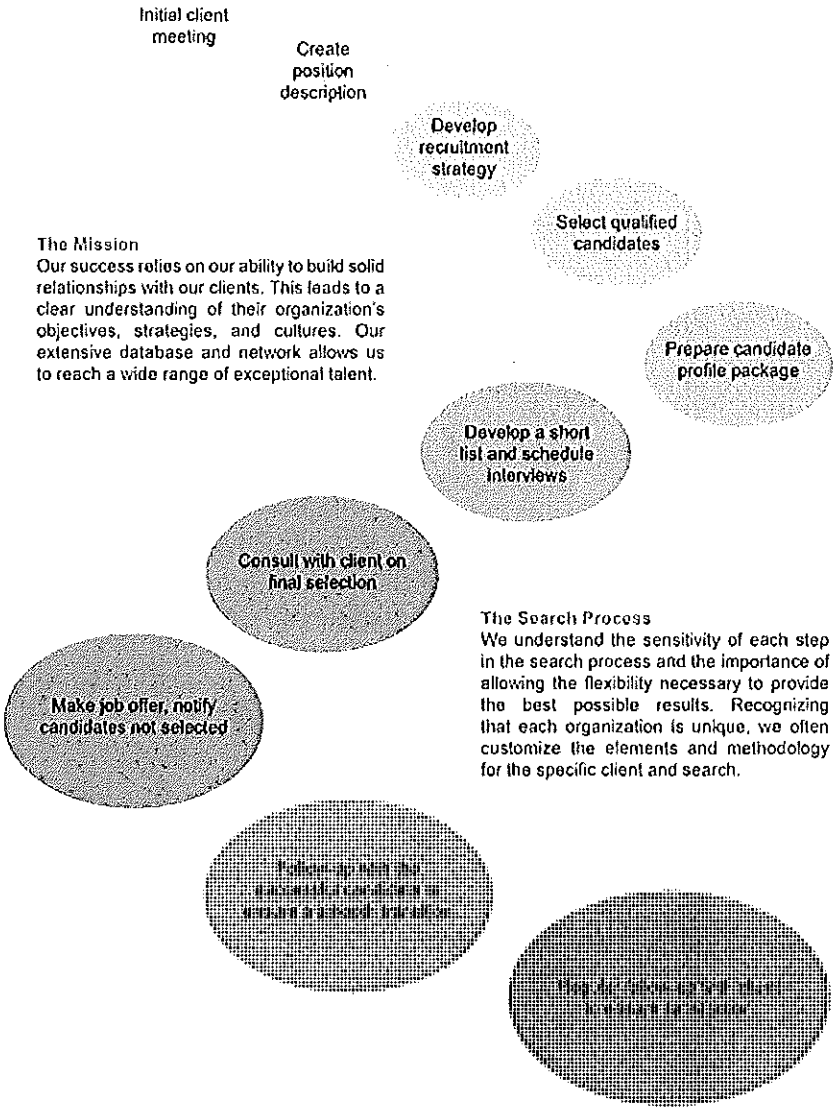
Technical Information

Mr. Burg will meet with the Mayor and City Council, and others, as necessary. The purpose of these meetings is to gain an understanding of the experience and professional background requirements desired in the new City Manager. These meetings will also help the search consultant gain an understanding of the work environment and the issues facing the City.

Recruitment Criteria

The recruitment criteria are those personal and professional characteristics and experiences desired in the new City Manager. The criteria should reflect the goals and priorities of the City.

Subsequent to the development and adoption of the candidate profile, the technical information and recruitment criteria will be documented in an information or recruitment brochure prepared by the search consultant. The brochure will be reviewed by the City in draft format, revised as appropriate, and published for use throughout the search.



Task 3 – Outreach and Recruiting

This task is among the most important of the entire search. It is the focus of the activities of the search consultant and includes specific outreach and recruiting activities briefly described below.

Outreach

An outreach and advertising campaign will be developed. It will include the placement of ads in appropriate professional publications and Internet sites such as Jobs Available and Western City Magazine. Specific Internet sites related to government will be used, including *Careers In Government*, as a method of extending the specific outreach in a short period of time.

Additionally, the advertisements and the full text of the position profile (the recruitment brochure) will be placed on Ralph Andersen & Associates' home page, which is accessed by a large number of qualified candidates. This method of outreach to potential applicants provides a confidential source that is monitored by many key level executives on an on-going basis.

Candidate Identification

Ralph Andersen & Associates will use their extensive contacts to focus the recruiting effort. In making these contacts, the search consultant will target those individuals who meet the criteria set by the City. Each of the candidates identified through the recruiting efforts will be sent an information brochure. Candidates will also be contacted directly to discuss the position and to solicit their interest in being considered.

Both the outreach and recruiting activities will result in applications and resumes from interested candidates. As they are received, resumes will be acknowledged and candidates will be advised of the general timing of the search process. The following tasks involve the actual selection process, once all resumes have been received.

Task 4 – Candidate Evaluation

This task will be conducted following the application closing date. It includes the following specific activities:

Screening

All of the applications will be carefully reviewed. Those that meet the recruitment criteria and minimum qualifications will be identified and subject to a more detailed evaluation. This evaluation will include consideration of such factors as professional experience, and size and complexity of the candidate's current organization as compared to the candidate profile.

Preliminary Reference Review

The search consultant will conduct preliminary reference reviews for those candidates identified as the most qualified as a result of the screening process. Direct contact will be made with references to learn more about the candidates' experience, past performance, and management style.

Preliminary Interviews via Skype

Mr. Burg, as the Project Director, will conduct preliminary interviews with the top group of candidates identified through the screening and preliminary reference review processes. The interviews are extensive and designed to gain additional information about the candidates' experience, management style, and "fit" with the recruitment criteria. Interviews will be conducted using Skype or via telephone. No consultant travel for preliminary in-person interviews has been included in this proposal.

The screening portion of the candidate evaluation process typically reduces a field of applicants to approximately five (5) to eight (8) individuals. Those individuals will be reviewed with the City prior to proceeding with the individual interviews.

Task 5 – Search Report

After completing Task 4, the search consultant will meet with the Mayor and City Council to review the search report on the five (5) to eight (8) top candidates. The report divides all of the candidates into three groups including 1) Highly Qualified; 2) Qualified; and 3) No Further Interest. The search report will include resumes for candidates in both the highly qualified and qualified groups. The results of reference reviews and interviews will be provided in writing. From this meeting will come a confirmed group of finalist candidates (typically 6).

Task 6 – Selection

The final selection process will vary depending upon the desires of the City. The typical services provided by Ralph Andersen & Associates in the selection process are described briefly below. The search consultant will coordinate the selection process for the finalist group of candidates. This includes handling the logistical matters with candidates and with the City.

The search consultant will prepare an interview booklet that includes an executive candidate summary, resume, and candidate report (with interview comments, preliminary reference checks, and other relevant information) for each candidate. In addition, the booklet will contain suggested questions and areas for discussion based upon the recruitment criteria. Copies of the interview booklet will be provided in advance of the candidate interviews.

The search consultant will attend the interviews to assist the Mayor and City Council through the selection process. This assistance will include an initial orientation, candidate introductions, and facilitation of discussion of candidates after all interviews have been completed.

Additionally verifications will be made on the top candidates and will include education verifications, Department of Motor Vehicle check, wants and warrants, civil and criminal litigation search, and credit check. Additionally, Ralph Andersen & Associates will verify any stated certifications that candidates may have to verify they are currently in good standing and review any notations on their licenses in the form of any public complaints against the individual. The results of these verifications will be discussed with the City at the appropriate time.

The search consultant is available to provide assistance to the City in the final selection as may be desired. This assistance may include providing or obtaining any additional information desired to assist in making the final selection decision.

Task 7 – Negotiation

The search consultant is available to assist the City in negotiating a compensation package with the selected candidate. This may include recommendations on setting compensation levels. Additionally, Ralph Andersen & Associates will prepare a draft employment agreement and work with the City's Legal Counsel on the finalization of this document.

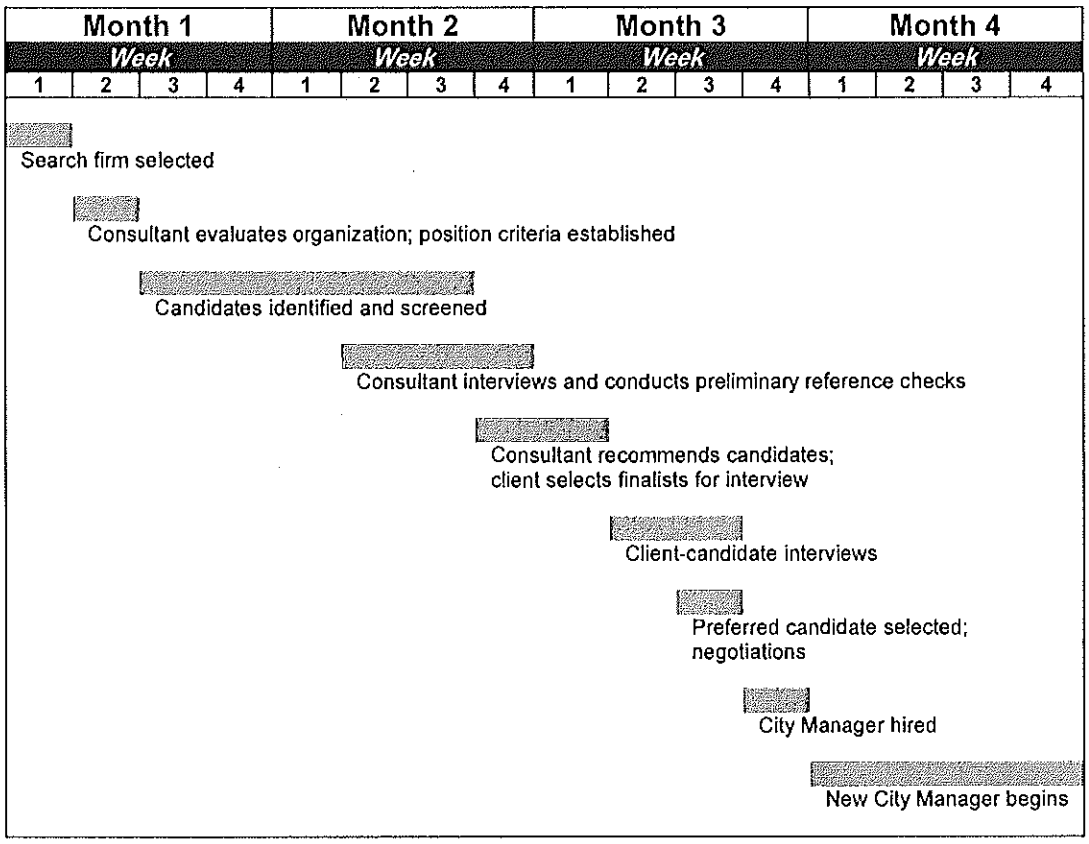
Task 8 – Close Out

After the City has reached agreement with the individual selected for the position, the search consultant will close out the search. These activities will include advising all of the final candidates of the status of the search by telephone.

Project Timing

If retained by the City, Ralph Andersen & Associates would complete the search within 75 to 90 days (or less) from the execution of the agreement between the City of Morro Bay and Ralph Andersen & Associates. Negotiation with the top candidate will take an additional week or two after finalist interviews.

The estimated timeline is as follows:



CITY OF MORRO BAY, CALIFORNIA

Response to Request for Proposals

RE: City Manager Recruitment

Prepared by Paul Wenbert, Western Regional Manager, Slavin Management Consultants, December 26, 2013

SLAVIN MANAGEMENT
CONSULTANTS

7828 E. Red Hawk Circle, Mesa, Arizona 85207
480-664-2676
pwconsulting@cox.net
www.slavinweb.com

SLAVIN MANAGEMENT
CONSULTANTS

December 26, 2013

Ms. Susan Slayton
Acting City Manager
City of Morro Bay
Sent via e-mail to: sslayton@morro-bay.ca.us

Dear Ms. Slayton:

Slavin Management Consultants is pleased to submit this proposal to conduct the executive search for Morro Bay's next City Manager at a cost of $15,580 plus expenses.

Slavin Management Consultants (SMC) operates a national practice from its home office near Atlanta, Georgia, and also has consultants in California, Oregon, Arizona, Texas, Ohio, Michigan, Connecticut, and Florida. With its extensive national network, SMC is confident in its ability to secure a group of outstanding candidates from throughout the nation that would be a good fit for the City.

Mr. Paul Wenbert will serve as project manager on this assignment. After a 30-year career in city management including nearly 13 years as city manager, Mr. Wenbert joined SMC in 2007 as its Western Regional Manager. He has conducted or assisted in the conduct of 40 searches for SMC for jurisdictions as small as Carlisle, Iowa, (3,900 population) to as large as Phoenix Arizona, (1.5 million population).

Mr. Wenbert will be assisted in all phases of this assignment by Mr. John Nowak. Mr. Nowak who recently joined SMC has 34 years of local government management experience, 28 of which have been in southern California including 23 years at the executive level.

Mr. Robert Slavin will provide project oversight and support on this assignment. Having conducted or assisted in the conduct of more than 800 executive recruitments including more than 100 in California, Mr. Slavin is among the most experienced local government management recruiters in the country.

Thank you for the opportunity to submit this proposal. Please contact me at 480-664-2676 if you have any questions about this proposal.

Sincerely,

Paul Wenbert
Western Regional Manager

7828 E Red Hawk Circle | Mesa, Arizona 85207 | Ph: 480.664.2676 | Cell: 480.444.9512 | pwconsulting@cox.net

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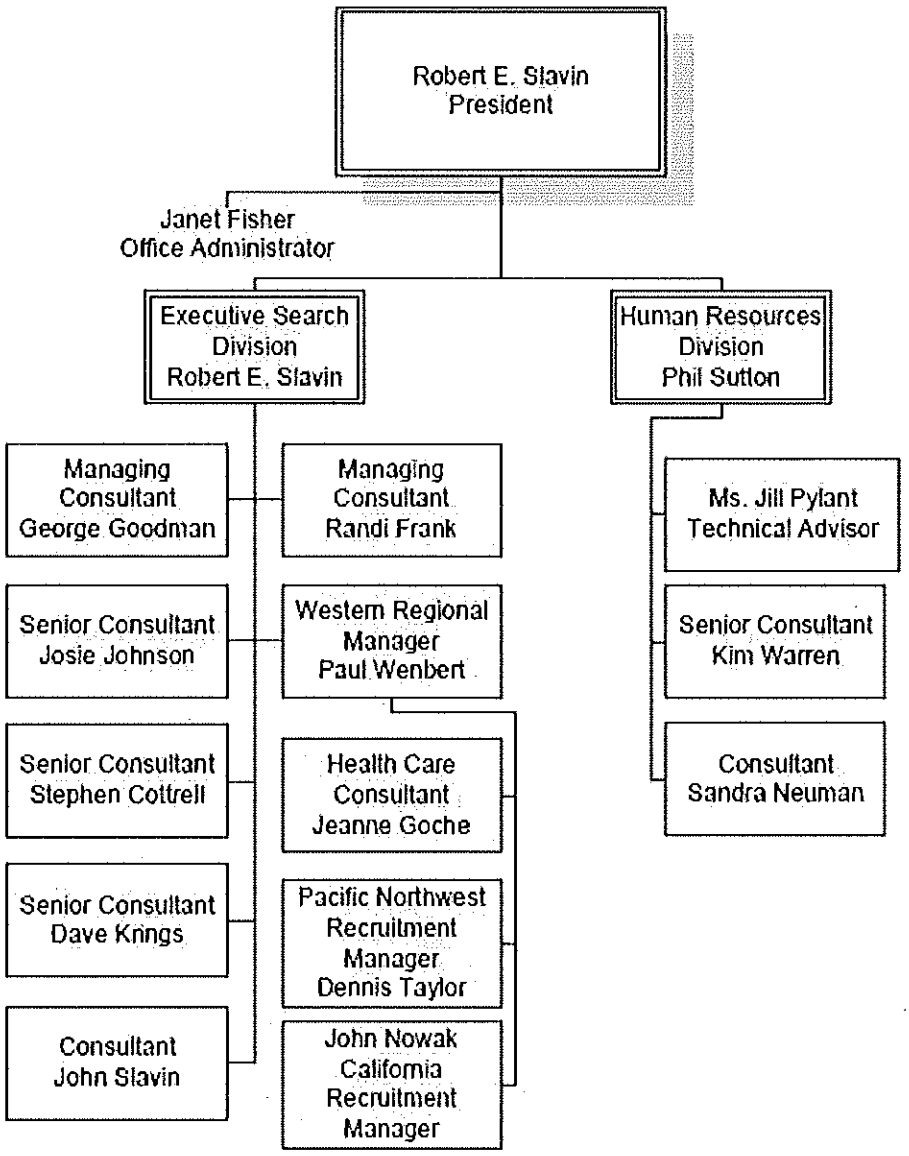
SECTION I—ABOUT SLAVIN MANAGEMENT CONSULTANTS

Slavin Management Consultants (SMC) was formed in 1991 and is incorporated in the State of Georgia. SMC operates a national practice from its home office near Atlanta, Georgia. The principal and only stock holder of the firm is Robert E. Slavin. Mr. Slavin has extensive experience as a local government manager, an executive recruiter and a management consultant. In addition to the home office staff, SMC has consultants in Ann Arbor, Michigan; Cincinnati, Ohio; Dallas, Texas; Eugene, Oregon; Hartford, Connecticut; Helena, Montana; Key West, Florida; Manteca, California; and Mesa, Arizona. As one of the only national public sector executive recruiting firms in the country, SMC is confident in its ability to secure a group of outstanding candidates from throughout the nation that would be a good fit for the City.

SMC provides high-quality consulting services to state and local governments, health care providers, transit authorities, utilities, special districts, and private sector clients. Specialty practice areas include executive recruitment, pay and classification, performance appraisal systems, and organizational development and training. SMC has conducted successful assignments for hundreds of public sector organizations nationally and received many accolades for its work.

Slavin Management Consultants is in excellent financial condition. The company is profitable, is current with all of its accounts, and has no debt. SMC has never been sued and is not aware of any pending legal actions against the company.

SLAVIN MANAGEMENT CONSULTANTS ORGANIZATIONAL CHART



EEO COMMITMENT

Slavin Management Consultants is committed to building a diverse workforce which reflects the face of the communities it serves. In addition, SMC honors and respects the differences and abilities of its employees and provides them with the necessary opportunities, tools, and support to achieve their maximum potential.

Equitably managing a diverse workforce is at the heart of equal opportunity. Valuing diversity is the basis for a policy of inclusion. Diversity recognizes and respects the multitude of differences which employees bring to the workplace. Diversity complements organizational values that stress teamwork, leadership, empowerment,

and quality service. Diversity is best implemented when managers maintain an environment that values the differences in their employees and take steps to ensure that all employees know they are welcome.

To achieve workplace equity and inclusion, SMC utilizes the practices outlined below:

- It does not discriminate in employment on the basis of race, color, religion, national origin, sex, age, disability, marital status, sexual orientation, creed, ancestry, medical condition, or political ideology;
- Its recruiting efforts ensure that applicant pools are both capable and diverse;
- It makes employment decisions based on job-related criteria and provides opportunities for entry and promotion into non-traditional jobs; and
- It maintains a workplace free of all forms of harassment.

SMC STAFF ASSIGNED TO THIS PROJECT

SMC's roots run deep in California as that is where SMC President Bob Slavin started his career. Throughout Mr. Slavin's career, he has conducted more than 100 searches in California alone. Mr. Slavin has an outstanding local government network both in California and throughout the country. Mr. Slavin is among the most experienced recruiters of local government managers in the nation. He has a strong and proven commitment to providing exceptional recruitment services to public agencies and has received many accolades supporting this work. Mr. Slavin has conducted or assisted in the conduct of more than **800 successful executive searches** throughout his career. Mr. Slavin will be providing project oversight and advice on this assignment.

Mr. Paul Wenbert will serve as project manager on this assignment. After a 30-year career in local government management, Mr. Wenbert joined SMC in 2007 as its Western Regional Manager. He has conducted or assisted in the conduct of 40 searches for SMC for jurisdictions as small as Carlisle, Iowa, (3,900 population) to as large as Phoenix, Arizona (1.5 million population).

During his city management career, Mr. Wenbert was responsible for management of a $470 million budget and 1,100 employees as Deputy City Manager for the City of Mesa, Arizona. Also, Mr. Wenbert spent nearly 13 years of his career as a city manager. Mr. Wenbert has an extensive nationwide professional network based on his 30 years of involvement in the International City/County Management Association (ICMA) including serving on the ICMA Board and chairing 3 ICMA Committees. Mr. Wenbert has a significant local government management network in California primarily through his involvement in ICMA.

Mr. John Nowak will be involved in all phases of this assignment. Mr. Nowak who recently joined SMC has 34 years of local government management experience 28 of

which have been in southern California including 23 years at the executive level. He has worked for numerous jurisdictions in southern California and Tennessee ranging in population from 13,000 to 1.8 million. His most recent position was Deputy City Manager in Manteca, California. For the past five years, Mr. Nowak has served as a redevelopment and economic development consultant for several California jurisdictions.

Mr. Nowak has an extensive local government management network in California due to his California work experience and involvement in the League of California Cities. He also has a large national and international local government management network due to his nearly 30 years of service on many ICMA committees.

Additional information about SMC staff assigned to this project is included in Appendix A.

SMC'S RESULTS-ORIENTED PROCESS

SMC uses a critical path search process which allows its clients to focus their attention on the selection process rather than on identifying, recruiting, screening, and evaluating candidates. The best prospects are typically happily employed and do not respond to advertisements. These people need to be found and encouraged to become candidates. They are understandably reluctant to apply for positions when their application could become a matter of public information prior to being assured that the client is interested in their candidacy. SMC has a proven track record of aggressively pursuing these types of "happily employed" candidates to encourage them to submit their applications as evidenced by the newspaper article at the end of the Appendix. SMC's approach to this assignment will reflect the unique qualities of Morro Bay, and it will honor the confidentiality of candidates to the extent permitted by California law.

SMC would like the City of Morro Bay to consider SMC's unique qualities and approach identified below that help to distinguish it from other public sector recruiting firms.

- SMC is results-oriented. Once the recruitment profile is approved by the City, SMC will "lock" into the profile's criteria and carefully identify, recruit, and evaluate candidates who meet **the City of Morro Bay's criteria**. SMC does not simply bring forward candidates it already knows.
- SMC is committed to complete client satisfaction. SMC's successful placement-oriented approach will ensure that the project work is practical, realistic, and timely and that it has the full commitment and support of the client so that a successful placement occurs.
- SMC makes use of resources that go beyond "Google" searches to conduct background checks of potential candidates. **In addition and fairly unique to this**

industry, SMC visits finalists' work sites prior to client interviews to learn first-hand about candidates' management style and work performance.

- SMC are leaders in the executive search field having conducted more than 800 public sector executive searches throughout the nation (see Appendix B for partial list).
- SMC's methodologies are state-of-the-art and include advertising in traditional publications, websites, and use of SMC's large resume data base to generate quality applicants.
- SMC's style is interactive in that it builds a partnership with its clients.
- SMC uses discount airfares and makes multi-client trips whenever possible to reduce expenses to its clients.
- SMC are experts in EEO/AA recruitment. Approximately 25 percent of its placements are females and/or minorities.
- Every search SMC has conducted resulted in a selection from among its recommended group of candidates. SMC's experience includes large and small organizations and chief executives and subordinate-level positions. **More than 95 percent of SMC's placements have remained in their clients' positions for more than five years, and the guarantee (see Section III, page 10) of redoing the search due to the candidate leaving during the first 2 years of the new position has occurred only twice out of more than 800 searches.** SMC has established this enviable track-record due to its extensive research at the beginning of each assignment about the client and the position to be filled which helps SMC identify candidates that are a good fit for the position. This candidate fit is further verified through extensive background checks and visits to finalists' work sites. SMC believes the best predictor of future candidate performance is past performance which is why SMC obtains such a substantial amount of information about each finalist.

While SMC is proud of its results-oriented approach of focusing on the practical aspects of filling positions in a timely and cost-effective manner, SMC realizes that process is important as well. For example, Morro Bay's City Manager recruitment profile and advertisement will be viewed by thousands of local government professionals throughout the nation. This provides an excellent opportunity for Morro Bay to market itself and increase its visibility to opinion-makers throughout the United States. SMC will produce a quality recruitment profile brochure that markets Morro Bay in a positive light (see Appendix D for example of SMC recruitment profile). In addition, the "customer service" approach SMC employs in dealing with prospective candidates will also reflect positively on Morro Bay. SMC is as proud of its responsiveness to candidates as it is to its clients.

CITY/COUNTY MANAGER SEARCHES CONDUCTED

SMC has completed more than 250 city and county manager searches throughout the nation. The following are city and county manager searches that SMC has conducted in the last 4 years.

CLIENT	POPULATION	YEAR	SEARCH
Adams, CO	452,000	2013	County Manager
Amberley Village, OH	4,000	2011	Village Manager
Aurora, CO	314,000	2010	City Manager
Bay City, MI	35,000	Current	City Manager
Bloomfield, CT	20,000	2013	Town Manager
Branson, MO	11,000	2013	City Administrator
Carlisle, IA	4,000	2013	City Administrator
Cass, MI	51,000	2011	County Adm/Controller
Corpus Christi, TX	285,000	2011	City Manager
Fridley, MN	27,000	2013	City Manager
Georgetown, SC	9,000	2013	City Administrator
Glynn, GA	76,000	2010	County Administrator
Greenville, NC	85,000	2012	City Manager
Gulf Shores, AL	10,000	2013	City Administrator
Hardeeville, SC	3,000	2011	City Manager
Independence, KS	10,000	2010	City Manager
Iowa City, IA	65,000	2010	City Manager
Klamath Falls, OR	21,000	2012	City Manager
Longmont, CO	87,000	2012	City Manager
Newark, DE	31,000	2012	City Manager
Oak Park, IL	52,000	2013	Village Manager
Peoria, IL	183,000	2011	County Administrator
Prince William, VA	402,000	2010	County Executive Officer
Rock Hill, SC	67,000	2010	City Manager
Seminole, FL	409,000	2011	County Manager
Snellville, GA	18,000	2012	City Manager
St. Joseph, MO	76,000	2011	City Manager
Tazewell, IL	131,000	2012	County Administrator
Venice, FL	21,500	2012	City Manager
Waukee, IA	14,000	2013	City Administrator
West Des Moines, IA	57,000	2011	City Manager
Wyandotte/Kansas City, KS	159,000	Current	County Administrator
Wyoming, OH	8,000	2011	City Manager

FIRM CONTACT INFORMATION

The following individuals will serve as the primary contacts for this project.

Project Manager

Paul Wenbert
Western Regional Manager
Slavin Management Consultants
7828 E. Red Hawk Circle
Mesa, Arizona 85207
480-664-2676 (work)
480-444-9512 (cell)
pwconsulting@cox.net

Other Professional Staff

Mr. John Nowak
California Recruitment Manager
Slavin Management Consultants
Post Office Box 2127
Manteca, California 95336
209-825-1420
johnn51@msn.com

Robert E. Slavin
President
Slavin Management Consultants
3040 Holcomb Bridge Road, Suite A-1
Norcross, Georgia 30071
770-449-4656 (work)
678-296-2037 (cell)
770-416-0848 (fax)
slavin@bellsouth.net

SECTION II—WORK PLAN

SMC will use a proven and comprehensive seven-step work plan to complete this project as follows:

1. Develop recruitment profile;
2. Recruit qualified candidates;
3. Submit written progress report on semi-finalists to client;
4. Conduct background investigations/site visits on finalists;
5. Assist client in interview and selection process;
6. Facilitate employment of selected candidate; and
7. Conduct follow-up with client after candidate has been employed.

Each step of this work plan is described below.

1. Develop recruitment profile

SMC will meet with the Mayor and City Council Members and Department Directors to learn about the City's needs and culture. Also, SMC will provide options for additional external and internal stakeholder involvement. Finally, SMC would appreciate receiving a guided tour of the community. These meetings and tour as well as independent research conducted by SMC about the community and position will help SMC determine the unique challenges to be managed by Morro Bay's next City Manager. This will allow SMC to accurately describe the desired professional and personal attributes top candidates should possess.

Once SMC has gained sufficient information, it will prepare a draft recruitment profile and review it with the Mayor and City Council to obtain their approval. The profile will include information about the Morro Bay community, City government, issues and opportunities to be managed by the next City Manager, and the job requirements and selection criteria.

2. Recruit qualified candidates

SMC will utilize the following resources to conduct a national recruitment for qualified candidates that meet the job specifications and selection criteria for the position:

- SMC's database of candidates;
- SMC's professional local government management network;
- Advertisements in national professional print publications and websites and regional publications as appropriate; and
- Sending the recruitment profile to persons who have the requisite experience for the position.

3. ***Submit written progress report on semi-finalists***

SMC will submit a written progress report on the semi-finalists and meet with the client to discuss this report. Typically 10-15 semi-finalists are included in the progress report.

The progress report will summarize each semi-finalists' experience and education. The report will also include a screening of semi-finalists against the selection criteria and job requirements contained in the recruitment profile. This screening will be based on:

- a review of resumes and cover letters;
- SMC's phone interviews of semi-finalists;
- semi-finalists' responses to a supplemental questionnaire that provides additional information about semi-finalists' management styles, writing skills, and how closely their experience relates to the selection criteria and job requirements in the recruitment profile; and
- SMC's knowledge of semi-finalists' work performance and the quality of the organizations and communities in which they have served.

The progress report will also include the semi-finalists' current salary. At SMC's meeting with the client, the client will select the finalists to interview using SMC's candidate ranking forms if desired. Typically five finalists are interviewed. Appendix E contains an example of the type of information which will be included in the progress report.

4. ***Conduct background investigations/site visits on finalists***

SMC will conduct background investigations and site visits on the finalists. In order to better assess the finalists' management style and interpersonal characteristics, SMC will personally interview each in his or her present work environment while protecting the finalists' confidentiality. SMC will closely examine each finalist's experience, achievements, management style, and interpersonal skills in relation to the recruitment profile's selection criteria.

SMC's background investigations include detailed and extensive reference checks which cover a minimum period of ten years. SMC will interview the references provided by the finalists as well as others who can evaluate the candidate's job performance. The background work also includes investigation to the maximum extent permitted under federal law of finalists':

- criminal and civil court records;
- credit history;
- driving records; and
- college degrees.

At the client's option, SMC can arrange for assessment centers and/or psychological (or similar) testing of the candidates. These optional items will result in additional cost to the client.

SMC will provide a report to the client about these background checks and site visits.

5. Assist client in interview and selection process

SMC will assist the client in developing the interview process based on SMC's knowledge of best practices and will provide a list of interview questions for the client's consideration. SMC will contact the finalists to inform them of interview schedules and other logistical details, and SMC will be present during the interviews. Finally, SMC will notify all unsuccessful candidates of the final decision reached.

6. Facilitate employment of selected candidate

SMC will provide information about trends in employment, employment agreements, and relocation expenses to the client. SMC will also facilitate negotiation of the selected candidate's compensation package.

7. Conduct follow-up with client after candidate has been employed

SMC will follow-up with the Mayor and the new City Manager six and twelve months after the selected candidate has been employed to evaluate the success of the placement. SMC will assist in any adjustments that may be necessary.

SECTION III—GUARANTEES

SMC provides a comprehensive set of assurances and guarantees to clients that include:

- A commitment to excellence. SMC guarantees that the selection process and placement will be of high quality and successful. To accomplish this, SMC will continue to work with the client until a satisfactory candidate is selected and accepts employment;
- SMC guarantees its work and will redo the search if the position is vacated, for any reason, within two years of the employment date of a SMC recommended candidate; in this event, SMC will charge the client only for its out-of-pocket expenses to redo the search (no professional fees will be charged);
- SMC will never actively recruit any *candidate* who SMC has placed nor will SMC actively recruit *any* employee from a client organization for at least two years from the completion date of an assignment;
- SMC will properly handle any and all media relations. Unless otherwise directed, it is SMC's standard practice to tell all media that SMC is working on behalf of the

client and that any public statement should come from the client directly. Under no conditions will SMC release information to the media unless specifically directed by the client to do so; and

- SMC will keep the client informed and involved in the search process. SMC will provide frequent verbal and written progress reports to the client.

SECTION IV—PROJECT SCHEDULE

The search process normally takes 90 days to complete and typically follows the schedule below.

		DAYS				
	STEPS	**1-30**	**30-45**	**45-60**	**60-90**	**90-360**
1.	Develop recruitment profile and advertising program for client approval	✓				
2.	Identify qualified candidates and receive and review resumes	✓	✓			
3.	Screen & evaluate prospective candidates/prepare progress report and meet with client		✓	✓		
4.	Background investigations and site visits on finalists				✓	
5.	Interview and evaluate finalists				✓	
6.	Assist in selection and facilitate employment				✓	
7.	Follow-up					✓

SECTION V—PROJECT COST

PROFESSIONAL FEES

The project cost is $15,580 of professional fees plus expenses. The following table shows the level of involvement by project step and cost.

PROJECT COSTS				
STEPS	**ASSIGNED HOURS** (Approximate)			
	Project Manager	**Consultant**	**RATE (Hr)**	**FEES**
1. Project planning/develop recruitment profile/prepare and place advertising	35		$85	$2,975
		5	$40	$200
2. Identify and recruit candidates / acknowledge resumes	34		$85	$2,720
		28	$40	$1,120
3. Phone interviews with potential semi-finalists/prepare progress report	20		$85	$1,700
		10	$40	$400
4.Meet with client to review progress report and select finalists	4		$85	$340
5. Schedule finalists interviews / assist client with designing interview process	8		$85	$680
6. Finalists background investigation (includes SMC on-site visits with finalist candidates)	33		$85	$2,805
		32	$40	$1,280
7. Finalists interviews/assist in employee selection	12		$85	$1,020
8. Negotiate employment agreement	4		$85	$340
9. Follow-up	4		No Charge	$0
TOTAL HOURS	152	76		
TOTAL COST				$15,580

EXPENSES

Expenses for this executive search will be billed on an actual cost basis and will not exceed 55 percent of the professional fee ($8,569). Additional detail about these expenses is shown below.

Consultant Travel: The client pays direct costs for all necessary consultant travel using lowest available air rates, corporate hotel rates at moderately priced properties (Holiday Inn or equivalent), rental cars using the corporate discount, and normal meals. The client controls these costs in the following ways: 1) the client pre-approves all work plans including all consultant and candidate travel; and 2) when appropriate, the consultant will work on more than one search when traveling and will therefore allocate costs to multiple clients.

Office Costs: telephone ($350 flat fee, billed in two installments), fax, postage, copier, and delivery costs.

Advertising: typically approximately $2,500. The client controls these costs because the advertising program will be approved by the client prior to implementation.

The cost for finalists to travel to the client's locale for interviews is not included in the cost of this proposal. Such costs are typically paid by the client on a reimbursement basis directly to the candidates and controlled through the client's prior approval of the finalists. These costs vary depending on candidate location, spousal involvement, and the length of the interview process. For budgeting purposes, an average cost of between $450-650 per candidate would be appropriate. Typically five candidates are interviewed.

Should the client's needs result in an increased project scope that significantly increases consultant travel and/or advertising costs, it may be necessary to increase the expense budget for the project which would require client approval. Regarding travel expenses, SMC's project budget includes a total of 3 trips to the client's locale for 2 consultants. If the client requires SMC to make additional trips to its locale that result in SMC's total project expenses exceeding $8,569, then the client will reimburse SMC for these out-of-pocket travel expenses. The client's liability to Slavin Management Consultants for services rendered under this agreement will not exceed the agreed upon price unless an increase is authorized by the client in writing.

SMC will submit monthly invoices for fees and expenses. It is SMC's practice to bill 30 percent at the start of the search, 30 percent at the end of thirty days, 30 percent at the end of sixty days, and the remaining 10 percent shortly after the time that the candidate accepts the position. Expenses will be billed in addition and shown as a separate figure. Each invoice will be payable upon receipt.

SMC will comply with all applicable laws, rules, and regulations of federal, state, and local government entities. SMC's liability, if any, will not be greater than the amount paid to SMC for the services rendered.

