

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, JULY 8 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 – None

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 JUNE 24, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON JUNE 24, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF RESOLUTION NO. 47-14 ADOPTING 2014/15 MASTER FEE SCHEDULE; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Approve Resolution No. 47-14, adopting the 2014/15 Master Fee Schedule as presented.

A-4 APPROVE RESOLUTION NO. 46-14 AUTHORIZING THE EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS BY MUNICIPAL AUDITING SERVICES; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Approve Resolution No. 46-14, authorizing the examination of sales or transactions and use tax records by Municipal Auditing Services (“MAS”).

A-5 RESOLUTION 48-14 RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD IN THE CITY OF MORRO BAY ON THE 3RD DAY OF JUNE, 2014; DECLARING THE RESULTS THEREOF, AND SUCH OTHER MATTERS AS ARE PROVIDED BY LAW; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 48-14.

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

RECOMMENDATION: Receive and file the report.

A-7 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file the report.

A-8 APPROVAL OF A NEW LICENSE AGREEMENT WITH MORRO BAY HARBOR FESTIVAL, INC. FOR USE OF HARBOR DEPARTMENT’S STORAGE YARD IN THE FRONT STREET PARKING LOT; (HARBOR)

RECOMMENDATION: Approve a two-year License Agreement with Morro Bay Harbor Festival, Inc., that includes an option to extend for one two-year period.

A-9 APPROVAL OF RESOLUTION 49-14 EXECUTING AMENDMENT #1 TO THE LEASE AGREEMENT FOR LEASE SITE 93-95/93W-95W EXTENDING DEADLINES FOR THE REDEVELOPMENT PROJECT AT 901-915 EMBARCADERO (HELD, HARBOR CENTER); (HARBOR)

RECOMMENDATION: Approve Resolution No. 49-14, executing Amendment #1 to the Lease Agreement for Lease Site 93-95/93W-95W, located at 901-915 Embarcadero, with the Held Family Trust and the Smith W and Hannah W Held Family Trust (“Tenants”), extending the lease’s redevelopment project deadlines.

A-10 RESOLUTION NO. 50-14 ESTABLISHING THE ANNUAL PROPOSITION 4 APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2014/15; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 50-14, establishing the annual Proposition 4 appropriation limits for fiscal year 2014/15.

A-11 DESIGNATION OF VOTING DELEGATE AND ALTERNATE VOTING DELEGATE AT LEAGUE OF CALIFORNIA CITIES 2014 ANNUAL CONFERENCE BUSINESS MEETING; (ADMINISTRATION)

RECOMMENDATION: Appoint Mayor Jamie Irons as the Voting Delegate and City Councilmember Christine Johnson as the Alternate Voting Delegate at the League of California Cities 2014 Annual Conference Business Meeting.

B. PUBLIC HEARINGS

B-1 PUBLIC HEARING FOR AND CONSIDERATION OF MORRO BAY GARBAGE SERVICE BASE-YEAR RATE ADJUSTMENT APPLICATION AND ADOPTION OF RESOLUTION NO. 45-14; (PUBLIC SERVICES)

RECOMMENDATION: Hold a public hearing, consider all evidence and testimony presented and adopt Resolution No. 45-14 increasing solid waste rates as outlined in the Fiscal Impact section of this report; provided, that there is not a majority protest against such increase.

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES

C-1 APPROVAL OF CONSENT OF LANDOWNER AGREEMENT FOR UNITED STATES COAST GUARD TO BEGIN DEVELOPMENT APPLICATION PROCESS FOR CONSTRUCTION OF ADDITIONAL FACILITY BUILDING IN LEASE SITES 138-139 LOCATED AT 1253 AND 1257 EMBARCADERO; (HARBOR)

RECOMMENDATION: Consider the United States Coast Guard's (USCG) proposal and Consent of Landowner being presented and provide input and direction. Staff is recommending approval of the Consent of Landowner to enable USCG to begin the planning and permitting processes for their proposed building.

D. NEW BUSINESS

D-1 ADOPTION OF RESOLUTIONS NECESSARY FOR SPECIAL ELECTION TO BE HELD ON NOVEMBER 4, 2014, TO CONSIDER MEASURE TO CHANGE THE TIME AND MANNER OF ELECTING CITY OFFICIALS; (CITY ATTORNEY)

RECOMMENDATION: Adopt Resolution 51-14 calling and giving notice to hold a Special Election on Tuesday, November 4, 2014 for a proposed measure changing the time of the City's General Municipal Election and requesting the county of San Luis Obispo to consolidate the City's Special Election with the Special and General Municipal Election held within San Luis Obispo County on that date. In addition, determine which Councilmembers may submit arguments in favor or against the measure. And finally, to adopt Resolution 52-14 directing the City Attorney to prepare an impartial analysis, setting priorities for filing written arguments regarding the Morro Bay General Election Date Measure.

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.

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
JUNE 24, 2014
CITY HALL CONFERENCE ROOM – 4:00 P.M.

AGENDA NO: A-1
MEETING DATE: 7/8/2014

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Edward Kreins	Interim City Manager
	Joe Pannone	City Attorney
	Eric Endersby	Harbor Director

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 Comments; seeing none, the public comment period was closed.

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

CS-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Pursuant to Government Code Section 54956.8)

Property: Lease Sites 138 & 139, 1253 and 1257 Embarcadero

Agency Negotiators: Edward Kreins, Interim City Manager and Eric Endersby, Harbor Director

Negotiating Party: United States Coast Guard

Under Negotiations: Price and Terms of Payment

CS-2 GOVERNMENT CODE SECTION 54957(b)(1) – PUBLIC EMPLOYEE APPOINTMENT:

Title: City Manager

CITY COUNCIL CONVENED TO OPEN SESSION

The City Attorney reported that with regards to the Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

ADJOURNMENT

The meeting adjourned at 4:55pm.

Recorded by:

Jamie Boucher
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JUNE 24, 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:	Edward Kreins	Interim City Manager
	Joe Pannone	City Attorney
	Jamie Boucher	City Clerk
	Susan Slayton	Administrative Services Director
	Rob Livick	Public Services Director
	Steve Knuckles	Fire Chief
	Amy Christey	Police Chief
	Eric Endersby	Harbor Director
	Joe Woods	Recreation & Parks Director
	Cindy Jacinth	Associate Planner

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

CLOSED SESSION REPORT – Interim City Attorney Joe Pannone reported that with regards to Closed Session Items: Government Code Section 54956.8, Conference with Real Property Negotiator regarding Lease Sites 138 and 139, 1253 and 1257 Embarcadero; and, Government Code Section 54957(b)(1), Public Employee Appointment – City Manager, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS - Status of Local Water Emergency Declaration by the County of San Luis Obispo

County Public Works Director Paavo Ogren presented a power point on San Luis Obispo County’s local water supply status and the drought efforts. He presented a broad overview on how we got here, recent events, local water resources, looking ahead, and county work efforts regarding the drought and working with other agencies. Mr. Ogren stated that this is the driest 3 year period we have on record and SLO County is right in the middle of the worst drought-hit area. We are looking at a forecast of continued dry conditions. He provided the time table formalizing the emergency drought conditions County and State-wide. He also provided projections on state water deliveries saying that while Morro Bay was in much better shape than other communities, there is possible anticipation of zero deliveries or even a complete shutdown

of the system in 2015; he urged planning for the worst and hoping for the best and don't count on an El Nino year saving us. He also cautioned the public to educate themselves on reservoir conditions; to put into perspective the percentages, for example, even though Nacimiento is only at 19% capacity, it still contains 73,410 acre feet of water and has a high degree of reliability with only 60% subscribed versus Whale Rock which is at 52% capacity and is fully subscribed to. The City needs to encourage CMC to renew the annual emergency agreement we have with CMC for water. Looking ahead, we are seeing above average temperatures which will create higher evaporation rates as well as more pumping for agriculture. He stressed that they will be providing early coordination with communities and systems most at risk, they will coordinate with CAL and County OES, state and federal lobbyists, work on IRWM Grants, and continue with local strategic meetings. The Central Coast is the most efficient water users in the State of California with the lowest consumption per capita use per day. Countywide, we all need to initialize advanced planning strategies for the future of our water.

PUBLIC COMMENT

Jackie Kinsey, the Morro Bay Branch Librarian presented the Morro Bay Business report. The library will be closed starting Monday, June 23rd while they begin their full renovation. There will be a small branch open at 535 Harbor; they will be open Tuesday thru Saturday from 10am – 5pm. They will be able to provide limited service to include videos, audios, magazines, newspapers, holds, some books and they hope to have a book return soon. They anticipate the construction will take 6 months. Their summer programs will continue.

Joe Whitaker spoke representing SLO SCORE which is a non-profit association dedicated to entrepreneur education and the formation, growth and success of small businesses nationwide. The San Luis Obispo Chapter of SCORE was established in 1984 and has been providing free counseling, mentoring and workshops to local entrepreneurs. He is reaching out to public and private organizations seeking sponsorships and donors and they will gladly accept any donation.

Dorothy Cutter spoke on item D-2, hoping that the Council moves to put a measure on the ballot to get rid of the primary, she sees this as a total waste of money. She also spoke on item B-1, the Housing Element, hoping that there is something in there about neighborhood compatibility.

Barbara Doerr has 2 issues regarding item D-2. She feels we need to keep the primary / run off system but we need to eliminate the lame duck system. She suggests keeping the primary because it retains the need for a majority vote but then eliminate the lame duck problem by having the newly elected councilmember sworn into office within 30 days. She also spoke on item B-1, Housing Element, she hopes we retain a requirement for neighborhood compatibility for housing upgrades or new construction as it helps preserve the rights of the neighborhood and also rights of the individual property owner.

Marla Jo Bruton Sadowski hopes that everyone in the community knows the central coast area is at the highest level of extreme drought. She urges the Council to educate themselves about the drought and move forward with a water reclamation facility as soon as possible.

Roger Ewing spoke on item B-1; in his opinion the Housing Element is the heart and soul of how we define our sense of community in Morro Bay. He would like to reinstate neighborhood

compatibility as it's what allows the planning department to treat all applicants equally and fairly so that everybody benefits. Regarding item D-2, he thinks this most recent election proved we don't need a primary; it is a waste of time and money.

Matt Makowetski advertised Project Surf Camp starting in 3 weeks; it is a camp for kids with special needs that allow them to surf and experience a feeling of independence. He also advertised a BBQ, Blood Drive, and raffle fundraiser for PSC on Friday, June 27th being put on by Mike Williams of San Luis Sports Therapy on the corner of Harbor and Shasta.

Richard Sadowski stated the biggest issue with our water reclamation facility and drought is that our drought is much older than 3 years. We have a need for reclamation, this is an emergency and we need to take proactive measures. Regarding the Housing Element, he felt the city's water supply was painted as a bit optimistic.

Melissa Peters spoke on behalf of the County Tobacco Control Program. She presented an update on the recent tobacco compliance check in Morro Bay; of the 14 stores "tested", 2 sold to underage buyers. She said they offer free educational programs to all retailers to include training in how to refuse sales, and identify an underage buyer. She also said that Morro Bay doesn't have a Tobacco Retail License requirement which is an effective way to fund compliance checks. These can also be used to monitor sales rates. They are more than happy to work with us to conduct additional compliance checks.

Barry Brannin spoke on the water treatment facility. He was at the last JPA meeting when the audit was presented and he said a point that wasn't discussed was the loss of \$2,235,192 of tax payer money because of the irresponsible plan of building a wwtp on the beach. That's only a small part, if you add in staff time and a million a year for the 5 years we have to keep the wwtp going, it comes to over \$10 million of wasted dollars. He feels we need to reexamine the JPA, we need to separate from Cayucos as their goal is to move the plant to CMC.

Susan Stewart presented some history on the 2 tribes found in our area – the Salinan Tribe and the Chumash Tribe. The most locally active group is the Salinan Tribe of the Monterey/SLO Counties which are State recognized. This is a shared region and she wanted to bring it up to remind people of the people who were here before and still here today.

Kelsey Shaffer is a Morro Bay resident and member of the Chumash tribe. She thanked the City for the work we are doing and encourages us that as we move forward, to have open communication. They want to work together during this WRF process and hopes they can be a part of the monitoring process of the WRF and EIR going forward.

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 CITY COUNCIL MEETING HELD ON JUNE 5, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON JUNE 10, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON JUNE 10, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON JUNE 13, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 ADOPTION OF RESOLUTION NO. 44-14, APPROVING THE COORDINATED GRANT APPLICATIONS FOR BOTH THE COASTAL COMMISSION LCP GRANT PROGRAM AND THE OCEAN PROTECTION COUNCIL LCP SEA LEVEL RISE GRANT PROGRAM; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 44-14.

A-6 APPROVE AN MOU WITH COUNTY OF SAN LUIS OBISPO, BEGINNING THE PROCESS TO ESTABLISH THE SOUTH BAY BOULEVARD UNDERGROUND UTILITY DISTRICT-CITY AREA; (PUBLIC SERVICES)

RECOMMENDATION: Approve a Memo of Understanding (MOU) with the County of San Luis Obispo as one step in the possible creation of the South Bay Boulevard Underground Utility District within City limits.

A-7 RESOLUTION NO. 38-14 AUTHORIZING EXECUTION OF A CONSENT TO ENCUMBRANCE FOR THE LEASE AGREEMENT ON LEASE SITE 30W-33W (BAY FRONT MARINA, 201 MAIN ST.); (HARBOR)

RECOMMENDATION: Adopt Resolution No. 38-14 authorizing the Mayor to execute a Consent to Encumbrance Agreement regarding a Deed of Trust for Lease Site 30W-33W with Capital Bank and Bruce Foster & Susan Foster and Dean Marchant & Carly Marchant for refinancing and improvements at Lease Site 30W-33W located at 201 Main Street, Morro Bay.

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

MOTION: Councilmember Christine Johnson moved the City Council approve the Consent Calendar as presented. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No's: None

B. PUBLIC HEARINGS

B-1 ADOPTION OF THE HOUSING ELEMENT UPDATE FOR 2014-2019 AND ADOPTION OF THE NEGATIVE DECLARATION; (PUBLIC SERVICES)

Associate Planner Cindy Jacinth and Amy Sinsheimer with PMC presented the staff report. They received emails from the public requesting that “neighborhood compatibility” be included in the Housing Element; staff response is that they feel it is already in the Housing Element and can be found on page 124, listed as H-13.1. Staff also received information needing clarification found on page 44 stating that there was an error that needed correcting – a phrase found in the 5th paragraph states “City is allowing for solely residential development in the MCR district”; its felt this could mislead the reader. Staff wanted to clarify that the MCR district does require a ratio of commercial to residential. Staff feels this clarification is substantial enough though that it will necessitate the City alerting HCD to that change which will need some additional review by HCD. Staff recommends that Council adopts the document as amended by Council and with any minor non-substantive corrections that HCD identifies in their final 90 day review.

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

Susan Heinemann spoke on the neighborhood compatibility issue asking what happened to the City’s “Big House” Ordinance. She understands from tonight’s conversations, neighborhood compatibility is being addressed, but she would additionally like to request that the criteria are made clear. She then provided a history of Ordinance 533, 535 and 543 – regarding the City’s efforts at neighborhood compatibility.

Barry Brannin stated that one of the slides stated that we would increase our number of liveboards. He feels this would create the potential problem of building barges with homes built on them. He would like to see the term “liveboard” defined more clearly.

Nancy Bast said we need definitive standards in the building ordinance regarding neighborhood compatibility as designated in the Local Coastal Plan. The Planning Commission’s outcome of the Ridgeway project that resulted in a denial of a permit to demolish and rebuild a very large home, pointed out serious problems with the vagueness of the building codes which also resulted in a waste of staff time and work over a period of 6 months. She feels residents want to maintain the character of their town.

Bill Weatherford stated that neighborhood compatibility is an important enough issue and we need, in the City’s new general plan, to include these clear definitions in it. It would help both staff, the applicant(s) and all other bodies engaged in making decisions.

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

Councilmember Smukler feels it prudent to remove liveboards from this program to avoid putting further efforts there. He also is inclined to add work force housing to the Element.

Councilmember Christine Johnson would like to see the SLO County Housing Trust Fund Commission and the SLO County Homeless Services Oversight Council to the listing on page 41. She also wanted to ensure that there was a clear definition on the difference between work force housing and affordable housing.

Mayor Irons wanted to expand the discussion to also include defining workforce housing.

A discussion was held on the merits of removing liveboards from the document, H-1.6. Mayor Irons agreed, he doesn't see the value of including these; Councilmember Nancy Johnson feels they should remain, we just need to be sure we are following our own code; Councilmember Leage doesn't want to see them removed, we are fighting for affordable housing and he considers this as an affordable option; Councilmember Christine Johnson supports taking it off the table as she doesn't want to see staff work on something that is not a good fit for us; Mayor Irons stated that the program calls for expanding liveboards and we don't even meet what we are allowed, we don't need to change or expand on a program we already have and haven't maximized, liveboards are not the best resource for us to focus on; there was Council consensus to remove H-1.6 (liveboards) from the Housing Element document.

A discussion was held on work force housing which produced Council consensus to include work force housing in the document; also to continue to partner with other organizations as a county-wide effort; it was also requested we use the County definition of "work force".

Councilmember Smukler wants to see the language regarding neighborhood compatibility strengthened. He wants to see the "conditional" language removed and replaced with "more action driven" language. Councilmember Nancy Johnson wants to ensure we have a clear definition of "neighborhood compatibility."

Staff (Cindy Jacinth and consultant Amy Sinsheimer) provided the following language in an effort to strengthen the neighborhood compatibility component:

Revised Program H-13.1 (pg 124) modified to say:

"The City will adopt neighborhood compatibility standards for new developments in existing neighborhoods including development of a definition of neighborhood compatibility. The City will develop a standard set of criteria to use in determining whether proposed projects are compatible with the existing neighborhoods in which they are proposed, the purpose of which is to give project proponents clear direction for project design and to provide staff and the Planning Commission with clear guidelines for decision-making. These criteria would include development of a pre-application process to provide clear direction for the project. "

and staff provided the following language regarding work force housing:

Add new Workforce Housing Program to say:

"The City will continue to partner with Countywide organizations to encourage workforce housing, as defined by the County of San Luis Obispo.* The City will additionally encourage

workforce housing by prioritizing a variety of incentives, including but not limited to expedited permit processing for workforce housing, where feasible. Review the Zoning Ordinance for potential constraints to workforce housing and review the master fee schedule for potential constraints to building workforce housing.” *"Workforce" is defined by Title 22 of the County Code as 160% of county median income.

And staff provided and edit to the Resolution adding the following: Edit section 4 of Resolution 41-14 to add "as amended by City Council with minor non-substantive corrections by the State of California Department of Housing and Community Development."

As a summary of the evening's discussions, the following revisions/amendments were made to the Housing Element document: make changes as PC recommended, i.e. revise Program H22.4, and H22.6 (pg 130), plus edit page 51 and 52 regarding water supply and treatment plant; delete live-aboard program recommended by Planning Commission (H1.6); edits on page 41 to add the two county wide boards that the City participates with including: the SLO County Housing Trust Fund Commission and the SLO County Homeless Services Oversight Council (HSOC); edit MCR paragraph (5th paragraph of page 44); Strengthen neighborhood compatibility program H13.1 as provided; add new Workforce housing program as provided.

MOTION: Councilmember Nancy Johnson moved to approve Resolution 41-14, adopting the Housing Element Update for 2014-2019 to include the amendments as discussed; adopt Section 4 as amended by City Council on June 24, 2014 with minor non-substantive changes by HCD; and, adopt the Negative Declaration. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler
No's: None

B-2 RESOLUTION NO. 39-14 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

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

MOTION: Councilmember George Leage moved to approve Resolution 39-14, approving the levy of the annual assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Christine Johnson and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler
No's: None

B-3 RESOLUTION NO. 40-14 DIRECTING THE LEVY OF THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (RECREATION & PARKS)

Recreation and Parks Director Joe Woods presented the staff report. The following dates are tentatively set for the quarterly Cloisters meetings: August 6th, November 5th, February 4th, and April 22nd.

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

Dawn Beattie read the protest letter she presented to the Council.

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

MOTION: Councilmember Christine Johnson moved to approve Resolution 40-14 approving the levy of the Annual Assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No's: None

C. UNFINISHED BUSINESS

C-1 RESOLUTION NO. 42-14 ADOPTING THE FISCAL YEAR 2014/15 OPERATING BUDGETS; (ADMINISTRATIVE SERVICES)

Administrative Services Director, Susan Slayton presented the staff report.

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

Lisa Winn, acting Director for the Chamber of Commerce, stated the Chamber has revised their funding request to \$1,500/month, starting on July 1st. They sent their revised proposal to Council via email which highlights the activities they would like to be able to develop and continue doing including facilitating transactions between existing and new businesses and City staff. The mobile app will be rolling out in a few weeks and the Chamber is requesting \$650/month to help develop this useful tool for locals and visitors and hopes to include information on transportation, recreation and government. They would also like to continue its support of non-profits and events by providing fiscal management support, equipment use, volunteer and staff time.

Brent Haugen, Morro Bay Tourism Bureau Director, stated that he/they are trusting in Council's decision to continue to support the Visitor's Center and Regional Marketing.

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

Council discussed the list of items provided by Ms. Slayton which had been asked to be added to the proposed budget document which included: expanded version of page 1, "Summary of all Budgeted Funds" with revenues and expenditures broken out between operating and capital amounts; 2014/15 Facility Maintenance and Completed Maintenance by fiscal year; addition of Del Mark Parking lot, Unmet Bike Needs and Tidelands Park to the 5 Year Capital Requirements; separate page for the General Plan Maintenance Fee activity, to which Council

has yet to fund anything as of yet; changes to the Governmental Impact Fees Fund and General Government Vehicle Replacement Fund - Mayor Irons stated that if departments aren't allocating monies to the Vehicle Replacement Fund, why have it if it's just a place to transfer monies in and out of; description of items budgeted for spending the COPS Special Safety Grant; removal of the proposed Parking and Code Enforcement position; and correction of Parking in-lieu Fund to recognize the designation of \$399,000. Mayor Irons hoped to include Senior Nutrition to this list. Councilmember Christine Johnson hoped to talk about supporting SLO SCORE.

Mayor Irons wanted to ensure that we were addressing our unfunded liabilities and PERS obligations as it relates to PERS rates to which Ms. Slayton confirmed we were. He also doesn't like the concept of us balancing our budget from a Reserve account, in this case, the Risk Management Reserve fund. If you have a reserve, it's there for an emergency and shouldn't be used in this manner. Our resolution and policy that supports this clearly states how we can use the monies, it's a matter of how we are spending the money. An unappropriated allocation fund is a more responsible terminology.

Councilmember Christine Johnson thinks it's wise to create an accumulation fund within the Risk Management Fund as she too doesn't like balancing the budget using a Reserve account.

Ms. Slayton stated she can change the name to the Risk Management Accumulation Fund.

Councilmember Smukler stated that it's important to remember that there is still a reserve component involved; the \$500,000 needs to be accounted for as such.

There was discussion on page 6, General Fund Revenues by Source, regarding the TOT budgeted number. Mayor Irons wanted to entertain the discussion to increase the proposed \$2,100,000 figure. Councilmember Nancy Johnson has never seen a Council go against the recommendation of the CFO's in terms of how to budget a fund. If the decision is made to budget this at a higher number, then it's her suggestion that in the first meeting in November, the Council should check the summer TOT totals to see if we're on track. Councilmember Smukler likes the quarterly review process as it allows us to focus on performance. Councilmember Christine Johnson also feels that the projection number should be increased based on TOT past performance and requests by the Tourism Bureau; she suggests increasing the number to at least \$2,300,000. She wanted to be clear that she was advocating for this change, not necessarily to increase the funding levels to the Tourism Bureau or Chamber, but so that there could be more revenue for any of the needs the City currently has, for example – Monday dinners, general plan, streets, etc. Councilmember Leage suggested increasing the projection to \$2,250,000 along with requiring quarterly reporting. Councilmember Nancy Johnson reiterated what Ms. Slayton mentioned, we aren't necessarily increasing our occupancy, we are increasing rates and wondered how long can that practice continue. Councilmember Leage is very optimistic at how this year has begun while at the same time, we need to be cautious. There was Council consensus to increase the TOT revenue projection to \$2,250,000 and provide quarterly reporting.

There was discussion on Council generated funding requests – Economic Development and revisiting the City Assessment – Management Partners were Council requests; as well as the requests from the Chamber, Tourism Bureau and Visitor Center. Councilmember Nancy

Johnson thinks the timing is bad to get an update on the City Assessment, she feels we should wait until the new City Manager is on board; we don't want to inundate a new person with requirements. Councilmember Smukler reaffirmed that all we were doing was to prioritize working on these, look at the details as it comes back, see how much it would cost – he is still in agreement. There was Council consensus to keep the City Assessment and Economic Development on the table for review. The various funding requests were laid out: Tourism Bureau (\$116,000), Visitor's Center (\$100,000), Chamber (\$18,000), and 4th of July (\$20,000).

Councilmember Nancy Johnson spoke regarding the Morro Bay 4th stating that it a one day event, sponsored by a community group and if the City decides to provide this kind of money (\$20,000), it then becomes a City sponsored event and as such, is not in favor of it. She is in favor of funding the Chamber, the Tourism Bureau and the Visitor's Center at their requested levels.

There was discussion of funding the Visitor's Center. Councilmember Christine Johnson hopes to be able to continue funding them at \$100,000. There already is good reporting, she would like to see monthly reports continue; she wants to ensure a contract is in place as well as a mid-year report from Visitor Center staff informing the City "where are the tourists going/where are they asking to go?". Regarding the Tourism Bureau, she sees event support as critical and supports funding them at \$40,000 with that money being passed on in grant fund assistance to local events. She would also like to see money reserved to put towards an Economic Development Strategy Plan.

MOTION: Mayor Irons moved to continue the meeting past 11:00pm. The motion was seconded by Councilmember Christine Johnson and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No's: None

Regarding the Chamber, Councilmember Christine Johnson felt there should be a funding level for their "doing business in Morro Bay" efforts as the first contact for somebody trying to start a business in Morro Bay. We need to get a current contract in place as well as receive a mid-year report as well as monthly records – as to their potential business contacts. She isn't sold on being ready to jump in with mobile app support. She is comfortable in funding the Chamber at a level of \$10,000.

Councilmember Nancy Johnson feels the Chamber should be funded at a higher level; they are providing some of the Economic Development strategy and should be reimbursed for it. The Chamber is to develop, encourage and maintain business. And the Tourism Bureau is directed at the tourism industry, not the day to day businesses in town.

Mayor Irons stated that discussions have been held at the Council level and it's acknowledged that we want to go out for an RFP for an Economic Development strategy, at an appropriate funding level; the Chamber and the Tourism Bureau are welcome to submit a bid.

Councilmember Smukler stated that the City tried the approach of the Chamber doing Economic Development and it didn't work out well; he is in support of an RFP process for that function. He thinks that since the Visitor Center also gives out hotel information, that we could share the

cost of it with the Tourism Bureau, possibly at an 80/20 cost sharing split. Regarding event grant program, he is supportive of this as it's an important package for the community. He feels that folding regional marketing into the Economic Development strategy would be best. He is comfortable in funding the "doing business in Morro Bay" aspect for the Chamber as we don't have anyone on staff fulfilling that role. He feels that event support is minimal. Regarding the mobile app, he sees a lot of interesting value to the City; but it does fit with what the Chamber would be doing anyway. He is cautious about supporting the Chamber to do what they would normally be doing. He feels that \$10,000 is a reasonable funding amount.

Mayor Irons spoke on the mobile app stating that the Chamber has the opportunity to develop that, see how it works and then possibly buy into it next year. He clarified with staff that the "doing business in Morro Bay" was a worthwhile program.

There was Council consensus to fund the Visitor Center at \$100,000 and the Chamber at \$10,000.

Councilmember Nancy Johnson reiterated her thoughts on on the Morro Bay 4th event stating she is not convinced it's such a money maker for the City; if we fund it, at that point it becomes a City event.

Councilmember Smukler is supportive of what we did last year, sponsorship and a bit of funding.

Councilmember Christine Johnson remembers spending \$10,000 from unspent Economic Development funds as well as waiving some City fees that amounted to approximately \$4,000.

Mayor Irons is in support of waiving fees, but not in support of any additional funds.

Councilmember Christine Johnson stated that the 4th event does bring people here; she is looking for businesses to step up this year to help with the funding efforts. She supports only waiving the City fees.

There was Council consensus to waive the facility rental fees for the Monday night dinners at the Vet's Hall.

There was Council consensus to fund the Housing Trust at the requested \$1,000.

There was Council consensus to fund the Senior Food Program at \$5,000.

There was discussion on the SLO Score program; Chamber Director Lisa Winn was asked and she felt it would be a great benefit to have SCORE come out and hold office hours at the Chamber. There was discussion on how much to fund the SCORE program; Council came to the decision to fund them at \$1,000.

There was also Council consensus to bring back discussion and an estimate on an RFP for an Economic Development analysis and the City Assessment / Management Partners Report as well as a discussion of being able to start to fund the General Plan.

There was final consensus to fund a total of \$157,000 in extra “asks” which necessitates a need to take \$6,000 from the unappropriated Risk Management Accumulation Fund as all other fundings are being covered from the increase in the TOT revenue projections.

MOTION: Mayor Irons moved to approve Resolution 42-14, adopting the fiscal year 2014/15 operating budgets with the following amendments as discussed: Visitor Center @ \$100,000; Tourism Bureau @ \$40,000; Chamber @ \$10,000; MB 4th – waiving fees; SLO Housing Trust @ \$1,000; Senior Food @ \$5,000; Monday Dinners – waive facility fees; SCORE @ \$1,000; Economic Development – come back; and, Management Partners – to come back. The motion was seconded by Councilmember Christine Johnson and carried 4-1 with Councilmember Nancy Johnson voting no.

AYES: Irons, C. Johnson, Leage, Smukler

No’s: N. Johnson

D. NEW BUSINESS

D-1 CONSIDERATION OF CO-SPONSORSHIP OF THE 2014 MORRO BAY TRIATHLON; (RECREATION & PARKS)

Recreation and Parks Director Joe Woods presented the staff report.

Mayor Irons opened up the public comment period for Item D-1; seeing none, the public comment period was closed.

Councilmember Christine Johnson stated that the event doesn’t meet the criteria; as such, she doesn’t think the City should co-sponsor. There was Council consensus on this.

MOTION: Mayor Irons moved to deny the Co-sponsorship application for the Morro Bay Triathlon. The motion was seconded by Councilmember Christine Johnson and carried unanimously, 5-0.

Ayes: Irons, C. Johnson, N. Johnson, Leage, Smukler

No’s: None

D-2 DISCUSSION OF PLACING A MEASURE ON THE NOVEMBER, 2014 BALLOT TO AMEND MORRO BAY MUNICIPAL CODE SECTION 2.09.010 CHANGING THE ELECTION PROCESS TO A GENERAL ELECTION ONLY IN NOVEMBER OF EVEN NUMBERED YEARS; (CITY ATTORNEY)

City Attorney Joe Pannone presented the staff report.

Mayor Irons had requested this item be brought back to Council; he feels this process has proven to be more disruptive and costly than it is productive. He feels there is enough support right now to at least get it on the ballot and let the voters decide.

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

Councilmember Nancy Johnson stated that this was a measure that was voted down by Council 8 years ago so a group of citizens got together to get it on the ballot. At that time, there were many people running for office and you might win an election without a majority. Times have changed and we don't have many people running for office; maybe it's time to make a change.

Councilmember Smukler stated there are a number of strong arguments to put it on the ballot and let the voters decide. We are the only City in the County to do this and one of very few in the state.

Councilmember Leage likes the way elections are run now; you are elected by a majority and the people get who they want in office.

Councilmember Christine Johnson stated this idea has been put into practice for the last few elections with winners being determined in June. It affects who runs and we burden the community with a long election season.

MOTION: Mayor Irons motioned to move forward with placing a measure on the November ballot to amend Morro Bay Municipal Code Section 2.09.010 changing the election process to a general election only in November of even numbered months. The motion was seconded by Councilmember Smukler and carried 3-2 with Councilmembers Nancy Johnson and Leage voting no.

Ayes: Irons, C. Johnson, Smukler

No's: N. Johnson, Leage

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

Mayor Irons requested an item directing staff to provide Council with a status on the Centennial Park Stairway project. All Councilmembers concurred with this request.

ADJOURNMENT

The meeting adjourned at 12:05am.

Recorded by:

Jamie Boucher
City Clerk



AGENDA NO: A-3

MEETING DATE: 07/08/14

Staff Report

TO: Mayor and City Council **DATE:** June 22, 2014

FROM: Susan Slayton, Administrative Services Director

SUBJECT: Approval of Resolution No. 47-14 Adopting 2014/15 Master Fee Schedule

RECOMMENDATION

Council to adopt Resolution No. 47-14, adopting the 2014/15 Master Fee Schedule as presented.

FISCAL IMPACT

Potential for increased revenue as a result of fee changes, but that amount is unknown.

ALTERNATIVES

1. Adopt the Master Fee Schedule as presented; or
2. Reject, decrease or increase some or all recommended fee adjustments.

DISCUSSION

Staff has prepared Resolution No. 47-14, adopting the proposed Master Fee Schedule for the 2014/15 fiscal year. An edited version of the 2013/14 schedule is attached, for consideration. Changes to the fee schedule are indicated on the old fee with a line drawn through it, and the new fee placed in the adjacent column, in red.

All fees that can legally be increased have been adjusted in this draft Schedule. The suggested fee increases for the Public Services divisions are based on the change in the Engineering News Record (ENR) for the period from April 2013 to April 2014, based on the nexus to their activities. The ENR difference results in an increase of 2.8%. All other suggested adjustments, with the exception of Business License, are based on the change in the Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County area for the same time period as the ENR. The CPI change was 1.4%. Business License fees are adjusted by the March CPI, as required by the Municipal Code, for the Los Angeles-Riverside-Orange County area, which was 1%.

Here are some additional notes related to suggested fee changes/increases:

1. Page 18, Water meter lock and any other damage \$47*: this represents the cost of the lock and damaged property plus the \$47 reconnection fee, based on an investigation.

Prepared By: SS

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

2. Page 30:
 - a. Fees were rounded up to the nearest nickel.
 - b. Vessel fees, Commercial fishing slip waiting list deposit: suggested to be established as a flat rate that is NOT subject to annual CPI; will be annually reviewed by the department for any further suggested increases.
 - c. Vessel fees, City moorings – monthly: current market value is \$250 - \$275; this fee was increased by \$22 last year, and we are suggesting another \$15 this year in our efforts to ultimately reach parity with market
 - d. Vessel fees, Guest moorings – daily: establishing one guest mooring rate for all locations.
 - e. Vessel fees, Impounded vessels – monthly: establishing one monthly impound rate for any location.
 - f. Service fees, T-Pier hoist use: establish one simple daily rate, eliminating the hourly rate.
3. Page 31:
 - a. Liveaboard fees, Permit fee- biennial: administrative fee commensurate with managing permits.
 - b. Liveaboard fees, Inspect fee – biennial: commensurate with HP Officer hourly charge-out rate.
 - c. Lease site administration, Master lease approval: new master leases generally require a minimum of 8 hours of Harbor Director time at the fully-loaded rate plus other staff time.
 - d. Lease site administration, requiring departmental approval: set at 3 hours of Harbor Business Coordinator’s fully-loaded rate.
 - e. Launch ramp parking, annual fee: adjust up to more than CPI to regain a break-even point, based on historical permit use versus cost.
4. Page 37, Trolley fares: the rate change to \$1 was established by Council before the 2014 season

CONCLUSION

Staff recommends that the City Council review the report, make changes to the draft Schedule, as deemed appropriate, and adopt Resolution No. 47-14. Any amendments made at this meeting will be included in the final published Schedule.

RESOLUTION NO. 47-14

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MORRO BAY, CALIFORNIA,
ADOPTING THE 2014/15 MASTER FEE SCHEDULE**

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

WHEREAS, the City Council finds that fees and charges for City services are annually in need of review for possible updating to reflect changes in the cost of providing those services; and

WHEREAS, the California Constitution, in Article 13B Government Spending Limitation Section 8(c), states that proceeds in excess of user charges and user fees that exceed the costs reasonably borne by the City in providing the regulation, product or service are considered proceeds from taxes that are subject to the annual appropriation limit; and

WHEREAS, the City has reviewed these fees, and finds they do not exceed the actual costs of providing related services; and

WHEREAS, the City's Municipal Code Section 3.34.020 provides for the annual review of the Master Fee Schedule and revision; and

WHEREAS, on August 11, 2008, the City Council adopted Resolution No. 49-08, which states "the Master Fee Schedule will be brought back in its entirety for review annually."

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that the Master Fee Schedule be revised and published, as amended.

PASSED AND ADOPTED, by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 8th day of July 2014, by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

JAMIE L. IRONS, Mayor

JAMIE BOUCHER, City Clerk

Proposed Master Fee Schedule For the 2014/15 Fiscal Year

Table of Contents

Preface	i
All City Departments & Offices	1
Elections	2
Finance Department	3
Public Services Department:	
Building	4
Business License	8
Engineering	12
Planning	14
Water	18
Sewer	19
Police Department	20
Fire Department	25
Harbor Department	30
Recreation and Parks Department	33
Transit	37
2014/15 Resolution of Adoption	40

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Preface

All fees, except for those related to Business License, are subject to increase by either the April Consumer Price Index (CPI) for Los Angeles-Riverside-Orange County, or the Engineering News Record (ENR), unless prevented by law. Business License adjusts based on the March CPI, per Municipal Code Section 5.04.050.

ENR for April 2014 = 2.8%

CPI for April 2014 = 1.4%

CPI for March 2014 = 1%

The Master Fee Schedule is updated annually in June/July; therefore, any fees adopted after its publication, and prior to the next annual update, may not be included.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

All Departments & Offices

Photocopies:		
First page	\$	0.75
Each additional page	\$	0.25
Photocopies mailed:		
Cost of postage		Actual
First page	\$	0.75
Each additional page	\$	0.25
Appeal fee:		
Non-refundable appeal fee for non-land use administrative decisions	\$	250.00

Notes:

Unless specifically identified elsewhere (e.g., Public Safety), all departments and offices shall use these rates.

**City of Morro Bay
Master Fee Schedule
For the 2014/15 Fiscal Year**

Elections

Filing fee:

Notice of intention to circulate petition - this amount is refundable under Elections Code Section 9202(b), with conditions

\$ 200.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Finance Department

Copies:		
Budget document, per copy	\$ 25.00	25.00
Basic Financial Statements (City Audit), per copy	\$ 25.00	25.00
Master Fee Schedule document, per copy	\$ 25.00	25.00
Returned check charge (CA Civil Code Section 1719):		
First time	\$ 25.00	do not adj
Each subsequent	\$ 35.00	do not adj
Utility Billing:		
Water service application fee	\$ 25.00	do not adj
Physical posting of shut-off notice at customer location	\$ 54.00	56.00
Refundable Utility deposit - residential tenants only ¹	\$ 100.00	do not adj
Reconnection (MC 13.04.310)	\$ 46.00	47.00

A deposit is required from all residential tenants who sign up for utility service.

¹ Existing residential tenants, whose service is terminated due to delinquent non-payment, will be required to pay a deposit, in addition to the service reconnection fee, in order to restore service ONLY IF THE DEPOSIT HAS NOT PREVIOUSLY BEEN COLLECTED.

If the residential tenant moves within the City limits, the deposit will transfer with the residential tenant to his/her new address.

The deposit is applied to the closing bill when the residential tenant moves out; any remaining credit balance is refunded. If the tenant's status changes to an owner, the deposit is refunded.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Building

Building & Construction Permits:		
Valuation of from 0 - \$3,000 (including electrical service less than 600 amp, and minor plumbing alternatives)	\$ 83.00	85.00
\$3,001 and up - .025 x total valuation as determined by the Building Official (50% upon submittal/50% at issuance)		
Construction Operation After Hours	\$ 31.00	32.00
Building Re-Address Processing	\$ 30.00	31.00
Demo w/o Asbestos	\$ 66.00	68.00
Demo w/ Asbestos	\$ 133.00	137.00
In-lieu Housing Fee (if unit not affordable housing) - per sq/ft	\$ 0.32	0.33
General Plan Maintenance - 6% Surcharge on all Building Permits ²		
SMIP Category I (Residential) - .0001 x valuation		
SMIP Category II (Commercial) - .00021 x valuation		
Unsafe Building repair, demolition or moving structure - charged at cost		
Special Inspection and Plan Review Fees:		
Inspection Fees - outside of normal work hours - per hour, 2 hour minimum	\$ 151.00	155.00
Re-Inspection Fees - per hour	\$ 76.00	78.00
Property condition report for Condominium Conversions	\$ 18.00	19.00
Inspection for which no fee is otherwise indicated - per hour, 1/2 hour minimum	\$ 76.00	78.00
Additional Plan Review required by changes, additions, revisions to the approved plans - per hour, 1/2 hour minimum	\$ 76.00	78.00
Use of outside consultants for special plan checking and inspection - charged at actual cost, plus actual fully-loaded staff costs		
Penalty for commencing construction without permit(s). This is in addition to the standard building permit fees.	\$ 105.00	108.00
	+ 2 times permit fee	
	+ \$52.00 per day after notice	53.00
Retrofit upon transfer of sale	\$ 34.00	35.00

² General Plan Maintenance surcharge includes 1% for Geographic Information System (GIS) Maintenance

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Building Development Impact Fees ³

Building fees, per square foot ⁴:			
Residential:			
Single Family ^{5, 6}	\$	3.89	4.00
Multi-Family ^{5, 6}	\$	6.21	6.38
Non-residential:			
Commercial ⁵	\$	3.90	4.01
Office ⁵	\$	2.77	2.85
Industrial ⁵	\$	1.44	1.48
Park fees for residential in-fill lots, per square foot:			
Single Family	\$	1.20	1.23
Multi-Family	\$	2.00	2.06
Water fee:			
1" meter	\$	2,422.00	2,490.00
1-1/2" meter	\$	4,844.00	4,980.00
2" meter	\$	7,747.00	7,964.00
3" meter	\$	15,495.00	15,929.00
Wastewater fee:			
1" meter	\$	4,446.00	4,570.00
1-1/2" meter	\$	8,893.00	9,142.00
2" meter	\$	17,783.00	18,281.00
3" meter	\$	28,452.00	29,249.00

³ Adjust annually based on change in Engineering News Record (ENR).

⁴ Fees are per square foot including garages (enclosed spaces). Single-family residential additions of 500 square feet or less are exempt (this is for a cumulative five (5) year period).

⁵ Plus water **and** wastewater fees, which are based on meter size

⁶ An increase in meter size for the sole purpose of accomodating the hydraulic demand of a residential fire sprinkler system shall be exempt.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Building Development Impact Fees

Public Facilities Fees (per square foot):

Residential:

Single Family Residential:

General Government	\$ 1.15	1.18
Police	\$ 0.39	0.40
Parks	\$ 1.20	1.23
Fire	\$ 0.42	0.43
Storm Drain	\$ 0.05	0.05
Traffic	\$ 1.86	1.91
Water ⁷	\$ 0.64	0.66
Wastewater ⁷	\$ 1.79	1.84
 Multi-Family Residential:		
General Government	\$ 1.91	1.96
Police	\$ 0.63	0.65
Parks	\$ 2.00	2.06
Fire	\$ 0.70	0.72
Storm Drain	\$ 0.06	0.06
Traffic	\$ 2.90	2.98
Water ⁷	\$ 0.97	1.00
Wastewater ⁷	\$ 2.66	2.73

⁷ Water and Wastewater actual fees are based on the meter size. Amount shown is estimated based on the fees divided by the estimated building square feet.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Building Development Impact Fees

Public Facilities Fees, per square foot (continued):			
Non-residential:			
Commercial:			
General Government	\$	0.23	0.24
Police	\$	0.06	0.06
Parks	\$	0.01	0.01
Fire	\$	0.21	0.22
Storm Drain	\$	0.03	0.03
Traffic	\$	3.35	3.44
Water ⁷	\$	2.41	2.48
Wastewater ⁷	\$	4.45	4.57
Office:			
General Government	\$	0.31	0.32
Police	\$	0.08	0.08
Parks	\$	0.01	0.01
Fire	\$	0.30	0.31
Storm Drain	\$	0.03	0.03
Traffic	\$	2.01	2.07
Water ⁷	\$	2.41	2.48
Wastewater ⁷	\$	4.45	4.57
Industrial:			
General Government	\$	0.09	0.09
Police	\$	0.03	0.03
Parks	\$	0.01	0.01
Fire	\$	0.08	0.08
Storm Drain	\$	0.03	0.03
Traffic	\$	1.16	1.19
Water ⁷	\$	2.41	2.48
Wastewater ⁷	\$	4.45	4.57

⁷ Water and Wastewater actual fees are based on the meter size. Amount shown is estimated based on the fees divided by the estimated building square feet.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Business License⁸

Business License:			
Business License fee - varies by type of license requested	See Subsequent Pages		
Business License listing, per list	\$ 15.00		15.00
Business License, transfer (MC 5.04.220)	\$ 2.00	does not change; MC specifies \$2	
Business License, duplicate (MC 5.04.230)	\$ 2.00	does not change; MC specifies \$2	
Home Occupation Permit Processing Fee (one time fee)	\$ 65.00		66.00
Home Occupation Basic (annual)	\$ 135.00		136.00
Home Occupation Exception (annual)	\$ 57.00		58.00

⁸ With the adoption of the 2013/14 Master Fee Schedule, a \$3 software maintenance fee was added to Business License fees.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Business License⁸ Exhibit A

Business License (MC 5.08):

Ambulances			
License	Annum	\$ 109.00	110.00
Apartments, Motel, Hotel, Multiple Dwellings, Rest Homes, Rooming Houses, Hospitals & Sanitariums			
	Annum	\$ 135.00	136.00
Plus: Each Unit/Person cared for Over 4			
		\$ 5.00	5.00
Art Hobby or Handicraft Show & Exhibitions			
		Gross Receipts	
Minimum Per Salesperson	Annum	\$ 3.00	3.00
Auctioneers			
No Fixed Place of Business	Day	\$ 135.00	136.00
Fixed Place of Business	Annum	\$ 135.00	136.00
Plus: Each Employee			
	Annum	\$ 32.00	32.00
Bingo			
		\$ 66.00	67.00
Carnivals and Circuses			
	Day	\$ 534.00	539.00
3-more sale			
	Annum	\$ 135.00	136.00
Coin-Operated Vending Machine			
	Gross Receipts	0.01	do not adj
Contractors			
General	Annum	\$ 266.00	269.00
One Job Only	Job	\$ 135.00	136.00
Specialty			
	Annum	\$ 135.00	136.00
One Job Only	Job	\$ 35.00	35.00
Delivery By Vehicle For One or More Vehicles			
	Annum	\$ 135.00	136.00
Exhibiting Animals or Trick Riding, Wire Dancing or other Exhibitions (Exception No Fee or Admission)			
	Day	\$ 56.00	57.00
Fire Wreck or Bankrupt Sale, Each Sale			
		\$ 189.00	191.00
Plus: In Excess of 3 Days			
	Day	\$ 109.00	110.00

⁸ With the adoption of the 2013/14 Master Fee Schedule, a \$3 software maintenance fee was added to Business License fees.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Business License⁸ Exhibit A (page 2)

Flea Markets	Daily Gross			
Minimum per Salesperson	Day	\$	10.00	10.00
Garage Sales			No Fee	
ERR				
Merry-Go-Round, Revolving Wheel Chute, Toboggan, Slide, Mechanical Riding Contrivance or Pony Ride	Day	\$	56.00	57.00
Money Lenders & Pawnshops		\$	537.00	542.00
Non-Profit Organizations			Exempt	
Peddlers, Solicitors, or Itinerant Merchants				
Peddlers	Day	\$	56.00	57.00
Solicitors	Day	\$	109.00	110.00
Plus: Each Employee	Day	\$	53.00	54.00
Itinerant Merchants	Day	\$	56.00	57.00
	Week	\$	109.00	110.00
	Month	\$	162.00	164.00
	Quarter	\$	213.00	215.00
	180 days	\$	266.00	269.00
Public Utilities	Annum	\$	135.00	136.00
Plus: Each Employee	Annum	\$	32.00	32.00
Exception: When City Franchise Tax is greater than \$80.00				
Private Patrol	Annum	\$	67.00	68.00
Public Dance (Exception No Fee or Admission)	Day	\$	56.00	57.00
Real Estate				
Calif. Licensed Broker	Annum	\$	135.00	136.00
Each Salesman or Agent	Annum	\$	32.00	32.00
Each Employee	Annum	\$	23.00	23.00

⁸ With the adoption of the 2013/14 Master Fee Schedule, a \$3 software maintenance fee was added to Business License fees.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Business License⁸ Exhibit A (page 3)

Secondhand Store or Junkdealer	Annum	\$	135.00	136.00
Plus: Each Employee	Annum	\$	32.00	32.00
Skating Rink	Annum	\$	135.00	136.00
Plus: Employee	Annum	\$	32.00	32.00
Taxicabs				
License Per Cab	Annum	\$	73.00	74.00
Driver	Annum	\$	10.00	10.00
Tent Show or Itinerant Show (Exception No Fee or Admission) Day		\$	135.00	136.00
Trailer House, RV or Mobile Home Park				
Rental Spaces 1-4	Annum	\$	135.00	136.00
Plus: Additional Space	Annum	\$	5.00	5.00
Undesignated Professionals	Annum	\$	135.00	136.00
Plus: Each Employee	Annum	\$	32.00	32.00
Wrestling or Boxing Show	Day	\$	56.00	57.00

⁸ With the adoption of the 2013/14 Master Fee Schedule, a \$3 software maintenance fee was added to Business License fees.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Engineering

Engineering:

Subdivisions, commercial or multifamily are typically more complex, and require more review.