ACCEPTANCE/SIGNATURE

This proposal is presented by Slavin Management Consultants by:

SIGNATURE: _____

NAME: Paul Wenbert

TITLE: Western Regional Manager

DATE: December 26, 2013

This proposal is accepted for the City of Morro Bay, California by:

SIGNATURE: _____

NAME: _____

TITLE: _____

DATE: _____

APPENDIX

APPENDIX A – ABOUT PROJECT STAFF

Paul Wenbert, ICMA-CM, SMC Western Regional Manager

Mr. Wenbert has 30 years of local government management experience including 24 years of executive level experience with nearly 13 of those as a city manager. Mr. Wenbert joined Slavin Management Consultants in June 2007 as Western Regional Manager. He is headquartered in Mesa, Arizona. Most recently, Mr. Wenbert completed 6.5 years of service as Deputy City Manager for the City of Mesa. His career highlights include 9 years as City Administrator for Newton, Iowa; 3.5 years as Village Manager for Villa Park, Illinois, and 4.5 years as Assistant City Manager for Ames, Iowa. Early in his career Mr. Wenbert served as an administrative intern for Fort Wayne, Indiana, administrative assistant for Marion, Indiana, and administrative intern and administrative assistant for Mesa, Arizona.

Mr. Wenbert has a Masters degree in Public Administration from Arizona State University and a Bachelor of Science degree in Public Affairs from Indiana University. He is an ICMA Credentialed Manager and a graduate of the Senior Executive Institute at the University of Virginia.

His career highlights include:

- Managed city departments with $470 million budget and 1,100 employees in Mesa, Arizona;
- Chaired Keep Maytag In Newton Task Force which facilitated retention of more than 2,000 jobs and addition of 440 jobs and $41 million of investment;
- Instituted Productivity Improvement Programs in Newton, Iowa, and Villa Park, Illinois, resulting in over $3 million of savings;
- Negotiated revised intergovernmental agreement with twelve local governments for regional landfill operated by City of Newton and involved in many other intergovernmental relations activities in Newton, Villa Park, and Mesa;
- Negotiated many collective bargaining agreements and developed and implemented many personnel and wage classification systems;
- Worked for the City of Mesa during the time period when it was the fastest growing community in the United States and was involved with many growth issues such as infrastructure planning and financing, interstate interchange decisions and allocating resources equitably to newly developed and existing areas of the community;

- In all positions enhanced citizen connection to city government through various methods including citizen-based strategic planning, citizen focus groups, regular community attitude surveys, and citizen academies;
- In all positions improved staff team-building through city-wide staff development and training and city-wide committee work assignments;
- Received ICMA Program Excellence Award for Collaborative Children and Youth Initiatives;
- Received Greater Newton Area Chamber of Commerce Key Award for Chairing Keep Maytag In Newton Task Force; and
- Received Joe Lukehart Professional Service Award for Advancement of City Management in Iowa.

Professional Affiliations

- ICMA--Past Executive Board Member, Chair of the Endowment Fund Committee, Chair of Employment Agreements Task Force, and Chair of Assistants Steering Committee; current Mentor for Emerging Leader Development Program
- Iowa City/County Management Association—Past President and other offices
- Illinois City/County Management Association Metro Managers—Past Board Member
- Newton, Iowa Rotary Club—Past President and other offices
- Arizona City/County Management Association—Past Chairperson of Committee on Professional Conduct
- Arizona Municipal Management Assistants Association—Past President and other offices

John E. Nowak, California Recruitment Manager

Mr. Nowak has 34 years of local government management experience 28 of which have been in southern California including 23 years at the executive level. He has worked for numerous jurisdictions in southern California and Tennessee ranging in population from 13,000 to 1.8 million. His most recent position was Deputy City Manager in Manteca, California. For the past five years, Mr. Nowak has served as a redevelopment and economic development consultant for several California jurisdictions.

Previously Mr. Nowak served as Redevelopment Administrator for San Bernardino County and Deputy City Manager in Culver City, Moorpark, San Gabriel, and San Marino, California. Mr. Nowak was City Manager in San Marino and Lawndale, California. Early in his career, Mr. Nowak served in management positions in Lancaster, California and metropolitan, state, and regional positions in Nashville, Tennessee. He has also served as an economic and redevelopment consultant for the cities of Moorpark and Manteca and for San Bernardino County in California. Mr. Nowak joined Slavin Management Consultants in 2013.

Mr. Nowak has a Master of Public Administration degree from West Virginia University and a Bachelor of Arts degree in Political Science from Siena College.

His career highlights include:

- City Manager in both full-service and contract city organizations;
- Department director of community development/public works functions with 30 employees and $2.3 million budget in San Gabriel, California;
- Directed community-based preparation of long-range strategic plan in San Marino;
- Revised San Marino Municipal Code writing all related ordinances;
- Managed repairs of earthquake damage in San Marino and San Gabriel including project manager for complete renovations of their city halls;
- Created regional public-private emergency preparedness board in Antelope Valley of California bringing comprehensive approach for disaster planning and recovery among local, state, and federal agencies and private sector;
- Created second California Disaster Recovery Redevelopment Project Area in San Bernardino County Old Fire burn area;
- Prepared and negotiated development agreements for regional lifestyle retail center and Costco in Manteca and regional distribution center in San Bernardino County;
- Negotiated labor agreements with general employee, police, and fire unions in multiple California cities;
- Prepared and managed state grant programs for parks and public safety including nationally recognized program for children's car seat enforcement;
- Initiated and directed establishment of first cities' sub-regional Joint Powers Authority in Los Angeles County to address State's solid waste mandates;

- Established budget preparation and presentation procedures to make budget document more transparent and understandable; and
- Reorganized city departments including police, fire, public works, and community development for improved accountability and operational efficiency.

Professional Affiliations

- International City/County Management Association—served on many Committees including International Committee, Awards Committee, Conference Planning Committee, and Nominating Committee
- League of California Cities/California City Managers Department—past Chairperson of International Committee and Board Member
- Rotary International—past Club President in San Gabriel and Treasurer in Culver City

Robert E. Slavin, SMC President

Mr. Slavin is one of the pioneers in public sector and nonprofit executive recruiting. He is among the best known and respected professional recruiters in the industry. He is a frequent speaker at professional conferences and has written many articles for professional journals concerning governmental management. By special invitation, Mr. Slavin assisted the United States Office of Personnel Management in establishing the Federal Senior Executive Service.

Mr. Slavin began his local government career in 1967. His experience includes 12 years working directly for local governments and seven years as a principal consultant with the government search practice of Korn/Ferry International, the largest search firm in the world. He headed the local government search practices for Mercer/Slavin, Incorporated; Mercer, Slavin & Nevins; and Slavin, Nevins and Associates, Inc. Mr. Slavin now heads the executive search practice for Slavin Management Consultants. Clients include state and local governments, nonprofits, and private sector businesses throughout the United States. Mr. Slavin's experience includes search assignments for the 1984 Los Angeles Olympic's Organizing Committee.

Mr. Slavin's experience and qualifications include organizational analysis, classification and compensation studies, and assessment centers and human resource systems studies.

Prior to being invited to join Korn/Ferry International, Mr. Slavin served as Assistant City Manager/Director of Human Resources for the City of Beverly Hills, California. While at Beverly Hills, Mr. Slavin conducted many executive level recruitment assignments

involving nationwide search and placement. Before joining the City of Beverly Hills, Mr. Slavin was the Assistant Personnel Director for the City of San Leandro, California.

Before San Leandro, Mr. Slavin was on the personnel staff of Santa Clara County, California. His assignments included recruitment, classification and selection for the County's Health Department, Medical Center, Transportation Agency, Sheriff's Office, Superintendent of Schools, Fire Marshall, Assessor's Office, Library System, and County Recorder's Office.

Mr. Slavin received his Bachelor of Science degree in Political Science from the University of Santa Clara and has completed the graduate course work for a Master's degree in Public Administration at California State University at Hayward.

Professional Affiliations

- International City/County Management Association
- American Society for Public Administration
- International Personnel Management Association—Human Relations Commission
- Southern California Public Labor Relations Council
- Southern California Municipal Assistants Association
- Bay Area Salary Survey Committee

APPENDIX B – PARTIAL CLIENT LIST

The following list of clients represent organizations for which our principal Consultants performed significant project work. This client list spans twenty years of experience of SMC consultants. Please contact SMC if you desire to speak with the individuals who were project contacts.

MUNICIPALITIES

Aiken, South Carolina
Albany, Georgia
Alpharetta, Georgia
Anaheim, California
Ann Arbor, Michigan
Arlington, Texas
Arlington Heights, Illinois
Atlanta, Georgia
Atlantic Beach, Florida
Asheville, North Carolina
Auburn, Maine
Aurora, Colorado
Austin, Texas
Bartlesville, Oklahoma
Bentonville, Arkansas
Bergenfield, New Jersey
Berkeley, California
Beverly Hills, California
Birmingham, Alabama
Bisbee, Arizona
Blacksburg, Virginia
Bloomington, Illinois
Boynton Beach, Florida
Brea, California
Broken Arrow, Oklahoma
Brownsville, Texas
Bryan, Texas
Burbank, California
Camarillo, California
Carson, California
Casper, Wyoming
Chapel Hill, North Carolina
Charlotte, North Carolina
Chesapeake, Virginia
Clearwater, Florida
Columbia, Missouri
Columbus, Georgia
Concord, New Hampshire
Corpus Christi, Texas
Corta Madera, California
Creedmoor, North Carolina
Culver City, California
Dallas, Texas
Davenport, Iowa
Davie, Florida
Decatur, Georgia
Decatur, Illinois
Delray Beach, Florida
Del Rio, Texas
Denton, Texas
Destin, Florida
Dothan, Alabama
Dubuque, Iowa
Duluth, Georgia
Dunedin, Florida
Durham, North Carolina
Eagle Pass, Texas
Edmond, Oklahoma
Elgin, Illinois
Enfield, Connecticut
Escondido, California
Evanston, Illinois
Fort Collins, Colorado
Fort Lauderdale, Florida
Fort Worth, Texas
Franklin, Tennessee

Frisco, Colorado
Gainesville, Florida
Gainesville, Georgia
Galesburg, Illinois
Garden City, New York
Glastonbury, Connecticut
Glendale, Arizona
Glen Ellyn, Illinois
Grand Rapids, Michigan
Greensboro, North Carolina
Gulfport, Florida
Hemet, California
Hercules, California
Highland Park, Illinois
Hollywood, Florida
Homestead, Florida
Huntington Beach, California
Independence, Missouri
Iowa League of Cities
Jacksonville Beach, Florid
Jupiter, Florida
Kalamazoo, Michigan
Kansas City, Missouri
Lakewood, Colorado
Lapeer, Michigan
Laramie, Wyoming
Laredo, Texas
Lenexa, Kansas
Liberty, Missouri
Lillburn, Georgia
Little Rock, Arkansas
Long Beach, California
Manassas, Virginia
Mesa, Arizona
Miami Beach, Florida
Milwaukie, Oregon
Minneapolis, Minnesota
Miramar, Florida
Modesto, California
Muscatine, Iowa
Neptune Beach, Florida
New Smyrna Beach, Florida
Norfolk, Virginia
Norman, Oklahoma
North Las Vegas, Nevada
North Miami Beach, Florida
Northglenn, Colorado
North Port, Florida
Oberlin, Ohio
Ocean City, Maryland
Oceanside, California
Olathe, Kansas
Oklahoma City, Oklahoma
Oxnard, California
Palm Bay, Florida
Palm Beach Gardens, Florida
Palo Alto, California
Panama City, Florida
Park Ridge, Illinois
Pasadena, California
Peoria, Illinois
Phoenix, Arizona
Pittsburg, Kansas
Pompano Beach, Florida
Portage, Michigan
Pueblo, Colorado
Richmond, California
Richmond, Virginia
Riverside, California
Riverview, Michigan
Roanoke, Virginia
Rockville, Maryland
Sacramento, California
St. Louis Park, Minnesota
Salem, Oregon
San Diego, California
San Fernando, California
San Francisco, California
San Jose, California
San Juan Capistrano, California
Sandersville, Georgia
Santa Ana, California

Santa Monica, California
Sarasota, Florida
Shaker Heights, Ohio
Simi Valley, California
Sioux City, Iowa
Springfield, Missouri
Storm Lake, Iowa
Stratford, Connecticut
Sunnyvale, California
Sunrise, Florida
Takoma Park, Maryland
Topeka, Kansas
Titusville, Florida
Thornton, Colorado
Traverse City, Michigan
Topeka, Kansas
Turlock, California
Upper Arlington, Ohio
Urbandale, Iowa
Valdez, Alaska
Virginia Beach, Virginia
Waco, Texas
Warrensburg, Missouri
Washington, Illinois
West Des Moines, Iowa
West Hartford, Connecticut
West Hollywood, California
West Palm Beach, Florida
Wichita, Kansas
Winston-Salem, North Carolina
Winter Park, Florida
Worthington, Minnesota
Wyoming, Ohio
Ypsilanti, Michigan

COUNTIES

Alameda County, California
Albemarle County, Virginia
Arapahoe County, Colorado
Beaufort County, South Carolina
Broward County, Florida
Brown County, Wisconsin
Buffalo County, Nebraska
Chaffee County, Colorado
Chesterfield County, Virginia
Clark County, Nevada
Cobb County, Georgia
Dade County, Florida
Eagle County, Colorado
Escambia County, Florida
Fairfax County, Virginia
Forsyth County, Georgia
Fremont County, Colorado
Fresno County, California
Fulton County, Georgia
Glynn County, Georgia
Gunnison County, Colorado
Hall County, Georgia
Hamilton County, Ohio
Lake County, Florida
Lake County, Illinois
La Plata County, Colorado
Leon County, Florida
Lincoln County, North Carolina
Livingston County, Illinois
Los Angeles County, California
Martin County, Florida
McHenry County, Illinois
Mecklenburg County, North Carolina
Mendocino County, California
Mesa County, Colorado
Moffat County, Colorado
Monterey County, California
Muscatine County, Iowa
New Kent County, Virginia
Orange County, New York
Orange County, North Carolina
Palm Beach County, Florida

Peoria County, Illinois
Pinellas County, Florida
Polk County, Florida
Prince William County, Virginia
Ramsey County, Minnesota
St. Louis County, Minnesota
Saline County, Kansas
San Diego County, California
San Luis Obispo County, California
San Mateo County, California
Sarasota County, Florida
Sedgwick County, Kansas
Seminole County, Florida
Sonoma County, California
Springettsbury Township, Pennsylvania
Spotsylvania County, Virginia
Volusia County, Florida
Wake County, North Carolina
Washtenaw County, Michigan
Whiteside County, Illinois
Whitfield County, Georgia
Yolo County, California

OTHER ORGANIZATIONS

Development Groups

Arrowhead Regional Development, Duluth, Minnesota
Columbia Development Corporation, South Carolina
Fresno Economic Development Commission, California
Fresno Redevelopment Authority, California
GoTopeka, Inc., Kansas
Lincoln Road Development Corporation
Los Angeles, California, Community Redevelopment Agency
Mid-American Regional Council, Kansas City, Missouri
West Palm Beach Downtown Development Authority, Florida

Housing Authorities

California Housing Finance Agency
Jefferson County Housing Authority, Alabama
Las Vegas Housing Authority
Memphis Housing Authority, Tennessee
Ocala Housing Authority, Florida
Peoria Housing Authority, Illinois

Libraries

Birmingham, Alabama Public Library
Central Arkansas Library System
Lexington, Kentucky Library System
Metropolitan Library System of Oklahoma

Non-Profits and Other Governmental Jurisdictions

California State Government
CDC Federal Credit Union, Atlanta, Georgia
Children's Board of Hillsborough County, Florida
District of Columbia
East Brunswick Township, New Jersey
Fresno Employment and Training Commission, California
Jefferson County Personnel Board, Alabama
Ketchikan-Gateway Borough, Alaska
Local Government Insurance Trust, Maryland
Los Angeles County, California Department of Public Health
Los Angeles, California Music Center Operating Company

Non-Profits and Other Governmental Jurisdictions (continued)

Los Angeles Olympics Organizing Committee
Metropolitan Nashville, Tennessee Arts Commission
Skiff Medical Center, Newton, Iowa
South Brunswick Township, New Jersey
Southwest Florida Regional Planning Council

Professional Associations

American Public Works Association
Association of County Commissioners, Georgia
Georgia Municipal Association
International City/County Management Association
Iowa League of Cities

School Districts

Adams County School District #14, Commerce City, Colorado
Lake Sumpter Community College, Florida
Dallas Independent School District, Texas

Transportation Agencies

Alameda-Contra Costa Transit District, Oakland, California
Bay Area Rapid Transit District, Oakland, California
Dallas Area Rapid Transit District, Dallas, Texas
Dayton Regional Transit Authority, Dayton, Ohio
Honolulu Municipal Transit Authority, Honolulu, Hawaii
Lee County Port Authority, Florida
Port Everglades Authority, Fort Lauderdale, Florida
Port of Sacramento, California
Riverside Transit Agency, California
San Francisco Bay Area Rapid Transit District, California
Sarasota/Manatee Airport Authority, Florida
Southern California Rapid Transit District

Utility Districts

Columbus Water Works, Georgia
Metropolitan Sewer District of Greater Cincinnati, Ohio
Public Works Commission of Fayetteville, North Carolina
Rivanna Solid Waste Authority, Virginia
Rivanna Water and Sewer Authority, Virginia
Sacramento Municipal Utility District, California
Spartanburg Utility District, South Carolina

APPENDIX C – MINORITY AND FEMALE PLACEMENTS

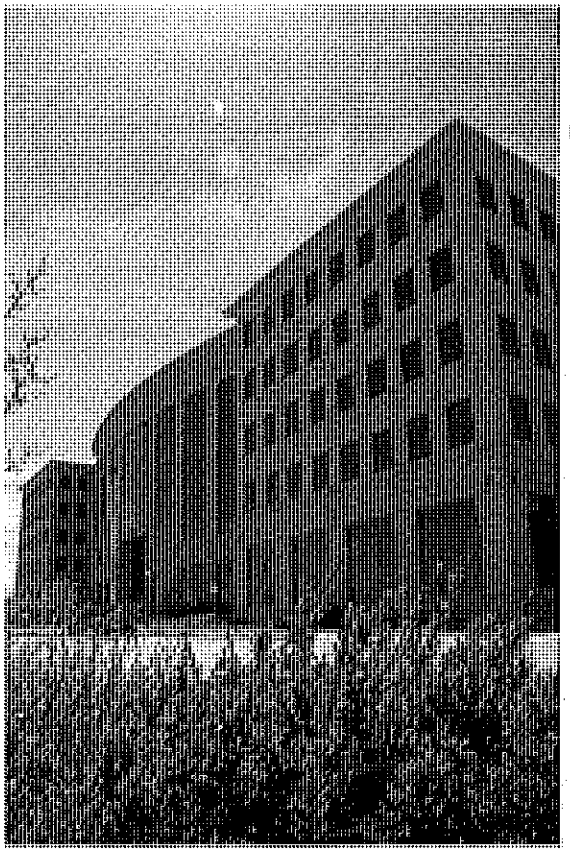
CLIENT	POSITION	AFRICAN AMERICAN	FEMALE	LATINO
ALACHUA COUNTY, FL	County Administrator			X
ALBANY, GA	City Manager	X		
	Police Chief	X		
	Assistant City Manager	X		
	Human Resources Director	X		
ASPEN, CO	City Manager		X	
AUSTIN, TX	City Manager		X	
	Police Chief			X
BERKELEY, CA	City Manager	X		
	Public Works Director			X
BEVERLY HILLS, CA	Sanitation Director	X		
	Library Director		X	
BOCA RATON, FL	City Manager		X	
	Asst. City Manager		X	
BROWARD COUNTY, FL	Assistant Director of Equal Employment	X	X	
BRYAN, TX	Municipal Court Judge		X	
	City Manager		X	
CAMARILLO, CA	City Clerk		X	
CARSON, CA	Planning Director		X	
CHAPEL HILL, NC	Transportation Director		X	
	Human Resources Director		X	
CHARLOTTE COUNTY, FL	County Attorney		X	
CENTRAL CITY ASSN. OF THE CITY OF LOS ANGELES (CA)	Director of Security	X		
CHARLOTTE, NC	Neighborhood Services Director	X		
COLUMBIA, MO	Police Chief	X		
CULVER CITY, CA	Finance Director			X
DALLAS INDEPENDENT SCHOOL DISTRICT (TX)	Chief Financial Officer	X	X	
DALLAS, TX	City Attorney		X	
DECATUR, GA	Chief of Police	X		
DISTRICT OF COLUMBIA	Executive Director Alcoholic Beverage Regulations Commission		X	
DURHAM, NC	City Manager	X		
	City Manager	X	X	
	Police Chief		X	
	Public Works Director	X	X	
ESCAMBIA COUNTY, FL	Assistant County Administrator	X		

CLIENT	POSITION	AFRICAN AMERICAN	FEMALE	LATINO
ESCONDIDO, CA	Civic Center Construction Mgr		X	
EVANSTON, IL	City Manager		X	
FRESNO, CA (PIC)	Executive Director	X		
FORT LAUDERDALE, FL	Fire Chief	X		
FORT MYERS, FL	City Manager	X		
FRESNO, CA (PIC)	Executive Director	X		
GAINESVILLE, FL	Equal Employment Director	X		
GLASTONBURY, CT	Human Resources Director	X	X	
GREENBELT HOMES, INC. (MARYLAND)	Executive Director		X	
GREENSBORO, NC	Assistant City Manager	X		
HAMILTON COUNTY, OH	Jobs and Family Services Director		X	
HILLSBOROUGH COUNTY (FL) CHILDREN'S BOARD	Executive Director		X	
HOLLYWOOD, FL	City Manager	X		
JUPITER, FL	Assistant to the City Manager		X	
	Public Works Director		X	
KALAMAZOO, MI	City Manager		X	
	Assistant City Manager		X	
KANSAS CITY, MO	Water Services Director			X
LAKE COUNTY, FL	County Attorney		X	
LAKE COUNTY, IL	Purchasing Director		X	
	Human Resources Director	X		
	Assistant County Administrator		X	
LA PLATA COUNTY, CO	Human Services Director		X	
LEE COUNTY, FL	County Administrator		X	
	Human Resources Director	X		
	Dir, Visitors & Convention Bureau		X	
LINCOLN ROAD DEVELOPMENT CORP.	Executive Director		X	
LONG BEACH, CA	Police Chief	X		
	Executive Director, Civil Service Commission		X	
LOS ANGELES COUNTY REDEVELOPMENT AGENCY	Sr. Project Manager		X	
	Project Manager	X		
	Project Manager			X

CLIENT	POSITION	AFRICAN AMERICAN	FEMALE	LATINO
LOS ANGELES COUNTY (CA) HEALTH SYSTEMS AGENCY	Executive Director	X	X	
	Deputy Exec. Dir.			X
LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH	Public Health Director	X		
LOS ANGELES OLYMPICS ORGANIZING COMMITTEE	Human Resources Director	X	X	
	Director of Venues		X	
METROZOO (MIAMI FL)	Director of Marketing		X	
MEMPHIS (TN) HOUSING AUTHORITY	Executive Director	X		
MIAMI (FL) OFF-STREET PARKING SYSTEM	Finance Director			X
MIAMI VALLEY REGIONAL TRANSIT AUTH. (DAYTON, OH)	Executive Director	X	X	
MIRAMAR, FL	City Manager		X	
MONTEREY COUNTY, CA	Hospital Administrator	X		
NOAH DEVELOPMENT CORPORATION	Executive Director	X		
NORFOLK, VA	Human Resources Director	X		
	Senior Engineer		X	
	Social Services Director	X		
OCALA (FL) PUBLIC HOUSING AUTHORITY	Executive Director	X		
OBERLIN, OH	City Manager		X	
ORMOND BEACH, FL	City Manager	X		
OKLAHOMA CITY, OK	City Manager	X		
PALM BAY, FL	Human Resources Director		X	
PALM BEACH COUNTY, FL	Assistant County Administrator		X	
PALM BEACH COUNTY (FL) CHILDREN'S SERVICES BOARD	Executive Director		X	
PALM BEACH COUNTY (FL) HEALTH CARE DISTRICT	Executive Director		X	
PALM BEACH GARDENS, FL	City Manager (1992)		X	
	City Manager (1999)			X
PALO ALTO, CA	City Attorney		X	
PEORIA (IL) PUBLIC HOUSING AUTHORITY	Executive Director	X		
PRINCE WILLIAM COUNTY, VA	Fire Chief		X	
RICHMOND, CA	City Manager	X		

CLIENT	POSITION	AFRICAN AMERICAN	FEMALE	LATINO
RICHMOND, VA	Director of Public Health	X		
ROANOKE, VA	Police Chief	X		
	Economic Development Director		X	
	Assistant City Manager	X	X	
	Director of Human Services		X	
ROCKVILLE, MD	Assistant City Manager		X	
SACRAMENTO, CA	Human Resources Director	X	X	
SAGINAW, MI	Police Chief			X
SAN DIEGO, CA	City Manager	X		
SAN FRANCISCO, CA	Assistant City Administrator		X	
SAN JOSE, CA	Police Chief	X		
SANTA MONICA, CA	Deputy City Manager		X	
SARASOTA, FL	Human Resources Director	X		
SARASOTA COUNTY, FL	Deputy County Administrator	X		
SELMA, AL	Police Chief	X		
SHAKER HEIGHTS, OH	City Administrator		X	
SUNNYVALE, CA	Public Information Officer		X	
	City Clerk		X	
STRATFORD, CT	Human Resources Director		X	
TAKOMA PARK, MD	City Manager		X	
	Recreation Director	X	X	
	Housing and Community Development Director		X	
	Public Works Director	X		
THORNTON, CO	Public Information Officer		X	
TOPEKA, KS	City Manager	X		
VALDOSTA, GA	Assistant Public Works Director		X	
VENICE, FL	Police Chief		X	
VIRGINIA BEACH, VA	Human Resources Director	X		
VIRGINIA BEACH PARK TRUST (FL)	Executive Director	X		
VOLUSIA COUNTY, FL	County Manager		X	
WACO, TX	Deputy City Manager		X	
	Exec. Dir. - Support Services			X
	Assistant City Manager	X		
	Director of Facilities			X

CLIENT	POSITION	AFRICAN AMERICAN	FEMALE	LATINO
WAKE COUNTY, NC	Human Services Director			X
THE WEINGART CENTER (LOS ANGELES)	Executive Director		X	
WEST COVINA, CA	Planning Director	X	X	
WEST MIFFLIN, PA	Town Administrator		X	
WEST PALM BEACH, FL	Assistant City Administrator	X	X	
WICHITA, KS	Human Resources Dir	X	X	
	Community Services Dir	X	X	
	Communications Director		X	
	Director of Libraries		X	
	Housing and Development Director	X	X	
	City Manager	X		
YPSILANTI, MI	City Manager	X		
ZOOLOGICAL SOCIETY OF FLORIDA (DADE COUNTY)	Executive Director			X



City of Aurora, Colorado

Invites Qualified Candidates to Apply for

CITY MANAGER

ABOUT AURORA – Aurora, Colorado, part of the Aurora/Denver metropolitan area, is a city of 314,000 residents and is the third largest city in Colorado. Strategically located near the Denver International Airport, Aurora is home to many bioscience, aerospace, healthcare, and high technology employers including the Raytheon Company, Northrop Grumman, Lockheed Martin, and Boeing.

During the last several decades, Aurora has evolved from a bedroom suburb cast in the shadow of Denver into its own dynamic urban center that is the second largest community in the 3.5 million population metropolitan area. With an emphasis on smart growth, infill development, sustainability, and livable neighborhoods, Aurora's population has grown by 1.5 percent annually over the last 18 years. Only slightly more than half of Aurora's 154 square miles is currently developed so there is ample opportunity for Aurora to continue to grow.

The City of Aurora has won more than 100 awards in the last decade. Most noteworthy is that Aurora received the All-America City Award in 2008 for the Fitzsimons Campus development, an after-school program, and an immigrant integration project.

The City has received 7 ICMA awards in recent years for innovative programs in the areas of sustainability, community partnerships, public-private partnerships, citizen involvement, public safety, and services to the disadvantaged. Also, in 2008, Aurora was one of only 20 jurisdictions in the country to receive the ICMA Center for Performance Measurement Certificates of Achievement, Distinction, and Excellence for its performance measurement program. The City also was named the Top Digital City in America for cities of 250,000+ population in 2007 and 2008.

HISTORY

Incorporated in 1891, Aurora was originally named Fletcher by its founder, former Chicago resident Donald Fletcher. In 1907, the community changed its name to Aurora. Agriculture was the main industry in Aurora's early years.

In 1921 while Aurora still had less than 2,000 residents, the U.S. government selected Aurora as the site for Fitzsimons Army Hospital to treat the wounded—especially those affected by mustard gas and tuberculosis—during World War I. In 1938, the Lowry Air Force Base located partly in Aurora was built. In 1942, the Army Air Corps built Buckley Field, now named the Buckley Air Force Base. These bases enhanced Aurora's military presence and helped to spur Aurora's growth to a community of 50,000 residents by 1960.

Fueled by interstate highway construction and the desirable quality of life offered by the area, Aurora's population increased more than five-fold to 276,000 by 2000. However, the 1990's was not without its challenges as the Lowry Air Force Base and the Fitzsimons Army Hospital were closed by the federal government. The community responded to these challenges by converting Fitzsimons into a world-class medical campus and one of the largest bioscience parks in the country.

Additional information about Aurora is available at www.auroragov.org

The City is rigorous in its pursuit of excellence and professionalism in the delivery of its services as demonstrated by the following City departments that have met national accreditation standards:
Police—accredited by Commission on Accreditation for Law Enforcement Agencies;
Public Works—accredited by American Public Works Association (1 of only 3 in Colorado);
Fire—accredited by Commission of Fire Accreditation International; and
Building—accredited by International Accreditation Service (only one in Colorado).

HOUSING

In the 1980's, the City established a vision of creating new employment centers with high-paying jobs along with housing options desired by these employees. As a result, many new housing developments with higher-end detached single-family and condominium units have been created. One of these developments, Southshore, was named the Community of the Year in 2007 by the Home Builders Association of Metropolitan Denver.

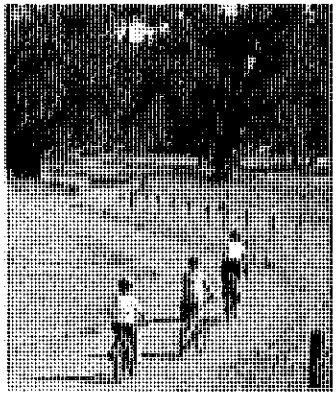
FITZSIMONS CAMPUS

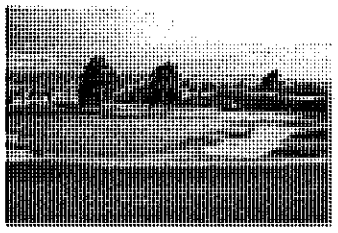
With the closing of the Fitzsimons Army Hospital by the federal government in 1995, Aurora partnered with the University of Colorado Health Sciences Center and the University of Colorado Medical School to create the Fitzsimons Redevelopment Authority. The result has been the establishment of the Fitzsimons Campus that in combination with the adjacent Anschutz Medical Campus has created a 578-acre site with 15,000 employees dedicated to bioscience, healthcare, medical education, and advanced research. This is the largest bioscience development in Colorado and one of the largest in the country.

There are still 184 acres at the Fitzsimons Campus yet to be developed. When completed, the total public and private investment in the Fitzsimons Campus will be $4.2 billion, and the Campus will be home to 30,000 employees. The Campus currently has two hospitals--University of Colorado Medical School and The Children's Hospital. In addition, a $98 million Veteran's Administration Hospital is currently being constructed and is projected to open in 2013.

LEISURE & CULTURE

Aurora's climate is mild and dry with more than 300 days of sunshine annually offering ample opportunity to participate in outside activities year-round. Residents and visitors to Aurora enjoy the scenic mile-high beauty of the eastern Colorado prairie with views of both Pike's Peak to the south and the Rocky Mountains to the west. The community has a multitude of recreational facilities including:





- Sports Park, a city-owned facility that has 23 full-sized soccer fields and 12 baseball/softball fields that host national and regional tournaments;
- Seven municipal golf courses ranging from traditional layouts to award-winning championship courses;
- More than 100 improved parks and over 50 miles of hiking and biking trails;
- Two indoor pools, five outdoor pools, and two City reservoirs that allow for swimming, fishing, and wind sailing;
- One full-service City recreation center, 3 community centers, and 3 neighborhood centers;
- A City skate park and dog park;
- The Morrison Nature Center situated on 200-acres of open space featuring classes and interactive exhibits; and
- The 1100-acre Plains Conservation Center featuring the flora and fauna of Colorado's eastern plains.

The community also has many cultural assets including the Aurora History Museum, Aurora Symphony Orchestra, Aurora Fox Arts Center, Aurora Singers, DeLaney Farm Historic District, and the East End Arts District.

TRANSPORTATION

Aurora is served by an extensive transportation network consisting of freeways and toll-roads, light rail, and buses. There is both an inner loop freeway system comprised of Interstates 70 and 225 and an outer-loop system consisting of the E-470 toll-road.

The Regional Transportation District provides commuter and light rail and bus service for the metropolitan area. Aurora currently has 2 light rail stations. Ten additional light rail stations are proposed to be built in Aurora including a commuter rail transfer station that will connect light rail to a future commuter rail line whose destination is the Denver International Airport.

NEIGHBORHOODS

Aurora has a diverse housing stock located in more than 450 neighborhoods, 382 of which are City-registered neighborhood associations. Tree-lined streets, open prairie, majestic views of the mountains, and many neighborhood parks make Aurora neighborhoods an ideal place to call home. Aurora's Neighborhood Services Department works in conjunction with neighborhood groups to maintain an attractive community appearance and enhance residents' quality of life.

EDUCATION

Most of the community is served by 2 public school districts—Aurora Public Schools and the Cherry Creek School District. Aurora Public Schools has been making improvements to every school building due to a voter-approved $225 million bond program. More than half of Aurora's students attend schools in the Cherry Creek District which is one of the top performing school districts in the country. There is also one other public school district that serves some Aurora students.

Aurora has the following 8 campuses of higher education: University of Colorado Medical School; Anthem College; Columbia College; Regis University; Platt College; Pickens Technical College; Concorde Career College; and Community College of Aurora.

THE CITY GOVERNMENT –

GOVERANCE AND ORGANIZATIONAL STRUCTURE

The City of Aurora has operated under the council-manager form of government since 1954. The City Council consists of a Mayor and 10 Council Members elected to 4-year overlapping terms. The Mayor and 4 Council Members are elected at-large, and the other 6 Council Members are elected by wards. Aurora is the 25th largest council-manager city in the country.

Aurora Municipal Center completed in 2003 houses the City's administrative offices

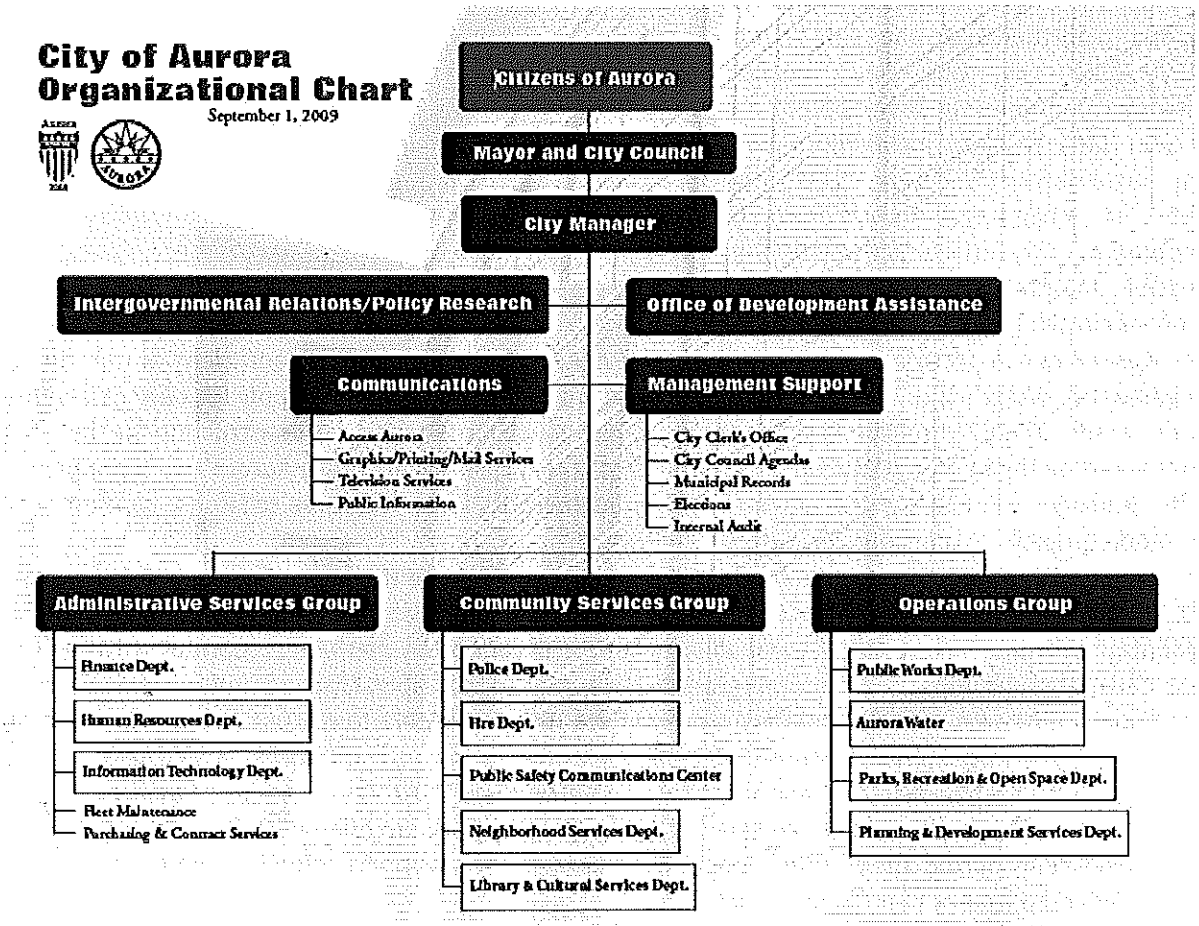
The City has a long history of its Mayors being actively involved in day-to-day representation of the City. In recognition of this, the Mayor's position was changed to full-time in 1993 by Aurora voters. The Mayor's duties which consist of chairing City Council meetings and voting to break ties on Council agenda items were not impacted as a result of the change to a full-time position.

The City Council appoints a Mayor Pro Tem annually for a one-year term. The Mayor Pro Tem serves as Mayor in his or her absence and also makes appointments to the 9 Council Committees that address various policy issues. Each Council Member chairs one Committee and serves on 3 Committees. Following is a list of the Council Committees: Community Partnership; Management and Finance; Neighborhood Services; Operations and Environmental Affairs; Planning, Economic Development and Redevelopment; Public and Intergovernmental Relations; Public Safety and Courts; Transportation and Airports; and Water.

The City Manager ensures that the policy direction set by the City Council is carried out and that City services are delivered equitably to all residents. The City Manager is responsible for recommending the budget to the City Council and for hiring and providing managerial leadership to City staff. The former City Manager recently retired after 13 years in the position. Including the former City Manager, the previous 2 City Managers served for a total of 20 years, both leaving voluntarily.

The City is a full-service operation with 2,676 FTE's. The City conducts collective bargaining with both Police and Fire unions.

In addition to the City Manager, the City Council appoints the City Attorney, Presiding Judge, and Court Administrator.



FINANCIAL ISSUES

The City has an annual budget of $615 million and a five-year Capital Improvement Program budget of $710 million. The City is sales tax dependent with sales taxes comprising 54 percent of General Fund revenues. Other major General Fund revenue sources include property taxes, use taxes, franchise fees, and the state highway users tax. There are 4 self-supporting enterprise funds—Water, Wastewater, Golf, and Development Review. The City operates on a January-December fiscal year.

Like most local governments, Aurora has experienced financial challenges in recent years. Sales tax collections are projected to increase by only 1.5 percent in 2010, and salary schedules for 2010 were increased by 1-3 percent. Approximately 50 employee layoffs have occurred recently largely as the result of voter disapproval of a ballot measure in November 2009 to fund libraries through a General Improvement District.

The City has a rather unique voter-approved requirement to maintain staffing of at least 2 sworn Police personnel per 1,000 population. Population projections are updated annually to ensure compliance with this requirement.

Aurora is one of the founding members of the Colorado Performance Measurement Consortium, a group of thirteen communities affiliated with the ICMA Center for Performance Measurement. The City makes use of performance measures to assist in monitoring its effectiveness and efficiency. Two noteworthy measures are the City's Insurance Services Office (ISO) fire insurance premiums Public Protection Classification rating of 2 and the City's bond ratings of Aa1 (general obligation) and Aa2 (water revenue).

ISSUES AND OPPORTUNITIES – The following is a summary of the issues and opportunities to be managed by Aurora's next City Manager.

- *Financial Management*—financial projections indicate that the City will likely be under continued financial pressure for several years. Like many other local governments, the City has a "structural budget deficit." The next City Manager is expected to lead a strategic review of alternatives to improve the City's financial condition including reorganization, productivity improvements, compensation policies, increasing the tax base through economic development, and new revenue opportunities.
- *Visioning*—the City Manager needs to be an active participant in visioning with all stakeholders to help Aurora implement its vision statement. The City has many opportunities to shape its future destiny such as attracting quality employment and housing development on infill and outlying land, annexation, and taking advantage of future light rail stations to encourage transit-oriented development. City officials correlate the successful implementation of its vision with enhancing its financial condition.

AURORA'S VISION STATEMENT

Aurora will be the best city in Colorado and an innovative leader in the region by:

- Creating great neighborhoods
- Emphasizing public safety and quality services
- Encouraging a high quality and high image economic environment
- Supporting recreational, cultural, educational and community activities for our citizens

- *Water Resources*—in Aurora as in most western cities, the acquisition of sufficient water rights and careful management of water resources are essential to ensuring an adequate water supply for current and future residents and businesses. The $750 million Prairie Waters project which has been under construction for the last five years will be completed by the end of 2010. This water reclamation project will increase Aurora's water supply by 20 percent. The City Manager will oversee the City's efforts to augment its water resource portfolio, consider additional water reclamation projects, and encourage water conservation.
- *Employee Relations*—the City has made a major commitment in recent years to foster a climate of positive, team-oriented employee relations. The Partnership of Aurora City Employees (PACE) is comprised of employee representatives from all departments and all levels of the organization that meets monthly with the City Manager to discuss current issues impacting the organization. In addition, the Labor-Management Committee consisting of city management and Police and Fire union representatives meets monthly to discuss non-bargaining matters. Finally, the City routinely recognizes exemplary employee contributions to the organization and community. City employees truly appreciate City management's efforts to initiate two-way communication. These efforts have improved employee loyalty and morale which is extremely valuable especially during these tough economic times. The next City Manager needs to continue this commitment to employee relations.

JOB REQUIREMENTS –

The minimum job requirements are: 1) Master's degree in public administration, business administration, or directly related field; and 2) at least 5 years progressively responsible administrative and managerial experience as a Deputy City Manager or City Manager in a medium to large full-service municipal government or comparable organization. An equivalent combination of experience, education, and training may be considered. The Mayor and City Council are open to considering applicants who do not have local government experience but have managed other types of large complex organizations.

Desired Professional and Personal Attributes

The following are the desired professional and personal attributes for Aurora's next City Manager:

- Strong, assertive, collaborative leader who is able to build consensus among full-time Mayor, City Council, Council-appointed officials, City staff, and community;
- Visionary who partners with Mayor, Council, and City staff on policy initiatives especially in the areas of economic development and water resources;
- Creative, innovative, and "thinks outside the box";
- Good financial management skills and sense of fiscal discipline with ability to develop more efficient ways of delivering City services;
- Ability to work with a highly qualified, cohesive, professional management staff in an effective manner without micro-managing them;
- Excellent human relations skills with ability to relate to and communicate effectively with all stakeholders;
- Situational leadership style an asset in dealing with wide variety of stakeholders and issues;
- Demonstrated philosophy and track-record of valuing City employees and fostering a positive employee relations culture;
- Ability to develop productive working relationships with labor unions;
- Politically astute while maintaining a professional perspective;
- Experience in a rapidly growing community and dealing with growth management issues desired;
- Marketing savvy with ability to promote and enhance Aurora's image;
- Experience working with bioscience, aerospace, high tech, and healthcare industries a plus;
- Knowledge of water rights and water resource/reclamation issues a plus; and
- Experience with succession planning programs a plus.

Compensation

The compensation for the City Manager job is highly competitive including a fringe benefit package with:

- a choice of excellent and comprehensive health, dental, vision, and life insurance plans;
- flexible spending accounts for health and dependent care expenses;
- choice of participation in City's defined benefit retirement plan with current employer and employee contributions of 5.5 percent each or participation in an executive money purchase plan with current employer and employee contributions of 10 percent each;
- a selection of deferred compensation plans (ICMA Retirement Corporation, Lincoln, and Nationwide);
- long-term disability insurance;
- an employee assistance program; and
- voluntary long-term care and universal life insurance programs.

The starting salary is dependent on the selected individual's qualifications and match with the desired attributes being sought by the City. The City will pay reasonable and customary moving expenses for the next City Manager who is required to live within the city limits.

To Apply:

In order to be considered for this position, please send your resume and cover letter with current salary by June 14, 2010 to pwconsulting@cox.net. For additional information about this job, please contact:

Paul Wenbert, Western Regional Manager
SLAVIN MANAGEMENT CONSULTANTS
3040 Holcomb Bridge Road, Suite A-1
Norcross, Georgia 30071

Phone: (480) 664-2676
Fax: (770) 416-0848
E-mail: pwconsulting@cox.net
On the web at: slavinweb.com

ANYTOWN, USA CITY MANAGER

SEMI-FINALISTS' QUALIFICATIONS MATRIX

NAME	CURRENT/ MOST RELEVANT POSITION	LARGEST # OF EMPL MANAGED	LARGEST BUDGET MANAGED	YEARS CM EXP	YEARS SUPV EXP	HIGHEST DEGREE	PROF CERTF	CUR-RENTLY EM-PLOYED	EVER TERM-INATED	SUED OR BEEN SUED	OTHER OFFERS LIKELY SOON	SELECTION CRITERIA RANKING (1-10)	CUR-RENT SALARY
[redacted]		9	$800 K	0	8	MS	CEDFP	Yes	No	No	No	6.4	$85 K
[redacted]		100	$37 M	7.5	7.5	MPA	No	Yes	No	No	No	7.2	$102 K
[redacted]		82+	$37 M	10+	24	BS	No	Yes	No	No	No	8.3	$118 K
[redacted]		225	$52 M	25	25	MA	ICMA-CM	No	Yes	No	Maybe	NA	$151 K[1]
[redacted]		203 +	$60 M	12.5	12.5	JD	ICMA-CM	Yes	No	No	No	7.7	$127 K
[redacted]		46	$22 M	0	21	MA	AICP	Yes	No	No	No	5.5	$116 K
[redacted]		240	$100+ M	11	34	MPA	No	Yes	No	No	No	8.3	$126 K
[redacted]		10	$55 M	0	17	MPA	No	Yes	No	No	No	6.8	$60 K
[redacted]		2,200	$400+ M	6+	27	MPA	Yes	Yes	Yes	No	Unlikely	7.9	$112 K[1]
[redacted]		220	$55 M	6.5	30	MPA	No	Yes	No	Yes	Maybe	7.4	$98 K
[redacted]		85	$20 M	3.5	7	MPA	No	Yes	No	No	No	7.3	$104 K
[redacted]		65	$45 M	25	25	MPA	ICMA-CM	No	No	No	Maybe	7.4	$121K[1]

[1]Not presently employed full-time; this is salary at candidate's most recent position.

ANYTOWN, USA CITY MANAGER

CANDIDATE A

SUMMARY OF FIT WITH KEY SELECTION CRITERIA

	NAME	RANKING (10=HIGHEST, 1=LOWEST)
1	Generalist CM/ACM experience (15%)	9
2	Economic development track record (15%)	7
3	Aggressive, calculated risk-taker (15%)	7
4	Managed high growth communities (10%)	10
5	Intergovernmental relations experience (10%)	7
6	Financial management skills (7.5%)	7
7	Communication style--poise and sense of presence (10%)	8
8	Staff accountability system (10%)	8
9	Employee relations philosophy (7.5%)	9
	AVERAGE RANKING	7.9

2. Please see [redacted] response to Supplemental Question #4.

3. While In [redacted] he developed the first formal financial policies for the City which required that he obtain financial concessions from the City's unions. He was able to obtain these concessions even though the local economy was robust at the time. Also, while in [redacted], he took the initiative to resolve a major conflict between City staff and the development community. City policy was that developers had to construct storm sewers to handle storm water runoff. Many developers wanted the City's regulations to be amended to allow for a mix of storm sewer lines and on-site retention. After researching this issue [redacted] decided to amend the regulations to allow for a combination of storm sewer lines and on-site retention and indicated that he believes this change was good public policy.

4. In the nearly nine years he was in [redacted] the population grew from approximately 114,000 to 221,000.

5. Please see his response to Supplemental Question #5.

6. Please see his response to Supplemental Question #6.

7. While somewhat soft-spoken he speaks with poise and a quiet confidence that comes with his many years of experience.

8. His system of accountability includes hiring good employees, providing them with good guidance, establishing clear expectations and

performance measures, and checking in with them periodically on the status of their projects as necessary depending on the individual.

9. His style is to be visible and available to all employees and to get to know them. When he worked in [redacted], he knew the names of all City employees and oftentimes information about their families.

ANYTOWN, USA CITY MANAGER
SUPPLEMENTAL QUESTIONNAIRE

Please limit your responses to no more than 5 pages with a minimum font size of 11.

Name:

Home Address:

Home/Work/Cell phone numbers:

E-mail address:

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1. What is the largest number of employees you have managed and where?
2. What are the largest operating and capital budgets you have managed and where?
3. Why are you interested in becoming Anytown's next City Manager, and how does this job fit your overall career goals? If selected for this position, how long would you anticipate remaining in this position?
4. Please describe your leadership style?
5. Please describe any successes you have had in economic development and specifically indicate your role in these successes. Also, what is the economic health of any businesses or other entities that you brought into or expanded in your community?
6. Please describe your experience in building relationships with other area local governments to advocate for your local government's interests while maintaining a regional perspective.
7. What are some specific strategies you have implemented to maintain or improve your jurisdiction's financial condition?
8. Do you have any unusual personal consideration(s) that would need to be resolved before you could accept this position? If so, please explain.
9. Is the resume you submitted accurate and current? If not, please explain any discrepancies.
10. Are you currently employed?
11. Have you ever been fired or resigned under pressure from a job? If so, please explain.
12. Have you ever sued an employer or been sued by an employer or employee? If so, please explain.
13. What is your present or most recent salary?

Inside today

Kindergarten registration in Johnston is the first look for new parents. **Page 7**

JOHNSTON, GRIMES, DALLAS CENTER AND

URBANDALE REGISTER

Coming Tuesday

Read about the going-away reception for Urbandale City Manager Robert Layton.

DesMoinesRegister.com/Urbandale | The Des Moines Register | Friday, January 16, 2009

Firm chosen to search for new manager

Firm that lured away Layton hired to find candidates to replace him

By TOM BARTON
tbarton@dmreg.com

The same executive search firm that recruited departing City Manager Robert Layton away from Urbandale will be hired to find his replacement.

The Urbandale City Council at its meeting Tuesday voted unanimously to select Slavin Management Consultants of Mesa, Ariz., to coordinate the recruitment of a new city manager.

The search firm recently finished contract negotiations with Layton for the city manager position in Wichita, Kan. Layton is expected to start in Wichita on Feb. 2.

City leaders said they decided to side with a firm that has a proven track record of aggressively recruiting skilled candidates, including those such as Layton who are not actively looking for a job.

"In an ironic twist, it gives them credibility," Mayor Bob Andeweg said. "They were pretty aggressive in searching for Bob and I want that same result."

Layton, 53, has served as Urbandale's city manager since 1984. Urbandale officials said they hope to select a new manager by the end of April. Slavin estimates the search will take 90 days.

Five search firms were considered for the job. The Brimeyer Group of Hopkins, Minn., had the lowest offer at $19,853. Slavin's offer was $22,816, which the council accepted. The costs do not include expenses for final candidate interviews, such as hotel rooms and meals. In total, the city estimates it will spend $30,000.

Slavin also will redo the search if the candidate leaves within the first two years.

The other three firms considered were The Mercer Group Inc. of Galesburg, Ill.; The Par Group of Lake Bluff, Ill.; and Waters-Oldani Consulting Group Inc. of Dallas, Texas.

All have extensive experience recruiting city managers, administrators or department directors for cities in the metro and across Iowa.

The Brimeyer Group, the Mercer Group and the Par Group have worked with Urbandale in the past. The Brimeyer Group was

COUNCIL, PAGE 4

[illegible]

hi[illegible] past two years to as[illegible] city in drafting its [illegible]n. The Mercer [illegible] search for [illegible] of the West-[illegible] Center in [illegible] Moines, which [illegible] Urbandale and [illegible]

[illegible] helped in of engineering and public works, Dave McKay.

Paul Wenbert, western regional manager of Slavin, will lead Urbandale's search. Wenbert served as assistant city manager in Ames and city manager in Newton. He also served as president of the Iowa City/County Management Association.

"He has a unique Iowa perspective that will be important," Andeweg said.

sion Tuesday whether a special meeting to lay out the search process should be closed to the public.

"I would be hesitant to have a (closed meeting) on the process. I think people need to know how we will proceed," said Councilman Ron Pogge.

The council is expected to name an interim city manager — likely Assistant City Manager Su Zanna K. Prophet — at its next

AGENDA NO: D-1
MEETING DATE: February 25, 2014

Staff Report

TO: **Mayor and City Council** **DATE: February 19, 2014**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**

SUBJECT: **Water Reclamation Facility (WRF) Project Status Including: Constraints Analysis, Schedule, Project Management, (Technical) Advisory Committee and the California Men's Colony Option**

RECOMMENDATION

Staff recommends the City Council review this information and adopt Resolution 17-14 prescribing a five year time-line for the construction of a new Water Reclamation Facility.

ALTERNATIVES

Continue this item and provide direction to staff regarding the proposed accelerated timeline.

FISCAL IMPACT

By shortening the time-line to construct the WRF, the project will incur costs in parallel as opposed to series, in other words some of the work that might normally be planned for sequentially, may need to be performed simultaneously to meet the project schedule. This will require the project to incur a higher cash flow early in the project than it might if the project were to proceed in an extended timeline. Staff believes that there could be an overall savings by accelerating the project due to the time value of money and by ceasing operation at the existing wastewater treatment plant sooner. It is premature to quantify these amounts, but they will be required to be quantified prior to any sewer rate analyses.

BACKGROUND

On December 10, 2013 City Council reviewed the Second Draft Options for a New Water Reclamation Facility prepared by the Rickenbach Team. After considering all public input on the project, as well as testimony raised at previous workshops and City Council meetings, the City Council took the following action with respect to the project:

1. It affirmed the project goals stated in the Second Public Draft Options Report, modified to include an additional goal to assure neighborhood compatibility. Thus, the revised and adopted project goals are as follows:

Prepared By: __RL____	**Dept Review:_____**
City Manager Review: __ ___	
City Attorney Review: _____	

- *Produce tertiary, disinfected wastewater in accordance with Title 22 requirements for unrestricted urban irrigation*
- *Design to be able to produce reclaimed wastewater for potential users, which could include public and private landscape areas, agriculture, or groundwater recharge; a master reclamation plan should include a construction schedule and for bringing on reclaimed water customers in a cost effective manner*
- *Allow for onsite composting*
- *Design for energy recovery*
- *Design to treat contaminants of emerging concern in the future*
- *Design to allow for other possible municipal functions*
- *Ensure compatibility with neighboring land uses*

2. With respect to site selection, the City Council chose three sites for possible development of a new WRF, in the following order of priority:

    - Morro Valley (Site B)
    - Chorro Valley (Site C)
    - Giannini Property (Site G)

The City Council directed staff to begin due diligence efforts toward the pursuit of a new WRF at any one of these sites, with the preference being one of the properties in the Morro Valley (Site B). This would include beginning discussions and negotiations with property owners, examining the feasibility of preliminary designs on these sites, and a variety of other related due diligence steps including environmental and permitting constraints.

3. The City Council directed staff to simultaneously work with other potential partner agencies to examine the feasibility of a regional facility at the CMC site (Site D) that could serve the needs of both Morro Bay and these partner agencies. Depending on the outcome of this investigation, the City could choose to either pursue a regional facility at Site D, or continue its efforts at building a facility at one of its three preferred locations identified above.

4. The Council directed City staff to report back to the City Council in 60 days on the following topics:

    - Progress on due diligence efforts for the top three preferred sites;
    - Progress on discussions with possible users of reclaimed water;
    - Progress on discussions with potential partnering agencies for a regional facility at the CMC site;
    - Project schedule;
    - Project management concept; and
    - Possible Technical Advisory Committee structure

Now that the City Council has confirmed the project goals and decided which sites to pursue, this begins a process that includes site acquisition, selection of a facility design consultant,

environmental review, permitting, and other steps. The appropriate technologies to use will be a function of how potential designers respond to the City's call for proposals to address stated City goals. It is not appropriate to establish those technologies that must be used—that should be left to the creative processes of the bidding engineering firms.

If, as the result of the investigation with possible partner agencies to determine the feasibility of pursuing a regional facility at the CMC site, the City Council determines that the City would be better served constructing and operating its own facility (or in a partnership with other agencies such as Cayucos), it would then simply continue to pursue one of its chosen sites as examined in this report.

DISCUSSION

Constraints Analysis including the CMC Option

The critical path items on due diligence include determining specific site suitability for the construction of a new WRF, the availability of property and the suitability of the sites in support of the major project goal of providing reclaimed water to offset potable water use.

Staff has begun this work effort by making contact with property owners, making site visits and reviewing existing documents. Realistically, in order for progress to be made in the winnowing down of sites will require outside consultant assistance to supplement the work of existing City staff; to that end staff has issued an addendum to the Rickenbach/Nunley team contract to provide that additional support.

City staff, in conjunction with CSD staff, has met with County and Regional Water Quality Control Board staff to discuss the advantages and disadvantages of a regional facility at the CMC site. The discussions centered on the potential to enhance the stream flows in Chorro Creek for a water supply benefit along with the benefit of having one larger facility to regulate. Some of the potential disadvantages include the increased pumping and associated greenhouse gases, potential for upset and the perception of limited uses for reclaimed water in the Chorro Valley.

The issue of Direct Potable Reuse (DPR) of reclaimed water was also discussed. Given that the Governor signed into law Senate Bill 918 in September 2010, mandating that the California Department of Public Health investigate the feasibility of developing regulatory criteria for DPR and to provide a final report on that investigation to the Legislature by the end of 2016. The rules for DPR look like they could be in effect in the same timeframe as the WRF. DPR opens up a completely new way of thinking about reclaimed water and eliminates the need for a separate purple pipe distribution system. The following schematic from "Direct Potable Reuse-A Path Forward", WateRuse Research, 2011; shows one possible method for DPR:

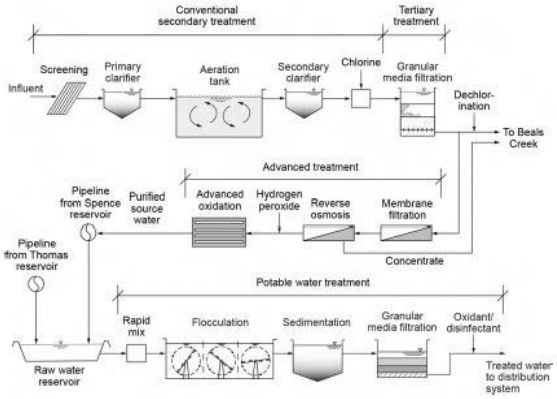


Figure 3-8
Schematic of Big Springs, TX treatment process flow diagram
(Adapted from Sloan et al., 2009).

In order to answer the reclaimed water question, the following items need to be addressed --are there potential users, where are they, and what are they willing to pay. A direct example of the demand for supplemental water in the Morro Valley is the request that City Council has received from the representatives of the Morro Creek Ranch for approximately 345 acre-feet/year of water for the irrigation of 227 acres of avocado trees.

Schedule

As previously discussed with City Council, staff opines that the construction for a new WRF could be accomplished between seven to ten years; of course this requires the City and Cayucos Sanitary District to maintain and operate the existing Wastewater Treatment Plant for that period. In addition to the normal operating costs, the existing plant is facing major maintenance and repairs due to the deferral on maintenance during the pursuit of the now defunct reconstruction project. In order to minimize the ongoing maintenance and repair costs it behooves the City to accelerate the schedule for the project. Accelerating the project will require a substantial increase in the work effort and will require the hiring of a dedicated project management team. In order to give staff clear direction regarding Council's desire to accelerate, staff has prepared Resolution 17-14. This Resolution declares the desire of Council to have a reclamation ready facility within five years, commits the necessary resources, and prescribes reporting frequency to ensure that the project remains on schedule and the public is informed.

City and CSD staff has met to discuss the potential of accelerating the schedule to complete a reclamation ready facility within five years. In order to accomplish the five year goal, the following major items need to be accomplished as indicated; this is not a detailed list of all of the tasks that are required, only major milestones:

Task Item	**Complete By:**
Reduce the Number of sites to one to compare to the CMC Option	April 2014
Final Site Selection	August 2014
Finalize Facilities Master Plan	December 2015
Finalize Environmental Document	August 2016

Complete Permitting Process	December 2016
Finalize Design, if design build process is used only 30% design is required	August 2017
Complete Construction and Startup	February 25, 2019

Project Management
As discussed in the preceding sections, in order to proceed with the project in the most expeditious manner, the project will require a project manager. At this point in the project, the effort is more in the realm of planning with engineering support required; to that end, staff has entered into a contract amendment with the John Rickenbach/Michael Nunley team. This additional work will include project management, with the following tasks identified:

- Develop Work Plan and Project Schedule
- Preliminary Due Diligence Efforts on Three Preferred Sites
- Investigate Reclamation Potential
- Investigate Possible Regional Facility at the CMC Site
- City Council Presentations
- Meetings with City Staff (ongoing throughout process)
- Additional Planning and Engineering Services (as needed)

Advisory Committee
The addition of some form of community or technical advisory committee will be a valuable addition to the project, especially if the Council embarks down the path of a compressed project schedule. This committee will act as a sounding board for different issues and can provide additional liaison between the project and the public in general. The timing for the formation for such a committee could coincide with the delivery of the next major milestone for the project so that they could review that analysis.

CONCLUSION
Staff recommends the City Council review this informational information and adopt Resolution 17-14 prescribing a five year time-line for the construction of a new Water Reclamation Facility.

ATTACHMENTS
1. Letter to City Council dated January 20, 2014 requesting water for Morro Creek Ranch
2. Follow up letter to City Council dated February 4, 2014 requesting water for Morro Creek Ranch

RESOLUTION NO. 17-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, AUTHORIZING AND DIRECTING A FIVE YEAR TIME SCHEDULE FOR THE DEVELOPMENT, DESIGN, PERMITTING AND CONSTRUCTION OF A NEW WATER RECLAMATION FACILITY SERVING MORRO BAY

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, the City of Morro Bay has an existing Wastewater Treatment Plant that requires replacement; and

WHEREAS, it has been determined to be in the best interest of Morro Bay to construct a new Water Reclamation Facility that complies with the California Coastal Commissions actions on January 8, 2013; and

WHEREAS, it is in the best financial interest of the community to minimize the major maintenance and repair costs at the existing wastewater treatment plant; and

WHEREAS, the Central Coast Regional Water Quality Control Board can issue a secondary discharge permit with interim effluent limitations for the existing wastewater treatment plant for a period not exceeding five years.

NOW, THEREFORE, BE IT RESOLVED, that the City Council, City of Morro Bay, California, does hereby commit to have a new Water Reclamation Facility operational prior to the expiration of the discharge permit for the existing wastewater treatment plant, being five years more or less, and

BE IT FURTHER RESOLVED, that the Public Services Director is authorized and directed to procure and execute any contracts for required consultant services; up to the limits specified in the *City of Morro Bay Policy and Procedure for Hiring Consultants* which states that if the cost for said consultant services exceeds $175,000; then said agreement shall be approved by the City Council.

PASSED, APPROVED, AND ADOPTED, by the City of Morro Bay City Council, at a regular meeting held on this 25th day of February, 2014 by the following vote:

AYES:
NOES:
ABSENT:

_____
Jamie L. Irons, Mayor

ATTEST:

_____
Jamie Boucher, City Clerk

ATTACHMENT 1

FRED H. SCHOTT & ASSOCIATES
CIVIL AND STRUCTURAL ENGINEERING

RECEIVED
City of Morro Bay
JAN 24 2014
Administration

January 20, 1014

Member of Morro Bay City Council
595 Harbor Street
Morro Bay, CA 93442

Subject: This letter is written on behalf of the Morro Creek Ranch requesting purchase of approximately 340 acre/ft. per year of blended California State Water with Morro Bay R/O Desal water suitable for irrigating 227 acres of avocado trees (27,000 trees) planted on the 348 acre Morro Creek Ranch.

Note: The suitability of this sale accommodation is specific to avocados within these chemical parameters:

- The chloride level be 110 mg/L or less
- The sodium level be less than 60% of Cations
- The TDS, by summation, be less than 1000 mg/L

As indicated by Rob Livick and Dylan Wade of the City of Morro Bay Public Service Department, the closest delivery of the water would be at the nearest metered hydrant located on West Atascadero Road/Hwy 41.

Morro Creek Ranch will hold the City of Morro Bay harmless and will assume all contingent liabilities in all matters of water application to our avocado trees and all motorized transport or pipeline from the aforementioned hydrant and the off-loading facilities at Morro Creek Ranch.

For this accommodation, the sale price of water to irrigate our avocado trees must incorporate a reasonable profit to the City of Morro Bay as the Ranch would anticipate a profit from the sale of its avocados. The City of Morro Bay should see this transaction as a "Win-Win" strategy between the City of Morro Bay and the adjoining agricultural and farming interests.

Consider, besides the synergy of these 27,000 healthy Hass avocado trees inhaling the carbon dioxide produced by the City and these same 27,000 healthy Hass avocado trees exhaling pure oxygen!!! (All for free!!!) The avocado has no dormant season so that would go on 365 days of the year.

We have spoken to Steve Mac Elvaine with the Rancho Colina Mutual Water Company regarding supplemental water for his recreational vehicle park. They would be interested in joining our efforts to obtain supplemental water from the City.

200 Suburban Road, Suite A, San Luis Obispo, CA 93401
Phone: (805) 544-1216 Fax: (805) 544-2004 Santa Maria: (805) 925-3433

FRED H. SCHOTT & ASSOCIATES
CIVIL AND STRUCTURAL ENGINEERING

We understand that the estimated cost of water from the desalination plant is in the order of $1200/AF. We expect that the City may choose to change our supply to a reclaimed water supply once the new treatment plant is constructed but we understand that the expected time of completion is 8-10 years. In the meantime, we would expect that water from the desalination plant would provide the water we need.

We sincerely hope that the City looks favorably at this request. We would be happy to sit down with you to work out the details for an agreement.

Sincerely Yours,

Fred H. Schott

Fred H. Schott, S.E., P.E., SECB

cc: William Pierpoint
Bob Staller
Steve Mac Elvaine

200 Suburban Road, Suite A, San Luis Obispo, CA 93401
Phone: (805) 544-1216 Fax: (805) 544-2004 Santa Maria: (805) 925-3433

ATTACHMENT 2

FRED H. SCHOTT & ASSOCIATES
CIVIL AND STRUCTURAL ENGINEERING

RECEIVED
City of Morro Bay
FEB - 5 2014
Administration

February 4, 1014

Member of Morro Bay City Council
595 Harbor Street
Morro Bay, CA 93442

Subject: Request from Morro Creek Ranch to purchase water from the City. Reference is made to our letter to you dated Jan 20, 2014.

Dear Council Persons:

We understand that our letter was discussed at your last council meeting and our request was denied. We hope that you will reconsider that decision based upon the following facts.

1. Your de-salinization plant is not being used at this time. It is idle and only used as a backup in case of emergency.

2. The water supply to the desal plant is basically the ocean and the likelihood of that supply being cut off is so remote that it should not be considered further.

3. The reason that the desal plant is not used on a regular basis is that water from the plant costs far more than the other sources of water that the City uses.

4. The Morro Creek Ranch has 100 acre feet of storage ponds on their property which provide approximately a two month supply of irrigation water. Consequently, it is not necessary that a supplemental supply of water be continuous or uninterrupted.

5. The City of Morro Bay has invested a substantial amount of money in the de-salinization plant and is not getting any return on that investment except as a standby source of water.

6. It appears to us that the City could make a substantial profit by activating the plant and selling the water with the provision that the City could take any part or even all of the water from the plant if they need it to meet their supply obligations.

7. We understand that the possible sale of water by the City at a time when the City is actively trying to conserve water is unattractive from a political standpoint. However, it should be equally difficult to justify not using an unused existing water source for a profit to the City when the basic source of that water is unlimited.

200 Suburban Road, Suite A, San Luis Obispo, CA 93401
Phone: (805) 544-1216 Fax: (805) 544-2004 Santa Maria: (805) 925-3433

FRED H. SCHOTT & ASSOCIATES
CIVIL AND STRUCTURAL ENGINEERING

We hope that the City will reconsider their decision to deny any use of the water from the desal plant to save agriculture. We recommend that you direct staff to address the issue and provide a proper analysis of the issues.

Sincerely Yours,

Fred H. Schott

Fred H. Schott, S.E., P.E., SECB

cc: William Pierpoint
Bob Staller
Steve Mac Elvaine

200 Suburban Road, Suite A, San Luis Obispo, CA 93401
Phone: (805) 544-1216 Fax: (805) 544-2004 Santa Maria: (805) 925-3433

AGENDA NO:	**D-2**
MEETING DATE:	**02/25/14**

Staff Report

TO: **Mayor and City Council** **DATE:** **February 14, 2014**

FROM: **Susan Slayton, Administrative Services Director**

SUBJECT: **Discussion and Potential Action on the Chamber of Commerce Economic and Business Development Contract**

RECOMMENDATION
Staff is recommending that the City Council discuss this item and direct staff accordingly.

ALTERNATIVES
There are no alternatives available as this is a discussion item that may result in unknown actions.

FISCAL IMPACT
The remaining balance on the agreement is $24,343.75; the February invoice has been presented, and when paid, would lower the balance owed on the agreement to $19,475.

SUMMARY:
City Council has asked that this item be presented tonight for discussion on the continuation of the Chamber of Commerce Economic and Business Development contract, which expired on June 30, 2013, and was inadvertently not renewed. The City Council will discuss this item and direct staff accordingly.

BACKGROUND
On August 28, 2012, the City Manager brought an agenda item to the City Council, recommending the lease of the former Fire Station modular, located at 695 Harbor Street, to the Morro Bay Chamber of Commerce. Council approved the concept of the lease agreement, but final approval was contingent upon the approval of the Chamber's Economic Development Program.

At the September 11, 2012, Chamber of Commerce Executive Craig Schmidt made his presentation to the Council. He stressed that with the Chamber's Economic and Business Development Plan, the Chamber would be able to provide for the retention and expansion of businesses, recruitment of businesses, and entrepreneurial development. To measure impacts, the Chamber would provide a monthly business barometer, which would track vacancies, new businesses in town, TOT receipts, employment numbers, sales tax and businesses served with exit survey results.

Prepared by: ___SS_____	Dept Review: _____
City Manager Review: _____	
City Attorney Review: _____	

Mr. Schmidt also discussed the use of the Fire Department modular building, stating that it would provide the partner space needed to fully develop the economic development proposal, as well as ensure the space necessary for the business incubator program. The Council was in support of this program, and directed staff to bring back an agreement for the economic development proposal to include measurable milestones/benchmarks.

At the October 9, 2012 City Council meeting, the Economic Development Program was brought back to Council. The item presented to Council was titled: **Discussion and Approval of the Agreement with the Morro Bay Chamber of Commerce to Provide Certain Economic Services in Exchange for $58,250 and a Lease Agreement with the Chamber for Property located at 695 Harbor Street**. The City Attorney informed Council that based on the funding agreement, the Council had control each year, and if at any time the program wasn't performing to Council's satisfaction as an economic development engine, then the contract could be terminated or renegotiated. The agreement was approved by a unanimous vote of the Council.

DISCUSSION

In January 2014, staff discovered that the Economic and Business Development Agreement with the Morro Bay Chamber of Commerce had expired, and the agreement had inadvertently not been renewed. Finance, with the adoption of the 2013/14 approved budget, continued to pay the Chamber, unaware that the contract had expired. To date, the City has paid the Chamber $34,081.25 of the approved $58,425 allocation. The February 2014 invoice for $4,868.75 has been received.

Staff is asking that the City Council discuss this Agreement and provide direction regarding future payments and the contract agreement.

AGENDA NO: D-3

MEETING DATE: February 25, 2014

Staff Report

TO: **Mayor and City Council** **DATE: February 19, 2014**

FROM: **Barry Rands, PE – Associate Engineer**

SUBJECT: **Storm Water Management Guidance Manual for Low Impact Development & Post-Construction Requirements**

RECOMMENDATION

That the City Council receive a presentation of the Stormwater Management Guidance Manual for Low Impact Development & Post-Construction Requirements and inform the public of the March 6, 2014 effective date.

ALTERNATIVE

As this is a presentation, no alternatives have been considered. Failure to implement these requirements can result in fines up to $10,000 per day.