Flood Hazard Development Permit (MC 14.72.040):

Permit, minimum fee ^{9 & 10}	\$ 190.00	195.00
Flood Plain Letter	\$ 95.00	98.00

Subdivisions:

Final Map - Tract, minimum fee (MC 16.24.040J) ^{9 & 10}	\$ 1,222.00	1,256.00
Final Parcel Maps with Improvements, minimum fee ^{9 & 10}	\$ 314.00	323.00
Final Maps Amendment Review, minimum fee ^{9 & 10}	\$ 263.00	270.00

Inspections/Plan Review

Inspections	Cost of service	
Public/Subdivision Improvement Plan Check, minimum fee ^{9 & 10}	\$ 450.00	463.00

Abandonment Process

Street/R-O-W Abandonment Process ¹⁰	\$ 898.00	923.00
--	-----------	---------------

Encroachment Permits⁹ (MC 13.16.140):

Regular	\$ 129.00	133.00
Special - Engineered Structures, minimum fee ⁹	\$ 282.00	290.00
Non-Engineered Structures, minimum fee ⁹	\$ 129.00	133.00
Annual Utility Encroachment Permit	\$ 198.00	204.00
Wide Load Permit with Traffic Control Plans - Per Year ⁹	\$ 90.00	do not adj
Wide Load Permit with Traffic Control Plans - One Time ⁹	\$ 16.00	do not adj

Street & Sidewalks:

Exception Application	\$ 160.00	164.00
-----------------------	-----------	---------------

⁹ Time and materials costs may be added to minimum, when actual cost exceeds the minimum fee.

¹⁰ With the exception of Wide Load Permits, Encroachment Permits fees adjust annually based on the April Engineering News Record (ENR-CCR)

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Engineering

Stormwater fees:		
Single family:		
Planning review of preliminary stormwater plan	\$ 142.00	146.00
Building permit review of stormwater plan	\$ 186.00	191.00
Inspection of stormwater facility/erosion control	\$ 99.00	102.00
Other (per 6,000 sq ft lot area, or fraction thereof):		
Planning review of preliminary stormwater plan	\$ 142.00	146.00
Building permit review of stormwater plan	\$ 186.00	191.00
Inspection of stormwater facility/erosion control	\$ 99.00	102.00
Trees:		
Removal Permit (to trim, brace or remove, MC 12.08.110)	\$ 256.00	263.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Planning

Affordable Housing In-Lieu Funding Assistance Fee	\$ 541.00	556.00
<p>Applicants requesting assistance for affordable housing projects or programs with affordable housing in-lieu fees shall pay a base deposit fee of \$500 to conduct the necessary financial analysis to determine the justification of the fee assistance. All expenses associated with further financial analyses (real estate financial pro forma) shall be paid by the applicant and deposited into this fund to cover all City expenses. These fees will either be reimbursed to the applicant or credited toward other project fees, if the City Council determines that financial assistance from the housing in-lieu fee fund is justified.</p>		
Reasonable Accomodation Fee (No fee if in conjunction with other discretionary permit)		108.00
Coastal Permits:		
Coastal Permit in combination with Conditional Use Permit	No Fee	
Coastal Permit (Administrative)	\$ 704.00	724.00
Single Family Dwelling, Multiple Dwelling, Office, Commercial, Convention, Industrial & Institutional	\$ 3,044.00	3,129.00
Additions greater than 10% to Single Family Dwelling in Coastal Appeals area (Planning Commission)	\$ 505.00	519.00
Emergency Permit (excluding required regular CDP)	\$ 634.00	652.00
Other Administrative:		
Tree Removal, private	\$ 242.00	249.00
Environmental:		
Categorical Exemption	\$ 86.00	88.00
Negative Declaration	\$ 1,047.00	1,076.00
Mitigated Negative Declaration	\$ 3,356.00	3,450.00
Filing Fee - for environmental document as per County	\$ 51.00	52.00
Environmental Impact Report - contract amount plus 25% attorney fees on all discretionary projects - cost	\$ 4,556.00	4,684.00
Department of Fish & Game CEQA document fee (pass through - see www.dfg.ca.gov for fee)		

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Planning

Miscellaneous:		
Letter regarding land use confirmation or other research - per hour	\$ 86.00	88.00
Development Agreement	\$ 4,556.00	4,684.00
Applicant Requested Continuance	\$ 111.00	114.00
Street Name/Rename Processing	\$ 403.00	414.00
Fine, in addition to permit - \$100.00 plus two times permit fee; plus \$50 per day - after notice. Deposit required.		
Request for Averaging Front Yard Setbacks (sq ft)	\$ 110.00	113.00
Appeals of City decisions excluding Coastal Permits in Coastal Appeal Jurisdiction - refundable if applicant prevails	\$ 250.00	257.00
Copy of Planning Commission DVD	\$ 12.00	12.00
Notification fees:		
Planning Commission hearings	\$ 138.00	142.00
Administrative hearings	\$ 87.00	89.00
Special Event - based on actual personnel cost		
Planned Development Zone:		
Projects with planned development overlay (for construction of SFR in PD overlay zone) see CUP fees; for all other projects, if within waterfront master plan area, charge time and materials plus a deposit that is to be tiered based on size of the project (Council action 8/23/10).		

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Planning

Sign Permits:		
Sign permit	\$ 86.00	88.00
Sign Exception (CUP)	\$ 714.00	734.00
Pole Sign (CUP)	\$ 714.00	734.00
Fines:		
Temporary, beyond time allowed by Ordinance - per day after notice	\$ 10.00	10.00
Permanently attached signs w/o permit - per day after notice	\$ 21.00	22.00
Subdivisions:		
<i>Note: all subdivisions may be billed at direct cost</i>		
Tentative Parcel Map Application	\$ 3,245.00	3,336.00
Tentative Tract Map Application up to 10 lots/plus \$100.00 per lot over 10	\$ 4,327.00	4,448.00
Amendments to Existing Tract or Parcel Maps	\$ 2,323.00	2,388.00
Lot Line Adjustment	\$ 762.00	783.00
Certificate of Compliance (legal determination) - fee plus a deposit for extensive research as needed	\$ 525.00	540.00
Lot Mergers	\$ 211.00	217.00
Text Amendments:		
Zone Changes - deposit plus cost	\$ 4,556.00	4,684.00
Specific Plan	\$ 4,683.00	4,814.00
General Plan/Local Coastal Plan Amendment deposit plus cost	\$ 4,683.00	4,814.00
Annexations - deposit plus cost	\$ 4,931.00	5,069.00
Time Extensions:		
Time Extensions for CUP, regular Coastal Permits and Variance (Planning Commission)	\$ 525.00	540.00
Time Extensions for Tract Maps and Parcel Maps	\$ 525.00	540.00
Time Extensions - Administrative	\$ 44.00	45.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Planning

Use Permits		
<i>Note: All Use Permits may be billed at direct cost at the discretion of the Public Services Director - scheduled fee would then be deemed as a deposit</i>		
<i>Note: All refund requests must be submitted in writing to the City and must include the permit number.</i>		
Conditional Use Permit	\$ 3,917.00	4,027.00
One SFR in a Planned Developed Zone or Bluff Area	\$ 594.00	611.00
Occupancy changes Commercial/Industrial (no construction)	\$ 505.00	519.00
Additions to non-conforming uses structures, not adding units or new uses	\$ 505.00	519.00
Minor Use Permit	\$ 541.00	556.00
Temporary Use Permit - longer than 10 days	\$ 541.00	556.00
Outdoor Display and Sales and Outdoor Dining	\$ 863.00	887.00
Administrative Temporary Use Permit - 7 consecutive or 10 non-consecutive days per calendar year	\$ 44.00	45.00
Amendments to Existing Permits (Planning Commission)	\$ 1,942.00	1,996.00
Major Modification While Processing	\$ 1,459.00	1,500.00
Minor Amendments to Existing Permits (Administrative)	\$ 184.00	189.00
Variances:		
Variance	\$ 2,413.00	2,481.00
Variances processed with other permits	\$ 725.00	745.00
Minor Variance	\$ 399.00	410.00
Parking Exceptions	\$ 123.00	126.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Water

Water Service:			
Application (MC 13.04.07)	\$	25.00	Do not adj
Connection - Within City will be charged at cost (MC 13.04.100)			
Connection - Outside City will be charged at 2 x cost (MC 13.04.100), per Council authorization			
Connection - Subdivisions will be charged at owner expense (MC 13.04.100)			
Main Extension Approval will be charged at cost (MC 13.04.120)			
Temporary Service Application will be charged at cost (MC 13.04.150)			
Meter Installations/Connections:			
3/4 inch to 5/8 inch meter (water fee plus wastewater fee)-Meter	\$	1,350.00	1,388.00
1 inch to 1-1/2 inch meter-Meter/Service	\$	1,811.00	1,862.00
1" Meter/1-1/2" Service (for residential fire sprinklers)			2,356.00
1" Meter/2" Service (for residential fire sprinklers)			2,949.00
1-1/2" 2 inch meter and above	\$	Cost of service	
Meter Box Installation	\$	218.00	224.00
Temporary Water Meter Rental	\$	87.00	89.00
Water Meter Re-Read	\$	26.00	27.00
Reconnection (MC 13.04.310)	\$	46.00	47.00
After - Hours Water Meter Turn Off/On	\$	117.00	120.00
"Drop in" meter fee, up to 2 inches	\$.75 x regular meter fee	Do not adj
Relocation of water meter for customer convenience	\$	1.5 x regular meter fee	Do not adj
Water meter lock -cost of replacing damaged lock and any other damage	\$	Lock + \$46*	City Property + 47*
Water Meter Testing (Remove, test and replace meter); fee refunded if meter test indicates an overage of greater than 2%			150.00
Circuses, Carnivals & Traveling Shows - Fire Hydrant (MC 13.04)			
Fire Hydrants - Contractor Use (MC 13.04.360):			
Meter Installation and Removal - per Council Resolution; will be charged at cost			
Meter Use - per day	\$	4.00	4.00
Water Cross Connection (MC 13.08.070B):			
Certificate of Compliance	\$	23.00	24.00
Water Usage (MC 13.04.220, sewer rates not included):			
Per Council Resolution			
Water Deposit:			
Refundable deposit - residential tenants only	\$	100.00	Do not adj

* Subject to Police investigation for theft of water and tampering with City Property

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Public Services Department Sewer

Sewer:		
Connection Permit - fee plus staff time for inspection (MC 13.12.010)	\$ 76.00	78.00
Extension - pro rated - to be charged at cost (MC 13.12.050)		
Use of Existing Sewer Permit - per Council Resolution (MC 13.12.090)		
Use Charges - per Council Resolution (MC 13.12.210)		
Discharge Fee - Recreational Vehicles and Campers (MC 13.12.250A, no charge)		
Discharge Fee - Tank Trucks and Commercial per truck, for each 1,000 gallon capacity (MC 13.12.250B)	\$ 7.00	7.00
Private Facility (MC 13.12.280, no charge)		
Minimum and Availability Charge - per Council Resolution (MC 13.12.090)		
Raising Manhole to Grade - cost of providing service		
Sewage Spill Cleanup - cost of providing service		
Spill in Right-of-Way Cleanup - cost of providing service		

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Police Department (See Notes)

Permits & Licenses:		
Sex/Narcotic Registrant Fee	\$ 0.00	
Tow/Taxi Service Provider Application Fee	\$ 598.00	606.00
Taxi Operator Permit Application Fee	\$ 381.00	386.00
Taxi Operator Permit Application Renewal Fee	\$ 64.00	65.00
Second Hand Dealer Permit - City Application Fee (does not include Department of Justice fee)	\$ 318.00	322.00
Second Hand Dealer Permit renewal - City Application Fee (does not include Department of Justice fee)	\$ 158.00	160.00
Massage Therapist/Parlor Permit Application Fee	\$ 132.00	134.00
Police Copies:		
Report/Document Copies - per page	\$ 1.00	Do not adj
Support Services Coordinator Activity:		
Digital Photo Reproduction to CD - per hour, 1 hour minimum	\$ 53.00	54.00
Audio/Video Tape Reproduction - per hour, 1 hour minimum	\$ 53.00	54.00
Record Searches/Reviews/Clearance/Responses - per hour, 1 hour minimum	\$ 53.00	54.00
Officer Activity:		
Equipment Citation Sign Off	\$ 15.00	15.00
Vehicle Impound Fee Administrative Costs (CVD 22850.5)	\$ 158.00	160.00
Abandoned Vehicle Removal (junk vehicles/parts)	\$ 318.00	322.00
Juvenile In Custody Service - per hour	\$ 69.00	70.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Police Department (See Notes)

Other Police Services:		
Firearms - seizure/storage (PC 12021.3 -33880)	\$ 53.00	54.00
State Mandated Costs		
Concealed Weapons Permit (does not include DOJ or other fees)	\$ 106.00	107.00
Renewal of Concealed Weapons Permit (does not include cost of ID card)	\$ 26.00	26.00
Subpoena Duces Tecum (does not include costs of report, etc.)	\$ 15.00	15.00
Delinquent Parking Citation Copy	\$ 2.00	2.00
Repossessed Vehicle	\$ 15.00	15.00
Booking Fees (current cost - cost is dependent on charges by County)	\$ 115.00	117.00
Live scan Fingerprint Fees (PC 13300(e))	\$ DOJ + \$20	
Criminal History Review (PC 13322)	\$ 26.00	26.00
Cost Recovery		
DUI Emergency Response	Actual Cost	
False Alarm Response (after 3rd false alarm in a year)	\$ 212.00	215.00
No Cost Services:		
Bicycle License	\$ 0.00	
Voluntary Gun Registration	\$ 0.00	

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Police Department (See Notes)

Parking Fines:	<u>MBMC</u>	<u>Vehicle Code</u>		
Parking within a Parkway	10.40.020		\$ 53.00	54.00
No Parking Areas	10.40.030		\$ 53.00	54.00
Posted Restricted Parking	10.40.040		\$ 53.00	54.00
72-Hour Parking	10.40.060		\$ 64.00	65.00
Vehicle Repair on Public Street	10.40.080		\$ 53.00	54.00
Parking on Grade without Turning Wheels	10.40.090		\$ 53.00	54.00
Parking within Space Marking	10.40.110		\$ 53.00	54.00
Curb Markings (red, yellow, etc.)	10.40.120		\$ 53.00	54.00
Parking in Passenger Loading Zone	10.40.150		\$ 53.00	54.00
Parking in Alley	10.40.160		\$ 53.00	54.00
Limited Time Parking	10.40.170		\$ 53.00	54.00
Violating Diagonal Parking	10.40.190		\$ 53.00	54.00
No Stopping in Designated Area	10.40.200		\$ 53.00	54.00
Failure to Pay Established Fee	10.44.070		\$ 53.00	54.00
Failure to Display Receipt	10.44.070		\$ 53.00	54.00
Overnight Camping	08.24.010		\$ 112.00	114.00
Expired registration		4000(a)	\$ 53.00	54.00
Parking in Fire Lane		22500.1	\$ 169.00	171.00
Blocking Driveway		22500e	\$ 53.00	54.00
Blocking Wheelchair Access		22500L	\$ 109.00	111.00
Parking within 15' of Fire Hydrant		22514	\$ 117.00	119.00
Blocking Sidewalk		22500f	\$ 53.00	54.00
Blocking a Bus Stop		22500i	\$ 90.00	91.00
Blocking Intersection Gridlock		22526	\$ 186.00	189.00
Curb Parking 18" or Wrong Way		22502A	\$ 53.00	54.00
Parking in Bike Lane		21211b	\$ 53.00	54.00
Vehicle Abandonment on Street		22523	\$ 328.00	333.00
Handicap		22507.8A	\$ 301.00	305.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Police Department Notes

Permits & Licenses:

Tow/Taxi Service Provider application fee is the fee for application by a tow service provider or taxi service applying to do business in the City (does not include a business license fee). The application includes review by police staff, processing of application, inspection of tow/taxi vehicle(s) and in case of two service provider, inspection of impound yard.

Massage Therapist/Parlor permit application fee is an application fee to operate a new massage business (does not include City business license fee or DOJ fee). Includes police staff time to receive and review application, conduct background checks as required, and business inspection.

Police Copies:

All police copy costs are \$1.00 per page (except citations).

Support Services Manager Activity:

All record searches, reviews, clearance letters, responses, copies of photos, audio tapes and video tapes - 1 hour minimum charge

Officer Activity:

Abandoned Vehicle Removal - this is a charge levied against the registered or legal owner of a vehicle who abandons the vehicle or vehicle parts on a public street or place open to the public

Juvenile in Custody - this hourly fee may be charged to parents when a juvenile has been taken into custody, and the officer or employee must "baby-sit" the juvenile until the parent arrives. This hourly fee begins after the juvenile is processed, and the parents, or responsible adult, are called to respond. This fee is intended for parents or responsible adults that have extended response times, which requires an officer or employee to monitor the juvenile.

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Police Department Notes

Other Police Services:

Firearms seizure, storage and release administrative fees - PC 1202.3 (now PC 33880) was enacted in 2005 and requires any person, who claimed title to any firearm that is in police custody and who wishes to have a firearm returned to him/her, must make application for a determination by DOJ (Department of Justice) as to whether he/she is eligible to possess a firearm. PC Section 12021.3(j)(1) allows the City to charge for administrative costs relating to the seizure, impound, storage or release of firearms.

State Mandated Costs:

Concealed Weapons Permit - PC Section 12054(a)

Subpoena Duces Tecum - EC 1563 (b)(1)

Delinquent Parking Citation Copy - VC Section 40206.5

Repossessed Vehicle - GC Section 41612

Booking Fees - set by County GC 53150 & 29550.1

Livescan Fingerprint Fees - PC 13300(e)

Criminal History Review - PC 13322

Cost Recovery:

DUI Emergency Response - MBMC 3.40.030

False Alarms Response - MBMC 9.22.020

Services:

Acceptance of Civil Subpoena/SDT fees are set by statute or other authority - Code #1563(b)(1)EC

Safekeeping Property Storage beyond 30 day written notice does not include outside storage fees

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Fire Department (See Notes)

Permits:		
Permit Inspection Fees:		
Any single permit identified in Title 24 CFC and not specifically addressed in the Master Fee Schedule	\$ 64.00	65.00
Any combination of permits shall not exceed	\$ 191.00	194.00
Special Occurrence or Use Permit (equipment & personnel charges additional)	\$ 64.00	65.00
Special Permits:		
Marine Welding Permit: Vessel, Pier, Wharf, Waterfront	\$ 42.00	43.00
Aircraft Landing Permit, per occurrence (required Fire standby equipment & personnel charges additional)	\$ 64.00	65.00
Knox Box installation/inspection, first box	\$ 42.00	43.00
More than one Knox Box per address, each additional box	\$ 10.00	10.00
Equipment & Personnel Charges		
Engine or Truck: per hour, per vehicle (personnel charges additional)	\$ 122.00	124.00
Squad/Rescue: per hour, per vehicle (personnel charges additional)	\$ 90.00	91.00
Utility/Command Vehicle: per hour, per vehicle (personnel charges additional)	\$ 42.00	43.00
Personnel charges: per hour, per person - 2 hour minimum, unless otherwise specified, at current productive hourly rate		
Plan Review Fees:		
Fire Plan Concept Review - personnel charges as specified in Equipment and Personnel Charges		
Plan Review - A charge of 0.3% of total valuation plus use of outside consultant for Plan Review & Inspection is based on actual cost plus fee	\$ 64.00	65.00
Additional Plan Review required by changes, additions or revisions to approved plans - personnel charges as specified in Equipment & Personnel Charges on a hourly basis plus actual cost of outside consultant for Plan Review		

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Fire Department (See Notes)

Fire Protection:		
System & Equipment Fees:		
Fire Sprinkler System Installation Inspection - (above ground)		
Residential - fee plus \$0.55 per head	\$ 64.00	65.00
Commercial - fee plus \$0.55 per head	\$ 318.00	322.00
Commercial projects or tenant improvements under 1,000 sq ft - fee plus \$.055 per head	\$ 103.00	104.00
Underground water line inspection	\$ 64.00	65.00
Fire Alarm System Installation Inspection		
0 - 15 devices	\$ 64.00	65.00
16 - 50 devices	\$ 106.00	107.00
51 - 100 devices	\$ 201.00	204.00
101 - 500 devices	\$ 291.00	295.00
501 and up, fee plus \$130 for each additional 100 devices	\$ 291.00	295.00
Specialized Fire Protection System Inspection, e.g., Halon, Dry Chemical Commercial Kitchen Hood System	\$ 64.00	65.00
Flammable or Combustible Tank Installation Inspection	\$ 64.00	65.00
On-site Hydrant System Installation Inspection	\$ 64.00	65.00
Use of Outside Consultants for Plan Review & and/or Inspection - fee plus actual cost	\$ 64.00	65.00
Request for Building Fire Flow Calculations	\$ 37.00	38.00
Request for Hydrant Flow Information	\$ 37.00	38.00
Request for Hydrant Flow Test - fee plus personnel & equipment as specified in Personnel and Equipment Charges, 1 hr min.	\$ 37.00	38.00
Engine company business inspection:		
1st and 2nd inspections	\$ 0.00	
3rd and subsequent inspections	\$ 79.00	80.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Fire Department (See Notes)

Fire Prevention:		
New and annual business/facility inspection fees:		
1st and 2nd inspections: no charge	\$ 0.00	
3rd and subsequent inspections	\$ 79.00	80.00
Administrative citation for failure to correct a violation shall be charged per 1.03.050 of the Municipal Code	\$ 106.00	107.00
Administrative citation for second violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$ 212.00	215.00
Administrative citation for third and each additional violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$ 530.00	537.00
Annual weed and hazard abatement inspection fees:		
1st inspection for compliance: no charge	\$ 0.00	
2nd and subsequent inspections	\$ 79.00	80.00
Administrative citation for failure to correct a violation shall be charged per 1.03.050 of the Municipal Code	\$ 106.00	107.00
Administrative citation for second violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$ 212.00	215.00
Administrative citation for third and each additional violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$ 530.00	537.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Fire Department (See Notes)

Incident Response Fees:

Hazardous Material/Chemical Incident:

No charge first half-hour (excluding negligent/intentional acts)

Each additional hour, or fraction thereof, will be charged as specified in the Personnel and Equipment Charges plus the cost of any materials

Negligent Incidents:

Response due to negligent/malicious act (e.g., DUI traffic accident, climber on Morro Rock, incendiary fire, negligent hazardous material incident, negligent confined space incident, etc.)

Two hour minimum to be charged as specified by Personnel & Equipment Charges plus any material costs and contract services used.

Excessive or malicious false alarms:

Emergency response due to "Failure to Notify" when working on or testing fire/alarm system

0.5 hours minimum to be charged as specified by Personnel & Equipment Charges.

Malicious False Alarms - .5 hour minimum to be charged as specified by Personnel & Equipment Charges plus any material costs.

Alarm system malfunction resulting in 2 in 30 days or 3 in 12 months - charged as specified by Personnel & Equipment Charges plus any material costs.

Other Fire Services

Copy of response report, per report	\$ 27.00
Additional copies, per page	\$ 1.00
Cause & Origin investigation reports, per report	\$ 112.00
Non-renewal of required annual permit - charge double permit fee rate	
Failure to obtain permit - charge double permit fee rate	
Missed site inspection appointment	\$ 41.00
Failure to meet permit requirements/requiring re-inspection	\$ 41.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Fire Department Notes

Permits - California Fire Code

See operational and construction permits identified in the California Fire Code, ~~Appendix Chapter 1~~, Section 105

Special Occurrence or Use Permit includes 1 inspection

Plan Review Fees

Plan Review Fees are calculated based on total valuation to recover the cost of providing service.