FISCAL IMPACT

Other than additional staff responsibilities in monitoring and reporting compliance, there is no fiscal impact to the City.

SUMMARY

The Stormwater Guidance Manual is intended to assist developers in understanding and complying with stormwater management requirements recently adopted through the General Stormwater Permit by the Regional Water Quality Control Board.

BACKGROUND

In July of 2013 the Regional Water Quality Control Board adopted post-construction stormwater control requirements for certain types of new and redevelopment projects. These requirements go into effect March 6, 2014. The requirements can become technically complex for large projects. Therefore, City staff has drafted two Guidance Manuals to assist developers in understanding and complying with these new requirements. An abbreviated, "EZ Manual" covers only what is required for the vast majority of projects typical to Morro Bay: construction or replacement of single-family residences. The complete Guidance Manual provides the remaining technical details required for more complex developments such as multi-family and commercial projects. The Guidance Manuals are supplemental amendments to the City Engineering Standards and replace the July 2011 supplement that contained interim stormwater management

Prepared By: BCR Dept Review: RL

City Manager Review: _____

City Attorney Review: _____

regulations pending the adoption of these requirements.

DISCUSSION

Developers should already be familiar with stormwater control requirements intended to protect water quality during and after construction. These requirements apply to new or replaced impervious surfaces such as parking lots, sidewalks and roofs that generate stormwater runoff that damage downstream rivers, lakes and streams. These impervious surfaces also reduce the amount of rainwater that can soak into the ground and replenish our groundwater supplies. The new post-construction requirements are intended to reduce the long-term water quality impacts associated with development through site design and structural stormwater control measures.

These requirements affect any development or redevelopment that creates or replaces over 2,500 square feet of impervious surface. The requirements increase with increasing project size. The minimum requirements include various aspects of site planning to preserve pervious surfaces and reduce runoff, while larger projects will require progressively more comprehensive stormwater management measures including runoff filtration, retention, infiltration, and detention.

As Section 14.48.140 of the Municipal Code already states that stormwater management shall be governed by the Engineering Standards, no Code adoption or resolution is required.

CONCLUSION

After hearing the presentation of the Guidance Manual, inform the public that these new requirements shall become effective on March 6, 2014.

ATTACHMENTS

1. DRAFT Stormwater Management Guidance Manual for Low Impact Development & Post-Construction Requirements (Main Manual)

2. DRAFT Stormwater Management Guidance Manual for Low Impact Development & Post-Construction Requirements (EZ Manual)

STORM WATER MANAGEMENT GUIDANCE MANUAL FOR LOW IMPACT DEVELOPMENT & POST-CONSTRUCTION REQUIREMENTS

EZ MANUAL

March 6, 2014

This Guidance Manual is a supplement to the City of Morro Bay Department of Public Services Standard Drawings and Specifications

City of Morro Bay, California

APPROVED: _____

Rob Livick, PE/PLS, Director of Public Services/City Engineer Date

Introduction

Post-Construction Stormwater Management Performance Requirements

The primary objective of these Post-Construction Stormwater Management Performance Requirements is to minimize the downstream impact of increased stormwater runoff that often occurs as the result of development or redevelopment projects. The Post-Construction Requirements emphasize protecting and, where degraded, restoring key watershed processes to create and sustain healthy watersheds. Maintenance and restoration of watershed processes is necessary to protect water quality and beneficial uses.

The intention of this Guidance Manual is to provide developers a tool to both determine the specific requirements for a given project and to plan and design the project so that those requirements are met as efficiently as possible.

This manual can be used for individual single-family residence projects (Net Impervious Area <15,000 SF) here in Morro Bay; if your project doesn't fit into this category then the Main Manual shall be used.

Definitions Related to Post-Construction Requirements

Discretionary Approval – A project approval which requires the exercise of judgment or deliberation when the MS4 decides to approve or disapprove a particular activity, as distinguished from situations where the MS4 merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations.

Dispersion – The practice of routing stormwater runoff from impervious areas, such as rooftops, walkways, and patios, onto the surface of adjacent pervious areas. Stormwater runoff is dispersed via splash block, dispersion trench, or sheet flow and soaks into the ground as it moves slowly across the surface of the pervious area.

Evapotranspiration (ET) – The loss of water to the atmosphere by the combined processes of evaporation (from soil and plant surfaces) and transpiration (from plant tissues).

Gross Impervious Area – Impervious surfaces that are created or replaced by the project. Manufactured permeable surfaces (pervious paving, gapped paving stones, etc.) may be considered as a pervious surface and are considered on a case by case basis. If sidewalks or new pavement in the City right of way is planned or required by code, these surfaces shall also be included in the total. Do not include the surface area of decks with gaps that allow runoff to drain to permeable surfaces below. Gross Impervious Area is used in the initial determination of performance requirements.

Impervious Surface – A hard, non-vegetated surface area that prevents or significantly limits the entry of water into the soil mantle, as would occur under natural conditions prior to development. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, oiled, macadam or other surfaces which similarly impede the natural infiltration of stormwater. Open, uncovered retention/detention facilities shall not be considered as impervious surfaces for purposes of determining whether the thresholds for application of Performance Requirements are exceeded. However, for modeling purposes, open, uncovered facilities that retain/detain water (e.g., retention ponds, pools) shall be considered impervious surfaces. There are three methods of calculating impervious surface area, depending on the context of the calculation. For more details, see ***Net Impervious Area, Gross Impervious Area, and Equivalent Impervious Area*** definitions.

Landscaped Areas – Areas of soil and vegetation not including any impervious surfaces of ancillary features such as impervious patios, BBQ areas, and pools.

Low Impact Development (LID) – A stormwater and land use management strategy that strives to mimic pre-disturbance hydrologic processes of infiltration, filtration, storage, evaporation, and transpiration by emphasizing conservation, use of on-site natural features, site planning, and distributed stormwater management practices that are integrated into a project design.

Ministerial Approval – A project approval which involves little or no personal judgment by the MS4 as to the wisdom or manner of carrying out the project and only involves the use of fixed standards or objective measurements.

Native Vegetation – Vegetation comprised of plant species indigenous to the Central Coast Region and which reasonably could have been expected to naturally occur on the site.

Net Impervious Area – The sum of new and replaced post-project impervious areas, minus any reduction in total imperviousness from the pre-project to post-project condition: *Net Impervious Area = (New and Replaced Impervious Area) – (Reduced Impervious Area Credit),* where *Reduced Impervious Area Credit* is the total pre-project to post-project reduction in impervious area, if any.

New Development – Land disturbing activities that include the construction or installation of buildings, roads, driveways and other impervious surfaces. Development projects with pre-existing impervious surfaces are not considered New Development.

Permeable or Pervious Surface – A surface that allows varying amounts of stormwater to infiltrate into the ground. Examples include pasture, native vegetation areas, landscape areas, and permeable pavements designed to infiltrate.

Pre-Project – Stormwater runoff conditions that exist onsite immediately before development activities occur. This definition is not intended to be interpreted as that period before any human-induced land activities occurred. This definition pertains to redevelopment as well as initial development.

Project Site – The area defined by the legal boundaries of a parcel or parcels of land within which the new development or redevelopment takes place and is subject to these Post-Construction Stormwater Management Requirements.

Rainwater Harvest – Capture and storage of rainwater or stormwater runoff for later use, such as irrigation (without runoff), domestic use (e.g. toilets), or storage for fire suppression.

Receiving Waters – Bodies of water, surface water systems or groundwater that receive surface water runoff through a point source, sheet flow or infiltration.

Redevelopment – On a site that has already been developed, construction or installation of a building or other structure subject to the Permittee's planning and building authority including: 1) the creation or addition of impervious surfaces; 2) the expansion of a building footprint or addition or replacement of a structure; or 3) structural development including construction, installation or expansion of a building or other structure. It does not include routine road maintenance, nor does it include emergency construction activities required to immediately protect public health and safety.

Replaced Impervious Surface – The removal of existing impervious surfaces down to bare soil or base course, and replacement with new impervious surface. Replacement of impervious surfaces that are part of routine road maintenance activities are not considered replaced impervious surfaces.

Routine Road Maintenance – includes pothole and square cut patching; overlaying existing asphalt or concrete pavement with asphalt or concrete without expanding the area of coverage; shoulder grading; reshaping/regrading drainage systems; crack sealing; resurfacing with in-kind material without expanding the road prism or altering the original line and grade and/or hydraulic capacity of the road.

Self-Retaining Areas – (also called "zero discharge" areas), are designed to retain some amount of rainfall (by ponding and infiltration and/or evapotranspiration) without producing stormwater runoff. Self-Retaining Areas may include graded depressions with landscaping or pervious pavement.

Self-Treating Areas – are a portion of a Regulated Project in which infiltration, evapotranspiration and other natural processes remove pollutants from stormwater. The self-treating areas may include conserved natural open areas and areas of native landscaping. The self-treating area only treats the rain falling on itself and does not receive stormwater runoff from other areas.

Single-Family Residence – The building of one single new house or the addition and/or replacement of impervious surface associated with one single existing house, which is not part of a larger plan of development.

Stormwater Control Measures – Stormwater management measures integrated into project designs that emphasize protection of watershed processes through replication of pre-development runoff patterns (rate, volume, duration). Physical control measures include, but are not limited to, bioretention/rain gardens, permeable pavements, roof downspout controls, dispersion, soil quality and depth, minimal excavation foundations, vegetated roofs, and water use. Design control measures include but are not limited to conserving and protecting the function of existing natural areas, maintaining or creating riparian buffers, using onsite natural drainage features, directing runoff from impervious surfaces toward pervious areas, and distributing physical control measures to maximize infiltration, filtration, storage, evaporation, and transpiration of stormwater before it becomes runoff.

Tributary Area – The entire project area except for undisturbed areas of planted areas with native vegetation that do not receive runoff from other areas and impervious surface areas that discharge to infiltration areas that will not produce runoff or create nuisance ponding. The Drainage Management Areas are smaller Tributary Areas that cumulatively make up the Tributary Area of the entire site.

Does My Project Need to Meet Post-Construction Performance Requirements?

Projects subject to these Post-Construction Performance Requirements include all New Development or Redevelopment projects that create and/or replace ≥2,500 square feet of impervious surface (collectively over the entire project site). In general, the larger the impervious surface created or replaced, the more rigorous the requirements become. However, a single family residence (SFR) project has a higher threshold before advance requirements apply. Consequently, these two elements (gross impervious area and project type) need to be determined and quantified as a first step in the process.

1. **Gross Impervious Area**: Gross Impervious Area is the total of newly created and replaced impervious surfaces. Existing impervious surfaces that are within the project site but are not being replaced do not count in this calculation. Impervious surfaces are any hard, non-vegetated surface areas that prevent or significantly limit the entry of water into the soil. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, oiled, macadam or other surfaces which similarly impede the natural infiltration of stormwater. Manufactured permeable surfaces (pervious paving, gapped paving stones, etc.) may be considered as pervious surfaces and are considered on a case by case basis. If sidewalks or new pavement in the City right of way is planned or required by code, these surfaces shall also be included in the total. Surface areas of decks with gaps that allow runoff to drain to permeable surfaces below are not considered imperious areas. For redevelopment projects, both new and replaced impervious surfaces are included. If the Gross Impervious Area is less than 2,500 square feet, the project is exempt from requirements.
2. **Type of Project**: A list of types of projects that are exempt for all stormwater requirements is detailed below. If not exempt:
    a. Is the project a new development or redevelopment project? Projects are classified as redevelopment if the project replaces or adds to existing impervious surfaces. Projects located on land with no existing impervious surfaces are considered new development.
    b. Does the project involve the construction or reconstruction of one detached single family residence (SFR)? If not, the applicant must use the Main Manual.

The Performance Requirement Determination Form in Appendix A is provided to document the results of the above assessment. It shall be completed and filed with the Planning permit application. If the project is exempt, no further documentation is required. If not exempt, a calculation of the Net Impervious Area is required.

PROJECTS EXEMPT FROM STORMWATER REQUIREMENTS

Project that are exempt from the Post-Construction Performance are as follows (check any box on the list and no further action is required):

- ☐ Road and Parking Lot maintenance:
  - Road surface repair including slurry sealing, fog sealing, and pothole and square cut patching
  - Overlaying existing asphalt or concrete pavement with asphalt or concrete without expanding the area of coverage
  - Shoulder grading
  - Cleaning, repairing, maintaining, reshaping, or re-grading drainage systems
  - Crack sealing
  - Resurfacing with in-kind material without expanding the road or parking lot
  - Practices to maintain original line and grade, hydraulic capacity, and overall footprint of the road or parking lot
  - Repair or reconstruction of the road because of slope failures, natural disasters, acts of God or other man-made disaster
- ☐ Sidewalk and bicycle path or lane projects, where no other impervious surfaces are created or replaced, built to direct stormwater runoff to adjacent vegetated areas
- ☐ Trails and pathways, where no other impervious surfaces are replaced or created, and built to direct stormwater runoff to adjacent vegetated areas
- ☐ Underground utility projects that replace the ground surface with in-kind material or materials with similar runoff characteristics
- ☐ Curb and gutter improvement or replacement projects that are not part of any additional creation or replacement of impervious surface area (e.g., sidewalks, roadway)
- ☐ Second-story additions that do not increase the building footprint
- ☐ Raised (not built directly on the ground) decks, stairs, or walkways designed with spaces to allow for water drainage
- ☐ Photovoltaic systems installed on/over existing roof or other impervious surfaces, and panels located over pervious surfaces with well-maintained grass or vegetated groundcover, or panel arrays with a buffer strip at the most down gradient row of panels
- ☐ Temporary structures (in place for less than six months)
- ☐ Electrical and utility vaults, sewer and water lift stations, backflows and other utility devices
- ☐ Above-ground fuel storage tanks and fuel farms with spill containment system

Net Impervious Area Calculation

Net Impervious Area is the Gross Impervious Area minus any reduction in total imperviousness from the pre-project to post-project condition: Net Impervious Area = (Gross Impervious Area) - (Reduced Impervious Area Credit), where Reduced Impervious Area Credit is the total pre-project to post-project reduction in impervious area, if any. The result of this calculation is used to determine if a project is subject to the requirements described in this EZ Manual

Examples of Calculating **Net Impervious Area**

Example 1:

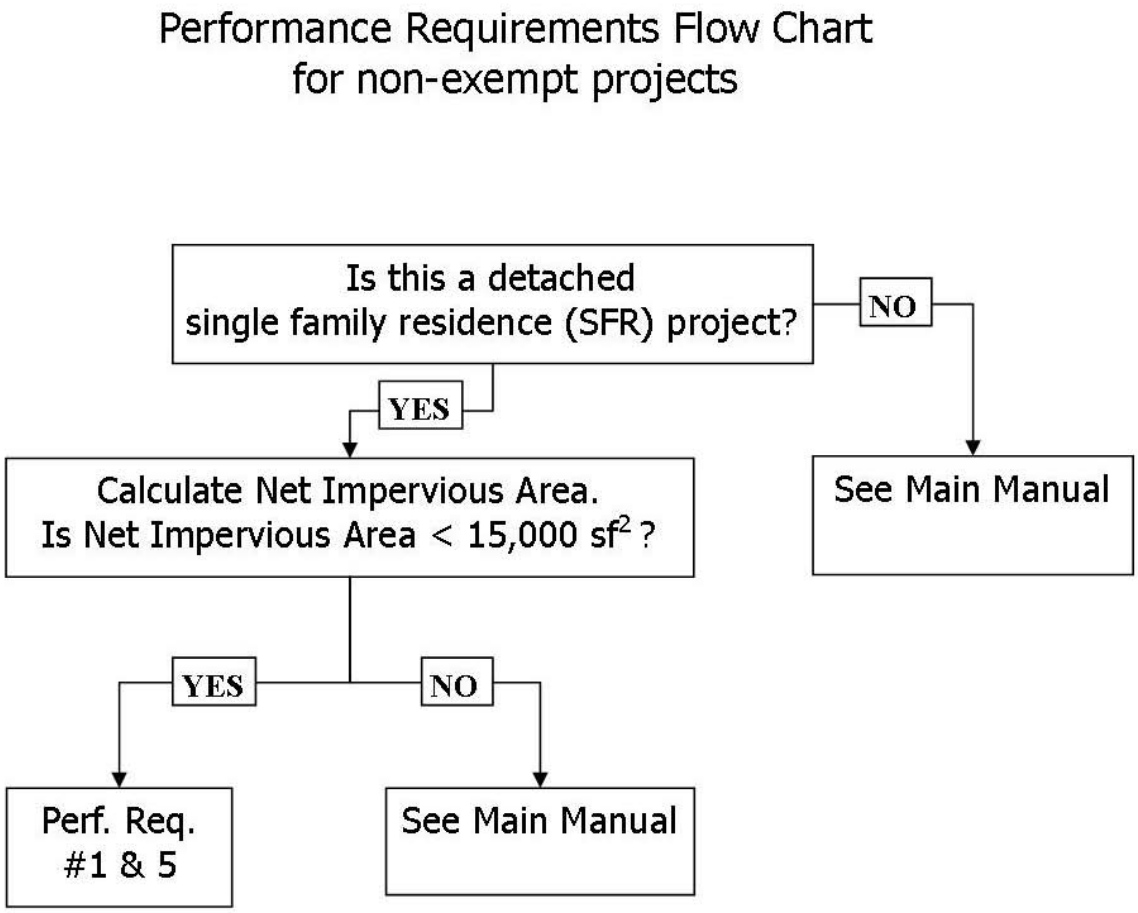
The project is a property that is an existing residence with 20,000 sf of impervious surface, including residence, garage, driveway, tennis court, etc. The new project will redevelop the site and have a total impervious area of 18,000 sf.
The **Reduced Imperious Area Credit** is 20,000 – 18,000 = 2,000 sf.
The **Net Impervious Area** is 18,000 – 2, 000 = 16,000 sf.
The **Net Impervious Area** is 16,000 sf which is greater than 15,000 sf .
The project is subject to requirements in the Main Manual.

Example 2:

The project is a property that is an existing residence with 20,000 sf of impervious surface, including residence, garage, driveway, tennis court, etc. The new project will redevelop the site, replacing the 4,000 SF paved tennis court with natural grass bocce courts and landscaping resulting in a total impervious area of 16,000 sf.
The **Reduced Imperious Area Credit** is 20,000 – 16,000 = 4,000 sf.
The **Net Impervious Area** is 16,000 – 4, 000 = 12,000 sf.
The **Net Impervious Area** is 12,000 sf which is less than 15,000 sf .
The project is subject to requirements in this Manual.

Once the Net Impervious Area Calculation is determined, use the following flow chart to determine the Post-Construction Performance Requirements for the project. Complete the Performance Requirement Determination Form (Appendix A) once the Flow Chart has been used to determine Performance Requirements.

Flow Chart


Performance Requirements Flow Chart
for non-exempt projects
Is this a detached
single family residence (SFR) project?
NO
YES
See Main Manual
Calculate Net Impervious Area.
Is Net Impervious Area < 15,000 sf2 ?
YES
NO
Perf. Req.
#1 & 5
See Main Manual

Performance Requirement No. 1

Site Design and Runoff Reduction

Projects subject to Performance Requirement No. 1 (PR.1) are:

Projects that create and/or replace ≥ 2,500 square feet of impervious surface (collectively over the entire project site), including detached single-family homes.

The Project Engineer shall submit a stamped and signed copy of the Performance Requirement No.1 Certification, as included on the following page; certifying Low Impact Development design strategies are included in the project design. Each strategy that has been incorporated into the design should be initialed by the project engineer, or marked NA if not applicable.

PERFORMANCE REQUIREMENT NO. 1 CERTIFICATION	
LOW IMPACT DEVELOPMENT (LID) DESIGN STRATEGY	INCORPORATED
1. Limit disturbance of creeks and natural drainage features.	
2. Minimize compaction of highly permeable soils.	
3. Limit clearing and grading of native vegetation at the site to the minimum area needed to build the project, allow access, and provide fire protection.	
4. Minimize impervious surfaces by concentrating improvements on the least sensitive areas of the site, while leaving the remaining land in a natural undisturbed state.	
5. Minimize stormwater runoff by implementing one or more of the following design measures:	
a) Direct roof runoff into cisterns or rain barrels for reuse.	
b) Direct roof runoff onto vegetated areas safely away from building foundations and footings.	
c) Direct runoff from sidewalks, walkways, and/or patios onto vegetated areas safely away from building foundations and footings.	
d) Direct runoff from driveways and/or uncovered parking lots onto vegetated areas safely away from building foundations and footings.	
e) Construct bike lanes, driveways, uncovered parking lots, sidewalks, walkways, and patios with permeable surfaces.	

I, _____, acting as the Project Engineer for _____ project, located at _____, hereby state that the Site Design and Runoff Reductions design strategies initialed above have been incorporated into the design of the project.

_____ _____

Signature Date

Performance Requirement No. 5

Large Peak Flow Control

All non-exempt new development or redevelopment projects that create or replace more than 2,500 square feet of impervious surfaces are subject to Performance Requirement 5. Exempt projects are those that are located in areas that have no potential for downstream flooding. For example, projects along the west side of the Embarcadero that drain directly to the bay are exempt from flood control requirements.

Goal:

For peak runoff flow control, post-development peak runoff flows shall be reduced to within 5% of the pre-development flows from the 10, 25, 50 and 100-year rainfall events. For the purposes of runoff flow control, the pre-development condition shall be natural soil and vegetation.

Methods:

- Detention basin design shall include development of a post-construction runoff hydrograph that is routed through the basin. If NRCS TR-20 is used, the following assumptions shall apply:
  - Storm Type: Type 1, 24-hr, San Luis Obispo D, or custom rainfall curve for Morro Bay[1]
  - Antecedent Moisture Condition: 2
  - Storm Duration: 24 hours
  - 24-hour rainfall depths: per NOAA Precipitation maps (http://hdsc.nws.noaa.gov/hdsc/pfds)
- Detention storage may be surface or subsurface. Parking areas may be used for detention as long as flood depth does not exceed six inches in the 100-year event.
- The detention facility may be designed to satisfy PR.1 by incorporating infiltration capacity or dead storage volume for reuse.
- For other detention basin design standards, refer to the current version of the SLO County Public Improvement Standards.

[1] Some hydrologic modeling programs, such as HydroCAD v.10, have built in Storm Types for San Luis Obispo (taken from the SLO Creek WMP). Such programs also have the ability to create custom storm curves. The analysis may use the standard Type 1 or one of the storm types specific to the site.

Section 8

Maintenance and Reporting

An Operation and Maintenance Plan (O&M) is required for all projects that utilize Structural Control Measures (SCMs) to satisfy Performance Requirements 1 and 5. A maintenance program is essential to ensure that the stormwater facilities continue to function as designed to maintain treatment, peak flow control and prevent possible flooding and property damage.

A proper maintenance plan must include:

- Site map of all facilities requiring O&M practices to function as designed
- Procedures are provided for each structural control measure including, but not limited to, LID facilities, retention/detention basins, and outlet control structures.
- Short and long term maintenance requirements
- Estimated cost for maintenance

Appendix K in the Main Manual has templates to aid in the development of the O&M Plan.

The O&M plan shall be prepared under the direction of a professional civil engineer registered in the State of California. The plans shall be stamped, signed and include a certifying statement indicating that all stormwater BMPs have been designed to meet the City's stormwater management requirements.

Applicants of regulated projects subject to Performance Requirement 5 are required to demonstrate compliance with these requirements on an annual basis.

APPENDIX A

SFR PERFORMANCE REQUIREMENT DETERMINATION FORM

The following form shall be completed for all SFR development and redevelopment projects. Projects that are exempt from performance requirements are required to complete Section 1 & 2 only.

Section 1: General Information	
Project name	
Project Address	
Assessor's Parcel Number(s)	
Name of Applicant	
Applicant email address:	
Applicant phone:	
Project Type (e.g. single-family residential, commercial, etc.)	
Section 2: Area Information	
Total Project Area	
Total Existing impervious surface area	
Proposed Gross Impervious Area Calculation	
a. Rooftops	
b. Driveways	
c. Patios	
d. Parking Lots	
e. Other	
Total Gross Impervious Area	
If Gross Impervious Area <2,500 ft^2, write "EXEMPT". Otherwise continue to Sec. 3	
Section 3: PR Determination	
Net Impervious Area	
Performance Requirements (from Flow Chart)	

DRAFT

STORM WATER MANAGEMENT GUIDANCE MANUAL FOR LOW IMPACT DEVELOPMENT & POST-CONSTRUCTION REQUIREMENTS

MAIN MANUAL

March 6, 2014

This Guidance Manual is a supplement to the City of Morro Bay Department of Public Services Standard Drawings and Specifications

City of Morro Bay, California

APPROVED: _____

Rob Livick, PE/PLS, Director of Public Services/City Engineer Date

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Introduction

Post-Construction Stormwater Management Performance Requirements

The primary objective of these Post-Construction Stormwater Management Performance Requirements is to minimize the downstream impact of increased stormwater runoff that often occurs as the result of development or redevelopment projects. The Post-Construction Requirements emphasize protecting and, where degraded, restoring key watershed processes to create and sustain healthy watersheds. Maintenance and restoration of watershed processes is necessary to protect water quality and beneficial uses.

The intention of this Guidance Manual is to provide developers a tool to both determine the specific requirements for a given project and to plan and design the project so that those requirements are met as efficiently as possible.

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Definitions Related to Post-Construction Requirements

Bioretention – A Stormwater Control Measure designed to retain stormwater runoff using vegetated depressions and soils engineered to collect, store, treat, and infiltrate runoff. Bioretention designs do not include underdrains.

Biotreatment or Biofiltration Treatment –A Stormwater Control Measure designed to detain stormwater runoff, filter stormwater through soil media and plant roots, and release the treated stormwater runoff to the storm drain system. Biotreatment systems include an underdrain.

Discretionary Approval – A project approval which requires the exercise of judgment or deliberation when the MS4 decides to approve or disapprove a particular activity, as distinguished from situations where the MS4 merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations.

Dispersion – The practice of routing stormwater runoff from impervious areas, such as rooftops, walkways, and patios, onto the surface of adjacent pervious areas. Stormwater runoff is dispersed via splash block, dispersion trench, or sheet flow and soaks into the ground as it moves slowly across the surface of the pervious area.

Drainage Management Area (DMAs) – Following the low impact development principle of managing stormwater through small-scale, decentralized measures, DMAs are designated individual drainage areas within a Regulated Project that typically follow grade breaks and roof ridge lines and account for each surface type (e.g., landscaping, pervious paving, or roofs). Stormwater Control Measures for runoff reduction and structural facilities are designed for each DMA.

Equivalent Impervious Surface Area – is equal to *Impervious Tributary Surface Area* (ft^2) + *Pervious Tributary Surface Area* (ft^2), where *Impervious Tributary Surface Area* is defined as the sum of all of the site's conventional impervious surfaces, and *Pervious Tributary Surface Area* is defined as the sum of all of the site's pervious surfaces, corrected by a factor equal to the surface's runoff coefficient.

Evapotranspiration (ET) – The loss of water to the atmosphere by the combined processes of evaporation (from soil and plant surfaces) and transpiration (from plant tissues).

Flow-Through Water Quality Treatment Systems – Stormwater Control Measures that are designed to treat stormwater through filtration and/or settling. Flow-through systems do not provide significant retention or detention benefits for stormwater volume control.

Gross Impervious Area – Impervious surfaces that are created or replaced by the project. Manufactured permeable surfaces (pervious paving, gapped paving stones, etc.) may be considered as a pervious surface and are considered on a case by case basis. If sidewalks or new pavement in the City right of way is planned or required by code, these surfaces shall also be included in the total. Do not include the surface area of decks with gaps that allow runoff to drain to permeable surfaces below. Gross Impervious Area is used in the initial determination of performance requirements.

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Groundwater Basins – Groundwater basin areas defined by the California Department of Water Resources (DWR) and used in the Central Coast Water Board Joint Effort for Hydromodification Control to identify groundwater receiving-water issues and areas where recharge is a key watershed process. DWR based identification of the groundwater basins on the presence and areal extent of unconsolidated alluvial soils identified on a 1:250,000 scale from geologic maps provided by the California Department of Conservation, Division of Mines and Geology. DWR then further evaluated identified groundwater basin areas through review of relevant geologic and hydrogeologic reports, well completion reports, court-determined adjudicated basin boundaries, and contact with local agencies to refine the basin boundaries.

Impervious Surface – A hard, non-vegetated surface area that prevents or significantly limits the entry of water into the soil mantle, as would occur under natural conditions prior to development. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, oiled, macadam or other surfaces which similarly impede the natural infiltration of stormwater. Open, uncovered retention/detention facilities shall not be considered as impervious surfaces for purposes of determining whether the thresholds for application of Performance Requirements are exceeded. However, for modeling purposes, open, uncovered facilities that retain/detain water (e.g., retention ponds, pools) shall be considered impervious surfaces. There are three methods of calculating impervious surface area, depending on the context of the calculation. For more details, see ***Net Impervious Area, Gross Impervious Area, and Equivalent Impervious Area*** definitions.

Land recycling – The reuse of abandoned, vacant, or underused properties for redevelopment or repurposing

Landscaped Areas – Areas of soil and vegetation not including any impervious surfaces of ancillary features such as impervious patios, BBQ areas, and pools.

Large River – A river draining 200 square miles or more.

Low Impact Development (LID) – A stormwater and land use management strategy that strives to mimic pre-disturbance hydrologic processes of infiltration, filtration, storage, evaporation, and transpiration by emphasizing conservation, use of on-site natural features, site planning, and distributed stormwater management practices that are integrated into a project design.

Ministerial Approval – A project approval which involves little or no personal judgment by the MS4 as to the wisdom or manner of carrying out the project and only involves the use of fixed standards or objective measurements.

Native Vegetation – Vegetation comprised of plant species indigenous to the Central Coast Region and which reasonably could have been expected to naturally occur on the site.

Net Impervious Area – The sum of new and replaced post-project impervious areas, minus any reduction in total imperviousness from the pre-project to post-project condition: *Net Impervious Area =*

(New and Replaced Impervious Area) – (Reduced Impervious Area Credit), where *Reduced Impervious Area Credit* is the total pre-project to post-project reduction in impervious area, if any.

New Development – Land disturbing activities that include the construction or installation of buildings, roads, driveways and other impervious surfaces. Development projects with pre-existing impervious surfaces are not considered New Development.

Percentile Rainfall Event (e.g., 85th and 95th) – A percentile rainfall event represents a rainfall amount which a certain percent of all rainfall events for the period of record do not exceed. For example, the 95th percentile rainfall event is defined as the measured rainfall depth accumulated over a 24-hour period, for the period of record, which ranks as the 95th percentile rainfall depth based on the range of all daily event occurrences during this period.

Permeable or Pervious Surface – A surface that allows varying amounts of stormwater to infiltrate into the ground. Examples include pasture, native vegetation areas, landscape areas, and permeable pavements designed to infiltrate.

Pre-Project – Stormwater runoff conditions that exist onsite immediately before development activities occur. This definition is not intended to be interpreted as that period before any human-induced land activities occurred. This definition pertains to redevelopment as well as initial development.

Project Site – The area defined by the legal boundaries of a parcel or parcels of land within which the new development or redevelopment takes place and is subject to these Post-Construction Stormwater Management Requirements.

Rainwater Harvest – Capture and storage of rainwater or stormwater runoff for later use, such as irrigation (without runoff), domestic use (e.g. toilets), or storage for fire suppression.

Receiving Waters – Bodies of water, surface water systems or groundwater that receive surface water runoff through a point source, sheet flow or infiltration.

Redevelopment – On a site that has already been developed, construction or installation of a building or other structure subject to the Permittee's planning and building authority including: 1) the creation or addition of impervious surfaces; 2) the expansion of a building footprint or addition or replacement of a structure; or 3) structural development including construction, installation or expansion of a building or other structure. It does not include routine road maintenance, nor does it include emergency construction activities required to immediately protect public health and safety.

Replaced Impervious Surface – The removal of existing impervious surfaces down to bare soil or base course, and replacement with new impervious surface. Replacement of impervious surfaces that are part of routine road maintenance activities are not considered replaced impervious surfaces.

Self-Retaining Areas – (also called "zero discharge" areas), are designed to retain some amount of rainfall (by ponding and infiltration and/or evapotranspiration) without producing stormwater runoff. Self-Retaining Areas may include graded depressions with landscaping or pervious pavement.

Self-Treating Areas – are a portion of a Regulated Project in which infiltration, evapotranspiration and other natural processes remove pollutants from stormwater. The self-treating areas may include conserved natural open areas and areas of native landscaping. The self-treating area only treats the rain falling on itself and does not receive stormwater runoff from other areas.

Routine Road Maintenance – includes pothole and square cut patching; overlaying existing asphalt or concrete pavement with asphalt or concrete without expanding the area of coverage; shoulder grading; reshaping/regrading drainage systems; crack sealing; resurfacing with in-kind material without expanding the road prism or altering the original line and grade and/or hydraulic capacity of the road.

Single-Family Residence – The building of one single new house or the addition and/or replacement of impervious surface associated with one single existing house, which is not part of a larger plan of development.

Stormwater Control Measures – Stormwater management measures integrated into project designs that emphasize protection of watershed processes through replication of pre-development runoff patterns (rate, volume, duration). Physical control measures include, but are not limited to, bioretention/rain gardens, permeable pavements, roof downspout controls, dispersion, soil quality and depth, minimal excavation foundations, vegetated roofs, and water use. Design control measures include but are not limited to conserving and protecting the function of existing natural areas, maintaining or creating riparian buffers, using onsite natural drainage features, directing runoff from impervious surfaces toward pervious areas, and distributing physical control measures to maximize infiltration, filtration, storage, evaporation, and transpiration of stormwater before it becomes runoff.

Stormwater Control Plan – A plan, developed by the Regulated Project applicant, detailing how the project will achieve the applicable Post-Construction Stormwater Management Requirements (for both onsite and offsite systems).

Tributary Area – The entire project area except for undisturbed areas of planted areas with native vegetation that do not receive runoff from other areas and impervious surface areas that discharge to infiltration areas that will not produce runoff or create nuisance ponding. The Drainage Management Areas are smaller Tributary Areas that cumulatively make up the Tributary Area of the entire site.

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Does My Project Need to Meet Post-Construction Performance Requirements?

Projects subject to these Post-Construction Performance Requirements include all New Development or Redevelopment projects that create and/or replace ≥2,500 square feet of impervious surface (collectively over the entire project site). In general, the larger the impervious surface created or replaced, the more rigorous the requirements become. However, the requirements are also dependent on project type and location. Consequently, these three elements (gross impervious area, project type, and project location) need to be determined and quantified as a first step in the process.

1. **Gross Impervious Area**: Gross Impervious Area is the total of newly created and replaced impervious surfaces. Existing impervious surfaces that are within the project site but are not being replaced do not count in this calculation. Impervious surfaces are any hard, non-vegetated surface areas that prevent or significantly limit the entry of water into the soil. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, oiled, macadam or other surfaces which similarly impede the natural infiltration of stormwater. Manufactured permeable surfaces (pervious paving, gapped paving stones, etc.) may be considered as pervious surfaces and are considered on a case by case basis. If sidewalks or new pavement in the City right of way is planned or required by code, these surfaces shall also be included in the total. Surface areas of decks with gaps that allow runoff to drain to permeable surfaces below are not considered imperious areas. For redevelopment projects, both new and replaced impervious surfaces are included. If the Gross Impervious Area is less than 2,500 square feet, the project is exempt from requirements.
2. **Type of Project**: A list of types of projects that are exempt for all stormwater requirements is detailed below, also see Appendix A. If not exempt:
    a. Is the project a new development or redevelopment project? Projects are classified as redevelopment if the project replaces or adds to existing impervious surfaces. Projects located on land with no existing impervious surfaces are considered new development.
    b. Does the project involve the construction or reconstruction of one or more detached single family residences (SFR)?
3. **Location**: The City is divided into several Watershed Management Zones. The map in Appendix B shows the boundaries of these zones. A Google Earth overlay is available on the City website for more precise project location.

The Performance Requirement Determination Form in Appendix C is provided to document the results of the above assessment. It shall be completed and filed with the Planning permit application. If the project is exempt, no further documentation is required. If not exempt, a calculation of the Net Impervious Area is required.

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PROJECTS EXEMPT FROM STORMWATER REQUIREMENTS

Project that are exempt from the Post-Construction Performance are as follows (check any box on the list and no further action is required):

- ☐ Road and Parking Lot maintenance:
  - Road surface repair including slurry sealing, fog sealing, and pothole and square cut patching
  - Overlaying existing asphalt or concrete pavement with asphalt or concrete without expanding the area of coverage
  - Shoulder grading
  - Cleaning, repairing, maintaining, reshaping, or re-grading drainage systems
  - Crack sealing
  - Resurfacing with in-kind material without expanding the road or parking lot
  - Practices to maintain original line and grade, hydraulic capacity, and overall footprint of the road or parking lot
  - Repair or reconstruction of the road because of slope failures, natural disasters, acts of God or other man-made disaster
- ☐ Sidewalk and bicycle path or lane projects, where no other impervious surfaces are created or replaced, built to direct stormwater runoff to adjacent vegetated areas
- ☐ Trails and pathways, where no other impervious surfaces are replaced or created, and built to direct stormwater runoff to adjacent vegetated areas
- ☐ Underground utility projects that replace the ground surface with in-kind material or materials with similar runoff characteristics
- ☐ Curb and gutter improvement or replacement projects that are not part of any additional creation or replacement of impervious surface area (e.g., sidewalks, roadway)
- ☐ Second-story additions that do not increase the building footprint
- ☐ Raised (not built directly on the ground) decks, stairs, or walkways designed with spaces to allow for water drainage
- ☐ Photovoltaic systems installed on/over existing roof or other impervious surfaces, and panels located over pervious surfaces with well-maintained grass or vegetated groundcover, or panel arrays with a buffer strip at the most down gradient row of panels
- ☐ Temporary structures (in place for less than six months)
- ☐ Electrical and utility vaults, sewer and water lift stations, backflows and other utility devices
- ☐ Above-ground fuel storage tanks and fuel farms with spill containment system

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Net Impervious Area Calculation

Net Impervious Area is the Gross Impervious Area minus any reduction in total imperviousness from the pre-project to post-project condition: Net Impervious Area = (Gross Impervious Area) - (Reduced Impervious Area Credit), where Reduced Impervious Area Credit is the total pre-project to post-project reduction in impervious area, if any. The result of this calculation is used to determine if a project is subject to PR.2 or in the case of an SFR project, subject to PR.3 requirements.

Examples of Calculating **Net Impervious Area**

Example 1:

The project is a property that is an existing commercial shopping center with 100,000 sf of impervious surface, including buildings, parking lot, etc. The new project will redevelop the site and have a total impervious area of 85,000 sf.
The **Reduced Imperious Area Credit** is 100,000 – 85,000 = 15,000 sf.
The **Net Impervious Area** is 85,000 – 15, 000 = 70,000 sf.
The **Net Impervious Area** is 70,000 sf which is greater than 5,000 sf .
The project is subject to PR.2.
Design the Water Quality Treatment measures to treat the water runoff from the 85,000 sf of impervious area.

Example 2:

The project is an existing commercial shopping center with 100,000 sf of impervious surface. The new project will redevelop the entire site leaving a gross impervious area of 52,000 sf. (they've added a lot of landscaping and used green roofs to reduce the impervious area by 48,000 sf).
The **Reduced Imperious Area Credit** is 100,000 – 52,000 = 48,000 sf.
The **Net Impervious Area** is 52,000 – 48,000 = 4,000 sf.
The **Net Impervious Area** is 4,000 sf which is less than 5,000 sf.
The project is **NOT** subject to PR.2 (though it may be subject to other PRs).

Once the Net Impervious Area Calculation is determined, use the following flow charts to determine the Post-Construction Performance Requirements for the project. Complete the Performance Requirement Determination Form (Appendix C) once the Flow Charts have been used to determine Performance Requirements.

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Flow Charts

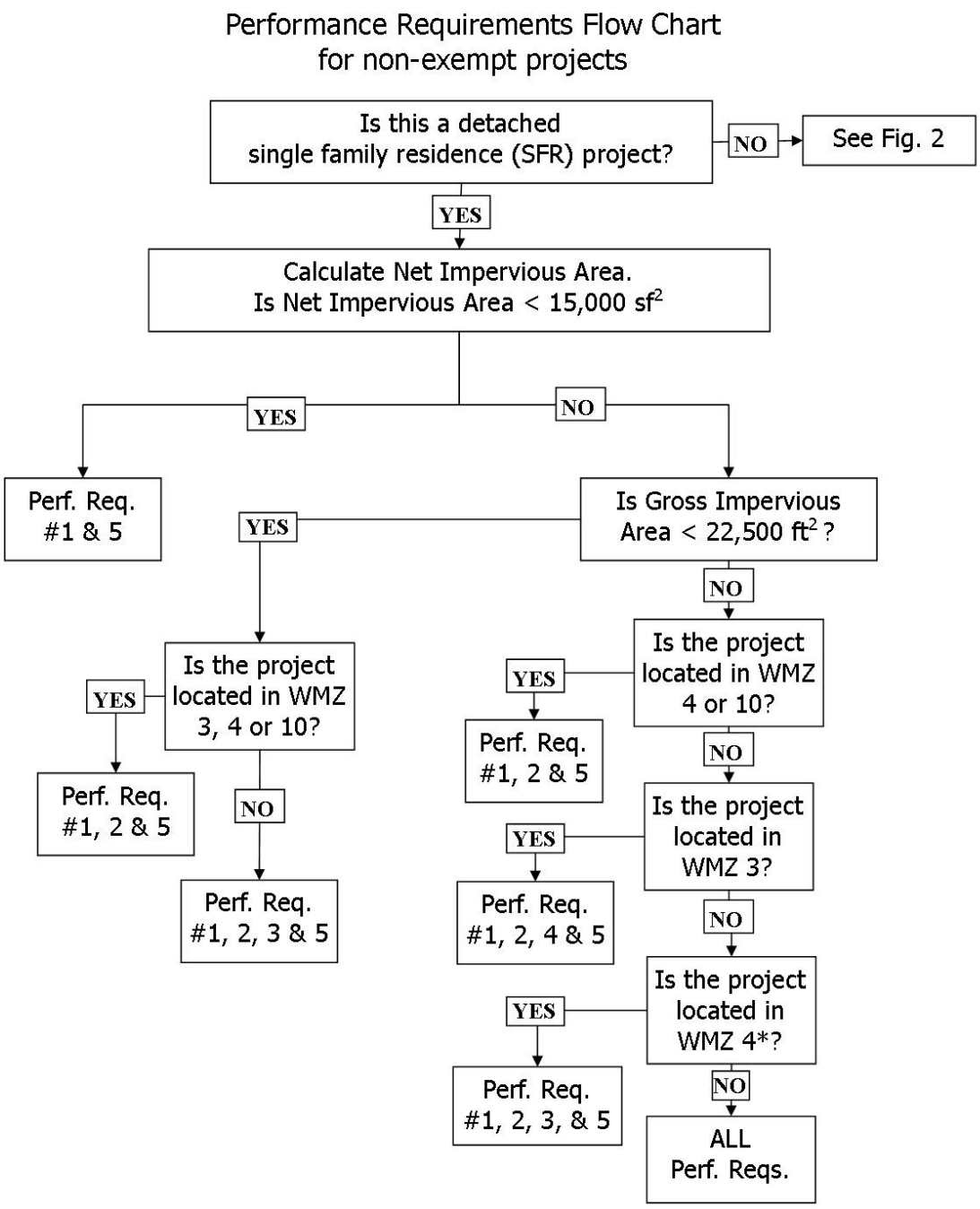

Figure 1

Performance Requirements Flow Chart
for non-exempt projects
(other than SFR projects)

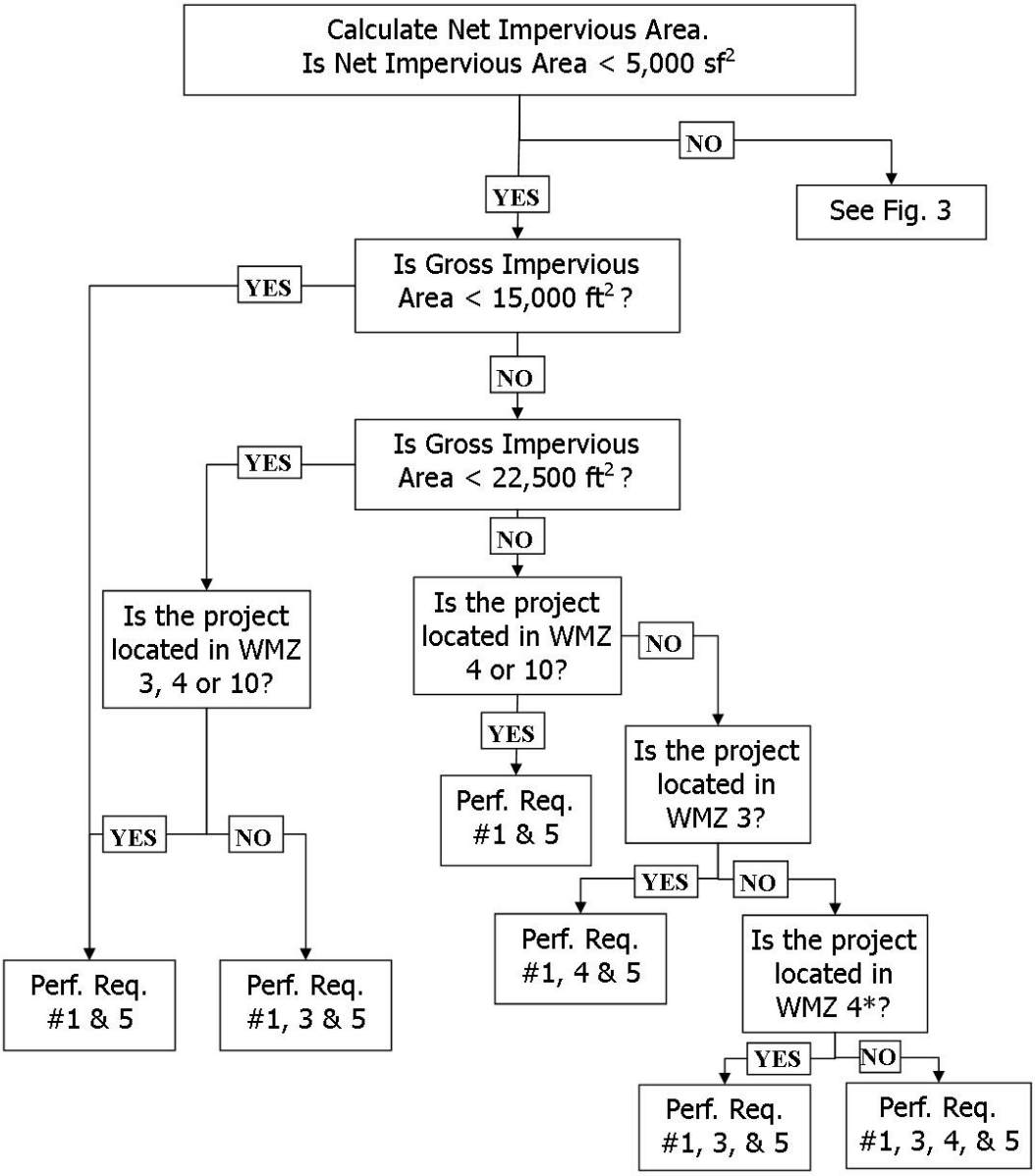

Figure 2

For Projects with Net Impervious Area ≥ 5,000 sf^2
(other than SFR projects)

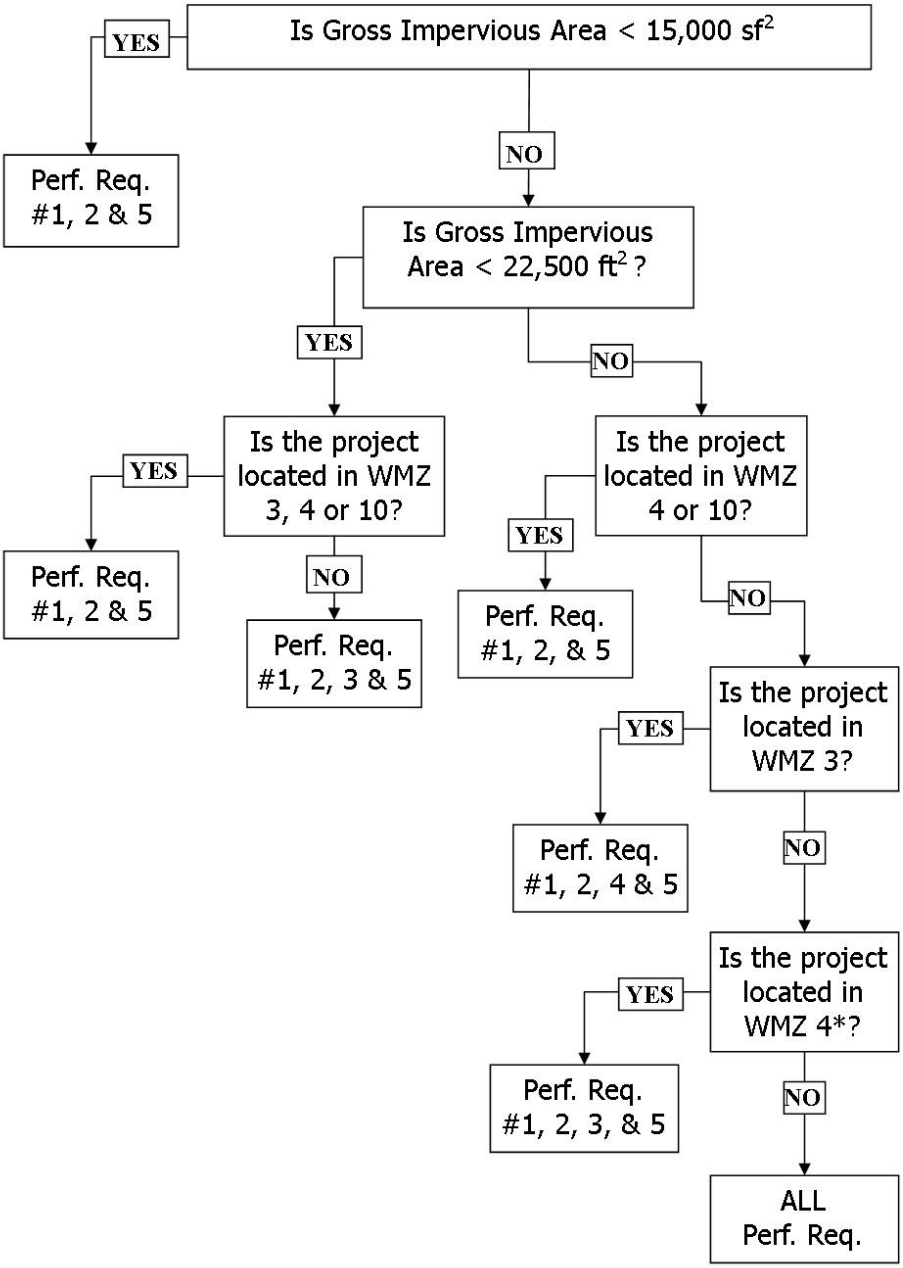

Figure 3

Section 1

Performance Requirement No. 1

Site Design and Runoff Reduction

Projects subject to Performance Requirement No. 1 (PR.1) are:

Projects that create and/or replace ≥ 2,500 square feet of impervious surface (collectively over the entire project site), including detached single-family homes.

The Project Engineer shall submit a stamped and signed copy of the Performance Requirement No.1 Certification, as included on the following page; certifying Low Impact Development design strategies are included in the project design. Each strategy that has been incorporated into the design should be initialed by the project engineer, or marked NA if not applicable.

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PERFORMANCE REQUIREMENT NO. 1 CERTIFICATION	
LOW IMPACT DEVELOPMENT (LID) DESIGN STRATEGY	INCORPORATED
1. Limit disturbance of creeks and natural drainage features.	
2. Minimize compaction of highly permeable soils.	
3. Limit clearing and grading of native vegetation at the site to the minimum area needed to build the project, allow access, and provide fire protection.	
4. Minimize impervious surfaces by concentrating improvements on the least sensitive areas of the site, while leaving the remaining land in a natural undisturbed state.	
5. Minimize stormwater runoff by implementing one or more of the following design measures:	
a) Direct roof runoff into cisterns or rain barrels for reuse.	
b) Direct roof runoff onto vegetated areas safely away from building foundations and footings.	
c) Direct runoff from sidewalks, walkways, and/or patios onto vegetated areas safely away from building foundations and footings.	
d) Direct runoff from driveways and/or uncovered parking lots onto vegetated areas safely away from building foundations and footings.	
e) Construct bike lanes, driveways, uncovered parking lots, sidewalks, walkways, and patios with permeable surfaces.	

I, _____, acting as the Project Engineer for _____ project, located at _____, hereby state that the Site Design and Runoff Reductions design strategies initialed above have been incorporated into the design of the project.

_____ _____

Signature Date

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Section 2

Performance Requirement No. 2

Water Quality Treatment

Projects subject to Performance Requirement No. 2 (PR.2) are:

Projects with ≥ 5,000 square feet of Net Impervious Area, except detached single-family homes.

Detached single-family homes ≥ 15,000 square feet of Net Impervious Area.

Projects subject to PR.2 are also subject to PR.1. Applicant is required to submit PERFORMANCE REQUIREMENT NO.1 CERTIFICATION.

PR.2 requires the applicant to provide Water Quality Treatment design measures to reduce pollutant loads and concentrations using physical, biological, and chemical removal.

The Project Engineer shall identify which of the on-site water quality treatment measures on the following page is included in the design. The on-site water quality treatment measures are listed in order of preference. The plans shall clearly identify the type, location, and size of all on-site water quality treatment measures. Initial each on-site water quality treatment measure and note the page of the plans that shows the location and size, that has been incorporated into the design or mark NA if not applicable. Submit a stamped and signed copy of the PR.2 Certification.

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PERFORMANCE REQUIREMENT NO. 2 CERTIFICATION		
	ON-SITE WATER QUALITY TREATMENT MEASURES	INCORPORATED
1.	Low Impact Development (LID) Treatment Systems designed to retain stormwater runoff generated by the 85th percentile 24-hour storm (see Appendix I). Stormwater Control Measures Implemented (check all that apply, design documentation is required): ☐ Harvesting and Use, ☐ Infiltration, ☐ Evapotranspiration	
2.	Biofiltration Treatment Systems – with the following design parameters: (1) Maximum surface loading rate appropriate to prevent erosion, scour and channeling within the biofiltration treatment system itself and equal to 5 inches per hour, based on the flow of runoff produced from a rain event equal to or at least 0.2 inches per hour intensity	
	(2) Follow Central Coast LIDI Bioretention Design Guidance for other parameters. If site conditions warrant, an underdrain with discharge to a storm drainage facility is allowed.	
3.	Non-Retention Based Treatment Systems – designed to meet at least one of the following hydraulic sizing criteria:	
	(a) Volume Hydraulic Design Basis – Treatment systems whose primary mode of action depends on volume capacity shall be designed to treat stormwater runoff equal to the volume of runoff generated by the 85th percentile 24-hour storm event (see Appendix I)	
	(b) Flow Hydraulic Design Basis – Treatment systems whose primary mode of action depends on flow capacity shall be sized to treat the flow of runoff resulting from a rain event equal to at least 0.2 inches per hour intensity.	
4.	Stormwater Control Plan is required – see Appendix K	

I, _____, acting as the Project Engineer for _____ project, located at _____, hereby state that the On-Site Water Quality Treatment Measures initialed above have been incorporated into the design of the project.

_____ _____

Signature Date

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Section 3

Performance Requirement No. 3

Runoff Retention

Projects subject to Performance Requirement No. 3 (PR.3) are:

Single Family Residential Projects that create and/or replace ≥15,000 square feet of Net Impervious Area and other projects which create and/or replace ≥15,000 square feet of Gross Impervious Area in Watershed Management Zones (WMZ) 1, 2, 4*, 5, 6, 8 and 9.

PR. 3 requires the applicant to manage Runoff Retention from the site.

Adjustment to PR.3 Requirements for Redevelopment Projects – Where the Project includes replaced impervious surface, the following adjustment applies. This adjustment is accounted for in the Tributary Area calculation in Appendix E:

i) The total amount of replaced impervious surface shall be multiplied by 0.5 when calculating the volume of runoff subject to PR.3 requirements.

The Project Engineer shall certify that the Runoff Retention requirements were included in the design either onsite or through an Alternative Compliance agreement.

Compliance with PR.3:

- Identify WMZ and treatment requirements
- LID Site Assessment Check List
- LID Site Design Measures Certification
- A Stormwater Control Plan is required (see Appendix K) and shall include discrete Drainage Management Areas (DMAs), structural Storm Water Control Measures (SCM), hydraulic sizing calculations, and off-site mitigation.

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Design Rainfall Events & Treatment Requirement for WMZs

WMZ	Treatment Options & Design Rainfall	Check Applicable WMZs
WMZ 1	Via Infiltration, prevent offsite discharge from events up to the 95th percentile 24-hour rainfall event as determined from local rainfall data.	
WMZ 2	Via storage, rainwater harvesting, infiltration, and/or evapotranspiration, prevent offsite discharge from events up to the 95th percentile 24-hour rainfall event as determined from local rainfall data.	
WMZ 3, 4 & 10	Not Applicable	
WM 4 *	Via Infiltration, prevent offsite discharge from events up to the 95th percentile 24-hour rainfall event as determined from local rainfall data.	
WMZ 9	Via storage, rainwater harvesting, infiltration, and/or evapotranspiration, prevent offsite discharge from events up to the 85th percentile 24-hour rainfall event as determined from local rainfall data.	
* Applicable only to those areas that overlay designated Groundwater Basins		

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LID Site Assessment Checklist

		Included
1.	Site topography	_____
2.	Hydrologic features including contiguous natural areas, wetlands, watercourses, seeps, or springs	_____
3.	Depth to seasonal high groundwater	_____
4.	Locations of groundwater wells used for drinking water	_____
5.	Depth to an impervious layer such as bedrock	_____
6.	Presence of unique geology (e.g., karst)	_____
7.	Geotechnical hazards	_____
8.	Documented soil and/or groundwater contamination	_____
9.	Soil types and hydrologic soil groups	_____
10.	Vegetative cover/trees	_____
11.	Run-on characteristics (source and estimated runoff from offsite which discharges to the project area)	
12.	Existing drainage infrastructure for the site and nearby areas including the location of municipal storm drains	_____
13.	Structures including retaining walls	_____
14.	Utilities	_____
15.	Easements	_____
16.	Covenants	_____
17.	Zoning/Land Use	_____
18.	Setbacks	_____
19.	Open space requirements	_____
20.	Other pertinent overlay(s)	_____

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LID Site Design Measures

The Project Engineer shall certify the Project design optimizes the use of the following design measures. Initial each runoff retention measure that has been incorporated and optimized into the design or mark NA if not applicable

PERFORMANCE REQUIREMENT NO. 3 CERTIFICATION OF LID SITE DESIGN MEASURES		
	DESIGN MEASURE	INCORPORATED/OPTIMIZED
1.	Defining the development envelope, identifying the protected areas, and identifying areas that are most suitable for development and areas to be left undisturbed	
2.	Identifying conserved natural areas, including existing trees, other vegetation, and soils (shown on the plans)	
3.	Limit the overall impervious footprint of the project	
4.	Design of streets, sidewalks, or parking lot aisles to the minimum widths necessary, provided that public safety or mobility uses are not compromised	
5.	Set back development from creeks, wetlands, and riparian habitats	
6.	Design conforms the site layout along natural landforms	
7.	Design avoids excessive grading and disturbance of vegetation and soils	

I, _____, acting as the Project Engineer for _____ project, located at _____, hereby state that LID Site Design Measures initialed above have been incorporated into the design of the project.

_____ _____

Signature Date

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Drainage Management Areas (DMAs)

The site shall be designed to provide for decentralized storm water management with discrete DMAs.

(1) Provide a map of the entire project site showing the discrete DMAs and detailing the drainage for the rainfall event specified.

(2) Drainage from each DMA shall be accounted for using the following measures:

(a) Undisturbed or areas planted with native vegetation that do not receive runoff from other areas are self-treating and no additional stormwater management is required.

(b) Runoff from impervious surfaces, generated by the rainfall events identified for PR.3, may be directed to undisturbed or natural landscaped areas. Where the design demonstrates that this runoff will be infiltrated and will not produce runoff to the storm drain system, or a surface receiving waterbody, or create nuisance ponding, then no additional stormwater management is required for these impervious surfaces.

(c) Runoff that cannot be captured by the above methods must be managed by a structural stormwater control measure as described below.

Structural Stormwater Control Measures (SCM)

SCMs shall optimize retention and result in optimal protection and restoration of watershed processes. SCMs are typically small-scale, decentralized facilities designed to infiltrate, evapotranspirate, filter, or capture and use stormwater. SCMs shall be sized and designed as described in Appendix E.

Off-Site Mitigation

Off-site mitigation of full Retention Volume is not required where technical infeasibility, as described in the Alternate Compliance section (Section 7), limits on-site compliance with the Runoff Retention Performance Requirement AND ten percent of a project's Equivalent Impervious Surface Area[1] has been dedicated to retention-based Stormwater Control Measures. (NOTE: PR.2, the Water Quality Treatment Performance Requirement is NOT subject to this adjustment. Mitigation to achieve full compliance with the Water Quality Treatment Performance Requirement is required on- or off-site.)

[1] Calculate Equivalent Impervious Surface Area using guidance in Appendix F

- Use the Appendix F instructions to calculate the ten percent adjustment for applying the Runoff Retention Performance Requirement.

- Use the Appendix G instructions to calculate the Off-Site retention requirements when a Project subject to the Runoff Retention Performance Requirement cannot allocate the full ten percent of the project site's Equivalent Impervious Surface Area to retention-based Stormwater Control Measures.

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Section 4

Performance Requirement No. 4

Small Peak Flow Control

Projects subject to Performance Requirement No. 4 (PR.4) are:

- Projects that create and/or replace ≥22,500 square feet of gross impervious surface (collectively over the entire project site); and are In Watershed Management Zones 1, 2, 3, 6, or 9

PR. 4 requires the applicant to manage post-development peak flows discharged from the site.

The Project Engineer shall provide a Hydrology Report demonstrating that post-development storm water runoff peak flows discharged from the site do not exceed pre-project peak flows for the 2- through 10- year storm events. If detention storage is required, use the same design method described in the following Section 5.

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Section 5

Performance Requirement No. 5

Large Peak Flow Control

All non-exempt new development or redevelopment projects that create or replace more than 2,500 square feet of impervious surfaces are subject to Performance Requirement 5. Exempt projects are those that are located in areas that have no potential for downstream flooding. For example, projects along the west side of the Embarcadero that drain directly to the bay are exempt from flood control requirements.

Goal:

For peak runoff flow control, post-development peak runoff flows shall be reduced to within 5% of the pre-development flows from the 10, 25, 50 and 100-year rainfall events. For the purposes of runoff flow control, the pre-development condition shall be natural soil and vegetation. As this performance requirement overlaps with PR4 at the 10-year storm event, the most conservative design of the two shall govern if the project is required to meet both requirements.

Methods:

- Detention basin design shall include development of a post-construction runoff hydrograph that is routed through the basin. If NRCS TR-20 is used, the following assumptions shall apply:
  - Storm Type: Type 1, 24-hr, San Luis Obispo D, or custom rainfall curve for Morro Bay[2]
  - Antecedent Moisture Condition: 2
  - Storm Duration: 24 hours
  - 24-hour rainfall depths: per NOAA Precipitation maps (http://hdsc.nws.noaa.gov/hdsc/pfds)
- Detention storage may be surface or subsurface. Parking areas may be used for detention as long as flood depth does not exceed six inches in the 100-year event.
- Multi-purpose basins may be designed to address both water quality and runoff control criteria, as long as all design goals are achieved.
- For other detention basin design standards, refer to the current version of the SLO County Public Improvement Standards.

[2] Some hydrologic modeling programs, such as HydroCAD v.10, have built in Storm Types for San Luis Obispo (taken from the SLO Creek WMP). Such programs also have the ability to create custom storm curves. The analysis may use the standard Type 1 or one of the storm types specific to the site.

Section 6

Performance Requirement No. 6

Special Circumstances

Performance Requirement No. 6 (PR.6) is Special Circumstances as defined by the Central Coast Regional Water Quality Control Board:

> Projects that are subject to Special Circumstances based on certain site and/or receiving water conditions may be exempt from Runoff Retention and/or Peak Management Performance Requirements where those Performance Requirements would be ineffective to maintain or restore beneficial uses of receiving waters.
>
> Special Circumstances are defined as projects that discharge stormwater to the following:
>
> - Highly Altered Channels
> - Intermediate Flow Control Facility
> - Historic Lake and Wetland
>
> Projects subject to Special Circumstances must still comply with the Water Quality Treatment Performance Requirements if so required.

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Section 7

Alternative Compliance

Technical Infeasibility

When on-site compliance is demonstrated to be technically infeasible, Water Quality Treatment (PR.2), Runoff Retention (PR.3), and Peak Management Performance Requirements (PR.4 & 5) may be achieved through off-site SCMs or through use of the Ten Percent Adjustment to Retention Requirement (Appendix F).

An application for approval of Alternative Compliance based on technical infeasibility shall include a site-specific hydrologic analysis conducted and endorsed by a registered professional engineer, geologist, architect, and/or landscape architect, demonstrating that compliance with the applicable numeric Post-Construction Stormwater Management Requirements is technically infeasible.

Technical Infeasibility may be caused by site conditions, including:

i) Depth to seasonal high groundwater limits infiltration and/or prevents construction of subgrade stormwater control measures[3]
ii) Depth to an impervious layer such as bedrock limits infiltration
iii) Sites where soil types significantly limit infiltration
iv) Sites where pollutant mobilization in the soil or groundwater is a documented concern
v) Space constraints (e.g., infill projects, some redevelopment projects, high density development)
vi) Geotechnical hazards
vii) Stormwater Control Measures located within 100 feet of a groundwater well used for drinking water
viii) Incompatibility with surrounding drainage system (e.g., project drains to an existing stormwater collection system whose elevation or location precludes connection to a properly functioning treatment or flow control facility)

See Appendix H for methods of determining feasibility of infiltration measures.

[3] According to the CASQA Frequently Asked Questions about LID, "some MS4 permits and BMP guidance manuals require anywhere from 3-10 feet of separation from the groundwater level for infiltration practices. This distance depends on the soil type, pollutants of concern, and groundwater use. In some cases, however, where there may be groundwater or soil contamination, LID infiltrative practices may be restricted completely. (p. 7 in https://www.casqa.org/Portals/0/LID/CA_LID_FAQ_06-28-2011.pdf)

If the Technical Infeasibility analysis is approved, the use of the Ten Percent Adjustment to Retention Requirement method of compliance may be used (Appendix F). For off-site mitigation, a plan detailing the project(s) that will provide off-site mitigation shall be submitted. The proposed off-site projects may be existing facilities and/or prospective projects that are as effective in maintaining watershed processes as implementation of the applicable Post-Construction Stormwater Requirements on-site. The description shall include:

a) The location of the proposed off-site project(s), which must be within the same watershed as the Regulated Project. Alternative Compliance project sites located outside the watershed may be approved by the Central Coast Water Board Executive Officer.
b) A schedule for completion of offsite mitigation project(s), where the off-site mitigation project(s) has not been constructed.

Watershed or Regional Management Plan

The City of Morro Bay does not have an approved Watershed or Regional Management Plan**.**

Urban Sustainability Area

Projects located within an approved Urban Sustainability Area (USA) may apply for Alternative Compliance for numeric Runoff Retention and Peak Management Performance Requirements without demonstrating technical infeasibility; however the City of Morro Bay has not established an Urban Sustainability Area.

Application for approval of an Urban Sustainability Area may be made to the Central Coast Regional Water Quality Control Board. The Urban Sustainability Area may only encompass redevelopment in high density urban centers that are pedestrian-oriented and/or transit-oriented development projects intended to promote infill of existing urban areas. The USA proposal must include, at minimum:

i) A definition and delineation of the USA for high-density infill and redevelopment for which area-wide approval for Alternative Compliance is sought.
ii) Information and analysis that supports the intention to balance water quality protection with the needs for adequate housing, population growth, public transportation, land recycling, and urban revitalization.
iii) Demonstration that implementation of Alternative Compliance for Regulated Projects in the USA will meet or exceed the on-site requirements for Runoff Retention and Peak Management. The proposal must include quantitative analysis used to evaluate off-site compliance. Identification of specific off-site projects is not necessary for approval of the USA designation.

Projects in a USA may meet Water Quality Treatment Performance Requirements off-site only when:

i) It has been demonstrated that on-site water quality treatment is Technically Infeasible; AND
ii) The proposed off-site project(s) have been demonstrated to comply with the Water Quality Treatment Performance Requirements.

Off-Site Compliance Project(s) Requirements

Location of Alternative Compliance Project(s) – The location of the proposed off-site project(s) must be within the same watershed as the Project. Alternative Compliance project sites located outside the watershed may be approved by the Central Coast Water Board Executive Officer.

Timing and Funding Requirements for Alternative Compliance Projects – A schedule for the completion of off-site mitigation projects, including milestone dates to identify funding, design, and construction of the off-site projects shall be submitted with the application for Alternative Compliance.

a) Complete the project(s) as soon as practicable and no longer than four years from the date of the certificate of occupancy for the project for which off-site mitigation is required, unless a longer period is otherwise authorized by the Central Coast Water Board Executive Officer.
b) The timeline for completion of the off-site mitigation project may be extended, up to five years with prior Central Coast Water Board Executive Officer approval. Central Coast Water Board Executive Officer approval will be granted contingent upon a demonstration of good faith efforts to implement an Alternative Compliance project, such as having funds encumbered and applying for the appropriate regulatory permits.
c) Off-site mitigation projects on public property shall be fully funded by the applicants.
d) Off-site mitigation projects on private property shall include all documentation necessary to provide legal authority to use the property for the mitigation and shall include project bonding.

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Section 8

Maintenance and Reporting

An Operation and Maintenance Plan (O&M) is required for all projects that utilize Structural Control Measures (SCMs) to satisfy Performance Requirements 2, 3, 4 and/or 5. A maintenance program is essential to ensure that the stormwater facilities continue to function as designed to maintain water quality and prevent possible flooding and property damage.

A proper maintenance plan must include:

- Site map of all SCMs requiring O&M practices to function as designed
- Procedures are provided for each structural control measure including, but not limited to, LID facilities, retention/detention basins, and proprietorship devices
- Short and long term maintenance requirements
- Estimated cost for maintenance

Appendix J has templates to aid in the development of the O&M Plan.

The SWCP and O&M plan shall be prepared under the direction of a professional civil engineer registered in the State of California. The plans shall be stamped, signed and include a certifying statement indicating that all stormwater BMPs have been designed to meet the City's stormwater quality requirements.

Applicants of regulated projects subject to Performance Requirements 2, 3, 4 or 5 are required to demonstrate compliance with these requirements on an annual basis.