Use of outside consultant for Plan Review and/or Inspection to be \$60 plus actual cost of consultant.

All Plan Review Fees shown are minimum amounts, based on average processing. Large or complex projects may be subject to increased fees based upon time, costs, or equipment costs as shown per Equipment & Personnel Charges.

**City of Morro Bay
Master Fee Schedule
For the 2014/15 Fiscal Year**

**Harbor Department
(See Notes)**

Vessel fees:		
Commercial fishing slips - monthly rate (per foot)	\$ 4.10	4.15
Commercial fishing slip waiting list deposit	\$ 433.00	435.00
Transient slips - monthly rate (per foot)	\$ 8.20	8.30
Transient slips - daily rate (per foot)	\$ 1.10	1.15
Head Float Berth - monthly	\$ 182.10	185.00
Daily T-Pier rate/floating dock - first consecutive 90 days (per foot)	\$ 0.25	0.25
City moorings - monthly	\$ 200.00	215.00
City moorings private tackle - monthly	\$ 80.00	81.10
A1-5 Anchorage Area - 1-5 days (per foot)	\$ 0.00	
A1-5 Anchorage Area - after 5 days (per foot)	\$ 0.20	0.20
City-owned Guest moorings - daily (per foot)	\$ 0.25	0.25
Monthly impound rate (per foot) (non-impounded vessels)	\$ 7.00	
Impounded mooring vessels - monthly rate daily (per foot, minimum monthly increments)	\$ 0.65	10.00
Temporary Moorage - large vessels/equipment (per day)	\$ 162.00	165.00
Dry storage - daily	\$ 2.80	2.85
Mooring transfer fee (flat rate)	\$ 1,072.00	1,090.00
Service fees:		
T-Pier electrical - daily	\$ 2.30	2.35
Electric cord replacement	\$ 155.00	160.00
T-Pier hoist - per use	\$ 11.00	
T-Pier hoist - per day	\$ 21.00	13.00
Fishing unloading - per hour	\$ 72.00	73.00
Wharfage - per ton	\$ 0.85	0.90

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Harbor Department (See Notes)

Liveaboard fees:		
Permit fee - biennial	\$ 55.00	120.00
Inspection fee - biennial (if done by MB Harbor Patrol)	\$ 131.00	69.00
Monthly service fee - moorings	\$ 15.50	15.75
Monthly service fee - slips	\$ 32.00	32.45
Lease site administration/services fees:		
Master Lease Approval	\$ 810.00	1,000.00
Requiring City Council approval	\$ 405.00	500.00
Departmental approval	\$ 84.00	175.00
Vessel assistance:		
One Patrol Officer, one boat - per hour	\$ 180.00	183.00
Each additional Officer - per hour	\$ 68.00	69.00
Launch Ramp parking fee:		
Per hour	\$ 1.00	1.00
Maximum per day	\$ 5.00	5.00
Failure to pay established fee	\$ 54.20	55.00
Failure to display receipt	\$ 54.20	55.00
Annual fee	\$ 100.00	110.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Harbor Department Notes

Any account past due over 10 days on a monthly basis will be charged a 10% penalty. late fee assessed on the total balance due on the account.

Vessels requiring non-emergency assistance more than once in any six-month period may be charged a minimum of 4.5 hours at the set rate.

All dockage is based on a 36' minimum vessel length or length of the slip, whichever is larger.

Temporary moorage related to marine construction equipment or vessels of unusual size requiring special accommodation - see fees for Temporary Moorage - Large Marine Equip. or Vessel/Equipment.

A 10% discount is available for leased commercial slips and moorings when paid one year in advance. Account must be paid for entire year in advance.

Transient slip users shall be limited to 3 months in any slip as long as there are vessels appropriate to the slip size on the sublease waiting list.

The Harbor Director may waive dockage fees for Tall Ships visiting Morro Bay Harbor for any period less than 30 days with written notice.

Parking fee applies to the boat trailer spaces at the boat launch ramp, and Tidelands Park trailer and towing vehicle spaces. Annual permits may be prorated to the nearest month.

Any liveaboard application, submitted during the period January 1 through June 30, is good only for that fiscal year and the following fiscal year, but will be prorated by reducing the liveaboard application fee, stated herein, by 25%.

**City of Morro Bay
Master Fee Schedule
For the 2014/15 Fiscal Year**

**Recreation and Parks Department
Facility Rentals**

CPI 1.014

	<u>Non-Profit and Resident Groups</u>	<u>Non-resident Groups</u>	<u>For Profit Groups</u>						
COMMUNITY CENTER									
Auditorium	\$48/hr	\$76/hr	\$111/hr	48.00	49.00	76.00	77.00	111.00	113.00
Auditorium, one-half	\$31/hr	\$46/hr	\$67/hr	31.00	31.00	46.00	47.00	67.00	68.00
Multi-purpose room	\$26/hr	\$41/hr	\$62/hr	26.00	26.00	41.00	42.00	62.00	63.00
Lounge	\$23/hr	\$34/hr	\$50/hr	23.00	23.00	34.00	34.00	50.00	51.00
Studio	\$18/hr	\$26/hr	\$38/hr	18.00	18.00	26.00	26.00	38.00	39.00
Kitchen *	\$12/hr	\$20/hr	\$25/hr	12.00	12.00	20.00	20.00	25.00	25.00
Kitchen, 8 hours *	\$63	\$100	\$125	63.00	64.00	100.00	101.00	125.00	127.00
VETERAN'S MEMORIAL BUILDING									
Assembly, w/o kitchen	\$25/hr	\$34/hr	\$44/hr	25.00	25.00	34.00	34.00	44.00	45.00
Complete, w/o kitchen	\$28/hr	\$38/hr	\$50/hr	28.00	28.00	38.00	39.00	50.00	51.00
Meeting, w/o kitchen	\$21/hr	\$28/hr	\$37/hr	21.00	21.00	28.00	28.00	37.00	38.00
Kitchen & barbeque ¹¹	\$12/hr	\$20/hr	\$25/hr	12.00	12.00	20.00	20.00	25.00	25.00
Kitchen & barbeque, 8 hours ¹¹	\$63	\$100	\$125	63.00	64.00	100.00	101.00	125.00	127.00
TEEN CENTER									
Up to 20 participants	\$303	\$303	\$303	303.00	307.00	303.00	307.00	303.00	307.00
21 - 30 participants	\$404	\$404	\$404	404.00	410.00	404.00	410.00	404.00	410.00
31 - 40 (maximum = 40) participants	\$454	\$454	\$454	454.00	460.00	454.00	460.00	454.00	460.00
Note: based on number of participants									
						1,531.00		1,724.00	1,920.00

¹¹ Kitchen only rentals permitted Monday - Friday; weekend rentals must be combined with room rental

ADDITIONAL FEES

Deposit: \$150, no alcohol or live music	Unscheduled overtime: \$44/hr								
\$500, alcohol and/or live music	Facility attendant(s): \$10 \$12/hr each								
\$50, Bounce House	Security guard(s): \$26/hr each								
Janitorial, non-refundable, per event based on group size:	Permit processing fee: \$8.00, non-refundable								
100 - 200 participants: \$54	Insurance: cost based on event size/type	54.00		55.00					
201 or more participants: \$106	Cancellations: 20% charge of invoiced costs	106.00		107.00					
Building Event set-up/breakdown: \$23/hr		23.00		23.00					
Event breakdown: \$23/hr									
Veteran's Memorial Building stage use, set-up and breakdown:	\$81 flat rate	81.00		82.00					

Don't adjust deposits

**City of Morro Bay
Master Fee Schedule
For the 2014/15 Fiscal Year**

**Recreation and Parks Department
Public Area Use Permits**

CPI 1.014

	<u>Non-Profit and Resident Groups</u>	<u>Non-resident Groups</u>	<u>For Profit Groups</u>						
Del Mar Park Hillside or Meadow	\$50/Permit	\$87/Permit	\$217/Permit	50.00	51.00	87.00	88.00	217.00	220.00
Multi-Area, Entire Park, Multi Day Event	\$136/Day+Permit	\$136/Day+Permit	\$136/Day+Permit	136.00	138.00				
Del Mar Basketball Courts ¹³	\$50/Permit	\$87/Permit	\$217/Permit	101.00	102.00				
Multi-Area, Entire Park, Multi Day Event	\$136/Day+Permit	\$136/Day+Permit	\$136/Day+Permit	68.00	69.00				
Del Mar Roller Hockey Rink ¹³	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$136/Day+Permit	\$136/Day+Permit	\$136/Day+Permit						
Del Mar Tennis Courts ¹³	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$136/Day+Permit	\$136/Day+Permit	\$136/Day+Permit						
Lila Keiser Park BBQ or Fields ¹²	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event ¹²	\$136/Day+Permit	\$136/Day+Permit	\$136/Day+Permit						
Monte Young Tennis Courts ¹³	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$101/Day+Permit	\$101/Day+Permit	\$101/Day+Permit						
Tidelands Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$101/Day+Permit	\$101/Day+Permit	\$101/Day+Permit						
Cloisters Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$101/Day+Permit	\$101/Day+Permit	\$101/Day+Permit						
Bayshore Bluffs Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$101/Day+Permit	\$101/Day+Permit	\$101/Day+Permit						
Morro Rock Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$101/Day+Permit	\$101/Day+Permit	\$101/Day+Permit						
City Park Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit						
Anchor Memorial Park Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit						
Centennial Parkway Open Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit						
Open Public Area	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$101/Day+Permit	\$101/Day+Permit	\$101/Day+Permit						

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Recreation and Parks Department Public Area Use Permits (page 2)

CPI 1.014

	<u>Non-Profit and Resident Groups</u>	<u>Non-resident Groups</u>	<u>For Profit Groups</u>						
City Park Basketball Courts ¹³	\$50/Permit	\$87/Permit	\$217/Permit	50.00	51.00	87.00	88.00	217.00	220.00
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit	68.00	69.00				
North Point Overlook	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit						
Coleman Park	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit						
Coleman Basketball Courts ¹³	\$50/Permit	\$87/Permit	\$217/Permit						
Multi-Area, Entire Park, Multi Day Event	\$68/Day+Permit	\$68/Day+Permit	\$68/Day+Permit						

~~Deposit - Public Area Use Permit - \$150.00~~
~~Deposit - Organized Sports Facilities - \$500.00~~

Hourly and Park Use Fees

Giant Chessboard - use Wooden Pieces	\$25	\$40	\$107	25.00	25.00	40.00	41.00	107.00	108.00
Giant Chessboard - use Plastic Pieces (June, July, August)	\$9 N/C	\$10 N/C	\$11 N/C	9.00	9.00	10.00	10.00	11.00	11.00
¹² Lila Keiser hourly field rental	\$4 without lights \$15 with lights	\$5 without lights \$17 with lights	\$6 without lights \$19 with lights	4.00 15.00	4.00 15.00	5.00 17.00	5.00 17.00	6.00 19.00	6.00 19.00
¹² Lila Keiser field preparation	\$23	\$28	\$31	23.00	23.00	28.00	28.00	31.00	31.00
¹³ Roller Hockey Rink, Basketball Court, Pickleball Court & Tennis Court Hourly	\$4	\$5	\$6	4.00	4.00	5.00	5.00	6.00	6.00

Additional Fees

Deposit - Bounce House - \$50.00	Permit processing fee: \$8.00, non-refundable
Deposit - PAUP - \$150.00 no alcohol or live music	Insurance: cost based on event size/type
Deposit - PAUP - \$500.00 alcohol and/or live music	Cancellations: 20% charge of invoiced costs
Deposit - Organized Sports Facilities - \$500.00	
Deposit - Special Events - \$500.00	

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Recreation and Parks Department Miscellaneous Property Use

CPI 1.014

	<u>Non-Profit and Resident Groups</u>	<u>Non-resident Groups</u>	<u>For Profit Groups</u>						
Recreation equipment rental, per bag ¹⁴	\$9.00	\$10	\$11	9.00	9.00	10.00	10.00	11.00	11.00
Includes one: Horseshoes, Badminton, Volleyball, Bocce Ball									
Soccer goal, hourly rate, 2 hr. min. ¹⁴	\$8.00	\$9	\$10	8.00	8.00	9.00	9.00	10.00	10.00
Skate park rental, 2 hr. min.	\$106	\$106	\$158	106.00	107.00			158.00	160.00
Photography/filming, per day ¹⁵	\$112, outdoor	N/A	\$220, outdoor	112.00	114.00			220.00	223.00
	\$148, indoor	N/A	\$367, indoor	148.00	150.00			367.00	372.00

¹⁴ Equipment rental deposit: \$50

¹⁵ Photography/filming deposit: \$1,000

Insurance cost is dependent on the size/type of event

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Transit (See Notes)

Fixed Route:		
Regular fare, per ride	\$ 1.50	
Discount fare, per ride	\$ 0.75	
Regular punch pass (11 rides for the price of 10)	\$ 15.00	
Discount punch pass (11 rides for the price of 10)	\$ 7.50	
Regular day pass	\$ 4.00	
Discount day pass	\$ 2.00	
Call-A-Ride:		
Fare, per ride	\$ 2.50	
Call-A-Ride punch pass (11 rides for the price of 10)	\$ 25.00	
Trolley :		
Fares:		
Per ride	\$ 1.25	1.00
Per ride, 5-12 years old	\$ 0.50	
All day pass	\$ 3.00	3.04
Advertising:		
Exterior Side of Trolley (approx. 36"x20") - with supplied sign	\$ 370.00	375.00
Exterior Side of Trolley (approx. 36"x20") - MB Community Foundation supplied sign	\$ 422.00	428.00
Exterior Rear of Trolley (approx. 24"x20") - with supplied sign	\$ 318.00	322.00
Exterior Rear of Trolley (approx. 24"x20") - MB Community Foundation supplied sign	\$ 370.00	375.00
Interior (approx. 26"x12") - with supplied sign	\$ 158.00	160.00
Interior (approx. 26"x12") - MB Community Foundation supplied sign	\$ 187.00	190.00

**City of Morro Bay
Master Fee Schedule
For the 2014/15 Fiscal Year**

**Transit
(See Notes)**

Trolley (continued):		
Rental rates:		
One day, within City Limits, per hour (2 hour minimum):		
Transportation of passengers to and from one location to another	\$ 106.00	107.00
Shuttle transportation (continuous loop with multiple stops); hourly plus cost of fuel	\$ 106.00	107.00
One day, outside City limits, per hour (3 hour minimum)		
Transportation of passengers to and from one location to another	\$ 106.00	107.00
Shuttle transportation (continuous loop with multiple stops); hourly plus cost of fuel	\$ 106.00	107.00
Multiple days, 2 consecutive days:		
Within City limits	\$ 1,719.00	1,743.00
Outside City limits; rate plus cost of fuel	\$ 1,719.00	1,743.00

City of Morro Bay Master Fee Schedule For the 2014/15 Fiscal Year

Transit Notes

Fixed Route:

A child, under 5 years old, may ride free with a fare-paying adult (limit 2 per fare-paying adult).

Senior citizens (65 & over) and mobility-impaired/disabled individuals are eligible for the discount fare. Senior citizens may be required to provide proof of age.

Call-A-Ride:

Call-A-Ride service is available to all members of the general public.

Trolley

Rides:

The trolley is seasonal, and operates weekends only from Memorial Day weekend through the 1st weekend in October, and on Friday and Monday from Memorial Day through Labor Day.

Children, under 5 years old, ride free (limit 2 per fare-paying adult).

Advertising:

The City has entered into a revenue-sharing agreement with the Morro Bay Community Foundation (MBCF). MBCF will sell advertising spaces on the trolleys, to include having signs made, and split the revenue, per the agreement. The agreement term is one year. Advertising rates in this Schedule apply to the ~~May 2015 through October 2012~~ trolley operating season.

Discounts are available when purchasing more than one advertising space. Buy two exterior or interior signs and get a second sign @ 10% off; buy three exterior or interior signs and get the third sign @ 20% off; buy three exterior signs and get one interior sign @ 50% off.

Cost for space with MBCF sign includes the cost to have the sign made.

Rentals:

Hourly rate includes driver, fuel, cleaning, standby mechanic and administration, unless otherwise noted.

Trolley seats 30 passengers.

The trolley is only to be operated on paved roads (no dirt or gravel roads).

The trolley is to be returned to the City in the condition it was received by the renter. The renter shall be held responsible for any damages to the trolley resulting from the rental that is not due to the negligence of the City or its transit contractor.



AGENDA NO: A-4

MEETING DATE: 07/08/2014

Staff Report

TO: Mayor and City Council

DATE: June 22, 2014

FROM: Susan Slayton, Administrative Services Director/City Treasurer

SUBJECT: Approve Resolution No. 46-14 Authorizing the Examination of Sales or Transactions and Use Tax Records by Municipal Auditing Services

RECOMMENDATION

Council to approve Resolution No. 46-14, authorizing the examination of sales or transactions and use tax records by Municipal Auditing Services ("MAS").

FISCAL IMPACT

Municipal Auditing Services' assumption is for every one business that has a valid business tax certificate in the City of Morro Bay; there is one business that is operating without a valid certificate. For the 2014/15 fiscal year, Business/Transient Vendor License revenue is estimated at \$305,000. If MAS's assumption holds true, then the City could gain as much as \$610,000 in penalties and interest for one single year; MAS proposes looking back four years. MAS charges 40% of actual recovery.

SUMMARY

The City of Morro Bay has an established agreement with the State Board of Equalization that needs to be updated to provide MAS with authorization to examine sales, transactions and use tax records for the purposes of conducting a business tax audit. Resolution 46-14 authorizes this temporary access.

DISCUSSION

The State Board of Equalization requires a Resolution to be in place that names specific positions within the City, as well as outside contractors, who are authorized to examine highly confidential sales tax records. Existing Resolution 02-13 lists the City Manager, Administrative Services Director, City Treasurer, Senior Accounting Technician, Permit Technician and Hinderliter, de Lamas and Associates (HdL) as authorized examiners. Staff recommends amending that list to add Municipal Auditing Services (MAS), for the singular purpose of conducting a business tax audit.

CONCLUSION

Staff recommends the City Council adopt Resolution No. 46-14, adding Municipal Auditing Services (MAS) as an additional contractor to receive confidential sales tax information from the State Board of Equalization for the sole purpose of conducting a business tax audit.

Prepared By: SS

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

RESOLUTION NO. 46-14

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MORRO BAY, CALIFORNIA,
AUTHORIZING EXAMINATION OF
SALES AND USE TAX RECORDS
AND RESCINDING RESOLUTION 02-13**

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

WHEREAS, pursuant to Morro Bay Municipal Code Chapter 3.22 and Resolution No. 44-02 the City of Morro Bay (the “City”) entered into a contract with the State Board of Equalization (the “Board”) to perform all functions incident to the administration and collection of local transactions and use taxes; and

WHEREAS, the City Council deems it desirable and necessary for authorized representatives of the City to examine confidential sales and use tax records of the Board, pertaining to sales and transactions and use taxes collected by the Board for the City pursuant to that contract; and

WHEREAS, California Revenue and Taxation Code (“R&TC”) section 7056 sets forth certain requirements and conditions for the disclosure of the Board’s records and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from sales or transactions and use tax records of the Board; and

WHEREAS, R&TC section 7056 requires any person, other than City officials and employees, designated by the City to examine the City’s sales and transactions and use tax records shall have an existing contract with the City allowing that examination.

NOW, THEREFORE, BE IT IS RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF MORRO BAY, AS FOLLOWS:

Section 1. This Resolution supersedes all prior sales and use tax Resolutions of the City, adopted pursuant to R&TC section 7056, subdivision (b) and rescinds Resolution 02-13.

Section 2. The City Manager, Administrative Services Director, City Treasurer, Senior Accounting Technician, and Permit Technician, or other officer, or employee of the City, designated in writing by the City Manager or Administrative Services Director to the Board, are hereby appointed to represent the City with authority to examine all of the sales or transactions and use tax records of the Board pertaining to sales or transactions and use taxes collected for the City by the Board pursuant to the contract between the City and the Board under the Bradley-Burns Uniform Local Sales and Use Tax Law or the Transactions and Use Tax Law. The information obtained by examination of Board records shall be used only for purposes related to the collection of City sales or transactions and use taxes by the Board pursuant to the contract

Section 3. Hinderliter, de Llamas and Associates (“HdL”) is hereby designated to examine the sales and use tax records of the Board, pertaining to sales and use taxes collected for the City by the Board. HdL meets all of the following conditions:

- a) Has an existing contract with the City to examine sales and use tax records;
- b) Is required by contract to disclose information contained in, or derived from, those sales and use tax records, only to the officer or employee authorized under Section 2 of this Resolution to examine the information;
- c) Is prohibited, by contract, from performing consulting services for a retailer during the term of that contract; and
- d) Is prohibited, by contract, from retaining the information contained in, or derived from, those sales and use tax records, after that contract has expired.

The information obtained, by examination of Board records, shall be used only for purposes related to the collection of City’s sales and use taxes by the Board, pursuant to the contracts between the City and the Board of Equalization.

Section 4. Municipal Auditing Services (MAS) is hereby designated to examine the sales and use tax records of the Board, pertaining to sales and use taxes collected for the City by the Board. MAS meets all of the following conditions:

- a) Has an existing contract with the City to examine sales and use tax records;
- b) Is required by contract to disclose information contained in, or derived from, those sales and use tax records, only to the officer or employee authorized under Section 2 of this Resolution to examine the information;
- c) Is prohibited, by contract, from performing consulting services for a retailer during the term of that contract; and
- d) Is prohibited, by contract, from retaining the information contained in, or derived from, those sales and use tax records, after that contract has expired.

The information obtained, by examination of Board records, shall be used only for purposes related to the collection of City’s sales and use taxes by the Board, pursuant to the contracts between the City and the Board.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a regular meeting thereof, held on the 8th day of July 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

JAMIE L. IRONS, Mayor

JAMIE BOUCHER, City Clerk

CITY OF MORRO BAY

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made, by and between, the City of Morro Bay, a municipal corporation ("City") and Municipal Auditing Services LLC, a California limited liability company, ("Consultant"). In consideration of the mutual covenants and conditions set forth herein the parties agree as follows:

1. TERM

This Agreement shall become effective on the date it is signed by City, and shall remain and continue in effect for three (3) years with two (2) two-year automatic extensions, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of their ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. CITY MANAGEMENT

City's Administrative Services Director shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. City's City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Tasks to Be Performed or change Consultant's compensation, subject to Section 5 hereof.

5. PAYMENT

City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Consultant at least ten-days' (10-days') prior written notice. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City suspends or terminates a portion of this Agreement, then such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, City shall pay to Consultant the actual value of the work performed up to the time of termination. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to City pursuant to Section 3. Upon termination, (a) Consultant has the 12-month right to complete work in process and receive payment in accordance with Exhibit B or (b) if the City desires an immediate stoppage, then, after City receives Uncollected Taxes Due then resulting from Consultant's work in actual process prior to that termination (the "Work in Process"), City shall, in accordance with Exhibit B, compensate Consultant for the Work in Process.

7. DEFAULT OF CONSULTANT

(a) Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date Consultant is notified of default and can terminate this Agreement immediately by written notice to Consultant. If such failure by Consultant to make progress in the performance for work hereunder arises out of causes beyond Consultant's control, and without fault or negligence of Consultant, then it shall not be considered a default.

(b) If the City Manager of his/her delegate determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, then he/she shall cause to be served upon Consultant a written notice of the default. Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided

in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, and full payment by City for services performed pursuant to, this Agreement, all final work product such as documents, computer files, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of City and may be used, reused, or otherwise disposed of by City without the permission of Consultant. With respect to computer files, Consultant shall make available to City, as a service in addition to those set forth herein, at Consultant's office and upon reasonable written request by City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. INDEMNIFICATION

(a) Indemnification for Professional Liability. When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including reasonable attorney's fees and costs to the extent same are caused by any negligent act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this agreement. City agrees to hold harmless and indemnify Consultant from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected with the modification, misinterpretation, misuse or reuse by others of the computer files or any other document provided by Consultant under this Agreement.

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees) (the "Damages"), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant; provided, that the duty to defend shall only apply if Consultant or any of its officers, agents, employees or subconsultants are named, in good faith, by the third party bringing the legal

action; and provided, further, that the duty to indemnify and hold harmless is only to the extent Consultant or any of its officers, agents, employees or subconsultants cause the Damages.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subconsultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this agreement or this section.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this agreement.

11. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant shall at all times observe and comply with applicable legal requirements in effect at the time the drawings and specifications are prepared. City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling City to any and all remedies at law or inequity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City if Consultant, or any of its officers, employees, agents, or subconsultants are served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed thereunder or with respect to any project or property located within City. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate with City by providing the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City: City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442
Attention: Susan Slayton

To Consultant: Municipal Auditing Services LLC
P.O. Box 3465
Pinedale, CA 93650-3465
Attention: Kevin L. Weigant

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of City.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. GOVERNING LAW

City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement

based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. CONTENTS OF PROPOSAL

Consultant is bound by the contents of the proposal submitted by Consultant, Exhibit A hereto.

22. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents he/she has the authority to execute this Agreement on behalf of Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

23. CALIFORNIA STATE BOARD OF EQUALIZATION COMPLIANCE

City and Consultant understand and agree both are in compliance with California State Board of Equalization Section 7056 and further acknowledge compliance with the following items:

1. Consultant is to examine sales and use tax records.
2. Consultant is required by this Agreement to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of City who is authorized by Resolution to examine that information.
3. Consultant is prohibited by this contract from performing consulting services for a retailer during the term of the contract.
4. Consultant is prohibited by this contract from retaining the information contained in, or derived from, those sales or transactions and use tax records, after the contract has expired.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF MORRO BAY

By: _____
Jamie L. Irons, Mayor

Date: _____
Attest: _____

Jamie Boucher, City Clerk

Date: _____

CONSULTANT (2 signatures required)

By: _____
(Signature)

KEVIN WEIGANT
(Typed Name)

Its: PRESIDENT
(Title)

By: _____
(Signature)

DENISE WEIGANT
(Typed Name)

Its: SECRETARY
(Title)

Approved As To Form:

Joseph W. Pannone, Interim City Attorney

**UNANIMOUS WRITTEN CONSENT
OF THE SOLE MEMBER OF
MUNICIPAL AUDITING SERVICES, LLC,
A California limited liability company**

The undersigned member ("Member") of MUNICIPAL AUDITING SERVICES, LLC, a California limited liability company (the "Company"), pursuant to Section 17104 of the California Corporations Code, hereby adopts, approves and consents to the following resolution:

WHEREAS, the Company operates under an operating agreement dated January 28, 2000, as amended and restated on August 11, 2010 (the "Operating Agreement"); and

WHEREAS, Kevin L. Weigant is the duly appointed and acting president of Company.

NOW, THEREFORE, BE IT RESOLVED, that Kevin L. Weigant, the president of the Company, is authorized to enter into all ordinary contracts on behalf of the Company and to sign the name of the Company to all such contracts.

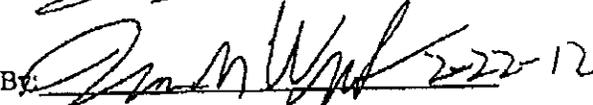
The secretary of this Company is hereby instructed to insert this Unanimous Written Consent in the Company's books.

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent effective as of January 12, 2012.

MEMBER:

KEVIN L. AND DENISE M. WEIGANT 2009
TRUST, Member

By:  2/22/12
KEVIN L. WEIGANT, Trustee

By:  2-22-12
DENISE M. WEIGANT, Trustee

**SEE ATTACHED
NOTARIAL CERTIFICATE**

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Fresno

On Feb 22, 2012 before me, Bethany Amber Cochran, Notary Public
(Here insert name and title of the officer)

personally appeared Kevin Weigant and Denise Weigant

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 signature(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.

Bethany Amber Cochran
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

<p>DESCRIPTION OF THE ATTACHED DOCUMENT</p> <p><u>Unanimous written consent</u> <small>(Title or description of attached document)</small></p> <hr/> <p><small>(Title or description of attached document continued)</small></p> <p>Number of Pages <u>2</u> Document Date <u>2-22-12</u></p> <hr/> <p><small>(Additional information)</small></p>

<p>CAPACITY CLAIMED BY THE SIGNER</p> <p><input checked="" type="checkbox"/> Individual (s) <input type="checkbox"/> Corporate Officer</p> <p style="text-align: center;"><small>(Title)</small></p> <p><input type="checkbox"/> Partner(s) <input type="checkbox"/> Attorney-in-Fact <input type="checkbox"/> Trustee(s) <input type="checkbox"/> Other _____</p>

INSTRUCTIONS FOR COMPLETING THIS FORM
Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ◊ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ◊ Indicate title or type of attached document, number of pages and date.
 - ◊ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

EXHIBIT "A"

TASKS TO BE PERFORMED

Upon adoption of Resolution 46-14 of the City Council of the City of Morro Bay, Consultant is authorized to examine the sales and use tax records of the State Board of Equalization (the "Board") pertaining to sales and use taxes collected by the Board for the City pursuant to this Agreement, for purposes related to the following governmental functions of the City:

- (1) City Administration
- (2) Revenue Management and Budget
- (3) Community and Economic Development
- (4) Business License Tax Administration

The information obtained by examination of the Board records shall be used only for purposes related to the collection of City sales and use taxes by the Board for purposes relating to the governmental functions of the City listed above.

City hereby retains Consultant to do and perform field auditing, accounting, support and consulting services as may be required by City.

Consultant shall disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of City who is authorized by Resolution to examine that information.

Consultant is prohibited from performing consulting services for a retailer during the term of this Agreement.

Consultant is prohibited by from retaining the information contained in, or derived from, those sales or transactions and use tax records, after the contract has expired.

Consultant shall complete the examination each year this Agreement is effective pursuant to the following schedule:

EXHIBIT "B"

PAYMENT TERMS

1. Consultant agrees to provide the work product and services at a rate of 40% of the amount of tax, penalty, interest, costs, and fees (collectively, the "Uncollected Taxes Due") actually collected by City as a direct result of Consultant's performance of services as described in Exhibit A.
2. In the event City waives or forgives any Uncollected Taxes Due, Consultant is entitled to compensation based upon the Uncollected Taxes Due, including the amount waived or forgiven by City.
3. In the event City stops or fails to authorize a given project, and then conducts or allows to be conducted those same or similar projects by staff or other service providers, Consultant is entitled to compensation as herein agreed based on Uncollected Taxes Due actually collected by City, including the amount waived or forgiven by City.
4. Consultant shall submit an invoice with each satisfactorily completed package transmitted to City. Each Invoice shall include case identification and amount of correction and Consultant payment amount. City shall pay invoices within 30 days after City's actual collection of the Uncollected Taxes Due; provided, however, if Consultant submits an invoice which is incorrect, incomplete or not in accord with the provisions of this Agreement, then City shall not be obligated to process any payment to Consultant until 30 days after City's receipt of a correct and complying invoice submitted by Consultant.

EXHIBIT C

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant's employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.
8. Certificate(s) are to reflect that the insurer will provide 30 days notice to City of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail

written notice of cancellation imposes no obligation, or that any party will “endeavor” (as opposed to being required) to comply with the requirements of the certificate.

9. It is acknowledged by the parties of this agreement that an insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.
10. Consultant agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
11. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Consultant’s existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.
13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
14. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
15. Consultant will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

16. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.
17. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
21. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
22. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

AGENDA NO: A-5

MEETING DATE: 07/8/2014

RESOLUTION NO. 48-14

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION
HELD IN THE CITY OF MORRO BAY
ON THE 3rd DAY OF JUNE, 2014;
DECLARING THE RESULTS THEREOF,
AND SUCH OTHER MATTERS AS ARE PROVIDED BY LAW**

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

WHEREAS, Measure “S” was passed in November 2007 and codified as Ordinance 528, amending Morro Bay Municipal Code Section 2.09.010 to have the General Municipal Election held at the time of the Statewide Primary Election with a runoff election, if necessary, to follow in the November election. Municipal general elections held at the time of the statewide primary provide that a candidate is elected at that time only if he or she receives votes on a majority of the ballots cast for candidates for each office; and

WHEREAS, a regular General Municipal Election was held and conducted in the City of Morro Bay, County of San Luis Obispo, State of California, on Tuesday, June 3, 2014 as required by law; and

WHEREAS, notice of said election was duly and regularly given in time, for and manner as provided by law; voting precincts were properly established; an election was held and conducted and the votes cast, received and canvassed and the returns made and declared in time, form, and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in cities; and

WHEREAS, the Board of Supervisors of San Luis Obispo County has duly canvassed or caused to be canvassed the votes cast in the City of Morro Bay by the voters of the City at the General Municipal Election consolidated with the Statewide Primary Election held on June 3, 2014 and the County Clerk has duly certified to this City Council the result of the votes cast at said election which said certification is attached hereto and by reference made a part hereof.

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

1. There were seven voting precincts established for the purpose of holding said election consisting of consolidations of the regular election precincts in the City of Morro Bay as established for the holding of state and county elections.
2. Said General Municipal Election was held for the purpose of electing the following officers of said City as required by the laws relating to the cities in the State of California, to wit:
 - A Mayor of said City for the full term of two years;
 - Two members of the City Council of said City for the full terms of four years.
3. The names of the persons voted for at said election for the Mayor are as follows:

Carla Wixom
Jamie Irons
4. The names of the persons voted for at said election for Council Member are as follows:

John Headding
Matt Makowetski
Nancy Johnson
5. The City Council does declare and determine:

JAMIE IRONS received votes on a majority of the ballots cast and was elected as Mayor of said City for the full term of two years.

JOHN HEADDING received votes on a majority of the ballots cast and was elected as Council Member of said City for a full term of four years.

MATT MAKOWETSKI received votes on a majority of the ballots cast and was elected as Council Member of said City for a full term of four years.
6. At said election, the names of the persons voted for and the numbers of votes given each person are as set forth in the attached certification.

7. The total number of votes cast in the City at said election and the total number of votes given in each precinct and by vote-by-mail voters of the City was and is set forth in the attached certification.
8. The City Clerk shall make and deliver to each of such persons so elected a Certificate of Election signed by the City Clerk and duly authenticated; the City Clerk shall also cause to be administered to each person elected, the Oath of Office prescribed in the State Constitution of the State of California and shall have them subscribe thereto and file the same in the office of the City Clerk. Whereupon, each and all of said persons so elected should be inducted into the respective office to which they have been elected on December 9, 2014.
9. The City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions of the City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City, in the minutes of the meeting at which the same was passed and adopted.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a special meeting thereof held on the 8th day of July 2014 on the following vote:

AYES:

NOES:

ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

JAMIE BOUCHER, City Clerk

RECEIVED
City of Morro Bay

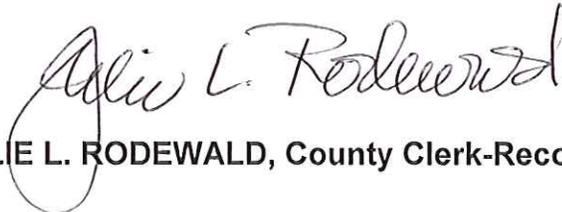
JUN 23 2014

Administration

CERTIFICATE OF THE COUNTY CLERK
RESULTS OF CANVASS OF ALL VOTES CAST
JUNE 3, 2014 PRIMARY ELECTION
CITY OF MORRO BAY

I, **JULIE L. RODEWALD**, County Clerk-Recorder of the County of San Luis Obispo, do hereby certify that pursuant to law I did canvass the returns of the votes cast at the above referenced election in the City of Morro Bay on June 3, 2014, and that a photocopy of the Statement of Votes Cast to which this certificate is attached, shows the number of votes cast in said city for each candidate for the office of Mayor and Member of the City Council and that the totals shown for each candidate for the office of Mayor and Member of the City Council in said city and in each of the respective precincts therein, are full, true and correct.

WITNESS, my hand and Official Seal this 18th day of June, 2014.



JULIE L. RODEWALD, County Clerk-Recorder



Statement of Votes Cast
CONSOLIDATED PRIMARY ELECTION
 SOVC For **CITY OF MORRO BAY, All Counters, Morro Bay**
FINAL OFFICIAL ELECTION RESULTS

Date:06/18/14
 Time:15:06:29
 Page:1 of 6

	TURN OUT		
	Reg. Voters	Ballots Cast	% Turnout
Jurisdiction Wide			
CON 208-18			
Polling	944	174	18.43%
Vote by Mail	944	402	42.58%
Total	944	576	61.02%
CON 209-18			
Polling	898	169	18.82%
Vote by Mail	898	324	36.08%
Total	898	493	54.90%
CON 210-19			
Polling	884	156	17.65%
Vote by Mail	884	368	41.63%
Total	884	524	59.28%
CON 211-19			
Polling	701	96	13.69%
Vote by Mail	701	303	43.22%
Total	701	399	56.92%
CON 212-20			
Polling	1388	258	18.59%
Vote by Mail	1388	474	34.15%
Total	1388	732	52.74%
CON 213-20			
Polling	782	148	18.93%
Vote by Mail	782	298	38.11%
Total	782	446	57.03%
CON 214-20			
Polling	1209	252	20.84%
Vote by Mail	1209	530	43.84%
Total	1209	782	64.68%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
CONGRESSIONAL			
24TH CONGRESSIONAL DISTRICT			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
SENATE			
17TH SENATORIAL DISTRICT			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%

Statement of Votes Cast
CONSOLIDATED PRIMARY ELECTION
 SOVC For CITY OF MORRO BAY, All Counters, Morro Bay
FINAL OFFICIAL ELECTION RESULTS

Date:06/18/14
 Time:15:06:29
 Page:2 of 6

	TURN OUT		
	Reg. Voters	Ballots Cast	% Turnout
ASSEMBLY			
35TH ASSEMBLY DISTRICT			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
BOARD OF EQUALIZATION			
STATE BOARD OF EQUALIZATION DIST 2			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
SUPERVISOR/COMMISSIONER			
2ND SUPERVISORIAL DISTRICT			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
CITIES			
CITY OF MORRO BAY			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%
Total			
Polling	6806	1253	18.41%
Vote by Mail	6806	2699	39.66%
Total	6806	3952	58.07%

Statement of Votes Cast
CONSOLIDATED PRIMARY ELECTION
 SOVC For **CITY OF MORRO BAY, All Counters, Morro Bay**
FINAL OFFICIAL ELECTION RESULTS

Date:06/18/14
 Time:15:06:29
 Page:3 of 6

CITY OF MORRO BAY MAYOR Vote for One									
	Reg. Voters	Ballots Cast	Total Votes	Total Blank Voted	Total Over Voted	Number Of Under Votes	CARLA WIXOM	JAMIE IRONS	Write-In Votes
Jurisdiction Wide									
CON 208-18									
Polling	944	174	172	2	0	0	73	99	0
Vote by Mail	944	402	393	9	0	0	159	233	1
Total	944	576	565	11	0	0	232	332	1
CON 209-18									
Polling	898	169	166	3	0	0	69	96	1
Vote by Mail	898	324	318	6	0	0	136	180	2
Total	898	493	484	9	0	0	205	276	3
CON 210-19									
Polling	884	156	152	4	0	0	58	94	0
Vote by Mail	884	368	359	9	0	0	157	201	1
Total	884	524	511	13	0	0	215	295	1
CON 211-19									
Polling	701	96	95	1	0	0	48	47	0
Vote by Mail	701	303	296	7	0	0	143	151	2
Total	701	399	391	8	0	0	191	198	2
CON 212-20									
Polling	1388	258	253	5	0	0	98	154	1
Vote by Mail	1388	474	460	14	0	0	232	224	4
Total	1388	732	713	19	0	0	330	378	5
CON 213-20									
Polling	782	148	147	1	0	0	49	98	0
Vote by Mail	782	298	294	4	0	0	125	169	0
Total	782	446	441	5	0	0	174	267	0
CON 214-20									
Polling	1209	252	250	2	0	0	108	141	1
Vote by Mail	1209	530	517	13	0	0	211	302	4
Total	1209	782	767	15	0	0	319	443	5
Total									
Polling	6806	1253	1235	18	0	0	503	729	3
Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
Total	6806	3952	3872	80	0	0	1666	2189	17
CONGRESSIONAL									
24TH CONGRESSIONAL DISTRICT									
Polling	6806	1253	1235	18	0	0	503	729	3
Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
Total	6806	3952	3872	80	0	0	1666	2189	17
Total									
Polling	6806	1253	1235	18	0	0	503	729	3
Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
Total	6806	3952	3872	80	0	0	1666	2189	17
SENATE									
17TH SENATORIAL DISTRICT									
Polling	6806	1253	1235	18	0	0	503	729	3
Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
Total	6806	3952	3872	80	0	0	1666	2189	17
Total									
Polling	6806	1253	1235	18	0	0	503	729	3
Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
Total	6806	3952	3872	80	0	0	1666	2189	17

Statement of Votes Cast
CONSOLIDATED PRIMARY ELECTION
 SOVC For **CITY OF MORRO BAY, All Counters, Morro Bay**
FINAL OFFICIAL ELECTION RESULTS

Date:06/18/14
 Time:15:06:30
 Page:4 of 6

		CITY OF MORRO BAY MAYOR Vote for One								
		Reg. Voters	Ballots Cast	Total Votes	Total Blank Voted	Total Over Voted	Number Of Under Votes	CARLA WIXOM	JAMIE IRONS	Write-In Votes
ASSEMBLY										
35TH ASSEMBLY DISTRICT										
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
BOARD OF EQUALIZATION										
STATE BOARD OF EQUALIZATION DIST 2										
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
SUPERVISOR/COMMISSIONER										
2ND SUPERVISORIAL DISTRICT										
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
CITIES										
CITY OF MORRO BAY										
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Total	6806	3952	3872	80	0	0	1666	2189	17
	Polling	6806	1253	1235	18	0	0	503	729	3
	Vote by Mail	6806	2699	2637	62	0	0	1163	1460	14
	Total	6806	3952	3872	80	0	0	1666	2189	17

Statement of Votes Cast
CONSOLIDATED PRIMARY ELECTION
 SOVC For **CITY OF MORRO BAY, All Counters, Morro Bay**
FINAL OFFICIAL ELECTION RESULTS

Date:06/18/14
 Time:15:06:30
 Page:5 of 6

CITY OF MORRO BAY COUNCILMEMBER Vote for no more than Two										
	Reg. Voters	Ballots Cast	Total Votes	Total Blank Voted	Total Over Voted	Number Of Under Votes	MATT MAKOWETSKI	JOHN HEADING	NANCY JOHNSON	Write-In Votes
Jurisdiction Wide										
CON 208-18										
Polling	944	174	253	3	0	89	112	79	61	1
Vote by Mail	944	402	588	9	0	198	262	213	112	1
Total	944	576	841	12	0	287	374	292	173	2
CON 209-18										
Polling	898	169	240	7	0	84	110	69	56	5
Vote by Mail	898	324	483	11	2	139	211	149	122	1
Total	898	493	723	18	2	223	321	218	178	6
CON 210-19										
Polling	884	156	218	4	0	86	107	65	45	1
Vote by Mail	884	368	544	12	0	168	240	172	123	9
Total	884	524	762	16	0	254	347	237	168	10
CON 211-19										
Polling	701	96	143	0	0	49	60	48	34	1
Vote by Mail	701	303	459	12	0	123	164	168	123	4
Total	701	399	602	12	0	172	224	216	157	5
CON 212-20										
Polling	1388	258	370	7	0	132	154	119	93	4
Vote by Mail	1388	474	710	20	0	198	247	242	212	9
Total	1388	732	1080	27	0	330	401	361	305	13
CON 213-20										
Polling	782	148	222	3	0	68	104	71	47	0
Vote by Mail	782	298	446	13	0	124	166	165	112	3
Total	782	446	668	16	0	192	270	236	159	3
CON 214-20										
Polling	1209	252	361	5	0	133	147	113	98	3
Vote by Mail	1209	530	775	17	0	251	291	267	211	6
Total	1209	782	1136	22	0	384	438	380	309	9
Total	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
CONGRESSIONAL										
24TH CONGRESSIONAL DISTRICT										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
Total	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
SENATE										
17TH SENATORIAL DISTRICT										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
Total	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48

Statement of Votes Cast
CONSOLIDATED PRIMARY ELECTION
 SOVC For **CITY OF MORRO BAY, All Counters, Morro Bay**
FINAL OFFICIAL ELECTION RESULTS

Date:06/18/14
 Time:15:06:30
 Page:6 of 6

CITY OF MORRO BAY COUNCILMEMBER Vote for no more than Two

	Reg. Voters	Ballots Cast	Total Votes	Total Blank Voted	Total Over Voted	Number Of Under Votes	MATT MAKOWETSKI	JOHN HEADING	NANCY JOHNSON	Write-In Votes
ASSEMBLY										
35TH ASSEMBLY DISTRICT										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
Total										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
BOARD OF EQUALIZATION										
STATE BOARD OF EQUALIZATION DIST 2										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
Total										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
SUPERVISOR/COMMISSIONER										
2ND SUPERVISORIAL DISTRICT										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
Total										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
CITIES										
CITY OF MORRO BAY										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48
Total										
Polling	6806	1253	1807	29	0	641	794	564	434	15
Vote by Mail	6806	2699	4005	94	2	1201	1581	1376	1015	33
Total	6806	3952	5812	123	2	1842	2375	1940	1449	48



AGENDA NO: A-6

MEETING DATE: July 8, 2014

Staff Report

TO: Honorable Mayor and City Council DATE: July 3, 2014

FROM: Rob Livick, PE/PLS - Public Services Director/City Engineer

SUBJECT: Status Report of a Major Maintenance & Repair Plan (MMRP) for the Existing Wastewater Treatment Plant

RECOMMENDATION

Staff recommends this report be received and filed.

ALTERNATIVES

As no action is requested, there are no recommended alternatives.

FISCAL IMPACT

No fiscal impact at this time as a result of this report. Fiscal impact is addressed through the budget process.

BACKGROUND

This staff report is intended to provide an update on the development of the MMRP for the WWTP. At the February 14, 2013, JPA meeting the Council and District Board approved the development of an MMRP and made the following motion:

- Direct staff to prepare a time sensitive and prioritized MMRP for the WWTP with an anticipated rolling 2 year budget;
- The JPA solicit proposals from a qualified firm, or firms, to provide technical advice and analysis on an as needed basis as determined by Morro Bay's Public Services Director and Cayucos Sanitary District Manager; and
- The Morro Bay Public Services Director and Cayucos Sanitary District Manager report back to the JPA on a semi-annual basis on the progress and costs associated with the MMRP.

Development of a MMRP will assist the City and District in projecting the budgeting of expenditures required to keep the current plant operating in compliance with regulatory requirements.

Staff's focus has continued to be on completion of the projects contained within the FY13/14 WWTP budget and development of the budget for FY14/15. This staff report includes a description of on-going MMRP projects and MMRP projects proposed for funding in FY14/15.

Prepared by: RL/BK/RS Dept. Review: RL

City Manager Review: _____

City Attorney's Review: _____

DISCUSSION

Digester #2 Repair

Plant staff began filling digester #2 with treated effluent on May 27th and completed the process on May 28th. Staff noted minor seepage from several cracks on the outside of the digester. Staff notified City staff and staff at Mike Nunley and Associates (MKN) of the situation. They also noted a small gas leak on top of the digester when the tank was pressurized with nitrogen gas. City staff is currently working with various vendors and contractors to seal the gas leak. A three part epoxy grout has been applied to the joint around the perimeter of the gas dome and it is curing. The minor leaks on the side of the digester were deemed to be non-structural and have already dissipated. A rapid-set leak patching grout has been procured for quick response in the event that the leaks reoccur but no action is necessary at this time.

Following resolution of the gas leak on the top of the digester, plant staff will continue the process of bringing the digester back on-line. This process should take approximately ten weeks to get the digester in a position where it can be used as the primary digester.

Headworks Influent Screening Project

The headworks influent screening project remains on schedule. MKN and Vulcan Industries worked through the submittal of the shop drawings and Vulcan Industries was given approval for fabrication of the equipment. The fabrication of the equipment will take nineteen weeks and the equipment is scheduled to arrive in mid-September.

An Invitation to Bid on a set of plans and specifications to install the screen units (bid package) was released to prospective contractors on June 20th. The bid opening is scheduled for July 15th, with award of contract at the following City Council meeting, currently scheduled for August 12th. The project schedule calls for installation of the screening equipment in late September.

Chlorine Contact Basin Improvements

Based on the recent assessment and investigation of the chlorine contact tank and associated equipment, City staff and staff from MKN and B&V have refined the scope of the chlorine contact tank repairs. The refined scope greatly reduced the extent of the repairs and should result in significant cost reductions. Staff is currently working to finalize plans for the repairs.