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APPENDIX A

PROJECTS EXEMPT FROM STORMWATER REQUIREMENTS

Project that are exempt from the Post-Construction Performance are as follows (check any box on the list and no further action is required):

- ☐ Road and Parking Lot maintenance:
    - Road surface repair including slurry sealing, fog sealing, and pothole and square cut patching
    - Overlaying existing asphalt or concrete pavement with asphalt or concrete without expanding the area of coverage
    - Shoulder grading
    - Cleaning, repairing, maintaining, reshaping, or re-grading drainage systems
    - Crack sealing
    - Resurfacing with in-kind material without expanding the road or parking lot
    - Practices to maintain original line and grade, hydraulic capacity, and overall footprint of the road or parking lot
    - Repair or reconstruction of the road because of slope failures, natural disasters, acts of God or other man-made disaster
- ☐ Sidewalk and bicycle path or lane projects, where no other impervious surfaces are created or replaced, built to direct stormwater runoff to adjacent vegetated areas
- ☐ Trails and pathways, where no other impervious surfaces are replaced or created, and built to direct stormwater runoff to adjacent vegetated areas
- ☐ Underground utility projects that replace the ground surface with in-kind material or materials with similar runoff characteristics
- ☐ Curb and gutter improvement or replacement projects that are not part of any additional creation or replacement of impervious surface area (e.g., sidewalks, roadway)
- ☐ Second-story additions that do not increase the building footprint
- ☐ Raised (not built directly on the ground) decks, stairs, or walkways designed with spaces to allow for water drainage
- ☐ Photovoltaic systems installed on/over existing roof or other impervious surfaces, and panels located over pervious surfaces with well-maintained grass or vegetated groundcover, or panel arrays with a buffer strip at the most down gradient row of panels
- ☐ Temporary structures (in place for less than six months)
- ☐ Electrical and utility vaults, sewer and water lift stations, backflows and other utility devices
- ☐ Above-ground fuel storage tanks and fuel farms with spill containment system

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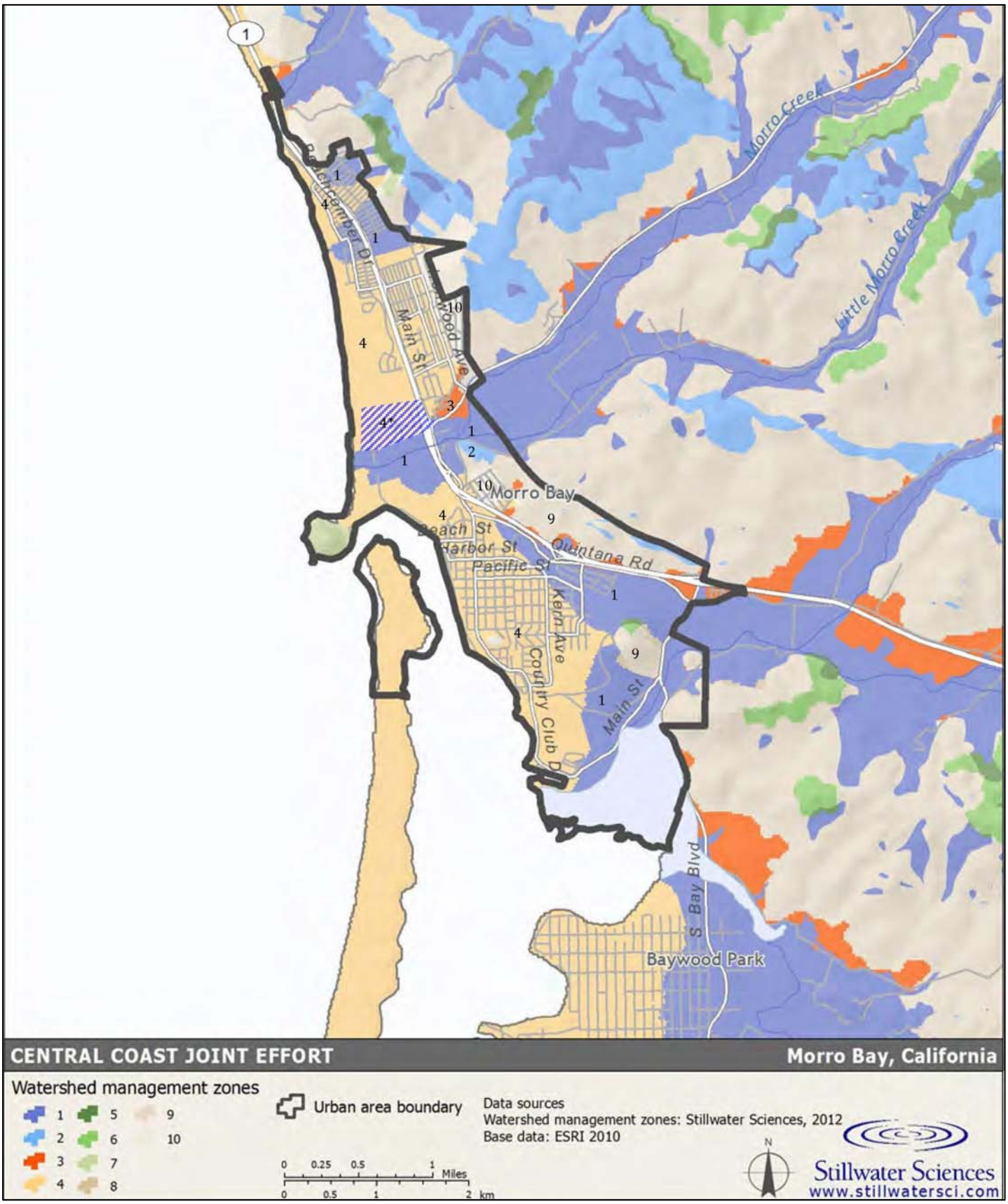
APPENDIX B
WATERSHED MANAGEMENT ZONES



APPENDIX C

PERFORMANCE REQUIREMENT DETERMINATION FORM

The following form shall be completed for all development and redevelopment projects. Projects that are exempt from performance requirements are required to complete Section 1 & 2 only.

Section 1: General Information	
Project name	
Project Address	
Assessor's Parcel Number(s)	
Name of Applicant	
Applicant email address:	
Applicant phone:	
Project Type (e.g. single-family residential, commercial, etc.)	
Section 2: Area Information	
Total Project Area	
Total Existing impervious surface area	
Proposed Gross Impervious Area Calculation	
a. Rooftops	
b. Driveways	
c. Patios	
d. Parking Lots	
e. Other	
Total Gross Impervious Area	
If Gross Impervious Area <2,500 ft^2, write "EXEMPT". Otherwise continue to Sec. 3	
Section 3: PR Determination	
Watershed Management Zone (App. B)	
Net Impervious Area (from page 5)	
Performance Requirements (from Flow Charts)	

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APPENDIX D

Definitions Related to Post-Construction Requirements

Bioretention – A Stormwater Control Measure designed to retain stormwater runoff using vegetated depressions and soils engineered to collect, store, treat, and infiltrate runoff. Bioretention designs do not include underdrains.

Biotreatment or Biofiltration Treatment –A Stormwater Control Measure designed to detain stormwater runoff, filter stormwater through soil media and plant roots, and release the treated stormwater runoff to the storm drain system. Biotreatment systems include an underdrain.

Discretionary Approval – A project approval which requires the exercise of judgment or deliberation when the MS4 decides to approve or disapprove a particular activity, as distinguished from situations where the MS4 merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations.

Dispersion – The practice of routing stormwater runoff from impervious areas, such as rooftops, walkways, and patios, onto the surface of adjacent pervious areas. Stormwater runoff is dispersed via splash block, dispersion trench, or sheet flow and soaks into the ground as it moves slowly across the surface of the pervious area.

Drainage Management Area (DMAs) – Following the low impact development principle of managing stormwater through small-scale, decentralized measures, DMAs are designated individual drainage areas within a Regulated Project that typically follow grade breaks and roof ridge lines and account for each surface type (e.g., landscaping, pervious paving, or roofs). Stormwater Control Measures for runoff reduction and structural facilities are designed for each DMA.

Equivalent Impervious Surface Area – is equal to *Impervious Tributary Surface Area* (ft^2) + *Pervious Tributary Surface Area* (ft^2), where *Impervious Tributary Surface Area* is defined as the sum of all of the site's conventional impervious surfaces, and *Pervious Tributary Surface Area* is defined as the sum of all of the site's pervious surfaces, corrected by a factor equal to the surface's runoff coefficient.

Evapotranspiration (ET) – The loss of water to the atmosphere by the combined processes of evaporation (from soil and plant surfaces) and transpiration (from plant tissues).

Flow-Through Water Quality Treatment Systems – Stormwater Control Measures that are designed to treat stormwater through filtration and/or settling. Flow-through systems do not provide significant retention or detention benefits for stormwater volume control.

Gross Impervious Area – Impervious surfaces that are created or replaced by the project. Manufactured permeable surfaces (pervious paving, gapped paving stones, etc.) may be considered as a pervious

surface and are considered on a case by case basis. If sidewalks or new pavement in the City right of way is planned or required by code, these surfaces shall also be included in the total. Do not include the surface area of decks with gaps that allow runoff to drain to permeable surfaces below. Gross Impervious Area is used in the initial determination of performance requirements.

Groundwater Basins – Groundwater basin areas defined by the California Department of Water Resources (DWR) and used in the Central Coast Water Board Joint Effort for Hydromodification Control to identify groundwater receiving-water issues and areas where recharge is a key watershed process. DWR based identification of the groundwater basins on the presence and areal extent of unconsolidated alluvial soils identified on a 1:250,000 scale from geologic maps provided by the California Department of Conservation, Division of Mines and Geology. DWR then further evaluated identified groundwater basin areas through review of relevant geologic and hydrogeologic reports, well completion reports, court-determined adjudicated basin boundaries, and contact with local agencies to refine the basin boundaries.

Impervious Surface – A hard, non-vegetated surface area that prevents or significantly limits the entry of water into the soil mantle, as would occur under natural conditions prior to development. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, oiled, macadam or other surfaces which similarly impede the natural infiltration of stormwater. Open, uncovered retention/detention facilities shall not be considered as impervious surfaces for purposes of determining whether the thresholds for application of Performance Requirements are exceeded. However, for modeling purposes, open, uncovered facilities that retain/detain water (e.g., retention ponds, pools) shall be considered impervious surfaces. There are three methods of calculating impervious surface area, depending on the context of the calculation. For more details, see ***Net Impervious Area, Gross Impervious Area, and Equivalent Impervious Area*** definitions.

Land recycling – The reuse of abandoned, vacant, or underused properties for redevelopment or repurposing

Landscaped Areas – Areas of soil and vegetation not including any impervious surfaces of ancillary features such as impervious patios, BBQ areas, and pools.

Large River – A river draining 200 square miles or more.

Low Impact Development (LID) – A stormwater and land use management strategy that strives to mimic pre-disturbance hydrologic processes of infiltration, filtration, storage, evaporation, and transpiration by emphasizing conservation, use of on-site natural features, site planning, and distributed stormwater management practices that are integrated into a project design.

Ministerial Approval – A project approval which involves little or no personal judgment by the MS4 as to the wisdom or manner of carrying out the project and only involves the use of fixed standards or objective measurements.

Native Vegetation – Vegetation comprised of plant species indigenous to the Central Coast Region and which reasonably could have been expected to naturally occur on the site.

Net Impervious Area – The sum of new and replaced post-project impervious areas, minus any reduction in total imperviousness from the pre-project to post-project condition: *Net Impervious Area = (New and Replaced Impervious Area) – (Reduced Impervious Area Credit),* where *Reduced Impervious Area Credit* is the total pre-project to post-project reduction in impervious area, if any.

New Development – Land disturbing activities that include the construction or installation of buildings, roads, driveways and other impervious surfaces. Development projects with pre-existing impervious surfaces are not considered New Development.

Percentile Rainfall Event (e.g., 85th and 95th) – A percentile rainfall event represents a rainfall amount which a certain percent of all rainfall events for the period of record do not exceed. For example, the 95th percentile rainfall event is defined as the measured rainfall depth accumulated over a 24-hour period, for the period of record, which ranks as the 95th percentile rainfall depth based on the range of all daily event occurrences during this period.

Permeable or Pervious Surface – A surface that allows varying amounts of stormwater to infiltrate into the ground. Examples include pasture, native vegetation areas, landscape areas, and permeable pavements designed to infiltrate.

Pre-Project – Stormwater runoff conditions that exist onsite immediately before development activities occur. This definition is not intended to be interpreted as that period before any human-induced land activities occurred. This definition pertains to redevelopment as well as initial development.

Project Site – The area defined by the legal boundaries of a parcel or parcels of land within which the new development or redevelopment takes place and is subject to these Post-Construction Stormwater Management Requirements.

Rainwater Harvest – Capture and storage of rainwater or stormwater runoff for later use, such as irrigation (without runoff), domestic use (e.g. toilets), or storage for fire suppression.

Receiving Waters – Bodies of water, surface water systems or groundwater that receive surface water runoff through a point source, sheet flow or infiltration.

Redevelopment – On a site that has already been developed, construction or installation of a building or other structure subject to the Permittee's planning and building authority including: 1) the creation or addition of impervious surfaces; 2) the expansion of a building footprint or addition or replacement of a structure; or 3) structural development including construction, installation or expansion of a building or other structure. It does not include routine road maintenance, nor does it include emergency construction activities required to immediately protect public health and safety.

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Replaced Impervious Surface – The removal of existing impervious surfaces down to bare soil or base course, and replacement with new impervious surface. Replacement of impervious surfaces that are part of routine road maintenance activities are not considered replaced impervious surfaces.

Self-Retaining Areas – (also called "zero discharge" areas), are designed to retain some amount of rainfall (by ponding and infiltration and/or evapotranspiration) without producing stormwater runoff. Self-Retaining Areas may include graded depressions with landscaping or pervious pavement.

Self-Treating Areas – are a portion of a Regulated Project in which infiltration, evapotranspiration and other natural processes remove pollutants from stormwater. The self-treating areas may include conserved natural open areas and areas of native landscaping. The self-treating area only treats the rain falling on itself and does not receive stormwater runoff from other areas.

Routine Road Maintenance – includes pothole and square cut patching; overlaying existing asphalt or concrete pavement with asphalt or concrete without expanding the area of coverage; shoulder grading; reshaping/regrading drainage systems; crack sealing; resurfacing with in-kind material without expanding the road prism or altering the original line and grade and/or hydraulic capacity of the road.

Single-Family Residence – The building of one single new house or the addition and/or replacement of impervious surface associated with one single existing house, which is not part of a larger plan of development.

Stormwater Control Measures – Stormwater management measures integrated into project designs that emphasize protection of watershed processes through replication of pre-development runoff patterns (rate, volume, duration). Physical control measures include, but are not limited to, bioretention/rain gardens, permeable pavements, roof downspout controls, dispersion, soil quality and depth, minimal excavation foundations, vegetated roofs, and water use. Design control measures include but are not limited to conserving and protecting the function of existing natural areas, maintaining or creating riparian buffers, using onsite natural drainage features, directing runoff from impervious surfaces toward pervious areas, and distributing physical control measures to maximize infiltration, filtration, storage, evaporation, and transpiration of stormwater before it becomes runoff.

Stormwater Control Plan – A plan, developed by the Regulated Project applicant, detailing how the project will achieve the applicable Post-Construction Stormwater Management Requirements (for both onsite and offsite systems).

Tributary Area – The entire project area except for undisturbed areas of planted areas with native vegetation that do not receive runoff from other areas and impervious surface areas that discharge to infiltration areas that will not produce runoff or create nuisance ponding. The Drainage Management Areas are smaller Tributary Areas that cumulatively make up the Tributary Area of the entire site.

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APPENDIX E

Hydrologic Analysis and Stormwater Control Measure Sizing Guidance

Project site conditions will influence the ability to comply with the Water Quality Treatment and Runoff Retention Performance Requirements. This Appendix provides the acceptable Stormwater Control Measure (SCM) sizing methodology to evaluate runoff characteristics. This guidance provides a simple event-based approach and a runoff routing approach. Both of these approaches are based on sizing for a single-event and avoid the necessity of using calibrated, continuous simulation modeling. The project applicant may use a locally/regionally calibrated continuous simulation-based model to improve hydrologic analysis and SCM sizing.

1) Determination of Retention Tributary Area

Determining the Retention Tributary Area is the basis for calculating the runoff volumes subject to Performance Requirement Number 3. Retention Tributary Area should be calculated for each individual Drainage Management Area to facilitate the design of SCMs for each Drainage Management Area. The generic equation below illustrates how various portions of the site are addressed when determining the Retention Tributary Area. The Retention Tributary Area calculation must also account for the adjustments for Redevelopment Projects subject to Performance Requirement No. 3.

a) Compute the Retention Tributary Area, using the equation:

Retention Tributary Area = (Entire Project Area) – (Undisturbed or Planted Areas) – (Impervious Surface Areas that Discharge to Infiltrating Areas)***

* As defined under Drainage Management Areas 2.a (in Section 3)
** As defined under Drainage Management Areas 2.b. (in Section 3)

a) Adjustments for Redevelopment Project Retention Tributary Area – Where the Regulated Project includes replaced impervious surface, the following Retention Tributary Area adjustments apply:

   i) Redevelopment Projects outside an approved Urban Sustainability Area, as described in the Alternative Compliance Section. – The total amount of replaced impervious surface area shall be multiplied by 0.5 when calculating the Retention Tributary Area.

   ii) Redevelopment Projects located within an approved Urban Sustainability Area, as described in the Alternative Compliance Section. – The replaced impervious surface areas may be subtracted from the Retention Tributary Area. The total amount of runoff volume to be retained from replaced impervious surfaces shall be equivalent to the pre-project runoff volume retained.

2) Determination of Retention Volume

a) Based on the Regulated Project's Watershed Management Zone, determine the Regulated Project's Runoff Retention Requirement (e.g., Retain 95th Percentile 24-hour Rainfall Event, or, Retain 85th Percentile 24-hour Rainfall Event).

b) Determine the 85th or 95th percentile 24-hour rainfall event (Appendix I)

c) Compute the Runoff Coefficient[4] "C" for the area tributary to the SCMs, using the equation:

$$C = 0.858i^3 - 0.78i^2 + 0.774i + 0.04$$

Where "i" is the fraction of the tributary area that is impervious[5]

d) Compute Retention Volume:

Retention Volume for 95th Percentile 24-hr Rainfall Depth = C x Rainfall Depth$_{95th}$ x Retention Tributary Area

or,

Retention Volume for 85th Percentile 24-hr Rainfall Depth = C x Rainfall Depth$_{85th}$ x Retention Tributary Area

All rainfall directly incident to each SCM must be considered in determining runoff, including: tributary landscaping, impervious areas, pervious pavements, and bioretention features.

Note: For redevelopment projects located within an approved Urban Sustainability Area the total amount of runoff volume to be retained from replaced impervious surfaces shall be equivalent to the pre-project runoff volume retained.

3) Structural Stormwater Control Measure Sizing

The Project engineer shall use structural SCMs that optimize retention and result in optimal protection and restoration of watershed processes, such as Structural Control Measures associated with small-scale, decentralized facilities designed to infiltrate, evapotranspirate, filter, or capture and use stormwater, to address the volumes calculated in 2 (above). Where the Project is within a Watershed Management Zone where infiltration is required, SCM designs that optimize infiltration of the entire Retention Volume is required, to minimize the potential need for off-site mitigation. Various resources provide design guidance for fully infiltrative SCMs including:

- The Contra Costa C.3 Manual
- The City of Santa Barbara LID BMP Manual
- The City of San Diego LID Design Manual, July 2011
- Central Coast LID Initiative Bioretention Design Guidance

[4] As set forth in WEF Manual of Practice No. 23/ASCE Manual of Practice No. 87, (1998), pages 175-178 and based on the translation of rainfall to runoff using a runoff regression equation developed using two years of data from more than 60 urban watersheds nationwide.

[5] As defined in Post-Construction Requirements Attachment D.

a) Calculate SCM Capture Volume – Calculate the required SCM Capture Volume, associated with the Regulated Project's Runoff Retention Requirement, by one of the following methods:

Method 1: Simple Method

SCM Capture Volume = Retention Volume for 95th Percentile 24-hr Rainfall Depth

or,

SCM Capture Volume = Retention Volume for 85th Percentile 24-hr Rainfall Depth

Method 2: Routing Method

Use a hydrograph analysis[6] to determine the SCM Capture Volume needed to retain the Retention Volume for 95th or 85th Percentile 24-hr Rainfall Depth calculated in 2 (above). The SCM Capture Volume shall be based on both the rate of flow from tributary areas into the SCM, and the rate of flow out of the SCM through infiltration into the underlying soil during the rain event. When conducting the hydrograph analysis, adhere to the criteria included in Table 1. The SCM shall be designed such that a single 95th or 85th Percentile 24-hr Rainfall Event will not overflow the SCM.

If the Retention Volume cannot infiltrate within 48-hours, a multiplier of 1.20 shall be applied to the SCM Capture Volume calculated through the routing method.

TABLE 1: Routing Method Criteria

Parameter	Criteria
Hydrograph Analysis Method	National Resources Conservation Service
Pond Routing Method	Storage-indication, unless otherwise justified to be more correct based on site and storage conditions.
Infiltration Rate	Underlying soil saturated infiltration rate, as indicated by on-site testing.
Rainfall Distribution	National Resources Conservation Service Type I[7] or based on local rainfall data
Time of Concentration	No less than 10 minutes
Time Increment	0.10 hour, unless otherwise justified to be more correct based on rainfall distribution

[6] HydroCAD is an example of a commonly used and widely accepted program for performing hydrograph analyses and design of stormwater infrastructure. HydroCAD is based on U.S. Department of Agriculture Soil Conservation Service's (now Natural Resources Conservation Service) TR-55: Urban Hydrology for Small Watersheds.

[7] The National Resources Conservation Service developed standard 24-hour rainfall distributions for hydrograph analyses. These rainfall distributions were intended to represent intensities associated with shorter duration storms, ranging from durations of 30 minutes to 12 hours. The National Resources Conservation Service Type 1 storm applies to the California West Coast, including the Central Coast Region. The Type 1 rainfall distribution was derived using National Oceanic Atmospheric Administration Atlas 2 rainfall statistics for the 1-year through 100-year storm.

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b) Demonstration of Compliance – Project engineer shall demonstrate that site SCMs: a) will infiltrate and/or evapotranspirate the Retention Volume or, b) will provide sufficient Capture Volume to retain the Retention Volume. Any outlet (i.e., underdrain) installed in a structural SCM shall be installed above the elevation of any portion of the structural SCM dedicated to Retention Volume storage.

Compliance with Water Quality Treatment Performance Requirement – Projects that propose to use the retention-based structural Stormwater Control Measures, shall also meet the Water Quality Treatment Performance Requirement, and demonstrate in the Stormwater Control Plan, that the Water Quality Treatment Performance Requirement is being fully met.

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APPENDIX F

Ten Percent Adjustment to Retention Requirement – Calculation Instructions

Where technical infeasibility, as described in the Alternative Compliance, prevents full on-site compliance with the Runoff Retention Performance Requirement, on-site retention of the full Retention Volume per Section PR.3 is not required and the Project is required to dedicate no less than ten percent of the Project's Equivalent Impervious Surface Area to retention-based Stormwater Control Measures. The Water Quality Treatment Performance Requirement is not subject to this adjustment, i.e.,

Calculating Ten Percent of a Project's Equivalent Impervious Surface Area

The area of the project that must be dedicated to structural SCMs to waive off-site compliance with the Runoff Retention Requirement is equal to ten percent of the project's Equivalent Impervious Surface Area, defined as:

Equivalent Impervious Surface Area (ft^2) = (Impervious Tributary Surface Area (ft^2) + (Pervious Tributary Surface Area (ft^2))

Impervious Tributary Surface Area is defined as the sum of all of the site's conventional impervious surfaces. When calculating Impervious Tributary Area:

- Do include: concrete, asphalt, conventional roofs, metal structures and similar surfaces
- Do not include: green roofs

Pervious Tributary Surface Area is defined as the sum of all of the site's pervious surfaces, corrected by a factor equal to the surface's runoff coefficient. When calculating Pervious Tributary Surface Area:

- Do include surfaces such as: unit pavers on sand; managed turf[8]; disturbed soils; and conventional landscaped areas (see Table 1 for correction factors).

  Example:

  Project Site includes 500 ft^2 of unit pavers on sand.

  Pervious Tributary Surface Area = 500 ft^2 x C = 50 ft^2

  Where C = Correction Factor for unit pavers, 0.1, from Table 1.

- Do not include: Infiltration SCM surfaces (e.g., SCMs designed to specific performance objectives for retention/infiltration) including, bioretention cells, bioswales; natural and

[8] Managed Turf includes turf areas intended to be mowed and maintained as turf within residential, commercial, industrial, and institutional settings.

undisturbed landscape areas, or landscape areas compliant with the Model Water Efficient Landscape Ordinance (California Code of Regulations, Title 23. Waters, Division 2. Department of Water Resources, Chapter 2.7.), or a local ordinance at least as effective as the Model Water Efficient Landscape Ordinance.

TABLE 1: Correction Factors[9] for Use in Calculating Equivalent Impervious Surface Area

Pervious Surface	Correction Factor
Disturbed Soils/Managed Turf (dependent on original Hydrologic Soil Group)	A: 0.15 B: 0.20 C: 0.22 D: 0.25
Pervious Concrete	0.60
Cobbles	0.60
Pervious Asphalt	0.55
Natural Stone (without grout)	0.25
Turf Block	0.15
Brick (without grout)	0.13
Unit Pavers on Sand	0.10
Crushed Aggregate	0.10
Grass	0.10

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[9] Factors are based on runoff coefficients selected from different sources: Turf and Disturbed Soils from *Technical Memorandum: The Runoff Reduction Method.* Center for Watershed Protection & Chesapeake Stormwater Network. p.13, April 18, 2008.

http://town.plympton.ma.us/pdf/land/scheuler_runoff_reduction_method_techMemo.pdf. All other correction factors from *C.3 Stormwater Handbook, Santa Clara Valley Urban Runoff Pollution Prevention Program, Appendix F*, p. F-9., May 2004.

http://www.sanjoseca.gov/planning/stormwater/pdfs/appendices_files/Appendix_F_Final.pdf

APPENDIX G

Calculating Off-Site Retention Requirements When Less Than 10 Percent of the Project Site Equivalent Impervious Surface Area is Allocated to Retention-Based Structural Stormwater Control Measures

The following instructions demonstrate how to determine the Off-Site Retention Requirements when a Project subject to the Runoff Retention Performance Requirement, cannot allocate the full 10% of the project site's Equivalent Impervious Surface Area[10] to retention-based Stormwater Control Measures (SCMs).

STEP A. Potential Off-Site Mitigation Retention Volume

First calculate the Potential Off-Site Mitigation Retention Volume, which represents the additional volume of runoff that would have been retained on-site, had the full 10% of Equivalent Impervious Surface Area been dedicated to retention-based SCMs.

Equation A:

Potential Off-Site Mitigation Retention Volume = (the portion of the 10% Equivalent Impervious Area not allocated on-site) X (the On-Site Retention Feasibility Factor)

Where:

- *The portion of the 10% Equivalent Impervious Surface Area not allocated on-site* is that portion not allocated to on-site structural retention-based SCMs. For example, if 10% of Equivalent Impervious Surface Area is 1,000 ft^2 and only 8% (800 ft^2) is allocated to retention-based SCMs, the remaining 2% (200 ft^2) is the value inserted in the equation.

- *The On-Site Retention Feasibility Factor* is the ratio of Design Retention Volume[11] managed on-site (ft^3), to actual area (ft^2) allocated to structural SCMs. This establishes the site's retained volume:area ratio, expressed as cubic feet of retained runoff volume per square foot of area. For example, if a project is able to infiltrate 3,500 ft^3 of runoff over an 800-ft^2 area, this ratio of 3,500:800, or 4.38, is the On-Site Retention Feasibility Factor.

STEP B. Actual Off-Site Mitigation Retention Volume

Next, determine the Actual Off-Site Mitigation Retention Volume, which may be less than the Potential Off-Site Mitigation Retention Volume. The Actual Off-Site Mitigation Retention Volume is the lesser of the volume calculated in Equation A, and the remaining portion of the Design Retention Volume,

[10] Calculate Equivalent Impervious Surface Area using guidance in Post-Construction Requirements Attachment E

[11] Calculate Design Retention Volume using guidance in Post-Construction Requirements Attachment D, or equivalent method. Final Design Retention Volumes should reflect the applicant's demonstrated effort to use non-structural design measures to reduce the amount of runoff (e.g., reduction of impervious surfaces) as required by the Post-Construction Requirements' LID Development Standards (Section B.4.d).

calculated per Appendix E, not controlled on-site. There are two possible outcomes when the Runoff Retention Performance Requirement is not met on-site and less than 10% of the site's Equivalent Impervious Surface Area is allocated to retention-based SCMs:

- Potential Off-Site Mitigation Retention Volume is the Actual Off-Site Mitigation Retention Volume
- Remaining Design Retention Volume represents Actual Off-Site Design Retention Mitigation Volume

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APPENDIX H
Soil Infiltration Assessment

Introduction and Purpose

This document provides guidance for conducting a Soil Infiltration Assessment to support the use of shallow or deep infiltration based stormwater control measures (SCMs), such as low impact development. This guidance is intended to provide a universal starting point for assessment of the infiltration characteristics of each project site and provide useful data in a cost-effective manner. Consideration and discussion of the application of these guidelines among the jurisdiction, the design professional and the geotechnical engineer is encouraged. They should be modified using sound engineering and geologic judgment to accommodate the unique characteristics of each project as they relate to each unique site.

The guidelines walk the user through a step-wise process from an Initial Site Assessment to a level of soil/geotechnical methodology appropriate for the site. The concept is to obtain information to:

1. Assess the general potential within the site for infiltration based SCMs
2. Provide a preliminary methodology to obtain soil infiltration data while balancing the need for data with the cost of acquiring the data.
3. Provide an extended or more comprehensive soil/geotechnical methodology where the results from the preliminary methodology as well as other site considerations warrant a more thorough soil analysis to facilitate better SCM design.

Note: Throughout this document the term “boring” is used for the purpose of observing the soil profile. However, except as indicated otherwise, an “excavation” may be substituted for the same purpose. Similarly, the term “drill” is the term used as the means of creating the boring. Except as otherwise indicated, it is meant to be synonymous with “excavating” or “digging” of an excavation. The two methods are meant to be interchangeable.

THESE METHODS DO NOT ADDRESS HEALTH OR SAFETY ASPECTS ASSOCIATED WITH THEIR USE. HEALTH AND SAFETY OF PERSONEL CONDUCTING THE METHODOLOGIES AND OF PEDESTRIANS, PASSERS-BY, SITE OWNERS OR TENANTS, ETC. SHOULD BE CONSIDERED. IT IS THE RESPONSIBILITY OF THE USER TO COMPLY WITH ALL APPLICABLE HEALTH AND SAFETY LAWS, REGULATIONS, POLICIES AND PROCEDURES, AND TO ENSURE THAT THE METHODOLOGIES ARE USED SAFELY.

The methodologies are guidelines only for the means of assessing the infiltration rates. Aspects related to permits, disposal of soil cuttings and samples, backfill, compaction, site restoration, etc. are not addressed. It is incumbent on the user to follow all laws, regulations, policies and procedures in decommissioning the borings.

Step 1: Initial Site Assessment

Initial Site Assessment is encouraged early in the design of post-construction SCMs. Infiltration SCMs may be required to comply with State post-construction stormwater control requirements. Various characteristics of a site may limit or preclude the use of infiltration SCMs including soil and

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geotechnical constraints. Early in the project planning phase, the Project Applicant should identify all site characteristics that may influence (both positively and negatively), the ability of the site to infiltrate stormwater. The list below relates to soil and geotechnical feasibility only and the Project Applicant is encouraged review the full list of possible infeasibility constraints as provided by the municipality.

Initial Site Assessment related to infiltration potential should include, but is not limited to:

- Slope / topography of parcel
- Descending slopes nearby
- Protected Vegetation (endangered species, heritage oaks, etc.)
- Springs, seeps
- Bedrock outcrops
- Soil types from USDA Soil Charts, local geologic and geotechnical knowledge, etc.
- Area(s) available for infiltration
- Nearby wells
- Soil of groundwater contamination
- Other geotechnical constraints that may impact public safety or property

Step 2: Interpretation of Initial Site Assessment

If the Initial Site Assessment indicates that there is documentation of characteristics that entirely preclude the use of shallow or deep infiltration based SCMs, go to **Step 2A**. Examples of such characteristics might be unstable slopes throughout the site; high groundwater, shallow impervious bedrock throughout the site, etc. Note: poor soils do not necessarily preclude the use of infiltration based BMPs but may limit the amount of infiltration.

If the Initial Site Assessment indicates that site characteristics do not preclude the use of infiltration based SCMs, go to **Step 2B**.

Step 2A: Omit use of infiltration-based SCMs, Infiltration analysis complete.

When site conditions entirely preclude the use of infiltration-based SCMs, the Project Applicant will need to contact the municipal representative responsible for the project to determine any required documentation of the infiltration infeasibility and the adjusted post-construction requirements for the project.

Step 2B: Conduct Quick Infiltration Testing

If Initial Site Assessment indicates that use of shallow infiltration-based SCMs (e.g. vegetated swales, bioswales, bioretention facilities, shallow infiltration basins, etc.) may be feasible, a “Shallow Quick Infiltration Test” may provide information to refine shallow SCM siting within the project and associated sizing calculations. See **Attachment 1** for Shallow Quick Infiltration Test methodology.

If Initial Site Assessment indicates that use of deep SCMs (e.g. seepage pits, deep infiltration basins, etc.) may be feasible, a “Deep Quick Infiltration Test” may provide information to refine

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deep SCM siting within the project and associated sizing calculations. See **Attachment 2** for Deep Quick Infiltration Test methodology.

Step 2C: Interpretation of Quick Infiltration Test Results

If results of the "quick" test (shallow or deep) are 5 inches/hour or slower (moderate to poor soils), then no further data are needed and soil infiltration assessment is complete. Design of SCMs should be based upon the data acquired, as modified by appropriate factors (i.e. factors for size and scale of the SCM, anticipated maintenance, initial and final silt loading, etc.)

Similarly, if results of the Quick Infiltration Testing (shallow or deep) indicate good soils (infiltration rates faster than 5 inches/hour), AND no further data are considered to be necessary for the SCM design, soil infiltration assessment is complete. Design of SCMs should be based upon the data acquired, as modified by appropriate factors (i.e. factors for size and scale of the SCM, anticipated maintenance, initial and final silt loading, etc.).

If results of the Quick Infiltration Testing (shallow or deep) indicate good soils (i.e. infiltration rates faster than 5 inches/hour), AND other considerations may necessitate more soil data, then "Extended Infiltration Testing" should be conducted. See **Attachment 3** for Extended Infiltration Testing methodology.

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ATTACHMENT 1

Shallow Quick Infiltration Testing Methodology

1. For small sites with limited areas for infiltration-based SCMs, drill 1 profile boring and 2 infiltration test borings in each potential SCM area.

2. For acreage and unconstrained sites:
   - Up to 5 acres: drill 1 profile boring and 2 infiltration test borings per acre potentially usable for SCMs.
   - Over 5 acres: drill 1 profile boring and 2 infiltration test borings per geologic unit that may be usable for SCMs, with 2 to 4 infiltration test borings associated with each profile boring.

3. Profile borings should be 6" to 12" diameter. Where the planned SCMs will be constructed near the site's existing grade, borings should be 10' to 15' deep. If significant cuts will be necessary to install the SCMs, the borings should extend 5' to 10' below the invert of the planned SCM. The boring cuttings should be observed and the soils in the borings sampled as necessary to allow accurate logging. Where excavations are utilized to determine the profile, they should be no wider than necessary to facilitate logging of the strata with the same level of detail as for borings.

4. All soil strata should be identified on the logs as to USCS classification, consistency, presence of moisture or free water, color, impermeable and permeable zones, and any other characteristics that may be pertinent to infiltration potential. All logs should include the boring identification, date of drilling, auger type and diameter, sampling methods, and surface elevation (known or assumed).

5. Infiltration test borings should also be 6" to 12" diameter. They should be of depths such that the zone tested will range from about the elevation of SCM invert, to about 2' below the elevation of the invert.

6. Infiltration test excavations should be dug by any means to approximately the elevation of the *top* of the planned SCM. From the elevation of the top of the planned SCM to 2' below the elevation of the *invert* of the SCM, a hand auger or hand shovel should be used to excavate the actual test zone. Preferably, the test zone should be 6" to 12" in diameter; if conditions mandate a larger diameter, it should be as close to 12" as is practicable.

7. A perforated pipe, of a diameter that will facilitate the taking of the test measurements should be placed in each test boring or in the test zone of each test excavation.

8. The annulus between each perforated pipe and the boring sidewall should be filled with fine gravel.

9. A suitable elevation datum should be established from which each measurement can be taken. The elevation of the datum relative to the elevation of the top of the SCM should be noted.

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10. Using a hose equipped with a water meter, a graduated water tank, or other suitable means of measuring water volume, add water to the approximate elevation of *top* of the planned SCM and maintain the head for 30 minutes.

11. At the end of the 30-minute period, shut off water and record volume of water that entered the test boring.

12. As the water level falls, measure from the datum to the water level at suitable intervals. Measurements should be to the degree of precision practicable (usually 1/8-inch or 0.01 foot) for a period of 2 hours. Depending upon the rate of fall, intervals between measurements may need to be from 1 minute to 30 minutes. Intervals should be as uniform as is practicable, however, as the water level falls and the head is reduced, the infiltration rate may decrease and the measurement intervals may need to be incrementally lengthened.

13. If a test boring runs dry within 2-hour measurement period, refill the boring and continue measuring the falling head to end of original 2-hour period. If it runs dry again, refill and continue measurements to the end of the original 2-hour period. If it runs dry a third time, do not refill, the testing of that boring is complete.

14. If the fall recorded in any test boring is less than 6” in 2 hours, continue taking measurements for an additional 2 hours (4 hours total).

15. See **Attachment 4** for a discussion of how to report the test results.

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ATTACHEMENT 2

Deep Quick Infiltration Testing Methodology

1. For small sites with limited areas for infiltration-based SCMs, drill 2 profile / test borings in each potential deep SCM area.

2. For acreage and unconstrained sites:
   - Up to 5 acres: drill 3 profile / test borings per acre potentially usable for SCMs.
   - Over 5 acres: drill 4 profile / test borings per geologic unit that may be usable for SCMs.

3. Profile / test borings should be 6" to 12" diameter. The borings should extend 5' to 10' below the bottom of the planned SCM. The boring cuttings should be observed and the soils in the borings sampled as necessary to allow accurate logging. Use of excavations for deep testing is probably not practical.

4. All soil strata should be identified on the logs as to USCS classification, consistency, presence of moisture or free water, color, permeable and impermeable zones, and any other characteristics that may be pertinent to infiltration potential. All logs should include the boring identification, date of drilling, auger type and diameter, sampling methods, and surface elevation (known or assumed).

5. A perforated pipe, of a diameter that will facilitate the taking of test measurements should be placed in each profile / test boring.

6. The annulus between each perforated pipe and the boring sidewall should be filled with fine gravel.

7. A suitable elevation datum should be established from which each measurement can be taken. The elevation of the datum relative to the elevation of the top of the SCM should be noted.

8. Using a garden hose equipped with a water meter, a graduated water tank, or other suitable means of measuring water volume, add water to approximate elevation of *top* of the planned SCM and maintain the head for 30 minutes.

9. At the end of the 30-minute period, shut off water and record volume of water that entered the test boring.

10. As the water level falls, measure from the datum to the water level at suitable intervals. Measurements should be to the degree of precision practicable (usually 1/8-inch or 0.01 foot) for a period of 2 hours. Depending upon the rate of fall, intervals between measurements may need to be from 1 minute to 30 minutes. Intervals should be as uniform as is practicable, however, as the water level falls and the head is reduced, the infiltration rate may decrease and the reading intervals may need to be incrementally lengthened.

11. If a test boring runs dry within the 2-hour measurement period, refill the boring and continue measuring the falling head to end of original 2-hour period. If it runs dry again, refill and continue measurements to the end of the original 2-hour period. If it runs dry a third time, do not refill, the testing of that boring is complete.

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12. If the fall recorded in any test boring is less than 6” in 2 hours, discontinue testing as deep infiltration is not practical.

13. See **Attachment 4** for a discussion of how to report the test results.

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ATTACHMENT 3

Extended Test Methodology

The following "extended" methodology is intended to provide more comprehensive soil/geotechnical information where the results from the Initial Site Assessment and/or Quick methodology, as well as other site and design considerations warrant a more thorough soil analysis to facilitate better SCM design.

1. Extended test methodology for *deep* SCMs is too complex an issue to be adequately addressed in these guidelines. Test locations, depths, methods, etc. should be discussed among the jurisdiction, the design professional and the geotechnical engineer and a consensus reached as to the appropriate means of securing the data required for design of the deep SCMs on the specific site.

2. For *shallow* extended testing, locations, depths, continuity of subsurface conditions, etc. should be discussed among the jurisdiction, the design professional and the geotechnical engineer. Consideration should be given to drilling and testing at least twice as many test borings as recommended under Quick Testing.

3. Extended shallow test methodology should be essentially the same as Steps 3 through 14 under Quick Testing, except for the following:
    a. Consideration should be given to presoaking the test borings for up to 24 hours prior to commencing testing.
    b. Measurements for extended testing should continue for 4 hours or more, regardless of infiltration rates.
    c. The 30-minute constant head period may be excluded if adequate constant head data were obtained during Quick Testing.

4. See **Attachment 4** for a discussion of how to report the test results.

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ATTACHMENT 4

Reporting of Test Results

1. Reporting of test results, whether quick or extended, shallow or deep, should contain essentially the same information.

2. For each test boring, tabulate the test data showing:
   a. Test identification
   b. Date drilled
   c. Date tested
   d. Test boring diameter
   e. Perforated pipe diameter
   f. Test boring depth
   g. Stratum present in the test zone
   h. Elevation of top of SCM (known or assumed)
   i. Elevation of invert of SCM (known or assumed)
   j. Test duration
   k. Volume introduced between commencement of filling and the end of the 30-minute constant head period, typically in units of cubic feet
   l. Head during initial 30-minute period
   m. Time of the first falling head measurement and depth to the water surface
   n. Time of each subsequent measurement and depth to the water surface
   o. Intervals between measurements
   p. Incremental drop between measurements
   q. Infiltration rate between measurements, typically in units of inches per hour

3. Provide a map showing the approximate locations of all profile and test borings, as well as property lines, landmarks, planned improvements and SCM locations (if known), and other pertinent features that will help the user better understand the boring and testing program.

4. Provide log of each profile boring

5. Provide report summarizing data and discussing the potential for use of infiltration based SCMs on the site or area(s) tested.

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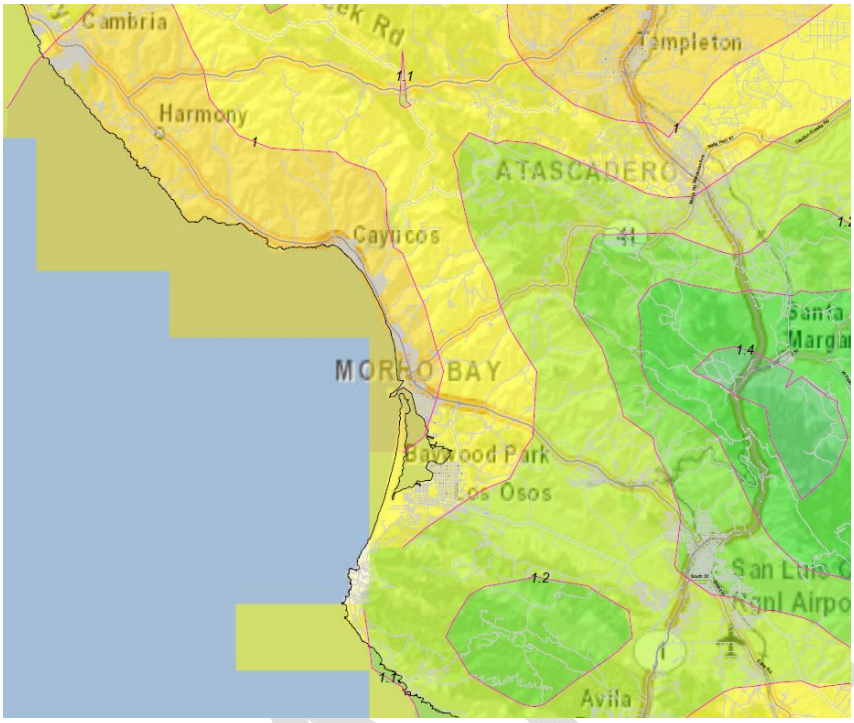
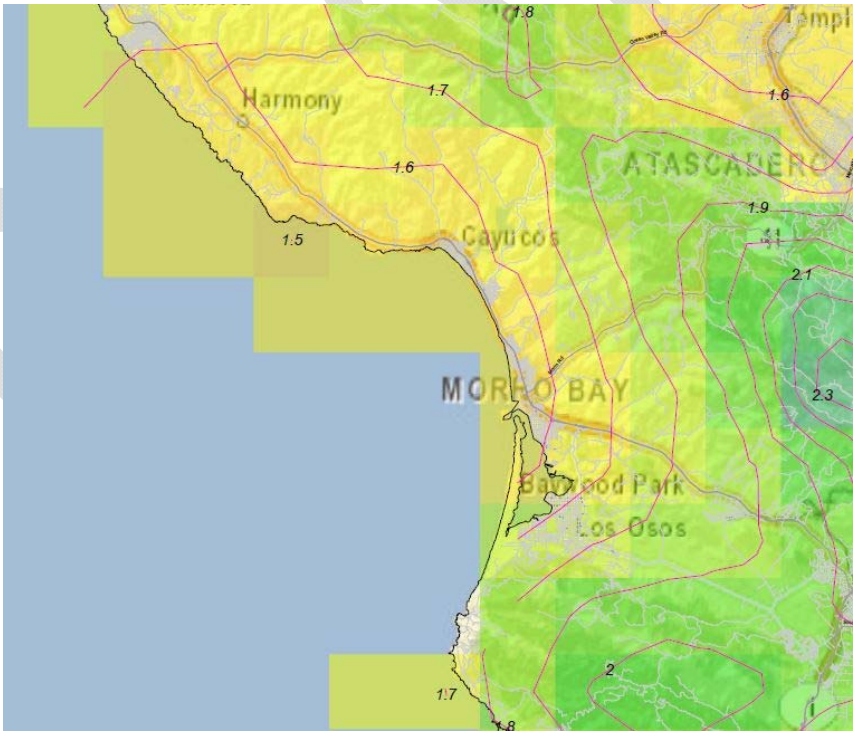
APPENDIX I
85th and 95th Percentile 24-hr Rainfall Depth Maps



85th Percentile



95th Percentile

APPENDIX J
Operations, Maintenance and Reporting

POST CONSTRUCTION STORMWATER MANAGEMENT SYSTEM OPERATIONS AND MAINTENANCE FORMS INSTRUCTIONS

INSTRUCTIONS FOR RECORDING CONSTRUCTIVE NOTIFICATION

After determining a development is required to complete a Stormwater Control Plan (SWCP) with post construction Best Management Practices (BMPs) the applicant (land owner/developer) shall record a Constructive Notification for Private Stormwater Management System Operations and Maintenance with the San Luis Obispo County Clerk-Recorder's office. The constructive notification shall be recorded prior to occupancy.

The standard constructive notification and attachments can be obtained from the following locations:

- http://www.morro-bay.ca.us/stormwater
- Public Services Department 955 Shasta Ave Morro Bay Ca 93442

The applicant shall fill out the constructive notification (per the instructions below) and submit to the City for review and approval. Following City approval, the applicant shall have the constructive notification notarized then filed with the County Clerk-Recorder. The property owner shall then complete annual self-inspections and submit to the Planning and Building Department.

OVERVIEW OF PROCEDURE

I. Complete Constructive Notification and Exhibits

The applicant shall fill out the three (3) part constructive notification prior to submitting for review and approval. (See DETAILED INSTRUCTIONS below for filling out the Constructive Notification, EXHIBIT A and EXHIBIT B forms.)

II. Submit the Constructive Notification & Exhibits to the Engineering Department

Upon completion of the draft constructive notification, the applicant shall submit a copy to the City for review and approval. The constructive notification shall be submitted to the following address (or submitted via email to the City contact person):

City of Morro Bay Public Services Department
955 Shasta Ave
Morro Bay, CA 93465

III. Revise and Resubmit (if applicable)

The applicant shall make any necessary modifications to the constructive notification based on the City's review. The revised constructive notification shall then be resubmitted to the City.

IV. Notarize Constructive Notification

Following City approval (including City Representative signature on EXHIBIT A), the constructive notification shall be notarized.

The applicant shall retain a notary public to notarize the constructive notification. The applicant shall sign the constructive notification and the notary shall complete and sign the constructive notification.

V. Record Constructive Notification

Following notarizing, the constructive notification (and Exhibits) shall be recorded with the County Clerk Recorders office located at:

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County of San Luis Obispo Clerk-Recorder's Office
1055 Monterey Street Room D120
San Luis Obispo, CA 93408-3237

The Clerk-Recorder will keep the document for processing and mail the original back to the Public Services Department. The applicant may purchase a copy of the constructive notification.

For additional information on recording documents and associated fees, visit the County Clerk-Recorder's website at http://www.slocounty.ca.gov/clerk.htm.

VI. Inspections

Annually, the current property owner (or representative) shall complete a self-inspection of the Project Stormwater Management System. EXHIBIT B of the recorded constructive notification shall be completed and submitted annually by June 15th to:

City of Morro Bay
Public Services Department
Annual Reporting Requirements
955 Shasta Ave,
Morro Bay, CA 93442

-or-

brands@morro-bay.ca.us
Subject: Annual Reporting Requirements

For questions please contact the Engineering Department at (805) 772-6215 or the Public Services Department at (805) 772-6261.

DETAILED INSTRUCTIONS

CONSTRUCTIVE NOTIFICATION

The following information shall be completed:

- Property Address
- Property APN
- Permit/Project #
- Property Legal Description NOTE: The legal description is available in the property owner's title report.

See section IV above regarding Notarize Constructive Notification

EXHIBIT A - POST CONSTRUCTION STORMWATER MANAGEMENT SYSTEM OPERATIONS AND MAINTENANCE PLAN

PART 1A - GENERAL INFORMATION

1 **Property APN(s):** If the project has a shared Stormwater Management System (i.e. HOA), insert all the Property APNs served by the SYSTEM. Highlight the Property APN which contains the shared Structural Stormwater Control Measures (SCMs), such as a basin.

2 **Project Address(es):** where the Structural Stormwater Control Measures (SCMs) to be maintained are located.

3-6 Self-explanatory

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7-8 **Designer** and **Company/Firm:** Insert name of the original designer of the stormwater management system. In the case that the Designer is not longer available or practicing, the Company/Firm to which the designer worked will be considered responsible to supply information regarding the SYSTEM.

9-11 Self-explanatory

12 **Estimated Annual Cost for Maintenance Once Established (Attach Cost Estimate Spreadsheet):** Designer to provide an estimate of annual cost to owner for services to inspect, maintain, and report on SYSTEM per instructions provide in this Exhibit. (Consider line item for inflation.)

13 **Other Pertinent Info:** For example, is the SYSTEM shared? Specifics of how will it be managed.

PART 1B - STRUCTURAL CONTROL MEASURE (SCM) DETAILS

General: Data provided on these sheets should match information provided in the Stormwater Control Plan (SWCP) or other plans approved by the City of Morro Bay for the permitted project.

A Structural Control Measure (SMC) is defined by the RWQCB as: *Any structural facility designed and constructed to mitigate the adverse impacts of storm water and urban runoff pollution.*

Numbers for SCMs shall be assigned by the City of Morro Bay officials at approval of the project SWCP or other plan.

1 **Purpose(s) of SCM (check all that apply):** See City Morro Bay Stormwater Management Requirements.

2 Self explanatory

3 **Description & Location of SCM (As necessary, refer to PART 2 – Drawings & Photos):** The most effective means to describe the location of SCMs on a project site is in reference to a Drawing. (See Part 2 explanation.) If there is a basin serving multiple properties on its own lot, note which properties (by APN) the SCM serves.

4 **Drainage Design Criteria:** Per approved SWCP or Drainage Plan.

5 **Design Details (as applicable):** Per approved SWCP or Drainage Plan. If it does not apply, write N/A.

6 Self-explanatory

7 **SCM Inspection & Maintenance Requirements:** These requirements will be based on the design life and considerations of the SCMs ability to meet requirements for water quality and/or flow control as set out by RWQCB and the City Morro Bay.

Short Term Requirements include those things that will be required within a reporting year, i.e. clearing of debris, sediment or other obstructions to inlets.

Long-Term Requirements would be those things done on multiple-year schedule (2-year, 5 year, 10 year) to ensure the continual proper functioning of the SCM. For example, for a filter strip or biofiltration swale, include a plan ensuring the vegetation is healthy and method for replacement of plants (planting plan). For basins (infiltration or detention), provide a schedule for vegetation management and sediment removal. The replacement of inlet grates or other devices that could rust or degrade should be considered in this area, along with the design life.

PART 2 - DRAWINGS AND PHOTOS

The official documents related to the approved design of the Project's Stormwater Control Measure(s) (signed by the Engineer of Record) are required as a part of the Plan. If changes are made to the design of the SCM

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during construction, Record Drawings must be submitted. Include dated photos of the completed SCM with pertinent notes (i.e. direction from which the photo was taken.)

Reduced size Site and Drainage Plans and/or Details Sheets shall be provided. Any relevant details shall be copied at the original scale on 8.5x11 (for example, on an exhibit) for inclusion in the Plan. Ensure any exhibits include all the listed components.

PART 3 - CERTIFICATION AND APPROVAL

Along with the Owner and Designer, the designer or a 3rd party professional engineer, geologist, architect or landscape architect is required to field verify the Stormwater Control Measure(s) per RWQCB Resolution No. R3-2013-0032 Attachment 1, Section D. Field Verification of Post-Construction Stormwater Control Measures. Prior to the submittal of this Plan, it is recommended that the field verifier signatory and City official signatory visit the site together to inspect the SCMs, discuss the proposed plan and any potential issues prior to submittal.

EXHIBIT B - POST CONSTRUCTION STORMWATER MANAGEMENT SYSTEM OPERATIONS AND MAINTENANCE CHECKLIST TEMPLATE

General: The initial purpose of Exhibit B is to produce a template checklist which will be used for inspections and submitted to the City annually by June 15th. The approved template will be included in the recorded document, so consideration of checklist items that meet the short and long term maintenance requirements of the SCM is important. Since each SYSTEM design is different, it is the responsibility of the designer/engineer to advise the owner in completing the checklist, which must be approved by the City prior to recordation.

For this reason, the template can change in content to meet the particular SCM's maintenance needs. Two examples are included for a Biofiltration Area/Swale and Catch Basin(s).

Suggestions for Inspection Timing: Note that the official rainy season in California is October 15th – April 15th, so annual inspections of SYSTEMS would logically occur before October 15th to beat the possibility of a storm coming before any required maintenance is undertaken. Monthly inspections could be scheduled along with planned landscaping maintenance of the overall site, so the removal of vegetation debris or sediment could be done simultaneously. If the Project is a HOA-run development or similar, it will be beneficial to consider the project Operations & Maintenance schedule and add the SYSTEM maintenance therein.

Inspectors: It is required for a licensed Civil Engineer or Qualified SWPPP Practitioner (QSP) to sign off on the checklist annually. However, this does not prevent the signatory from delegating inspection responsibly to trained maintenance staff. All inspectors must be listed, and initialed to designate who did each inspection. However, the responsibility for certifying that the information provided is true & correct rests on the signatory.

Corrective Action/ Required Maintenance: Inspectors shall estimate how long it will take to rectify the situation in discussion with the owner, and re-inspect promptly. Any issues that are not addressed shall be recorded.

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RECORDING REQUESTED BY:

WHEN RECORDED, PLEASE RETURN TO
County of San Luis Obispo Planning and Building Department
County Government Center, Room 208
San Luis Obispo, CA 93408
Ph: (805) 781-5600

NOTICE OF ADDITIONAL INFORMATION

Building Permit #_____ (*for office use–staff to provide*)

Property Address: _____
(Street No. & Street Name, City, State, Zip)

Property APN: _____ **Permit/Project#:** _____

Property Legal Description:

_____

_____

Owner of the aforesaid property does here by give

CONSTRUCTIVE NOTIFICATION

For Private Stormwater Management System Operations and Maintenance

The Applicant (Individual, Married Person, a HOA, A for Profit, or non-Profit Corporation), herein after referred to as **"OWNER"** of the real property referenced above, hereby required by existing City codes and regulations to utilize "on-site stormwater management systems (i.e. structural and/or non-structural) to minimize runoff and pollutants in runoff and to provide permanent storm drainage to control, manage, retain, treat, infiltrate and dispose of" (1) "on-site storm drainage for the Project" and (2) "ancillary street and site drainage from the adjoining street and sites" as stipulated in the approved project plans and contained within the required Stormwater Management System Operations & Maintenance Plan.

The Owner is solely responsible for the **Private Stormwater Management System,** hereinafter referred to as "**SYSTEM**" and attached as Exhibit "A". The Owner agrees to the following conditions in compliance with all local, state, federal laws and regulations:

1. **MAINTENANCE**: OWNER shall maintain, monitor, inspect, clean and repair the SYSTEM as required in Exhibit "A" – Post Construction Stormwater Management System Operations & Maintenance Plan.

2. **DOCUMENT & REPORT:** OWNER shall document all maintenance, monitoring, inspections, cleanings and repairs made to the SYSTEM in the annual report **submitted to the City by June 15th of each year** in the form as approved by the City as detailed in Exhibit "B" – Post Construction Stormwater Management System Operations & Maintenance Checklist.

3. **CITY RIGHTS & AUTHORITY:** the City has the right and authority to inspect the SYSTEM to determine compliance with this constructive notification (i.e. maintenance, monitoring, inspections, cleanings, repairs, documentation and reporting) which may result in enforcement activities and/or abatement if necessary pursuant to existing and future laws and regulations.

1. **FAILURE TO MAINTAIN, MONITOR, INSPECT, CLEAN, REPAIR AND REPORT SYSTEM:** Failure to maintain, monitor, inspect, clean, repair, or document and report as required herein shall constitute a public nuisance. The City may remedy such public nuisance through any of the applicable procedures as set forth in the City of Morro Bay Municipal Code, and/or may pursue any other legal or equitable remedies to abate such public nuisance.

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5. **INDEMNIFICATION:** Owner further agrees to defend, indemnify, protect and hold the City and its agents, officers and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including to Owner's tenants, guests, invitees, agents or employees, which arise from or are connected with or caused or claimed by the acts or omissions of Owner, and its agents, employees or contractors, in performing the obligations specified herein, and all expenses of investigating and defending against same; provided, however, that Owner's duty to indemnify and hold harmless all not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers or employees.

6. **BINDING ON FUTURE <u>OWNERS</u>:** This covenant shall run with the land and shall be binding upon the undersigned owners, their heirs, executors, administrators, assigns and successors in interest.

OWNER(S) OF RECORD:

_____	_____
(Owner's Signature)	(Owner's Signature)
_____	_____
(Owner Print Name & Title)	(Owner Print Name & Title)

State of California
County of San Luis Obispo

On_____,20 ,before me,_____
_____ and _____

_____, personally appeared before___ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

_____(Seal), Notary Public

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City of Morro Bay

For Private Stormwater Management System Operations and Maintenance

EXHIBIT A – Post Construction Stormwater Management System Operations & Maintenance Plan

The 'Stormwater Management System Operations & Maintenance Plan' is to be filled out by landowner/designer and attached to the Constructive Notification for Private Stormwater Management System Operations and Maintenance upon recording. **NOTE: EXHIBIT B – 'Post Construction Stormwater Management System Operations & Maintenance Checklist' template is to be attached to the Constructive Notification. The approved and recorded template shall be filled out by the owner and submitted to the City by June 15th of each year.**

PART 1A – General Information

General Information		
1	**Property APN(s):**	
2	**Project Address(es):**	
3	**Owner:**	
4	**Address:**	
5	**Phone:**	
6	**Email:**	
Stormwater Management System Information		
7	**Designer:**	☐CE ☐QSP ☐QSD ☐ Other
8	**Company/Firm:**	
9	**Address:**	
10	**Phone:**	
11	**Email:**	
12	**Estimated Annual Cost for Maintenance Once Established*:**	
13	**Other Pertinent Info:**	

***Attach Cost Estimate Spreadsheet**

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PART 1B: STRUCTURAL CONTROL MEASURE (SCM) DETAILS

SCM#: _____

1. Purpose(s) of SCM (check all that apply):	☐ Water Treatment	☐ Runoff Retention	☐ Peak Management
2. Type(s) of SCM Installed:	☐ Retention/Infiltration Basin, Trench, or Swale ☐ Subsurface Basin ☐ Detention Basin	☐ Biofiltration Swale ☐ Catch Basin ☐ Filter Strip(s)	☐ Water Quality Unit ☐ Proprietary Devices ☐ Other: _____
3. Description & Location of SCM (As necessary, refer to PART 2 – Drawings & Photos):	☐ Onsite Description:	☐ Offsite	

4. Drainage Design Criteria:	Design Storm Flow (cfs):			
	Design Storm Capacity (ft^3):			
5. Design Details (As applicable):	Length (ft):		Surface Area (ft^2):	
	Width (ft):		Capacity/Volume (ft^3):	
	Depth (ft):		Vegetation Height (in):	
	Slope (ft/ft):		Design Life (yrs):	
6. SCM Product Specifications (attach applicable specification sheets):	Product Name:			
	Manufacturer/Model Number:			
	Number Installed:			
	Product Life:			
7. SCM Inspection & Maintenance Requirements:	Date of installation:			
	Short Term Required Maintenance (describe or attach plan):			
	Long Term Required Maintenance (describe or attach plan):			

Include additional pages for multiple SCMs as necessary.

Page ___ of ___

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PART 2 – Drawings & Photos

In addition to the location description, provide a copy of drawings showing each Structural Control Measure. Provide a plan view showing SCM location(s) relative to the parcel property lines. Include any details of the SCM and any additional sheets, reduced site plans or dated post construction photos to clearly define the limits of the SCM(s).

Ensure the drawings include the following:

- ☐ North Arrow
- ☐ Scale or Dimensions
- ☐ Length/Width
- ☐ Volume Depth
- ☐ Slopes
- ☐ Surface Area
- ☐ Cross Section(s)
- ☐ Unique Number for Each Structural Control Measure (SCM) as assigned by the City

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PART 3 – Certification and Approval

I certify the information provided in EXHIBIT A – Post Construction Stormwater Management System Operations & Maintenance Plan and EXHIBIT B – Post Construction Stormwater Management System Operations & Maintenance Checklist to be true and correct.

Owner (Print Name)	Signature	Date
Designer (Print Name)	Signature	Date

The Post Construction Stormwater Management System has been reviewed, field verified and approved by (professional engineer, geologist, architect or landscape architect) :

Verifier (Print Name)	License No.	Signature	Date

The 'Post Construction Stormwater Management System Operations & Maintenance Plan' and 'Post Construction Stormwater Management System Operations & Maintenance Checklist' has been reviewed and approved by:

City Representative (Print Name, Title)	Signature	Date

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EXAMPLE TEMPLATE

City of Morro Bay

For Private Stormwater Management System Operations and Maintenance
EXHIBIT B – Post Construction Stormwater Management System Operations & Maintenance Checklist

The following TEMPLATE shall be tailored to the Project SCMs and submitted with EXHIBIT A – Post Construction Stormwater Management System Operations & Maintenance Plan for approval. Remove all unnecessary text or instructions such as 'EXAMPLE' prior to submission. Contact the City for electronic forms.

Completed forms shall be <u>submitted annually by June 15th</u> to:

City of Morro Bay
Public Services Department
955 Shasta Ave
Morro Bay, CA 93442

-or-

brands@morro-bay.ca.us
Subject: Annual Reporting Requirements

General Information			
Property APN(s):			
Project Address(es):			
Owner:			
Address:			
Phone:		**Email:**	
Report Year:			
Inspector(s) (First & Last Name, Initials):			
Date of Inspection(s):			
SCM Number(s) Inspected:			

I certify the provided information to be true and correct and that the Structural Stormwater Control Measures (SCMs) on my property have been maintained, monitored, inspected, cleaned and repaired as required in EXHIBIT A – Post Construction Stormwater Management System Operations & Maintenance Plan.

Owner	**Inspecting Party Representative** ☐**Licensed Civil Engineer or** ☐**QSP No.**_____
Printed Name	Printed Name
Signature	Signature
Date	Date

During this reporting period (check all that apply):

☐ Completed inspections as required in EXHIBIT A – Post Construction Stormwater Management System Operations & Maintenance Plan
☐ Completed required short and long term maintenance as required in EXHIBIT A
☐ Completed corrective action(s) per the inspection (if applicable)
☐ Updated the EXHIBIT A - Post Construction Stormwater Management System O&M Plan to reflect revised site conditions. (Attach any updates.)
☐ No spills or system upsets occurred on site.
☐ Cleaned all spills promptly and reported the spill as required. *

*For all site spills, list spill date, content, volume and resolution:

Date	Content	Volume	Resolution	Inspector's Initials

DRAFT

Property APN: _____ SCM # _____ Page ___ of ___

EXAMPLE 1: Biofiltration Areas /Swales

Inspection and Maintenance Checklist

Inspected by (Print Name, Initials): *If multiple, list all.*		Report Year:	
Areas Inspected: *(see SCM location map in Post Construction Stormwater Management System Operations & Maintenance Plan)*		*If corrective action is required AND a re-inspection is warranted, indicate* Re-check date:	

Inspection frequency key: A = Annually on_____ ___(*Specify Date, i.e. October 15th*) of each year, M = Monthly, S = after major storm events

Inspection Items	Inspection Frequency	Date Inspected	Inspectors Initials	Maintenance Needed? (Yes/No)	Comments/Description
Is there standing water longer than 1 week after a storm event?	S				
Evidence of erosion?	S				
Vegetation appropriate and healthy?	A				
Area free of debris?	M				
Inlets free of obstructions?	M				
Is there obviously trapped sediment in need of removal (covers vegetation or greater than 3-inches at any spot)?	A				

Inspector comments: *(Use additional sheets or back of this sheet if more room is necessary, include Inspector's initials.)*

Overall condition of facility: ☐ Acceptable ☐ Unacceptable

Corrective Action Needed	Due Date

The next routine inspection is scheduled for approximately: _____

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Property APN: _____ SCM # _____ Page ___ of ___

EXAMPLE 2: Catch Basin(s)

Inspection and Maintenance Checklist

Inspected by (Print Name, Initials): *If multiple, list all.*		Report Year:	
Areas Inspected: *(see SCM location map in Post Construction Stormwater Management System Operations & Maintenance Plan)*		*If corrective action is required AND a re-inspection is warranted, indicate* Re-check date:	

Inspection frequency key: A = Annually on _____(*Specify Date, i.e. October 15th*) of each year, M = Monthly, S = after major storm events

Inspection Items	Inspection Frequency	Date Inspected	Inspector's Initials	Maintenance Needed? (Yes/No)	Comments/Description
Inlets free of obstructions?	A				
Basins free of obstructions, debris (vegetation)?	A				
Drainage area & slopes leading to catch basin free of sediment & debris?	A				
Is there obviously trapped sediment in need of removal (greater than 3 inches)?	A				

Inspector comments: *(Use additional sheets or back of this sheet if more room is necessary, include Inspector's initials.)*

Overall condition of facility: ☐ Acceptable ☐ Unacceptable

Corrective Action Needed	**Due Date**

The next routine inspection is scheduled for approximately: _____

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AGENDA NO: D-4

MEETING DATE: 2/25/14

Staff Report

TO: **Morro Bay City Council** **DATE: February 18, 2014**

FROM: **Steven C. Knuckles, Fire Chief**

SUBJECT: **Authorization for Sole Source Purchase of a Ladder Truck from Pierce Manufacturing**

RECOMMENDATION

Staff recommends the City Council authorize the sole source purchase of a 75 foot, 1,500 GPM Ladder Truck, from Pierce Manufacturing, in an amount not to exceed $780,000, since it is the only ladder truck available that can service all Morro Bay streets.

ALTERNATIVES

Follow the bidding or open market procedure as described in Morro Bay Municipal Code.

FISCAL IMPACT

The Ladder Truck (Truck 5341) will be purchased with funds from the Bertha Shultz Trust. Included will be the purchase of a performance bond allowing full payment within 30 days of placing the order. Pierce Manufacturing will provide a $23,512 rebate with full payment. No General Fund monies will be used for this purchase.

SUMMARY

Staff is requesting City Council authorization to bypass the bid process and enter into a contract with Pierce Manufacturing to purchase a new ladder truck. Staff believes the ladder trucks produced by Pierce Manufacturing are unique, i.e. smaller than all others, and therefore, only available from one vendor.

In the 2004 Strategic Plan, 2010 Strategic Plan update, budget development, and multiple Measure Q requests, the Fire Department has recognized the need to replace our current Ladder Truck (Truck 5342). This replacement is important for fire suppression and exposure control on the Embarcadero, Morro Bay Blvd, Main Street, Quintana Blvd., north Morro Bay, and the Morro Bay Power Plant. Our current Ladder Truck has been out of service for the last 5 years due to broken and fractured bull gears on the ladder turntable. Due to the age of our truck, no replacement parts are available

Prepared By: __SK___ **Dept Review:**_____

City Manager Review: _ EK _

City Attorney Review: _____

and any possible repair would not be economically or operationally feasible. A new Ladder Truck purchased and built in 2014 will serve the citizens of Morro Bay through 2044.

BACKGROUND

It is vital that we maintain a reliable fleet of fire apparatus to meet our mission of delivering quality emergency services in Morro Bay. The MBFD 5-Year Strategic Plan recommendation and our 2010 update support this, stating;

> "Assure all Fire Department apparatus is up to date, meets NFPA standards, and is reliable. Solution: Provide for an ongoing apparatus replacement program which replaces first line squads at 10 years, engines at 20 years and first line Truck Company at 25 years."

The Morro Bay Fire Department recently received $1,050,000 from the estate of a former Morro Bay resident, business owner, and a supporter of the Fire Department, Bertha Shultz.

Staff has been diligently researching ladder truck design and standards, manufacturing trends, state–of-the-art technology, Occupational Safety and Health Administration (OSHA), National Fire Protection Association (NFPA) requirements, and EPA emissions requirements. Staff has also researched fire apparatus manufacturers, fire apparatus service organizations, and met with users of various late model fire apparatus. Other factors that staff took into consideration in this process include:

1. The size of the company and stability that help to guarantee that the company is in business throughout the life of the fire engine purchased by the City. This would help to ensure that proprietary parts are available, archived construction drawings and parts lists can be easily retrieved and future engines purchased by the City will be built consistent with units already in service.

2. The age of the company and experience in constructing fire apparatus equates to a thorough understanding of the fire service and ability to provide the best product to the City. It also helps to ensure that they have a long history of examining problems and solving them before the Fire Department experiences difficulties.

3. The larger and more stable the company is, the better it can provide warranty support, not only for the entire unit, but also for the individual components such as electrical and structural components, frame rails, cabs, and bodies.

4. If the manufacturer under consideration is a single source builder, (i.e. builds both the cab and chassis and the body in its own plant), the Department needs to only go to one place for support rather than have to consult multiple parties if it needs technical assistance. Manufacturers of engines that purchase cab and chassis units from other builders can only support what they construct. They are dependent on the subcontractor accepting responsibility, assuming the subcontractor is still in business.
5. Larger, more stable manufacturers that build the entire unit integrate properly engineered electrical, plumbing, and drive train components from the ground up rather than depend on

numerous subcontractors. This helps to ensure that everything works together as is designed.

6. Engine and drive train components have never been as complex and sophisticated as they are today. Motors and transmissions are fully electronic and demand careful and meticulous engineering. Fire apparatus manufacturers under consideration must be able to prove that they can properly install, cool, and utilize diesel motors, transmissions, axles, alternators, generators, and other essential components used in fire service applications.

7. The City of Morro Bay currently owns a 2008 Pierce 1,500 Type 1 fire engine, 2009 Pierce Rescue, a 1995 Pierce 1,500 GPM Type I fire engine and an out of service 1983 Pierce 1,500 GPM 75 foot aerial ladder truck. Our experience with these Pierce-manufactured fire apparatus has been exceptional. The sole source-manufactured fleet provides continuity of use and maintenance. The engineer/drivers and City mechanics easily operate, maintain, and repair each unit due to the similarities. This helps provide a safer workplace for all concerned.

In light of these facts, Pierce Manufacturing, Inc. became the optimum choice. Oshkosh Truck Manufacturing Co., a long-time manufacturer of heavy trucks, wholly owns Pierce Manufacturing Inc. Pierce also offers its customers:

- Two dedicated service centers located in California (Ontario& Modesto);
- Most comprehensive warranties in the industry;
- ISO 9001 Quality Certified to ensure consistent quality of all products;
- 100% NFPA Standards Compliant;
- Most stable financial status and management group;
- Most extensive parts system with on-line and overnight availability;
- Largest engineering staff with the most expertise in the industry;
- Most consistent and reliable delivery schedule;
- Honors tag-on purchasing arrangements when larger departments have placed orders;
- Extensive history of fire service product research, development, and product improvement; and
- Can match or beat GSA (General Services Agency) purchase prices.

DISCUSSION

The City of Morro Bay Municipal Code 3.08.070 states that "Bidding or open market procedure may be dispensed with … or when the commodity can be obtained from only one vendor." While there are a number of fire engine manufacturers. Pierce is the only company producing a rear engine PTO (power take off), plus a single rear axle, which allows for a shorter truck wheelbase and turning radius while providing more storage space. The shorter turning radius allows the truck to access ALL Morro Bay streets while carrying all "first out" equipment, which distinguishes it from all other ladder trucks on the market. Engine 5392 normally carries the "first out" equipment. While it is undergoing maintenance or repair, new Truck 5341 must be able to carry the entire first out "equipment, since it will be the first responding apparatus on those days. Other manufacturers ladder

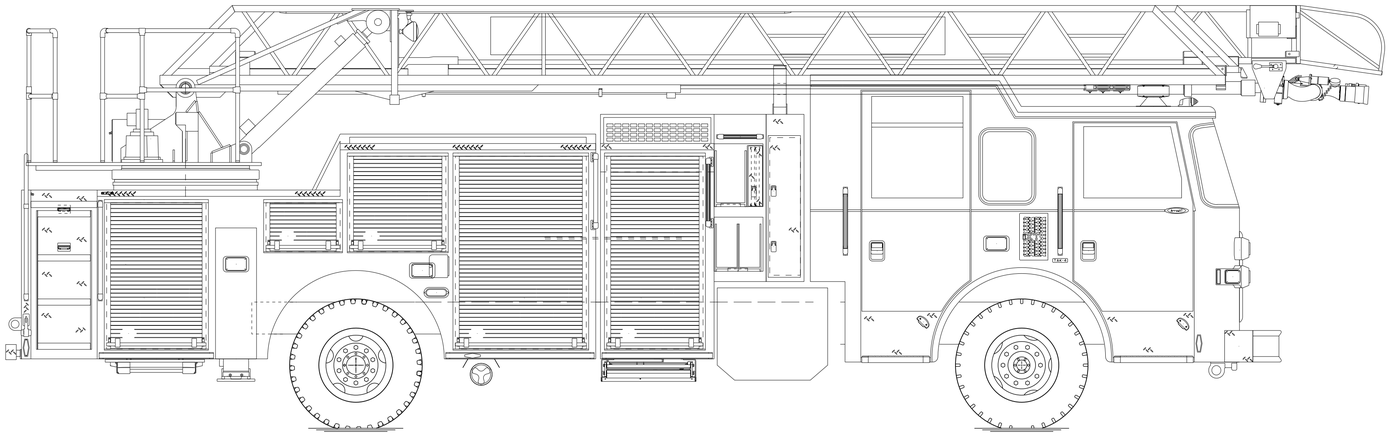
trucks that have the storage capacity for all of the "first out " equipment have a much larger wheelbase, which cannot access all streets in Morro Bay. It is therefore in the best interest of the City and its residents to purchase this truck on a sole source basis.