Development of MMRP Projects and Budget for FY14/15

A draft budget for the WWTP was presented at the June 5th City Council budget workshop and at the June 12th, JPA meeting. The draft budget contains \$1.221M in funding for MMRP projects. The funds represent new MMRP projects as well as roll-over from the FY13/14 budget for the headworks screening project and the chlorine contact tank repairs discussed above.

Staff did request at the June 12th, JPA meeting to reallocate \$125K of the \$200K allocated for the chlorine contact tank repairs to the headworks screening project for FY14/15. This would provide \$550K to finish the headworks screens and \$75K for the chlorine contact tank repairs. The MMRP budget for FY14/15 projects is estimated at \$596K. Coupled with the carry-over of funds for the headworks screen project (\$550K) and the chlorine contact project (\$75K), this would bring the total MMRP budget for FY14/15 to \$1.221M.

The following narrative provides a summary of the new MMRP projects proposed for funding in the FY14/15.

New MMRP projects for FY14/15:

Based on a review of the MMRP coupled with the experience gleaned from the repair of digester #2 and input from B&V and MKN on the MMRP, staff is recommending the following MMRP projects be included in the FY14/15 budget. As stated earlier, the MMRP budget for FY14/15 projects is estimated at \$596K. Coupled with the carry-over of funds for the headworks screen project (\$550K) and the chlorine contact project (\$75K), this would bring the total MMRP budget to \$1.221M.

- 1) The cleaning and coating of digester #1: This will provide funding for the cleaning and coating of digester #1; in addition structural analysis and potential structural repair work will be required. This project also includes funding for piping and valving repairs on digester #3 and digester #2 and replacement of various equipment required to operate the digesters. Cost estimates for the various components are: \$180,000 for cleaning and coating digester #1; \$50,000 for the purchase of valves and piping for digester recirculation and transfer lines on digester #1; \$60,000 for piping repairs to Digester #3 and #2; and, \$20,000 for replacement of the sludge recirculation pump on digester #3. In addition, there is a list of equipment and components that will need to be repaired or replaced. These repairs would coincide with the digester cleaning and rehabilitation project and include the replacement of the spark arrestors and vacuum/pressure relief valves on the top of all three digesters (\$15,000) and purchase of three hot water circulation pumps for the hot water loop used to heat the digesters (\$6,000). All items are vital for the operational and safety components of the anaerobic digestion process. The total estimated cost for cleaning, rehabilitation, and equipment repair and replacement for digester #1 is \$331,000.
- 2) Rehabilitation of primary clarifier #2: This will provide funding for the highest priority projects on primary clarifier #2 and includes repairs to the metal framework on the flights and skimmer cage assembly; repair and replacement of piping and valving; and other associated repairs. Estimated cost for these projects is \$50,000.
- 3) Purchase and Installation of New Distributor Arms on Biofilter Improvement Project: This will provide funding for several projects to improve biofilter #2 and the interstage pump station to include the purchase and installation of new distributor arms on biofilter #2 and replacement of the main bearing on the turntable (\$65,000). The biofilter arms are badly corroded and have exceeded their useful life. These units are a critical component of the secondary treatment system. Funds will also be used to install flood walls surrounding the two biofilters and interstage pumps to prevent inundation during a flooding event (\$150,000). Total cost estimate for this work is \$215,000.

CONCLUSION

Staff will continue to bring a status report on the development of the MMRP at City Council meetings on a monthly basis.



AGENDA NO: A-7
MEETING DATE: June 10, 2014

Staff Report

TO: Mayor and City Council **DATE:** May 29, 2014
FROM: Rob Livick, PE/PLS – Public Services Director/City Engineer
SUBJECT: Water Reclamation Facility (WRF) Project Status and Discussion

RECOMMENDATION

Staff recommends the City Council review this informational item.

ALTERNATIVES

Not applicable at this time.

FISCAL IMPACT

Not applicable at this time.

SUMMARY

Staff provides this report as a monthly update to the progress made to date on the new WRF project.

BACKGROUND

With the denial of the permit for the WWTP project in its current location, the City has embarked on a process for a WRF. This staff report provides a review of what has occurred to date.

DISCUSSION

Below is a brief review of dates, status and accomplishments on the WRF facility project. Note the bolded information has been added since your last review.

Date
Action

01/03/13	Special City Council meeting – City Adopted Resolution No. 07-13 supporting the California Coastal Commission staff recommendation for denial.
01/08/13	WWTP Project denied by the California Coastal Commission (CCC).
01/08/13	January JPA not held due to CCC meeting.
01/24/13	City Staff, Morro Bay JPA Sub-Committee, Cayucos SD representatives, and attorney meet and discuss strategy and moving forward.

Prepared By: RL Dept Review: _____
City Manager Review: _____
City Attorney Review: _____

02/14/13 February JPA meeting held, "Discussion and Consideration of Next Steps
for the WWTP Upgrade Project" was on the agenda and discussed.

02/26/13 City Council meeting - draft schedule/project timeline presented to City
Council.
City Council directed staff to prepare an RFP for a project manager.

03/11/13 City Council goal session, WRF established as Essential City Goal.

03/14/13 City Council goal session, WRF established as Essential City Goal.

03/14/13 March JPA meeting held, "Status Report on the Discussion with RWQCB
Staff Renewal Process for the WWTP NPDES Permit No. CA0047881"
and "Verbal Report by the City and District on the Progress of the future
WWTP" were on the agenda and discussed.

03/18/13 RFP issued.

03/26/13 City Council meeting - City Council approves citizens to serve on the RFP
selection committee.

03/27/13 Announcement placed on City website, etc. regarding citizen selection
committee application period.

04/05/13 Citizen selection committee deadline.

04/09/13 City Council meeting - appointment of 5 citizens for the RFP selection
committee at City Council meeting.

04/10/13 Addendum to RFP issued, re: selection committee

04/11/13 April JPA meeting held, "Verbal Report by the City and District on the
Progress of the future WWTP" and Discussion and Approval to
Terminate the Consultant Services Agreements with Delzeit; Dudek,
McCabe and Company; and Montgomery Watson Harza (MWH)" were
on the agenda and discussed.

04/15/13 RFP due.

04/16/13 Study Session on WRF facility announced for April 29, 2013.

04/23/13 City Council meeting –reaffirmation of 5 members of citizen
selection committee.

04/25/13 Quarterly Meeting with California Coastal Commission staff, WRF
discussion and status report on the meeting agenda.

04/25/13 Initial meeting with Selection Committee for the RFP for Planning
Services for the WRF.

04/29/13 WRF Study Session at Veteran's Hall.

05/02/13 Interviews to recommend the individual/team for the WRF project
manage.

05/09/13 May JPA meeting held, "Verbal Report by the City and District on the
Progress of the future WWTP" was on the agenda and discussed.

05/14/13 City Council meeting – Approval of John F. Rickenbach,
Consulting as the Preliminary Planning Consultant for the WRF project.

05/15/13 Public Services staff continues to work with John F. Rickenbach,
Consulting to finalize the consultant contract.

05/28/13 Closed Session Item scheduled to discuss Righetti appraisal.

06/13/13 JPA Meeting – Cayucos Veteran's Hall.

06/24/13 Kick-off Meeting with John Rickenbach and team members.

06/24/13-06/28/13 Work with Rickenbach to determine updated schedule pursuant to the scope of work in the RFP. Determination of Stakeholder groups/individuals.

07/03/13 Tentative Schedule from Rickenbach for the New WRF posted online and available.

07/03/13 Working with Coastal Commission staff to finalize date for quarterly meeting/teleconference.

07/11/13 July JPA Meeting Cancelled.

07/18/13 Quarterly Coastal Commission/City of Morro Bay meeting, Rickenbach Team participated in review and discussion of the status of the WRF project.

07/19/13 WSC Report entitled Conceptual Wastewater Treatment Alternatives Technical Memorandum commissioned by the Cayucos Sanitary District (CSD) released on the CSD website and delivered to the City. Report located at the following address:
www.cayucossd.org/documents/Conceptual%20WW%20Treatment%20AltTM_CSD.pdf

07/24/13-07/25/13 Stakeholder Interviews conducted by Rickenbach team.

08/08/13 August JPA Meeting Cancelled.

08/15/13 Community Workshop #1 held at MB Veteran's Hall.

Week of 8/19/13 Workshop Summary posted on City's website.
Comments Form available on City's website for additional comments on the workshop and/or project.

09/12/13 September JPA Meeting held.

09/16/13 Biosolids and Treatment Options Workshop at MB Veteran's Hall.

09/27/13 October 2013 JPA Meeting cancelled.

10/21/13 Quarterly Coastal Commission/City of Morro Bay Meeting .

10/29/13 Release of Public Draft – Options Report.

11/04/13 Public Works Advisory Board – Options Report to Board for Public Feedback.

11/05/13 Second Public Workshop – Presentation of Options Report for Public Feedback.

11/12/13 Presentation of Options Report to City Council.

11/14/13 November 2013 JPA Meeting Cancelled.

11/19/13 Meeting with RWCQB Staff regarding project Status and Permit Renewal.

12/10/13 Presentation of Options Report to City Council.

12/19/13 December JPA Meeting held – Verbal update by both CMB and CSD.

01/16/14 January JPA Meeting canceled.

01/20/14 Received proposal from Cleath-Harris to study Chorro Creek discharge and effect on City water supply. Estimated fees not to exceed \$7,500.

01/23/14 Onsite staff meeting with property owner at Rancho Colina to tour a potential location.

01/23/14 Telephone discussion with City's Water Attorney regarding water

rights to creek discharge of wastewater.

1/29/14 Received proposal from Rickenbach for a contract amendment to perform due diligence on alternative WRF sites for final site selection. Estimated fees not to exceed \$63,806.

01/31/14 Status report preparation assigned to Public Services Director.

02/11/14 Mid-year Budget adjustment to include additional funding for WRF alternative site analyses. \$100,000 was approved.

02/13/14 WRF Sub-Committee meeting to discuss the 5 year time schedule and grant opportunities.

02/13/14 February JPA Meeting held.

02/25/14 City Council received a status update on the New WRF and adopted Resolution 17-14 prescribing a 5-year time frame for the construction of the New WRF.

02/28/14 Received a revised scope of work for a contract amendment received from Rickenbach recognizing the accelerated time schedule for the WRF. Estimated fees not to exceed \$76,129.

03/06/14 Scheduled WRF Subcommittee meeting with staff to discuss grant opportunities and schedules.

03/10/14 March JPA Meeting cancelled.

03/20/14 WRF Sub-Committee meeting along with staff and property owner at the "Rancho Colina" Morro Valley site to get an overview of the potential for it as a project location.

03/21/14 Meeting between City of Morro Bay (Irons/Smukler) and CSD (Enns/Lloyd) Sub-Committees along with Morro Bay and CSD County and Water Board Staff to discuss overall project status and the CMC option.

04/10/14 April JPA Meeting cancelled

04/11/14 "Rancho Colina" site visit with staff and Council person C. Johnson.

04/18/14 Letter sent to property owners of potential WRF sites, inviting a discussion regarding siting potential

04/21/14 "Rancho Colina" site visit with staff and Council persons Leage and N. Johnson.

04/23/14 Meeting to review the "Rancho Colina" site with the Morro Bay and CSD Sub-Committees along with Water Board staff.

05/01/14 Scheduled site visit at Giannini site with WRF Subcommittee, JRF Consulting and Property Owner.

05/08/14 May JPA Meeting cancelled.

05/13/14 Council Approved New Water Reclamation Facility Project Report on Reclamation and Council Selection of a WRF Site and provided direction to staff to return to Council with a resolution that captured the motions made.

5/22/14 The City Clerk posted the notice of the formation of a new, limited term and scope, i.e. Water Reclamation Facility Citizen's Advisory Committee. Applications are due to the Clerk by Friday, June 13, 2014.

5/23/14 Selected Bartle Wells as Water and Sewer Rate Study consultant.

- The estimated fee for the study is not to exceed \$67,440.
- 5/27/14 City Council adopted Resolution 34-14 that provides direction to staff regarding the “Rancho Colina” site, continuing parallel path discussion regarding the CMC site, and forming a Citizen’s Advisory Committee.
- 6/3/14 **Planning Commission recommended appointment of Planning Commissioner Richard Sadowski to the Water Reclamation Facility (WRF) Citizen’s Advisory Committee**
- 6/12/14 **June JPA meeting held.**
- 6/13/14 **Deadline to apply for the WRF Technical Citizen’s Advisory Committee**
- 6/15/14 **City executed a contract with Kestrel Consulting in the amount of \$20,530 to develop funding strategies for the new WRF project.**
- 6/19/14 **Public Works Advisory Board recommended appointment of Planning Board member Stephen Shivley to the Water Reclamation Facility (WRF) Citizen’s Advisory Committee**
- 6/20/14 **City executed a contract with Larry Walker Associates in the amount of \$24,970 to advise the City regarding discharge permit requirements for various disposal/reuse options for the new WRF project.**
- 6/14/14 **Staff has met with a variety of alternative project delivery method firms to explore the requirements for this process, firms include: Corollo, CDMSmith; and Black and Veatch.**

CONCLUSION

City Council, since the Coastal Commission’s denial of the WWTP Coastal Development Permit in January 2013, has made measured and deliberate progress in the WRF project, as outlined above.

Staff is proposing the attached new License Agreement with the following highlights:

- Two-year term, with an option to extend, administratively, for one two-year period.
- Annual rent of \$432/year (\$36/month) with an annual CPI adjustment.
- Option for Harbor Festival to install alternate storage building (subject to normal permitting process) should City desire to remove the current outdated storage building.

CONCLUSION

Staff believes this new agreement provides for continuation of the Harbor Festival's mutually beneficial use of the Front Street storage yard, and is recommending approval of this new license agreement.

TEMPORARY LICENSE AGREEMENT
FOR USE OF PUBLIC PROPERTY

The City of Morro Bay, a municipal corporation, (“Licensor”) hereby grants to Harbor Festival, Inc. (“Licensee”) a license (“this License”) for use of the real property located at the Harbor Storage Yard located at 1196 Front Street, Morro Bay, CA, illustrated on the attached Exhibit A (the “Premises”), subject to all the following terms and conditions:

1. USE: Subject to all the provisions of this License and only in recognition of the purpose set forth in this Paragraph, Licensee shall have permission to use of the Premises solely for:

- (a) storage of Harbor Festival booths, and
- (b) storage of related equipment and supplies.

NO storage of hazardous materials of any sort will be allowed, including but not limited to fuels, chemicals, paints, oils, etc.

The foregoing shall be defined as the “Permitted Uses.”

The parties agree Licensee’s use of the Premises for the Permitted Uses shall be exclusive of any other use or user, except that of Licensor, subject to Paragraph 20, below.

- 2. LICENSOR REQUIREMENTS: In connection with the Permitted Uses, Licensee shall comply with all applicable Federal, State and local laws rules and regulations, including payment of local business taxes, if applicable.
- 3. EFFECTIVE DATE OF LICENSE: This License shall be effective on the later of July 1, 2014, or upon the date it is signed on behalf of Licensor (the “Effective Date”).
- 4. TERM: The term of this License shall be for the period from the Effective Date, until June 30, 2016, (the “Term”) or termination pursuant to Paragraph 16, below.
- 5. RENEWAL: Upon expiration of this License Licensor’s Harbor Director may administratively execute one two-year renewal of this License (the “Extended Term”). The Extended Term shall be effective only if an amendment to this License is signed by Licensor’s Harbor Director, or designee and Licensee. If the Extended Term becomes effective, then the Extended Term shall expire on June 30, 2018 or termination pursuant to Paragraph 16, below.
- 6. FEES: Licensee shall pay to Licensor Thirty-five Dollars (\$36.00) per month payable on the first of each month starting July 1, 2014 for this License (the “License Fee”).

On each June 1, commencing with June, 2015, said the License Fee shall be increased in an amount equal to the increase in the Consumer Price Index for the 12-month Index average of the immediate preceding calendar year. The Consumer Price Index referred to herein is the Consumer Price Index (all items indexes, all urban consumers) for Los Angeles - Riverside - Orange County, California, compiled and published by the United States Department of Labor, Bureau of Labor Statistics, 1982-84 Base Year = 100.

7. OPERATION COSTS: Licensee shall be responsible for all costs related to its use of the Premises, including the utilities used by Licensee for the Premises if utilities are present.
8. MAINTENANCE: Licensee shall be responsible to maintain the Premises in a clean and presentable manner and keep the area abutting the Premises free from waste, debris, trash and other rubbish. Upon termination this License for any reason, Licensee shall leave the Premises free from waste, debris, trash, pollution/spills and other rubbish and in a good condition, subject to normal wear and tear.
9. SIGNS: Any and all signs installed or used by Licensee that are visible to the public from outside the Premises shall not be installed or used without the prior written approval of Licensor's Harbor Director, and subject to all applicable Licensor zoning laws, rules and regulations and all required land use Licensor approvals and permits shall be obtained.
10. IMPROVEMENTS: Licensee shall not make any improvements to the Premises without prior approval from Licensor's Harbor Director. Upon termination of this License for any reason, any improvements of any kind installed by or on behalf of Licensee and left on Premises shall become the property of Licensor at no cost whatsoever, including any damages for condemnation, inverse condemnation or relocation benefits or loss of goodwill, however, Licensee and Licensor further agree that Licensor has the option and right to require Licensee to remove any improvements of any kind installed by or on behalf of Licensee upon the Premises at the termination of this License, however occurring, providing Licensor gives Licensee notice, in writing, no later than thirty days prior to termination of License. If Licensor exercises such option and Licensee fails to remove such improvements within sixty days after termination of License, Licensor shall have the right to have such improvements removed at expense of Licensee.

Licensee and Licensor agree Licensor may desire to remove current storage out building at any time during the term of this agreement. Licensee may replace storage capacity at Licensee's sole expense, including obtaining any necessary permits and subject to Licensor approval per this section.

11. **This paragraph intentionally omitted.**
12. LICENSEE OBLIGATIONS: Termination of this License shall not terminate Licensee's obligations pursuant to Paragraphs 13, 14, 15, 16, 17 and 18.
13. TAXABLE INTEREST: This License is not intended to create any interest in real property. If it is determined, by a governmental agency dually authorized to make such decision, this

License creates any taxable interest, including, but not limited to, a possessory interest, then Licensee shall be solely responsible to pay such taxes to the extent such taxes are required by law to be paid.

14. HOLD HARMLESS: Licensee agrees to and hereby does hold harmless, indemnify and defend Licensor and its officers, agents and employees (“Indemnitees”) from any claim, judgment, liability, award, damages, loss or expense, including reasonable attorney’s fees and court costs, arising out of or related to the use of the Premises by Licensee, including, but not limited to, any hazardous materials releases; provided, that Licensee’s obligation to indemnify and hold harmless shall apply only to the extent Licensee, its officers, employees or agents caused the claim, loss or expense. For purposes of this License, hazardous materials shall mean any materials as defined by State or Federal laws.
15. INSURANCE: Without limiting the obligation set forth in the immediately preceding sentence, during the term of this License Licensee shall provide evidence of insurance as provided in Exhibit B.
16. NO LIENS ON PREMISES: Licensee shall not permit or suffer any mechanic’s or materialman’s or other lien of any kind or nature to be recorded or enforced against the Premises for any work done or materials furnished thereon at the instance of requirement of or on behalf of Licensee; and Licensee agrees to indemnify and hold harmless Licensor and the Premises against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with such work done, labor performed or material furnished in connection with Licensee’s use of the Premises.
17. RIGHT TO TERMINATE/NO DISPLACEMENT LIABILITY: Either party shall have the right to terminate this License, with or without cause, upon thirty-days’ (30-days’) written notice to the non-terminating party. Licensor shall not be liable (i) for any displacement or relocation benefits or expenses experienced by Licensee, (ii) for reimbursement for any improvements installed by Licensee or (iii) for any damages in condemnation, inverse condemnation, loss of goodwill or other legal or equitable bases resulting, directly or indirectly, from any action or inaction of or on behalf of Licensor that may be in any way connected with any termination of this License for any reason or any relocation of Licensee from the Premises for any reason. Upon termination of this License, Licensee shall no longer be responsible for any fees under this License, as specified in Paragraph 5 of this License.
18. GOVERNING LAW: The terms of this License shall be interpreted according to the laws of the State of California. If arises out of this License, then venue shall be in the Superior Court of San Luis Obispo County.
19. LITIGATION FEES: If either party commences action against the other party arising out of or in connection with this License, then the prevailing party shall be entitled to have and recover from the other party reasonable attorneys’ fees and costs of suit.

20. LICENSOR USE OF PREMISES: Licensor may use the Premises for storage and other municipal uses; provided, that such use shall not unreasonably interference with or prevent in any substantial way Licensee's ability to utilize the Premises for the purposed set forth herein; and provided, further, that Licensor shall be responsible for all operation costs and maintenance for the portion of the Premises it or Licensor uses or occupies. In addition, without any implied or expressed limitation on Licensor's authority and right to access and inspect the Premises in its governmental capacity, Licensor shall have the right to access at any time to the Premises for inspections.
21. TRANSFERABILITY AND ASSIGNABILITY: The License is neither transferable nor assignable by Licensee without the written consent of Licensor.
22. NOTICES: All notices given or required to be given pursuant to this License shall be in writing and may be given by personal delivery or by mail. Notice sent by mail shall be addressed as follows:

To Licensor:

City of Morro Bay
Attn: Harbor Director
1275 Embarcadero
Morro Bay, CA 93442

With Copy to:

Joseph W. Pannone
Aleshire & Wynder, LLP
2361 Rosecrans Avenue, Suite 475
El Segundo, CA 90245

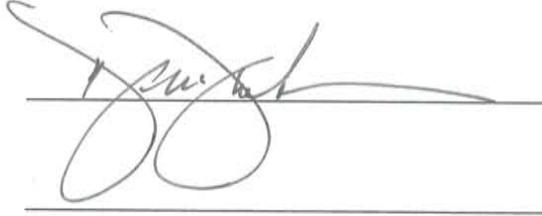
To Licensee:

Harbor Festival, Inc.
895 Napa Street, Suite A
Morro Bay, CA 93442

23. ENTIRE AGREEMENT: This License (i) constitutes the entire agreement of the parties hereto relating to the use, operation and maintenance of the Premises and (ii) shall supersede prospectively from the date it is entered into any and all prior written or oral negotiations or agreements of the parties relating to the Premises. This License shall not be modified in any particular except by a written amendment duly executed by the parties.

LICENSEE

Dated: 24 JUNE 2014



Dated: _____

LICENSOR

Dated: _____

By: _____
Edward S. Kreins, Interim City Manager

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Joseph W. Pannone, City Attorney

EXHIBIT A

AERIAL OF PREMISES

(Immediately behind this page)

Exhibit A



**CITY OF MORRO BAY
EXHIBIT B**

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Agreement, Licensee will maintain insurance in conformance with the requirements set forth below. Licensee will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Licensee agrees to amend, supplement or endorse the existing coverage to do so. Licensee acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to Licensor in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to Licensor.

Licensee shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy from CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage from CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Licensee owns no vehicles, then this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Licensee or Licensee’s employees will use personal autos in any way on this project, then Licensee shall provide evidence of personal auto liability coverage for each such person.

Property Damage Insurance in an amount of not less than \$1,000,000 for damage to the property of each person on account of any one occurrence.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer’s liability limits, if required.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured’s liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to Licensor for injury to employees of Licensee, subcontractors or others involved in the Work. The scope of coverage provided is

subject to approval of Licensor following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Insurance procured pursuant to these requirements shall be written by insurer that are admitted carriers in the state California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Licensee. Licensee and Licensor agree to the following with respect to insurance provided by Licensee:

1. Licensee agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds Licensor, and its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Licensee also agrees to require all Licensees, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Licensee, or Licensee's employees, or agents, from waiving the right of subrogation prior to a loss. Licensee agrees to waive subrogation rights against Licensor regardless of the applicability of any insurance proceeds, and to require all Licensees and subcontractors to do likewise.
3. All insurance coverage and limits provided by Licensee and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to Licensor or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to Licensor and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any Licensee or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by Licensor, as the need arises. Licensee shall not make any reductions in scope of coverage (*e.g.*, elimination of contractual liability or reduction of discovery period) that may affect Licensor's protection without Licensor's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Licensee's general liability policy, shall be delivered to Licensor at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, Licensor has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by Licensor shall be charged to and promptly paid by Licensee or deducted from sums due Licensee, at Licensor's option.
8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Licensee or any subcontractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self insurance available to Licensor.
9. Licensee agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Licensee, provide the same minimum insurance coverage required of Licensee. Licensee agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Licensee agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to Licensor for review.
10. Licensee agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any Licensee, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to Licensor. If Licensee's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to Licensor. At the time Licensor shall review options with the Licensee, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
11. Licensor reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Licensee ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Licensee, Licensor will negotiate additional compensation proportional to the increase benefit to Licensor.
12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Licensee acknowledges and agrees that any actual or alleged failure on the part of Licensor to inform Licensee of non-compliance with any insurance requirements in no way imposes any additional obligations on Licensor nor does it waive any rights hereunder in this or any other regard.
14. Licensee will renew the required coverage annually as long as Licensor, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until Licensor executes a written statement to that effect.
15. Licensee shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Licensee's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to Licensor within five days of the expiration of the coverages.
16. The provisions of any workers' compensation or similar act will not limit the obligations of Licensee under this agreement. Licensee expressly agrees not to use any statutory immunity defenses under such laws with respect to Licensor, its employees, officials and agents.
17. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
18. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
19. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
20. Licensee agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge Licensor or Licensee for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to Licensor. It is not the intent of Licensor to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against Licensor for payment of premiums or other amounts with respect thereto.