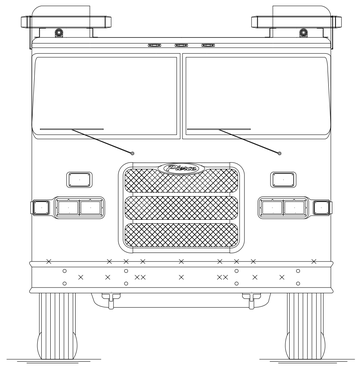
Pierce Manufacturing builds high quality fire engines manufacturing their own cab, chassis, body, and pump. Purchasing a Pierce fire engine will maintain our City-owned fleet of fire engines as 100% Pierce-manufactured. Morro Bay is not the only community that utilizes Pierce engines. Atascadero, San Luis Obispo, Five Cities Fire Authority, Los Osos, Paso Robles, Diablo Canyon, and Cambria have all recently purchased Pierce fire engines, most using Pierce as sole source. With the purchase of Morro Bay's Truck 5341, all five ladder trucks in San Luis Obispo County will be manufactured by Pierce.

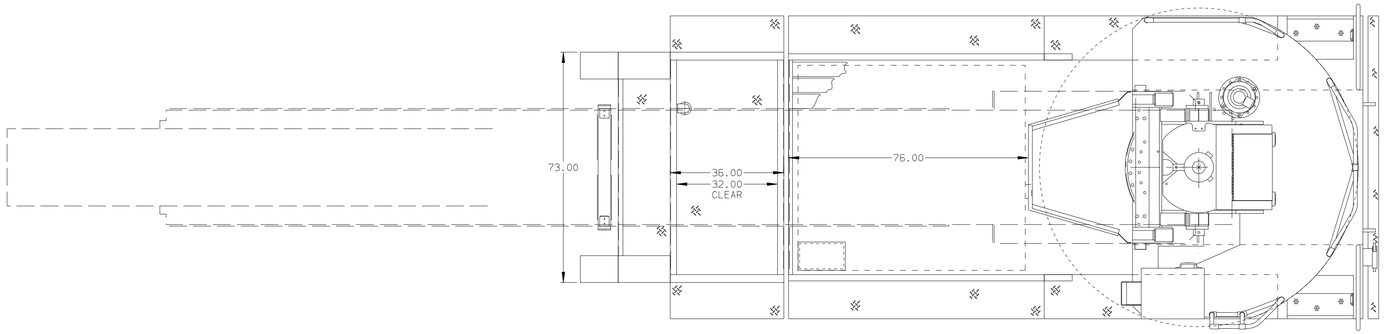
Utilizing one manufacturer as the sole source for our entire fleet provides our department with continuity of equipment, operations, and parts that operators and mechanics both appreciate. Similarities in features and operation improve operational effectiveness. Firefighters depend on the quality product manufactured by Pierce as well as the availability of parts, service, and support. Our experience with Pierce instills confidence that the product will operate well for the next 25-30 years and that the company will be around to support our needs. Our experience with other manufactures does not instill this same level of confidence. MBFD engine 2504, purchased in 1980, experienced significant problems early on and was rusting out after only 10 years of service. There are less expensive manufacturers than Pierce; however, staff feels any initial savings in the purchase price would only put the City at great risk of having to spend more in the long run due to repairs and early replacement.

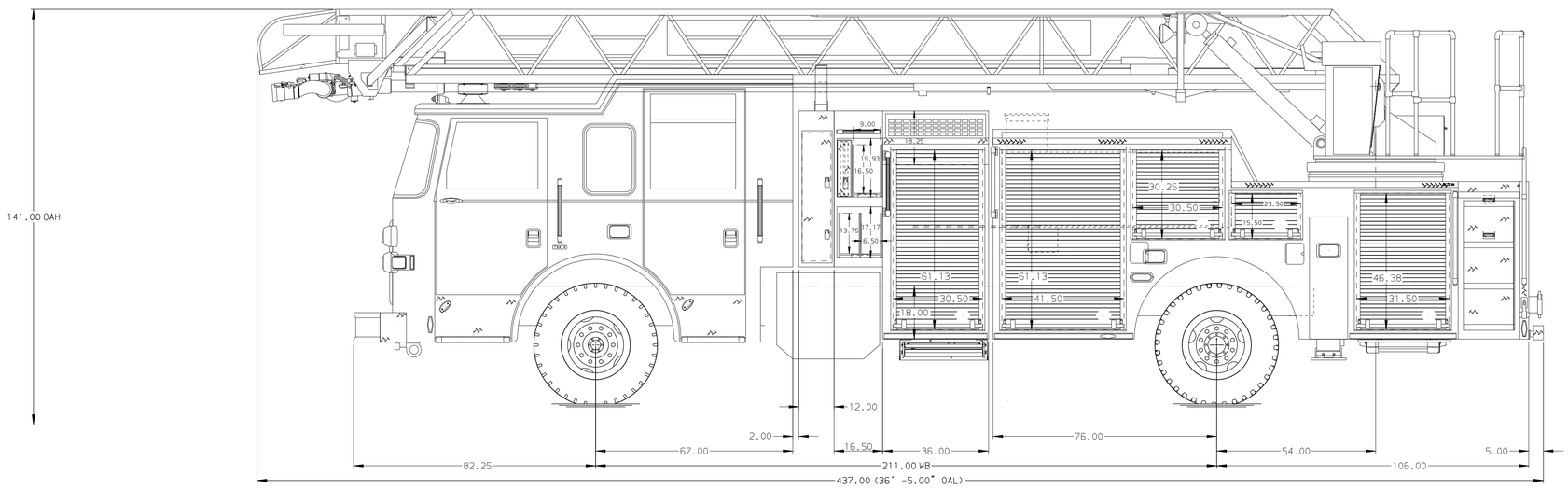
CONCLUSION

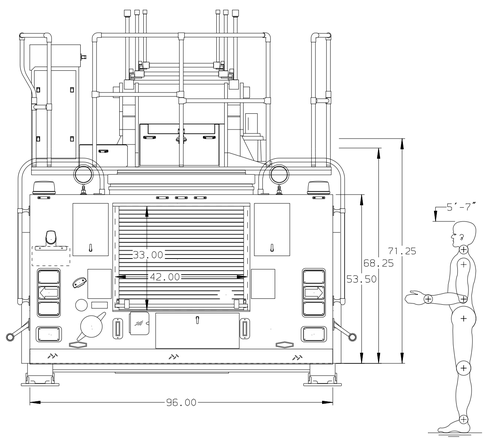
A committee was developed to research, design, and develop our purchase request with objective to design a ladder truck that will fill our community's needs to the year of 2044. Our Ladder Truck Replacement Committee, headed by Captain Paramedic Jeff Olson with Captain Paramedic George Rees and Engineer Paramedic Jeff Simpson assisting came to the conclusion that the sole source purchase of a 75 foot, 1,500 GPM Ladder Truck, from Pierce Manufacturing, in an amount not to exceed $780,000 is the most fiscally and operationally responsible decision. As directed in the Trust, this gift is being made for the exclusive and specific purpose of "purchasing and maintaining the fire equipment and vehicles.











Pierce MANUFACTURING INC.		JOB NO.	–
		SCALE 1:24	DATE
CHASSIS DATA	TITLE	373 - Arrow XT 75 HDL Steel PUC –	DRAWN BY EP689983 / 01FEB14
MAKE PIERCE	FOR	MORRO BAY FIRE DEPARTMENT MORRO BAY FIRE DEPARTMENT	CHECKED BY – / –
MODEL ARROW XT	DWG NO.	—	SHEET SIZE D / SHEET NO. 1 OF 1

THIS DRAWING IS A GRAPHICAL REPRESENTATION
OF THE SELECTIONS MADE IN PIERCE DRAW.
ACTUAL DIMENSIONS MAY VARY DUE TO OPTION CONTENT,
SPECIAL OPTIONS, OR OPTIONS NOT DISPLAYED.
PLEASE REQUEST A HEIGHT OR LENGTH REVIEW
WHEN EXACT DIMENSIONS ARE REQUIRED.

CONCEPT DRAWING

CONCEPT DRAWING: Created 01-FEB-2014 09:55:31

AGENDA NO: D-5

MEETING DATE: February 25, 2014

Staff Report

TO: **Honorable Mayor & City Attorney** **DATE: February 21, 2014**

FROM: **Anne M. Russell, Interim City Attorney**

SUBJECT: **Approval of Agreement with Contract City Attorney**

RECOMMENDATION

Staff recommends that Council approve and authorize the Mayor to sign the attached Contract Services Agreement for Interim City Attorney Services with Aleshire & Wynder, LLP and Joseph W. Pannone appointed as Interim City Attorney ("Agreement").

ALTERNATIVES

Do not approve the Agreement. Give direction to staff regarding next steps in selection of Interim City Attorney.

FISCAL IMPACT

Due to lower "ramp up" rates and hours, but depending on number of hours and types of contract City Attorney services required, the cost to the City for the remaining four months of the Fiscal Year (from March 1 to June 30, 2014), is estimated at $66,500 (for 75 hours per month at $155/hour for general City Attorney legal services plus $20,000 in specialty and litigation services). For Fiscal Year 2014-2015, with contracted price increases and other changes, depending on the number of hours and type of legal services provided, the cost is estimated at $149,000 (for 75 hours per month of general City Attorney services plus $60,000 in litigation and specialty services). The numbers may be higher or lower depending on how the City utilizes the City Attorney, and depending on unknown demands for specialty or litigation services. Any major litigation could easily deplete the $60,000.

SUMMARY

The City Council directed staff to issue a Request for Proposals for Interim City Attorney contract legal services, with responses due January 7, 2014. After evaluating the proposals and interviewing candidate firms, the Council selected Aleshire & Wynder ("A&W") with Joseph W. Pannone ("City Attorney") as the appointed Interim City Attorney as its first choice. Council directed staff to negotiate with the firm and bring back a contract.

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

City Manager Review: _____

City Attorney Review: _____

DISCUSSION

The proposed contract commences March 1, 2014. The City may terminate at any time, with no right to hearing or notice by A&W. A&W may terminate on 60 days' notice (Paragraph 15). This contract will allow the Council to evaluate the benefits and drawbacks of a full service contract city attorney firm for as long as it deems necessary. This contract affords the Council an opportunity to compare legal costs, availability and responsiveness of legal counsel, the quality of legal services and the variety of legal expertise offered by a full service municipal law firm versus an in house full time city attorney, the City's previous model. If the Council determines that A&W does not meet its needs, it can cancel the contract and hire an in house attorney or another firm. The contract requires an evaluation of performance every 6 months, with the City Attorney having the responsibility to schedule the closed session (Paragraph 19).

A&W will provide all legal services, other than CJPIA insurance defense, or as otherwise directed by the Council. The Council has the ability at any time to assign or reassign legal matters of the City from or to A&W (Paragraph 3).

The rates are set forth on Exhibit "A" and generally summarized below:

Dates	**Hours per Month**	**Type of Legal Services/Rate**
3/1/14-8/31/14	First 75	General/$155/hour
	Over 75	General/$175/hour
	Any	Specialized or Litigation/$195
9/1/14-12/31/14	First 50	General/$155/hour
	Over 50	General/$175/hour
	Any	Specialized or Litigation/$195/hour
1/1/15	First 50	General/$165/hour
	Over 50	General/$185/hour
	Any	Specialized or Litigation/$205/hour

Specialized legal services include litigation, public finance, disciplinary actions or hearings, labor negotiations, cable television, toxics, refuse (trash), franchising, enterprise activities (OTHER THAN water, sewer, and harbor) and any major contract negotiation involving more than 10 hours (with City Manager approval).

A&W also charges for its out of pocket costs (Exhibit B), but will not charge for travel time or mileage to/from Morro Bay for Council meetings or office hours. A&W will charge for hotel **if** the Council meeting goes past 11pm**, or if** the City desires the City Attorney attend to City business in San Luis Obispo County the next day. A&W charges for legal assistants and document clerks, but will utilize the City's in house legal assistant to the maximum extent feasible to limit City's legal expenses (Paragraph 5).

CONCLUSION

If the proposed contract is acceptable, Council should approve it and authorize the Mayor to sign.

CONTRACT SERVICES AGREEMENT FOR
INTERIM CITY ATTORNEY SERVICES
CITY OF MORRO BAY

This CONTRACT SERVICES AGREEMENT FOR INTERIM CITY ATTORNEY SERVICES (the "Agreement") is effective as of the1stday of March, 2014 by and between the law firm of ALESHIRE & WYNDER, LLP, a California limited liability partnership ("A&W"), and the CITY OF MORRO BAY, a municipal corporation ("City"). The term "City" shall also include all boards, commissions, financing authorities, and other bodies of City.

1. APPOINTMENT

City Council hereby appoints Joseph W. Pannone as the city attorney, and hires A&W as its interim city attorney, to render such legal services as are customarily rendered by such officials and as further specified herein, including attending meetings of the City Council, including joint meetings with other public entities, and other boards and bodies of City, and its affiliated agencies, as directed by City.

Notwithstanding the foregoing appointment, the designated city attorney, agency counsel, and any assistant city attorney or assistant agency counsel, may be established from time to time or modified by resolution of the City Council. A&W represents that it employs, or will employ at its own expense, all personnel required for the satisfactory performance of any and all tasks and services set forth herein. A&W shall not replace the designated city attorney (or any successors to such person) without the City Council's prior approval, except from time to time necessary due to illness or vacation scheduling. Approval of any such temporary substitute, or of any assistant city attorney shall be obtained from the City Manager. The City Attorney may appoint various deputies as city attorney deems appropriate, without the need for amendment hereof.

2. SCOPE OF WORK AND DUTIES

A. A&W shall perform any and all work necessary for the provision of city attorney services to City, including without limitation of the following:

(i) Attendance at City Council meetings, including the monthly joint meeting of City and the Cayucos Sanitary District Wastewater Treatment Plant (under Joint Powers Agreement), unless excused by the City Manager or his/her designee, and Planning Commission and other board and commission meetings on request of the City Manager or his/her designee; provided, that the parties understand attendance at the joint meeting and Planning Commission meeting will at some point be attended by the assigned Deputy City Attorney; and

(ii) Provide legal advice, written legal opinions, and consultation on all matters affecting City to the City Council, City Manager, boards, commissions, committees, officers, and employees of City and as requested by the City Council, the City Manager, or his/her designee, in accordance with such policies and procedures as may be established by City from time to time; and

(iii) Be available for telephone consultation with City staff, as needed on legal matters which are within their area of operation; and

(iv) Prepare or review necessary legal documents such as: ordinances, and resolutions; all agreements of any nature; all real property instruments of any nature including purchase agreements and escrows, leases, covenants, deeds, easements and licenses; bond size, amount, and offering terms and conditions; public works construction documents including bid specifications, contracts, bonds, insurance, liens and related documents; memorandum of understanding; franchise agreements; and all similar documents; and

(v) Represent and advise City on pending and potential litigation; notwithstanding the foregoing, it is expressly understood that A&W shall not be responsible for any pending litigation matter(s) handled by attorneys previously or otherwise employed by the City until all files have been transferred to A&W and A&W has specifically appeared in the matter(s) as attorneys of record on behalf of City; and

(vi) Hold weekly or other office hours at City Hall at a time agreed to with City Manager; and

(vii) Represent the City in front of any state or local legislative, administrative or regulatory entity or agency, as directed by the City Manager or City Council; provided, that such representation would be considered special services; and

(viii) Monitor pending and current legislation and case law as appropriate; and

(ix) Supervise outside legal services, if any.

B. A&W, as a full-service law firm, is prepared to, and will, provide representation to City in all of its legal affairs, including, but not limited to, municipal law, land use, environmental, toxics, mining, water, tort defense, personnel, labor representation, code enforcement, criminal prosecution, redevelopment, housing, cable television, finance, franchising, contracts, enterprise and other matters, except where conflicts exist or where the City Council may otherwise direct. The city attorney shall represent City in all of the foregoing legal matters, and in initiating and defending all litigation unless otherwise directed by the City Council.

C. The city attorney will keep City informed as to the progress and status of all pending matters in accordance with such procedures as the City may establish from time to time. The city attorney is expected to manage, control and oversee the delivery of legal services in a competent, professional, and cost-effective manner. All legal services shall be properly supervised and all personnel shall be qualified to handle the work assigned. If outside special counsel is retained, unless otherwise directed by the City Council, such special counsel shall be supervised by the city attorney.

D. All legal services shall be coordinated under the direction of the City Manager. Notwithstanding any other provision contained herein, any legal services can only be authorized by the City Council or City Manager. Nothing in this Agreement shall be construed in any

manner as limiting the ultimate and absolute discretion of the City Council, at any time, to assign or reassign legal matter of City from or to A&W.

3. CITY DUTIES

City agrees to provide such information, assistance, cooperation, and access to books, records, and other information, as is necessary for A&W to effectively render its professional services under this Agreement. To the extent City desires services to be rendered on site, City, at City's expense, will make available sufficient office space, furniture, telephones, computers, facsimile machines, and secretarial support, as approved by the City Manager, as may be necessary therefor. City further agrees to abide by this Agreement, and to timely pay A&W's bills for fees, costs, and expenses. In addition, City understands that the fee structure herein represents a blending of rates, with certain services offered at discounted rates, on the assumption that, due to the volume of work, other services will be rendered at higher rates. Therefore, insofar as possible and unless A&W lacks the experience, capability or resources, it is the intent of the parties hereto that all matters of City requiring the rendition of legal services shall be performed by A&W, except as otherwise specifically provided or reserved below or specifically directed by City Council. A&W shall not provide insurance defense legal services, as long as City is a member of a joint powers insurance authority or similar entity which provides claims management and insurance defense, unless A&W is a contracted entity of such joint insurance authority, and use of A&W will not cost City more than use of a local firm providing similar services (*i.e.*, no travel time for local court appearances). However, nothing in this Section, or any other part of this Agreement, shall be construed in any manner as limiting the ultimate and absolute discretion of the City Council, at any time, to assign or reassign legal matters of City from or to A&W. The City specifically reserves the right to select bond counsel of its own choosing or any specialty counsel, if it deems such selection in the best interests of City.

4. PERSONNEL

Assignments may be modified as provided in Section 1 above and except as so provided, A&W will exercise its discretion to utilize whichever attorney(s) (and staff) it determines to be best suited to its rendition of legal services under this Agreement, consistent with the competent and efficient rendering of legal services, and with a view toward rendering such services in an economically efficient manner.

5. COMPENSATION

A&W's fees will be charged on an hourly basis for all time actually expended. The compensation schedules are set forth in Exhibits "A" and "B" attached hereto and incorporated herein by this reference. Blended rates are computed based upon the hours of service irrespective of the rate of the attorney. Blended rates are also shown for legal assistants, who shall be used only for matters outside the capabilities of the City's in house Legal Assistant/Deputy City Clerk, as reasonably determined by the City Attorney, after consultation with the City Manager. A&W shall use City's in house Legal Assistant/Deputy City Clerk to the maximum extent feasible to limit City's legal expenses. In addition to providing legal assistant services and other duties, the Legal Assistant/Deputy City Clerk shall continue to be assigned to

prepare Closed Session Agendas, handle Public Records Act requests and coordinate insurance, Risk Management, claims against the City, Worker's Compensation claims, and Code Enforcement, all under the direction of the City Attorney.

In general, the arrangement is that there is a base amount of hours which are significantly discounted and referred to as the general retainer hours. This includes general services, attending public meetings, preparing ordinances and resolutions, giving general advice to City departments and similar services. A higher blended rate is charged after the retainer hours are exceeded. Special services, including a broad range of categories (litigation, labor negotiations and disciplinary hearing, redevelopment, housing, toxics, refuse, cable and enterprise (except water wastewater and harbor), which would otherwise be likely to be contracted out as special services at higher rates, are billed at a higher blended rate. Public finance matters are charged on a contingent basis based upon the size of the matter. The specific terms are set forth below in Section 6 and in the exhibits.

After reviewing fees in light of increases in expertise as well as other appropriate factors, A&W may request increases in fees, effective as of the beginning of each calendar year. However, such increases would be effective only upon the approval of the City Council.

6. BOND OR FINANCIAL SERVICES

Bond or Financial Services shall mean those situations where A&W acts as Bond Counsel for City with regard to the issuance of securities by City; after review and accord of the proposed issue by independent review Counsel if selected by City, A&W shall be compensated for Bond or Financial Services on a flat fee non-contingent basis of Three Hundred Fifty Dollars ($350) per hour or on a contingent finance option as shown on Exhibit "A." The choice of options shall be solely at the choice of City.

7. COSTS AND OTHER CHARGES

A&W may incur various costs and expenses in rendering the legal services required by this Agreement which, if customary and necessary for the performance of legal services hereunder, shall be reimbursable by City. These costs and expenses are described in more detail in Exhibit "B." City agrees to reimburse A&W for these costs and expenses in addition to the hourly fees for legal services. Reimbursable costs shall not include any overhead or administrative charge by A&W or A&W's cost of equipment or supplies except as provided herein.

A&W may determine it necessary or appropriate to use one or more outside investigators, consultants, or experts in rendering the legal services required (particularly if a matter goes into litigation). City will be responsible for paying such fees and charges. A&W will not, however, retain the services of any outside investigators, consultants, or experts without the prior agreement of City. A&W will select any investigators, consultants, or experts to be hired only after consultation with City.

The cost and expenses referred to herein include certain travel expenses; transportation, meals, and lodging; when incurred on behalf of the client. Generally, except in connection with

litigation (travel costs to court and for discovery are chargeable), these will only be charged when outside of the area, and only with the prior agreement of City.

Finally, periodically, when on-site, A&W personnel may be required to make local and long-distance telephone calls, or make photocopies, or incur other expenses on behalf of the City as well as other clients. A&W will not be charged for such expenses and, in exchange, will not charge the City for calls made from our office or other locations to the City.

8. STATEMENTS AND PAYMENT

A&W shall render to City a statement for fees, costs, and expenses incurred on a periodic basis (generally monthly). Such statement(s) shall indicate the basis of the fees, including the hours worked, the hourly rate(s), and a brief description of the work performed. Separate billing categories can be established to track costs associated with City funding categories or to track project costs, or such other basis as the City may direct. Reimbursable costs shall be separately itemized.

Payments shall be made by City within thirty (30) days of receipt of the statement, except for those specific items on an invoice which are contested or questioned and are returned by City with a written explanation of the question or contest, within thirty (30) days of receipt of the invoice. Payments made more than thirty (30) days after the due date shall draw interest at the legal rate.

9. PROHIBITION AGAINST SUBCONTRACTING OR ASSIGNMENT

The experience, knowledge, capability and reputation of A&W, its partners, associates, and employees, was a substantial inducement for City to enter into this Agreement. Therefore, A&W shall not contract with any other person or entity to perform, in whole or in part, the legal services required under this Agreement without the written approval of City. In addition, neither this Agreement, nor any interest herein, may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily, or by operation of law, whether for the benefit of creditors, or otherwise, without the prior written approval of City. Adding attorneys to A&W, changes in the partnership, name changes and similar changes shall not be deemed a transfer or assignment requiring approval of City or amendment hereof.

10. INDEPENDENT CONTRACTOR

A&W shall perform all legal services required under this Agreement as an independent contractor of City, and shall remain, at all times as to City, a wholly independent contractor with only such obligations as are required under this Agreement. Neither City, nor any of its employees, shall have any control over the manner, mode, or means by which A&W, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. City shall have no voice in the selection, discharge, supervision or control of A&W employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service.

11. INSURANCE

A&W shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement, including any extension thereof, the following policies of insurance:

(a) Comprehensive General Liability Insurance. A policy of comprehensive general liability insurance written on a per occurrence basis in an amount not less than a combined single limit of One Million Dollars ($1,000,000.00), Two Million Dollars ($2,000,000.00) aggregate, and One Million Dollars ($1,000,000.00) products and completed operations.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both A&W and City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement..

(c) Automobile Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than a combined single limit liability of One Million Dollars ($1,000,000.00). Said policy shall include coverage for owner, non-owner, leased and hired cars.

(d) Errors and Omissions Insurance. A policy of professional liability issuance written on a claims made basis in an amount not less than Three Million Dollars ($3,000,000.00).

The City shall be a Certificate Holder for all of the above named insurance policies. Except for the policy of professional liability insurance, all of the above policies of insurance shall be primary insurance and shall name City, its officers, employers and agents as additionally insured. Except for the policy of professional liability insurance, the insurer shall waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Except for the policy of professional liability insurance, all of said policies of insurance shall provide that said insurance may not be amended or canceled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled, the attorney shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section to the City. Failure to do so is cause for termination.

12. INDEMNIFICATION

A. A&W agrees to indemnify City, its elected and appointed officials, officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of A&W, its agents, employees, subcontractors, or invitees, provided for herein or arising from the acts or omissions of A&W hereunder, or arising from A&W's performance of or failure to perform any term, provision, covenant or condition of this Agreement, except to the extent such

claims or liabilities arise s from the negligence or willful misconduct of City, its officers, agents or employees.

B. City acknowledges that A&W is being appointed as city attorney pursuant to the authority of Government Code Section 36505, and has the authority of that office. Accordingly, the City is responsible pursuant to Government Code Section 825 for providing a defense for the city attorney for actions within the scope of its engagement hereunder. Therefore, City agrees to undertake its statutory duty and indemnify A&W, its officers and employees against and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claims by any person, firm or entity arising out of or in connection with the work, operations or activities of A&W within the course and scope of its employment hereunder, but nothing herein shall require City to indemnify A&W for liability arising from its own negligence or misconduct. In connection herewith:

(i) City will promptly provide a defense and pay any judgment rendered against the City, its officers, agency or employees for any such claims or liabilities arising out of or in connection with such work, operations or activities of City hereunder;

(ii) In the event A&W, its officers or employees is made a party to any action or proceeding filed or prosecuted against City for such damages or other claims solely arising out of or in connection with the work operation or activities of City hereunder, City agrees to jointly defend A&W, its officers or employees; provided, that if a court determines a conflict of interest exists that would preclude such joint representation, then City may provide for a defense under a reservation of rights with conflict counsel that is mutually acceptable to City and A&W.

13. NOTICES

Notices required pursuant to this Agreement shall be given by personal service upon the party to be notified, or by delivery of same into the custody of the United States Postal Service, or its lawful successor; postage prepaid and addressed as follows:

CITY: CITY OF MORRO BAY
595 Harbor Street
Morro Bay, CA 93442
(805) 772-6200
Attention: City Manager

ATTORNEY: Aleshire & Wynder, LLP
2361 Rosecrans Avenue, Suite 475
El Segundo, California 90245
(310) 527-6660 (office)
Attention: Joseph W. Pannone

Service of a notice by personal service shall be deemed to have been given as of the date of such personal service. Notice given by deposit with the United States Postal Service shall be deemed to have been given two consecutive business days following the deposit of the same in

the custody of said Postal Service. Either party hereto may, from time to time, by written notice to the other, designate a different address or person which shall be substituted for that specified above.

14. NON-DISCRIMINATION

In connection with the execution of this Agreement, A&W shall not discriminate against any employee or applicant for employment because of race, religion, marital status, color, sex, handicap, sexual persuasion, or national origin. A&W shall take affirmative action to ensure that applicants are employed, and that employees are treated fairly during their employment, without regard to their race, religion, color, sex, marital status, handicap, sexual persuasion, or national origin. Such actions shall include, but not be limited to the following: employment, promotion, demotion, transfer, duties assignment; recruitment or recruitment advertising; layoff of termination; rates of payor other forms of compensation; and selection for training, including apprenticeship.

15. TERM, DISCHARGE AND WITHDRAWAL

This Agreement shall continue in effect, subject to modification of fees as provided in Section 5, until terminated by either party hereto. City may discharge A&W at any time. The city attorney shall have no right to hearing or notice, and may be discharged with or without notice. A&W may withdraw from City's representation at any time, to the extent permitted by law, and the Rules of Professional Conduct, upon at least sixty-days' notice to City.

In the event of such discharge or withdrawal, City will pay A&W professional fees and costs, in accordance with this Agreement, for all work done (and costs incurred) through the date of cessation of legal representation. City agrees to execute, upon request, a stipulation in such form as to permit A&W to withdraw as City's attorneys of record in any legal action then pending. A&W shall deliver all documents and records of City to City, or to counsel designated by City, and assist to the fullest extent possible in the orderly transition of all pending matters to City's new counsel.

16. CONFLICTS

A&W has no present or contemplated employment which is adverse to the City. A&W agrees that it shall not represent clients in matters either litigation or non-litigation against the City. However, A&W may have past and present clients or may have future clients, which, from time to time, may have interests adverse to City, and A&W reserves the right to represent such clients in matters not connected with its representation of the City.

If a potential conflict of interest arises in A&W's representation of two clients, if such conflict is only speculative or minor, A&W shall seek waivers from each client with regards to such representation. However, if real conflicts exist, A&W would withdraw from representing either client in the matter, and assist them in obtaining outside special counsel.

17. INTERPRETATION OF AGREEMENT AND FORUM

This Agreement shall be construed and interpreted both as to validity and performance of the parties in accordance with the laws of the State of California. This Agreement is entered into and is to be performed in the County of San Luis Obispo. In the event of any dispute hereunder, the venue shall be the Superior Court, San Luis Obispo County, or such other county, closest in proximity to San Luis Obispo County, to which that Superior Court may change the venue of such dispute.

18. INTEGRATED AGREEMENT; AMENDMENT

This Agreement contains all of the agreement of the parties and cannot be amended or modified except by written agreement. This Agreement shall supercede that certain agreement for special counsel services previously entered into between the parties. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

19. SEMI ANNUAL EVALUATION

At least once every six months, the City Attorney shall meet with the City Council for an evaluation of A&W's performance of this Agreement. The evaluation shall occur in September and March of each year, commencing September 2014, unless otherwise mutually agreed by City and A&W. A&W shall be responsible to schedule each such evaluation for a closed session.

20. CORPORATE AUTHORITY

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that in so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of execution by the City.

Dated: _____, 2014

"CITY"
CITY OF MORRO BAY,
a municipal corporation

By: _____
Jamie L. Irons, Mayor

ATTEST:

_____
City Clerk

Dated: February 21, 2014

"ALESHIRE & WYNDER, LLP"

By: _____
Joseph W. Pannone, Esq.

EXHIBIT "A"
FEE ARRANGEMENT

(1) The payment for up to 50 hours of general legal service (Monthly Hour Limit) shall be billed at the rate of One Hundred Fifty-five Dollars ($155) per hour. Notwithstanding the foregoing, in view of the likelihood for the need to ramp up services, until September 1, 2014, the Monthly Hour Limit shall apply to 75 hours of legal services. The $155 rate shall increase to One Hundred Sixty-five Dollars ($165) per hour on January 1, 2015.

(2) General legal services over the Monthly Hour Limit will be billed at the rate of One Hundred Seventy-five Dollars ($175) per hour. The One Hundred Seventy-five Dollars ($175) rate shall increase to One Hundred Eighty-five Dollars ($185) per hour on January 1, 2015.

(3) Special legal services shall include litigation matters, public finance, disciplinary actions or hearings, labor negotiations, redevelopment, housing, cable television, toxics, refuse, franchising, enterprise activities (not including water, wastewater and harbor) and any major contract negotiation involving more than 10 hours (with City Manager approval). Except for insurance defense, code enforcement, and public finance, all such matters shall be billed at the rate of One Hundred Ninety-five Dollars ($195) per hour until January 1, 2015 and Two Hundred Five Dollars ($205) per hour thereafter.

(4) Insurance defense litigation and code enforcement will be billed at a reduced rate of One Hundred Fifty Dollars ($150) per hour until January 1, 2015 and One Hundred Seventy-five Dollars ($175) thereafter.

(5) Where City's legal costs are recovered through a private party, such as a developer, the hourly rate will be Two Hundred Fifty Dollars ($250) per hour.

(6) For public finance the fee structure shall be as follows: (i) For land based issues (*i.e.* CFD, Assessment or Improvement Districts) one and one-half (1 ½) percent of the first $1 million executed and delivered; three-quarters percent of the next $4 million executed and delivered; one-third percent of the next $10 Million; one-eighth percent of the next $10 Million; and one-tenth percent of any amount over $25 Million; subject to a minimum fee of Forty Thousand Dollars ($40,000); or (ii) For all other financings the above schedule applies with a 25% discount. In the event that multiple series of bonds or notes are issued, the foregoing fee schedule would be applied to each issue. Fees shall be contingent unless otherwise directed by the client. If contingent, payment of the fees is entirely contingent upon the successful execution and delivery of the bonds or notes to be payable on or after delivery except for out-of-pocket expenses. In addition to the foregoing, a fee of $6,000 may be charged if a tax opinion is required. At the discretion of the City, City may choose a non-contingent structure in lieu of the above schedule at the rate of $350 per hour on a blended rate for all attorney time incurred.

(7) In addition to the foregoing, the Firm would be reimbursed for out-of-pocket expenses as described in the attached Exhibit B.

(8) The blended rate for legal assistants (Paralegal/Law clerks), irrespective of matter, shall be One Hundred Twenty ($120) per hour, and for document clerks shall be Sixty Dollars ($60) per hour.

EXHIBIT "B"
STATEMENT OF BILLING PRACTICES

The Firm's fees are charged on an hourly basis for all time actually expended and are generally billed monthly with payment due within thirty (30) days after the date of the bill. However, where contract rates are established, they prevail over design rates. The current hourly design rate for the attorneys and staff working on this matter will be set forth in the billing statement. Annually, you will be provided with the prevailing hourly design rates for the attorneys who will spend the predominate amount of time on this matter. It should be understood that hourly rates are reviewed, and when appropriate, adjusted to reflect increases in seniority and experience as well as inflationary factors. These increases are generally made on an annual basis effective at the beginning of each calendar year.

The Firm will incur various costs and expenses in performing legal services. These costs and expenses are separately billed to the client and include fees fixed by law or assessed by public agencies, litigation costs including deposition, reporter fees, and transcript fees, long distance telephone calls, messenger and other delivery fees, postage, photocopying (charge of twenty cents ($.20) per page) and other reproduction costs, staff overtime when necessitated and authorized by the client, and computer-assisted research fees when authorized by the client, all based on the actual and reasonable cost (mileage, reproduction and other costs are periodically adjusted in accordance with the Firm's actual costs).

Travel costs including mileage (current IRS rate), parking, airfare, lodging, meals, and incidentals are charged in connection with administrative or judicial proceedings, or when traveling outside of Los Angeles County. Travel time may also be charged in connection with such proceedings. In addition, the client will be responsible for paying the fees of consultants and other outside experts who are retained after consultation with the client.

It is understood that Firm will generally not charge for mileage or travel time between our office and City facilities, nor for telephone calls made to the City or to San Luis Obispo County. In exchange, Firm shall not be charged for calls made or received at the City, whether local or long-distance, or for copying charges since copying onsite will reduce the charge to the client. Firm shall not charge for meals and per diem incurred in connection with attendance at Council meetings or office hours. Overnight accommodations (hotel) may be charged only if the overnight is (i) in order to enable Firm to perform services for City the following day in San Luis Obispo County and approved by City Manager in advance or (ii) the length of the Council meeting extends beyond 11:00 p.m. The monthly billing statements for fees and costs shall indicate the basis of the fees, including a detailed and auditable breakdown of the hours worked, the billable rates charged and description of the work performed. All bills are expected to be paid within thirty (30) days of the date of the billing statement. In the event any statement remains unpaid for more than thirty (30) days after the date of the statement, interest thereon at the rate of ten percent (10%) per annum shall be due and payable thereafter on the unpaid balance.

Registration fees for attorneys attending conferences and seminars are paid by the Firm and are never charged to the City (unless expressly requested by the City)