21. Licensee agrees to provide immediate notice to Licensor of any claim or loss against Licensee arising out of the work performed under this agreement. Licensor assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve Licensor.



AGENDA NO: A-9

MEETING DATE: July 8, 2014

Staff Report

TO: Honorable Mayor and City Council

DATE: August 23, 2014

FROM: Eric Endersby, Harbor Director

SUBJECT: Approval of Resolution 49-14 Executing Amendment #1 to the Lease Agreement for Lease Site 93-95/93W-95W Extending Deadlines for the Redevelopment Project at 901-915 Embarcadero (Held, Harbor Center)

RECOMMENDATION

Approve Resolution No. 49-14, executing Amendment #1 to the Lease Agreement for Lease Site 93-95/93W-95W, located at 901-915 Embarcadero, with the Held Family Trust and the Smith W and Hannah W Held Family Trust (“Tenants”), extending the lease’s redevelopment project deadlines.

FISCAL IMPACT

With Council’s approval of the amendment, a positive fiscal impact will be realized at the projects’ completion in the form of additional percent gross of sales revenue stream from the construction of new boat slips and a retail unit.

SUMMARY

The current tenants at Lease Site 93-95/93W-95W submitted and obtained Concept Approval for a major redevelopment of their lease site. Staff negotiated and Council approved a new lease last year incorporating the redevelopment proposal, which had defined permit and construction date deadlines. Due to unforeseen difficulties in the permitting process, particularly with the Coastal Commission, the Tenant is requesting a one-year extension of all redevelopment deadlines.

BACKGROUND

The Tenants were assigned the original lease for this site in 1998. It was a 30-year lease that expires in June, 2017. In November, 2011 the Tenants began submission of a site development proposal that gained Planning Commission and City Council Concept Approval in late 2012 under CUP #UPO-342.

At that time, the Harbor Director began negotiations for a new lease, the approval of which the City Council made by resolution in March, 2013. A primary requirement in this new lease

Prepared By: EE

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

includes significant redevelopment of the site consisting of the addition of a small retail unit landside, addition of vessel slips on the water portion of the lease in addition to slips in front of the adjacent water lease to the north, 96W, as well as other exterior building, sidewalk, lighting and landscaping modifications.

The deadlines in the lease are as follows:

- Precise Plan approval no later than July 1, 2014.
- Commence construction of sidewalk and certain building exterior and lease site elements no later than November 1, 2014.
- Commence construction of new retail unit, Harbor Walk, view deck and restrooms no later than November 1, 2015.
- Commence construction of all floating docks no later than November 1, 2016.
- Complete all phases of construction no later than May 31, 2017.

DISCUSSION

As negotiations for lease site project deadlines progress, staff is cognizant to ensure timely completion of the required redevelopment commitments, while at the same time establishing realistic targets in terms of the permitting and construction challenges often encountered. In this case, the tenant is experiencing difficulty at the Coastal Commission level, at no fault or doing of their own.

Historically, when tenants have encountered difficulties, outside of their control, in moving their projects forward, the concept of “force majeure” is invoked and some leniency in deadlines has been allowed by the City. In this case, the tenants prefer to contractually extend their deadlines rather than invoke this concept, and are requesting that each of the redevelopment deadline triggers be extended for one year. A copy of their request letter is included with this staff report.

The lease amendment would extend each of the above deadlines for an additional 12 months.

CONCLUSION

Staff feels this redevelopment deadline extension request is a reasonable and prudent one, and recommend approval of Resolution 49-14 executing Amendment #1 for Lease Site 93-95/93W-95W. These tenants are in good standing in all regards with their current lease and lease payments, and they have a proven track record of major waterfront redevelopment project execution with the complete tear-down and joint redevelopment project at Lease Site 68/68W adjacent to the Morro Bay Aquarium.

RESOLUTION NO. 49-14

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING AMENDMENT #1 TO LEASE AGREEMENT FOR
LEASE SITE 93-95/93W-95W BETWEEN THE CITY OF MORRO BAY AND
THE HELD FAMILY TRUST AND THE SMITH W AND HANNAH W HELD
FAMILY TRUST, LOCATED AT 901-915 EMBARCADERO**

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

WHEREAS, the City of Morro Bay is the lessor of certain properties on the Morro Bay Waterfront described as City Tidelands leases and properties; and

WHEREAS, Smith W Held and Hannah W Held are the lessees of Lease Site 93-95/93W-95W and are tenants in good standing; and

WHEREAS, the Helds have redevelopment commitments and deadlines pursuant to the lease of the property; and

WHEREAS, the Helds have encountered permitting difficulties outside of their control and through no fault of their own, and desire to extend the lease site redevelopment deadlines in their lease by one year.

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

Section 1. The attached Amendment #1 to the Lease Agreement for Lease Site 93-95/93W-95W is hereby approved.

Section 2. The Mayor is hereby authorized to execute the Amendment to the Lease Agreement.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of July, 2014 on the following vote:

AYES:

NOES:

ABSENT:

Jamie L. Irons, Mayor

ATTEST:

Jamie Boucher, City Clerk

**AMENDMENT #1 TO THE LEASE AGREEMENT FOR
LEASE SITE 93-93/93W-95W, LOCATED AT 901-915 EMBARCADERO**

This Amendment #1 (“this Amendment”) is made and entered into as of this 8th day of July, 2014, to the Lease Agreement for Lease Site 93-95/93W-95W dated July 1, 2013, (the “Master Lease”) by and among the City of Morro Bay, a municipal corporation of the State of California, hereinafter called “City,” and The Held Family Trust and the Smith W & Hannah W Held Family Trust, hereinafter called “Tenant,” per Resolution No. 49-14 on July 8, 2014.

WHEREAS, the Master Lease stipulates certain Lease Site redevelopment deadlines per Section 13.02; and,

WHEREAS, Tenant has experienced unforeseen permitting delays for said redevelopment at no fault or doing of their own.

NOW THEREFORE, Tenant and City agree, as follows:

1. Section 13.02 of the Master Lease shall be amended as follows:
 - a. The date stipulated in Section 13.02(A) shall be changed to July 1, 2015.
 - b. The date stipulated in Section 13.02(B) shall be changed to November 1, 2015.
 - c. The date stipulated in Section 13.02(C) shall be changed to November 1, 2016.
 - d. The date stipulated in Section 13.02(D) shall be changed to November 1, 2017; and
 - e. The date stipulated in Section 13.02(E) shall be changed to May 31, 2018.
2. Except as expressly stated herein, all provisions of the Master Lease shall remain in full force and effect.
3. The effective date of this Amendment is the date first written above.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date written above.

CITY OF MORRO BAY

Jamie L. Irons, Mayor

APPROVED AS TO FORM:

Joseph W. Pannone, Interim City Attorney

ATTEST:

Jamie Boucher, City Clerk

TENANT

The Held Family Trust

Smith W Held & Hannah W Held Family Trust

Smith W. Held, Trustee

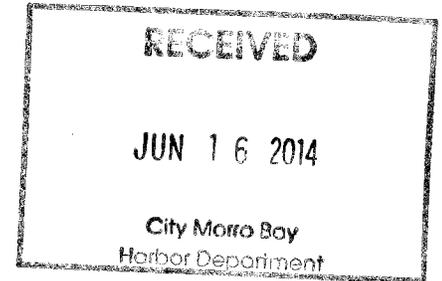
Hannah W. Held, Trustee

HARBOR CENTER, LLC

(805) 995-2773
555 PICACHIO ROAD
P. O. BOX 225
CAYUCOS, CA 93430-0225

June 16, 2014

Mr. Eric Endersby, Director
Ms. Lori Stilts, Business Manager
Morro Bay Harbor Department
1275 Embarcadero Ave
Morro Bay, CA 93442



VIA FAX: eendersby@morro-bay.ca.us, lstilts@morro-bay.ca.us

RE: LS 93-95, 93W-95W remodel
Construction commencement delay

Dear Eric and Lori,

It has become clear that I am very likely going to miss the construction commencement date specified in Section 13.02 of my lease with you, due to permitting issues. This Section specifies that I will start construction of the first phase of my improvements "no later than November 1, 2014."

I am having trouble at the Coastal Commission getting a full vetting of the plans, and concurrence regarding what is needed and what is possible.

Specifically, I have just been issued my THIRD Coastal Planner for this project. This new Planner is no doubt competent, but will require time to get up to speed on this project. By way of example, we had been working (well) with Coastal Planner Daniel for the 10 months prior to March, 2014. In March, 2014, Daniel was replaced by "Aiden," who seemingly disregarded Daniel's draft Staff Report, and wrote a brand new one. This new one was published and agendized before we were allowed to review it (it contained concerns that we had previously mitigated with Daniel). We had no choice but to ask for a postponement of our scheduled May, 2014, hearing in order to work through the same issues with Aiden. Now, Aiden has moved on, and we have been issued a Planner named Justin. We have met with Justin and his manager, and hope to continue to make headway creating a project that Staff can support, but these things take time.

I respectfully request a postponement of our contemplated "start date" from November 1, 2014, to November 1, 2015; and a one year push-back of all related triggers regarding construction.

Thank you,

Smith Held



AGENDA NO: A-10

MEETING DATE: 07/8/14

Staff Report

TO: Honorable Mayor and City Council **DATE:** June 25, 2014
FROM: Susan Slayton, Administrative Services Director
SUBJECT: Approve Resolution No. 50-14 Establishing the Annual Proposition 4
Appropriations Limit for the Fiscal Year 2014/15

RECOMMENDATION

Adopt Resolution No. 50-14, establishing the annual Proposition 4 appropriation limits for fiscal year 2014/15.

ALTERNATIVES

The City Council may elect the population change for Morro Bay, which is -0.51%, rather than using the County rate of change, which is 0.09%. Using the Morro Bay figure, the appropriations limit calculates at \$22,230,447, a net change to the Proceeds of Taxes under the Appropriation Limit of \$134,066. If chosen, the Resolution would be amended prior to the Mayor's signing.

FISCAL IMPACT

None

SUMMARY

State law requires the adoption of an annual appropriations limit, which restricts the growth of tax-funded programs and services by limiting the appropriation of proceeds of taxes. As permitted by law, the City has chosen to use the most advantageous factor in calculating this limit for the City of Morro Bay, which is the County of San Luis Obispo population growth combined with the CPCPI. For fiscal year 2014/15, the City of Morro Bay continues to remain well under its appropriations limit.

BACKGROUND

Proposition 4, more commonly known as the Gann Initiative, was approved by the California electorate in November 1979. It is intended to restrict growth of tax-funded programs and services by limiting the appropriation of the proceeds of taxes to the 1978/79 base year limit, as adjusted annually for changes in population and inflation. Proceeds of taxes in excess of the appropriations limit, with some exceptions, must be returned to the taxpayers by refund or reduction in tax rates unless an extension of the limit is approved by majority popular vote. Proceeds of taxes include tax revenues and investment earnings related to those tax revenues, proceeds from licenses and users/charges to the extent that they exceed the cost to cover those services, and discretionary tax

Prepared By: SS

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

funds used for contingency, emergency, unemployment, reserve and retirement sinking funds, trust, or similar funds.

In June 1990, the California voters approved Proposition 111, amending the Gann Initiative to provide local agencies with the option of using either the city or county population change percentage (whichever is greater). Another provision of the amendment states that the Gann limit would be triggered only if tax proceeds exceed the limit for two consecutive fiscal years. Additionally, the proposition requires an annual review of the appropriations limit calculation by a qualified independent auditor in conjunction with the annual financial audit.

Government Code Section 7910(a) states: "Each year, the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit and make other necessary determinations for the following fiscal year, pursuant to Article XIII B of the California Constitution, at a regularly scheduled meeting or noticed special meeting. Fifteen days prior to the meeting, documentation used in the determination of the appropriations limit and other necessary determinations shall be available to the public. The determinations made pursuant to this section are legislative acts."

Staff prepared the documentation on June 25, 2014, and it is available at City Hall, upon request.

DISCUSSION

According to the estimates received from the California State Controller's office, the population of Morro Bay decreased by -0.51 percent between January 1, 2013 and January 1, 2014, while the San Luis Obispo County population increased by 0.09 percent for that same time period. It is most advantageous for the City to use the larger of the two percentages, which is the County population growth factor. The California Per Capita Personal Income (CPCPI) decreased by -0.23 percent. Applying these factors results in:

Prior year limit		\$22,395,914
Multiply by CPCPI change (1.00 - .23)	x	0.9977
Multiply by SLO County change in population	x	<u>1.0009</u>
Equals	=	<u>\$22,364,513</u>

The fiscal year 2014/15 budget estimate of revenues from the proceeds of taxes is \$9,751,525, which is well below the appropriations limit by \$12,612,988.

The calculation of estimated proceeds of taxes for FY 2014/15 is shown in detail in Attachment A.

The calculation of FY 2014/15 Appropriations Limit is shown in Attachment B, along with a historical listing of prior year limits.

Attachment C is a copy of the State Controller's change in population estimates between January 1, 2013 and January 1, 2014.

Attachment D is a copy of the State Controller's published CPCPI price factor with the cover letter.

RESOLUTION NO. 50-14

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MORRO BAY, CALIFORNIA,
ESTABLISHING THE ANNUAL PROPOSITION 4
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2014/15**

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

WHEREAS, Article XIII B of the California Constitution restricts the appropriation of tax proceeds the City receives in any given fiscal year; and

WHEREAS, the City has calculated the 2014/15 appropriations limit in accordance with the provisions of Article XIII B of the California Constitution; and

WHEREAS, Proposition 111 of June 1990 requires an annual election of the methodology used in the calculation of the current year appropriations limit.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, to accept the calculation as prepared by the Finance Department, and establish the fiscal year 2014/15 appropriations limit at \$22,364,513.

PASSED AND ADOPTED, by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 8th day of July 2014, by the following vote:

AYES:

NOES:

ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

JAMIE BOUCHER, City Clerk

CITY OF MORRO BAY
APPROPRIATION LIMIT DOCUMENTATION
FISCAL YEAR 2014/15

	General	District Trans Tax	M8TBID	GGVR	GFER	GF FAC MAINT	Water Equip	Sewer Equip	Harbor Equip	CD Grants	Special Gas Tax	Lower Cost Visitors	Traffic Safety	SLESF COPS	Parking In-Lieu	Transit
Property taxes	3,692,900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other taxes:																
Sales tax	1,320,000	930,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Franchises fees	480,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2,310,000	-	575,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses/permits	365,856	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from other agencies:																
State	36,076	-	-	-	-	-	-	-	-	271,934	-	-	100,000	-	-	316,287
State/County grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77,261
Federal grants	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Use of money and property:																
Interest	-	-	-	-	13,000	61,898	-	-	-	-	-	-	-	-	-	-
Rent	292,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines/Forfeitures	17,500	-	-	-	-	-	-	-	-	-	-	30,000	-	-	1,400	-
Charges for services	835,963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42,500
Other revenues	25,940	-	-	-	-	37,491	-	-	-	-	-	-	-	-	-	-
	9,381,635	930,000	575,000	-	13,000	99,389	-	-	-	-	271,934	-	30,000	100,000	1,400	436,048

	Water	Sewer	Harbor	RM	Special Assessmt LMD	PEG	MB/CSD WWTF	GOV IMPACT	PARK IN-LIEU	STATE PARK MARINA	HOUSING IN-LIEU	WATER ACCUM	SEWER ACCUM	BIKEWAY PATHS	HARBOR ACCUM	TOTAL ESTIMATED REVENUES
Property taxes	-	-	-	-	157,421	-	-	-	-	-	-	-	-	-	-	3,850,321
Other taxes:																
Sales tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,250,000
Franchises fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	480,000
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,885,000
Licenses/permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	365,856
Revenue from other agencies:																
State	-	-	-	-	-	-	-	-	-	-	-	-	-	10,721	-	735,018
State/County grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77,261
Federal grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000
Use of money and property:																
Interest	-	-	-	-	-	-	-	-	-	-	-	5,000	-	-	-	79,898
Rent	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	312,400
Fines/Forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,900
Charges for services	3,293,250	3,428,067	1,679,910	1,000,000	-	-	3,362,734	40,000	-	65,000	-	25,000	-	-	-	13,772,424
Other revenues	-	25,000	32,500	-	-	-	-	-	-	-	-	-	-	-	-	120,931
	3,293,250	3,473,067	1,712,410	1,000,000	157,421	-	3,362,734	40,000	-	65,000	-	30,000	-	10,721	-	24,983,009

ATTACHMENT A

**CITY OF MORRO BAY
APPROPRIATION LIMIT DOCUMENTATION
FISCAL YEAR 2014/15**

PROCEEDS OF TAXES CALCULATION

APPROPRIATION LIMIT CALCULATION

	[1] PROCEEDS OF TAXES	PROCEEDS OTHER THAN TAXES	TOTAL ESTIMATED REVENUES	YEAR	[2] CALIFORNIA PCPI CHANGE	[3] POPULATION CHANGE	LIMIT
PROPERTY TAXES	\$ 3,850,321	\$	\$ 3,850,321	1978-79	BASE YEAR		\$ 3,046,393
OTHER TAXES	5,135,000	480,000	5,615,000	1979-80	10.17%	1.38%	3,402,527
PERMITS		365,856	365,856	1980-81	10.53%	0.26%	3,770,591
REVENUE FROM AGENCIES				1981-82	9.12%	1.39%	4,171,660
STATE	735,018		735,018	1982-83	6.79%	2.04%	4,545,796
STATE/COUNTY GRANTS	-	77,261	77,261	1983-84	2.35%	1.81%	4,736,835
FEDERAL GRANTS	-	5,000	5,000	1984-85	4.74%	1.75%	5,048,185
USE OF MONEY & PROPERTY				1985-86	3.74%	1.62%	5,321,826
INTEREST	31,186	48,712	79,898	1986-87	2.30%	4.12%	5,668,530
RENT		312,400	312,400	1987-88	3.04%	2.93%	6,011,990
FINES & FORFEITURES		48,900	48,900	1988-89	3.93%	3.83%	6,487,570
CHARGES FOR SERVICES		13,772,424	13,772,424	1989-90	4.98%	3.92%	7,077,629
OTHER REVENUES		120,931	120,931	1990-91	4.21%	4.59%	7,714,137
	<u>\$ 9,751,525</u>	<u>\$ 15,231,484</u>	<u>\$ 24,983,009</u>	1991-92	4.14%	3.04%	8,277,721
				1992-93	-0.64%	1.00%	8,306,991
				1993-94	2.72%	1.86%	8,691,654
				1994-95	0.71%	1.40%	8,875,912
				1995-96	4.72%	1.60%	9,443,573
				1996-97	4.67%	2.31%	10,112,922
				1997-98	4.67%	2.06%	10,803,250
				1998-99	4.15%	2.70%	11,555,378
				1999-2000	4.53%	2.28%	12,354,234
				2000-01	4.91%	2.46%	13,279,663
				2001-02	7.82%	1.60%	14,547,223
				2002-03	-1.27%	1.80%	14,620,998
				2003-04	2.31%	1.32%	15,156,198
				2004-05	3.28%	1.15%	15,833,334
				2005-06	5.26%	1.19%	16,864,495
				2006-07	3.96%	0.73%	17,660,315
				2007-08	4.42%	0.96%	18,617,934
				2008-09	4.29%	1.12%	19,634,110
				2009-10	0.62%	1.01%	19,955,375
				2010-11	-2.54%	0.87%	19,617,710
				2011-12	2.51%	1.09%	20,329,315
				2012-13	3.77%	0.47%	21,194,880
				2013-14	5.12%	0.52%	22,395,914
				2014-15	-0.23%	0.09%	22,364,513
							<u>9,751,525</u>
							<u>\$ 12,612,988</u>

[1] Per City of Morro Bay 2014/15 Adopted Annual Budget.

[2] Per State Department of Finance (per capita personal income).

[3] Per State Department of Finance (population growth of City or County, whichever is greater). MB = -0.51%; SLO County = .09%



May 2014

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2014, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2014-15. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2014-15 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2014.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

KEELY M. BOSLER
Chief Deputy Director

ATTACHMENT C

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2014-15 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2014-15	-0.23

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2014-15 appropriation limit.

2014-15:

Per Capita Cost of Living Change = -0.23 percent
 Population Change = 0.95 percent

Per Capita Cost of Living converted to a ratio: $\frac{-0.23 + 100}{100} = 0.9977$

Population converted to a ratio: $\frac{0.95 + 100}{100} = 1.0095$

Calculation of factor for FY 2014-15: $0.9977 \times 1.0095 = 1.0072$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2013 to January 1, 2014 and Total Population, January 1, 2014

County City	<u>Percent Change</u> 2013-2014	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
		1-1-13	1-1-14	Population 1-1-2014
San Luis Obispo				
Arroyo Grande	-0.47	17,415	17,334	17,334
Atascadero	0.33	27,595	27,685	28,675
El Paso De Robles	-0.24	30,541	30,469	30,469
Grover Beach	-0.55	13,226	13,153	13,153
Morro Bay	-0.51	10,329	10,276	10,276
Pismo Beach	-0.27	7,726	7,705	7,705
San Luis Obispo	-0.26	45,593	45,473	45,473
Unincorporated	0.51	113,806	114,381	119,272
County Total	0.09	266,231	266,476	272,357

ATTACHMENT D

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.



AGENDA NO: A-11

MEETING DATE: 7/8/2014

Staff Report

TO: Mayor and City Council

DATE: June 23, 2014

FROM: Jamie Boucher, City Clerk

SUBJECT: Designation of Voting Delegate and Alternate Voting Delegate at League of California Cities 2014 Annual Conference Business Meeting

RECOMMENDATION

Staff recommends the City Council appoint Mayor Jamie Irons as the Voting Delegate at the League of California Cities 2014 Annual Conference Business Meeting. Staff further recommends appointing City Councilmember Christine Johnson as the alternate Voting Delegate.

ALTERNATIVES

As of this date, Mayor Irons and Councilmember Christine Johnson are the only two confirmed Councilmembers attending the Conference; as such, this was the logical appointment. Should Council choose, they can appoint Councilmember Christine Johnson as the Voting Delegate and Mayor Irons as the Alternate.

DISCUSSION

The League of California Cities 2014 Annual Conference is scheduled for September 3-5, 2014 in Los Angeles, California. An important part of the Conference is the Annual Business Meeting, which is scheduled for Friday, September 5th at noon. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the League of California Cities 2014 Annual Conference Business Meeting, the City Council must select a voting delegate. In the event that the designated voting delegate is unable to serve in that capacity, the City Council may appoint up to two alternate voting delegates.

CONCLUSION

Both Mayor Irons and Councilmember Christine Johnson have agreed to serve in this capacity. As such, staff recommends the appointment of Mayor Irons as the Voting Delegate and Councilmember Christine Johnson as the Alternate.

Prepared By: J Boucher

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

Council Action Advised by July 31, 2014

May 1, 2014

TO: Mayors, City Managers and City Clerks

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference – September 3 - 5, Los Angeles**

The League's 2014 Annual Conference is scheduled for September 3 - 5 in Los Angeles. An important part of the Annual Conference is the Annual Business Meeting (*at the General Assembly*), scheduled for noon on Friday, September 5, at the Los Angeles Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to the League's office no later than Friday, August 15, 2014. This will allow us time to establish voting delegate/alternate records prior to the conference.

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: www.cacities.org. In order to cast a vote, at least one voter must be present at the

-over-

Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Los Angeles Convention Center, will be open at the following times: Wednesday, September 3, 9:00 a.m. – 5:30 p.m.; Thursday, September 4, 7:00 a.m. – 4:00 p.m.; and Friday, September 5, 7:30–10:00 a.m. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

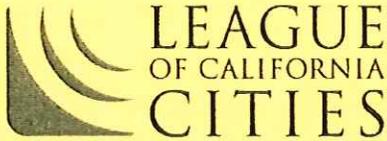
Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Friday, August 15. If you have questions, please call Karen Durham at (916) 658-8262.

Attachments:

- 2014 Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

Annual Conference Voting Procedures 2014 Annual Conference

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



CITY: _____

2014 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, August 15, 2014. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: _____

Title: _____

2. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

3. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: _____ E-mail _____

Mayor or City Clerk _____ Phone: _____
(circle one) (signature)

Date: _____

Please complete and return by Friday, August 15, 2014

League of California Cities
ATTN: Karen Durham
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8220
E-mail: kdurham@cacities.org
(916) 658-8262



AGENDA NO: B-1

MEETING DATE: July 8, 2014

Staff Report

TO: Honorable Mayor and Council **DATE:** June 23, 2014
FROM: Janeen Burlingame, Management Analyst
SUBJECT: Public Hearing for and Consideration of Morro Bay Garbage Service Base-Year Rate Adjustment Application and Adoption of Resolution No. 45-14

STAFF RECOMMENDATION

Staff recommends the City Council hold a public hearing, consider all evidence and testimony presented and adopt Resolution No. 45-14 increasing solid waste rates as outlined in the Fiscal Impact section of this report; provided, that there is not a majority protest against such increase.

ALTERNATIVES

The Rate Setting Manual provides a process and schedule for rate application review and binds the contractor and the City to a method of determining revenue adequacy for the contractor while ensuring the community is receiving quality service at reasonable rates. The Council could choose to not to approve the requested rate increase if it is believed any of the factors identified in the Rate Adjustment Application are inaccurate or inflated. Based on staff's evaluation of the Rate Adjustment Application, the information provided is accurate and reasonable.

FISCAL IMPACT

Adoption of Resolution No. 45-14 will result in the following increases to residential and commercial collection rates:

1. Effective September 1, 2014, a 3.70% increase; and
2. Effective January 1, 2015, and January 1, 2016, an increase based on the following:
 - a. Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for the month of June 2014, for January 1, 2015, and June 2015, for January 1, 2016;
 - b. Increase of 0.93% effective January 1, 2015, and 0.89% effective January 1, 2016, for increases in landfill disposal cost; and
 - c. Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for increases in AB939 fee cost.

The increases in rates will be borne by individual customers, and there will be a negligible increase to franchise fee revenue.

DISCUSSION

The City Council adopted Resolution 48-01 approving the Garbage, Recycling and Greenwaste Franchise Agreement (the Agreement) for collection service effective January 1, 2002 and setting the initial rates for collection for residential and commercial customers.

Prepared By: J Burlingame

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

Pursuant to Article 8.4 of the Agreement, the City uses the guidelines and approach outlined in the City of San Luis Obispo's "*Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates*" regarding adjustments for base year rate reviews and cost of living increases to the collection rates that occur throughout the contract term. The rate setting manual and Agreement are on file at the Management Analyst's office for review as necessary.

Per the conditions of the Agreement and rate setting process adopted in the Agreement, on October 7, 2013, the City received from Morro Bay Garbage Service a Base Year Rate Adjustment Application with a request for an increase to the solid waste rates (Attachment 1). The request is for a 3.70% increase to the solid waste rates, effective September 1, 2014.

The application being considered at this time was delayed because of proposed landfill tipping fee increases associated with the Cold Canyon Landfill expansion project. Negotiations between the County of San Luis Obispo and the owner of the landfill, Waste Connections, Inc., were completed in April 2014, the result being a framework for incremental per ton increases over the next 9 years.

California Constitution Article XIII (Proposition 218)

Proposition 218 noticing and hearing requirements are being followed for review and consideration of the proposed solid waste rate increases to ensure the legal validity of those rates.

Per the Proposition 218 notification requirements, notices were mailed at least 45 days in advance of the public hearing to both property owners and customers (Attachment 2). The protest must be submitted in writing and received by the City Clerk before the close of the public hearing on July 8, 2014. The person signing the protest must either be the property owner or the customer of record. In the event that a protest is submitted by the owner and also by the tenant responsible for payment of the bill, one valid protest is counted for the parcel.

If valid written protests are filed by a majority of customers/property owners, then the applicable proposed rate may not be imposed. Based on the customer count of 5,104 accounts, 2,553 valid protest votes would need to be filed for this to occur. As of June 23, 2014, a total of 3 written protests were received by the Office of the City Clerk. All 3 written protests received are from customers or property owners and, therefore, valid. At the conclusion of the public hearing, the City Clerk will be asked by the Mayor to make a statement indicating the number of valid protests received and indicate whether that amount is a majority of the customers/property owners.

To address the Interim Base Year CPI and landfill disposal cost adjustments outlined above and in #2 of the Fiscal Impact section of this report, staff included them in the current Proposition 218 vote in order to save on staff time and resources rather than conduct separate 218 votes in each of the next two years.

CONCLUSION

Adoption of the solid waste rates as recommended will ensure the garbage company receives the necessary operating revenues, including allowable profit, within the prescribed levels set by the City's solid waste rate setting policies. Therefore, it is staff's recommendation the City Council adopt Resolution No. 45-14.

ATTACHMENTS

1. Resolution No. 45-14
2. Base Year Rate Adjustment Application
3. Proposition 218 Notice

RESOLUTION NO. 45-14

**A RESOLUTION APPROVING MORRO BAY GARBAGE SERVICE
BASE-YEAR RATE ADJUSTMENT APPLICATION
AND ADJUSTING SOLID WASTE COLLECTION RATES**

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

WHEREAS, the City Council adopted Resolution 48-01 approving the Garbage, Recycling and Greenwaste Franchise Agreement with Morro Bay Garbage Service (MBGS) for collection services effective January 1, 2002, and setting the initial rates for collection for residential and commercial customers; and

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

WHEREAS, on October 7, 2014, MBGS Controller Tom Martin submitted a base year rate adjustment application in conformance with the franchise agreement and rate setting manual requesting a 3.70% increase to solid waste collection rates effective September 1, 2014; and

WHEREAS, notices regarding the requested rate increase and interim rate increases for January 1, 2015, and 2016, were sent on May 23, 2014, to all property owners and customers and a public hearing regarding that matter was held on July 8, 2014; and

WHEREAS, sufficient protests were not received to prevent the rate increase; and

WHEREAS, a review of the Base Year Solid Waste Rate Adjustment Application has been completed in accordance with the adopted solid waste rate setting policies.

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

Section 1. The City Council approves the Morro Bay Garbage Service's Base Year Rate Adjustment Application to increase the solid waste collection rates by 3.70% as outlined in Exhibit A, effective September 1, 2014.

Section 2. The City Council approves the increase in solid waste collection rates effective January 1, 2015 and January 1, 2016 as follows:

a. Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for the month of June 2014 for January 1, 2015 and June 2015 for January 1, 2016;

b. Increase of 0.93% effective January 1, 2015 and 0.89% effective January 1, 2016 for

increases in landfill disposal cost; and

c. Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for increases in AB939 fee cost.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of July 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JAMIE L. IRONS, Mayor

ATTEST:

JAMIE BOUCHER, City Clerk

EXHIBIT A

Morro Bay Garbage				
SERVICE DESCRIPTION	PICK UPS PER WEEK	CURRENT RATE EFFECTIVE 01/01/13	PROPOSED RATE ADJUSTMENT %	NEW MONTHLY RATE EFFECTIVE 09/01/14
SINGLE-FAMILY AND MULTI-UNIT RESIDENTIAL (4 UNITS OR LESS)				
Price per month for specified waste-wheeler container collected once each week. Greenwaste and recycling service is included at no additional charge.				
MINI-CAN SERVICE				
One 19 gallon waste wheeler container	1	\$9.30	3.70%	\$9.64
ECONOMY RATE				
One 32 gallon waste wheeler container	1	\$14.88	3.70%	\$15.43
STANDARD RATE				
One 64 gallon waste wheeler container	1	\$29.76	3.70%	\$30.86
PREMIUM RATE				
One 96 gallon waste wheeler container	1	\$44.64	3.70%	\$46.29
PREMIUM PLUS RATE				
One 96 gallon waste wheeler at the premium rate plus an additional charge of:				
One 32 gallon waste wheeler container	1	\$11.77	3.70%	\$12.21
One 64 gallon waste wheeler container	1	\$23.55	3.70%	\$24.42
One 96 gallon waste wheeler container	1	\$35.33	3.70%	\$36.64
SERVICE AWAY FROM THE STREET CURB				
Additional per month per can or container charge		\$8.11	3.70%	\$8.41
EXTRA COLLECTIONS WITH PICKUP OR FLATBED TRUCK (Phone call required)				
Per garbage can or equivalent volume. (Over 6 cans by quotation)		\$7.42	3.70%	\$7.69
Overfilled waste wheeler		\$7.42	3.70%	\$7.69
Extra recycling		\$3.72	3.70%	\$3.86
Extra greenwaste		\$3.72	3.70%	\$3.86
Switch waste wheeler more than once per 12 months		\$27.05	3.70%	\$28.05
Per white good article/ appliance. (Once a month only)		\$47.33	3.70%	\$49.08
Per mattress or boxspring.		\$13.53	3.70%	\$14.03
Change waste wheeler size (once per year free)		\$27.03	3.70%	\$28.03
Re-deliver container fee-if pulled for collections		\$27.03	3.70%	\$28.03
Tires (limit 2 per month)		\$2.71	3.70%	\$2.81
Tires with rims(limit 2 per month)		\$3.80	3.70%	\$3.94

Replace burned/destroyed waste wheeler		\$58.85	3.70%	\$61.03
Replace burned/destroyed lids		\$58.85	3.70%	\$61.03
Replace burned/destroyed container		\$400.00	3.70%	\$414.80

Polystyrene (Styrofoam, Plastic #6) is no longer collected for recycling and should be thrown away as trash.
Greenwaste is recycled in a special green waste wheeler and is picked up once a week at no additional charge.
Recycling and greenwaste containers should be placed near/next to your garbage bin for collection.

COMMERCIAL WASTE WHEELERS SERVICE PER MONTH

One 32 Gallon Waste Wheeler	1	\$30.72	3.70%	\$31.86
One 32 Gallon Waste Wheeler	2	\$59.98	3.70%	\$62.20
One 32 Gallon Waste Wheeler	3	\$78.45	3.70%	\$81.35
One 32 Gallon Waste Wheeler	4	\$96.93	3.70%	\$100.52
One 32 Gallon Waste Wheeler	5	\$126.18	3.70%	\$130.85
One 32 Gallon Waste Wheeler	6	\$155.44	3.70%	\$161.19
One 32 Gallon Waste Wheeler	7	\$185.27	3.70%	\$192.12
One 64 Gallon Waste Wheeler	1	\$44.59	3.70%	\$46.24
One 64 Gallon Waste Wheeler	2	\$78.45	3.70%	\$81.35
One 64 Gallon Waste Wheeler	3	\$113.87	3.70%	\$118.08
One 64 Gallon Waste Wheeler	4	\$153.88	3.70%	\$159.57
One 64 Gallon Waste Wheeler	5	\$192.38	3.70%	\$199.50
One 64 Gallon Waste Wheeler	6	\$224.71	3.70%	\$233.02
One 64 Gallon Waste Wheeler	7	\$264.65	3.70%	\$274.44
One 96 Gallon Waste Wheeler	1	\$59.98	3.70%	\$62.20
One 96 Gallon Waste Wheeler	2	\$104.60	3.70%	\$108.47
One 96 Gallon Waste Wheeler	3	\$153.88	3.70%	\$159.57
One 96 Gallon Waste Wheeler	4	\$204.69	3.70%	\$212.26
One 96 Gallon Waste Wheeler	5	\$249.34	3.70%	\$258.57
One 96 Gallon Waste Wheeler	6	\$304.74	3.70%	\$316.02
One 96 Gallon Waste Wheeler	7	\$367.71	3.70%	\$381.32

COMMERCIAL DUMPSTER CONTAINER SERVICE - In cubic yards

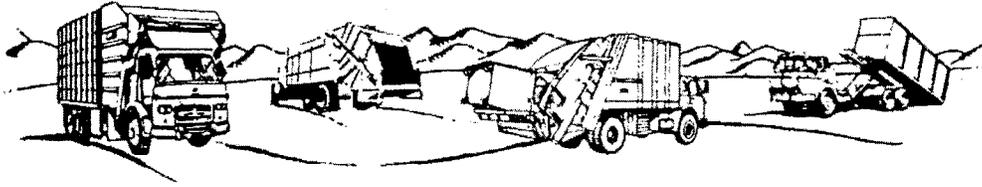
1 Yd Dumpster	1	\$75.66	3.70%	\$78.46
1 Yd Dumpster	2	\$117.23	3.70%	\$121.57
1 Yd Dumpster	3	\$151.09	3.70%	\$156.68
1 Yd Dumpster	4	\$189.58	3.70%	\$196.59
1 Yd Dumpster	5	\$218.84	3.70%	\$226.94
1 Yd Dumpster	6	\$272.70	3.70%	\$282.79
1 Yd Dumpster	7	\$412.01	3.70%	\$427.25
1.5 Yd Dumpster	1	\$92.59	3.70%	\$96.02
1.5 Yd Dumpster	2	\$152.65	3.70%	\$158.30
1.5 Yd Dumpster	3	\$205.00	3.70%	\$212.59
1.5 Yd Dumpster	4	\$260.42	3.70%	\$270.06
1.5 Yd Dumpster	5	\$312.77	3.70%	\$324.34
1.5 Yd Dumpster	6	\$372.81	3.70%	\$386.60
1.5 Yd Dumpster	7	\$546.91	3.70%	\$567.15

2 Yd Dumpster	1	\$111.08	3.70%	\$115.19
2 Yd Dumpster	2	\$194.20	3.70%	\$201.39
2 Yd Dumpster	3	\$260.42	3.70%	\$270.06
2 Yd Dumpster	4	\$331.23	3.70%	\$343.49
2 Yd Dumpster	5	\$405.14	3.70%	\$420.13
2 Yd Dumpster	6	\$479.03	3.70%	\$496.75
2 Yd Dumpster	7	\$687.94	3.70%	\$713.39
3 Yd Dumpster	1	\$143.43	3.70%	\$148.74
3 Yd Dumpster	2	\$260.42	3.70%	\$270.06
3 Yd Dumpster	3	\$366.65	3.70%	\$380.22
3 Yd Dumpster	4	\$465.17	3.70%	\$482.38
3 Yd Dumpster	5	\$602.20	3.70%	\$624.48
3 Yd Dumpster	6	\$694.56	3.70%	\$720.26
3 Yd Dumpster	7	\$938.33	3.70%	\$973.05
4 Yd Dumpster	1	\$189.58	3.70%	\$196.59
4 Yd Dumpster	2	\$352.78	3.70%	\$365.83
4 Yd Dumpster	3	\$489.79	3.70%	\$507.91
4 Yd Dumpster	4	\$654.55	3.70%	\$678.77
4 Yd Dumpster	5	\$819.26	3.70%	\$849.57
4 Yd Dumpster	6	\$927.03	3.70%	\$961.33
4 Yd Dumpster	7	\$1,205.61	3.70%	\$1,250.22
6 Yd Dumpster	1	\$283.99	3.70%	\$294.50
6 Yd Dumpster	2	\$515.63	3.70%	\$534.71
6 Yd Dumpster	3	\$725.97	3.70%	\$752.83
6 Yd Dumpster	4	\$921.03	3.70%	\$955.11
6 Yd Dumpster	5	\$1,192.35	3.70%	\$1,236.47
6 Yd Dumpster	6	\$1,375.22	3.70%	\$1,426.10
6 Yd Dumpster	7	\$1,857.88	3.70%	\$1,926.62
8 Yd Dumpster	1	\$375.36	3.70%	\$389.25
8 Yd Dumpster	2	\$698.50	3.70%	\$724.34
8 Yd Dumpster	3	\$969.78	3.70%	\$1,005.66
8 Yd Dumpster	4	\$1,296.02	3.70%	\$1,343.97
8 Yd Dumpster	5	\$1,622.15	3.70%	\$1,682.17
8 Yd Dumpster	6	\$1,835.52	3.70%	\$1,903.43
8 Yd Dumpster	7	\$2,387.11	3.70%	\$2,475.43
Sunday Service *		\$57.27	3.70%	\$59.39

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

- NOTE:** On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the following:
- Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for the month of June 2014 for January 1, 2015 and June 2015 for January 1, 2016;
 - Increase of 0.93% effective January 1, 2015 and 0.89% effective January 1, 2016 for increases in landfill disposal cost; and
 - Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for increases in AB939 fee cost.

Morro Bay Garbage Service



4388 Old Santa Fe Road • San Luis Obispo, CA 93401

City of Morro Bay
Janeen Burlingame
595 Harbor Street
Morro Bay, CA 93442

October 4, 2013

RECEIVED

City of Morro Bay
Public Services Department

Enclosed, please find the 2014 Base Year Rate Adjustment Application asking for a 3.7% increase. Between 2011 and 2012 residential revenue increased 4.49% vs the council approved 4.68% . Commercial revenue actually went down (2.76%) vs the council approved 4.68% increase. Between 2012 and 2013 we are projecting residential revenue to increase 4.11% vs the council approved 3.82%. Commercial revenue is stronger after a rough spell, projecting a 6.62% year over year increase vs the council approved 3.82%.

Controllable/allowable expenses from 2011 to the projected 2014 are down 3.7% or (\$54,000). Pass through/non controllable expenses from 2011 to 2014 are up 13.4% or \$70,000.

1. Landfill up \$42,000, majority of that is the \$2.25/ton expansion price increase.
2. Franchise fees are up \$22,000
3. AB939 fees to City of Morro Bay are up \$3,000
4. IWMA fees are up \$3,000

The \$2.25 per ton increase for the expansion of Cold Canyon Landfill accounts for 0.94% of the 3.7% request.

Over the past two year we've done a good job of controlling expenses. The need for the increase is being driven by the increased disposal costs and the weak commercial revenue. We are projecting 7 new commercial customers in hope that the improving trend continues.


Tom Martin, Gen Mgr
Morro Bay Garbage

2014 Base Year Rate Adjustment Application

Summary

Requested Increase

1. Rate Increase Requested

3.70%

Rate Schedule

Rate Schedule	Current Rate	Increased Rate	Adjustment (a)	New Rate	Cost Per Gallon
Single Family Residential					
2. Mini-Can Service (20 gallon can curb)	\$9.30	\$9.64		\$9.64	\$0.48
3. Economy Service (1 - can curb)	\$14.88	\$15.43		\$15.43	\$0.48
4. Standard Service (2- can curb)	\$29.76	\$30.86		\$30.86	\$0.48
5. Premium Service (3 - can curb)	\$44.64	\$46.29		\$46.29	\$0.48

(a) Calculated rates are rounded up to the nearest \$0.01.

6. **Multiunit Residential and Non-residential**

Rate increases of 3.70%
 will be applied to all rates in each structure
 with each rate rounded to the nearest \$0.01

Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the Rate Setting Manual.

Name: Tom Martin

Title: District Manager

Signature: 

Date: 10/04/13

RECEIVED

City of Morro Bay
 Public Services Department

BASE YEAR RATE ADJUSTMENT APPLICATION

RECEIVED

City of Morro Bay
Public Services Department**Financial Information**

Historical		Current	Projected	
2011	2012	2013	Base Year 2014	2015

(from Pg. 4)

Section I-Allowable Costs

6. Direct Labor	\$628,963	\$665,323	\$587,794	\$624,189	\$636,673
7. Corporate Overhead	\$52,903	\$54,808	\$55,740	\$56,743	\$57,878
8. Office Salaries	\$85,591	\$73,659	\$89,901	\$92,149	\$93,991
9. Other General and Admin Costs	\$695,922	\$613,669	\$644,813	\$629,145	\$641,727
10. Total Allowable Costs	\$1,463,379	\$1,407,459	\$1,378,248	\$1,402,225	\$1,430,270

Section II-Allowable Operating Profit

11. Operating Ratio	106.3%	101.2%	95.5%	93.0%	93.0%
12. Allowable Operating Profit	(\$87,174)	(\$16,729)	\$64,826	\$105,544	\$107,655

Section III-Pass Through Costs

13. Tipping Fees	\$ 299,834	\$ 293,449	\$ 326,359	\$ 342,046	\$ 342,046
14. Franchise Fees	\$168,055	\$180,910	\$186,277	\$190,114	\$190,114
AB939 fee to City of Morro Bay	\$20,706	\$20,706	\$22,500	\$23,340	\$24,040
15. IWMA fees	\$33,685	\$35,015	\$35,692	\$37,000	\$38,110
16. Lease Pmts to Affiliated Companies	\$0	\$0	\$0	\$7,222	\$0
17. Total Pass Through Costs	\$522,280	\$530,080	\$570,828	\$599,722	\$594,310

Section IV - Revenue Requirement

18. Revenue Requirement			\$2,107,491	\$2,132,235
19. Total Revenue Offsets (from Page 3)	\$1,898,485	\$1,920,810	\$2,013,902	\$2,040,355

Section V - Net Shortfall (Surplus)

20. Net Shortfall (Surplus)	\$67,136
-----------------------------	----------

21. Total Residential and Non-residential Revenue without increase in Base Year (pg.3, lines 32+40)	\$2,017,283
22. Percent Change in Residential and Non-residential Revenue Requirement	3.33%
23. Franchise Fee Adjustment Factor (1 - 6 percent)	90.000%
24. Percent Change in Existing Rates	3.70%

Base Year Rate Adjustment Application

Revenue Offset Summary

Section VII - Revenue Offsets

Historical		Current	Projected	
2011	2012	2013	Base Year 2014	2015

Residential Revenue (without increase in Base Yr.)

RECEIVED

 City of Morro Bay
 Public Services Department

28. Single Family Residential	\$918,299	\$959,486	\$998,960	\$1,002,020	\$1,032,081
Multiunit Residential Dumpster					
29. Number of Accounts					
30. Revenues					
31. Less Allowance for Uncollectible Resid Accounts				\$0	
32. Total Residential Revenue	\$918,299	\$959,486	\$998,960	\$1,002,020	\$1,032,081

Non-residential Revenue (without increase in Base Yr.)

Account Type

Non-residential Can

33. Number of Accounts	29	29	30	30	
34. Revenues	\$26,479	\$27,611	\$46,862	\$46,862	\$48,268

Non-residential Wastewheeler

35. Number of Accounts	133	130	133	136	
36. Revenues	\$77,825	\$79,065	\$83,584	\$85,469	\$88,033

Non-residential Dumpster

37. Number of Accounts	342	349	354	194	529
38. Revenues	\$861,269	\$832,232	\$870,635	\$882,932	\$909,420

39. Less: Allowance for Uncollectible Non-resid					
---	--	--	--	--	--

40. Total Non-residential Revenue	\$965,573	\$938,908	\$1,001,081	\$1,015,263	\$1,045,721
--	-----------	-----------	-------------	-------------	-------------

45. Interest on Investments	\$13,586	\$21,572	\$12,414	\$21,572	\$21,572
------------------------------------	----------	----------	----------	----------	----------

46. Other Income	\$1,027	\$844	\$1,447	\$1,500	\$1,500
-------------------------	---------	-------	---------	---------	---------

47. Total Revenue Offsets	\$1,898,485	\$1,920,810	\$2,013,902	\$2,040,355	\$2,100,874
----------------------------------	-------------	-------------	-------------	-------------	-------------

Base Year Rate Adjustment Application

Cost Summary for Base Year

Section VIII-Base Year Cost Allocation

Description of Cost

	2011	2012	2013	2014
Labor	\$582,297	\$625,520	\$548,253	\$583,659
Payroll Taxes	\$46,666	\$39,803	\$39,541	\$40,530
48. Total Direct Labor	\$628,963	\$665,323	\$587,794	\$624,189
49. Corporate Overhead	\$89,240	\$132,635	\$76,337	\$78,245
Less limitation (enter as negative)	(\$36,337)	(\$77,827)	(\$20,597)	(\$21,502)
Total Corporate Overhead	\$52,903	\$54,808	\$55,740	\$56,743
Office Salary	\$81,440	\$71,066	\$86,776	\$88,945
Payroll Taxes	\$4,151	\$2,593	\$3,125	\$3,203
50. Total Office Salaries	\$85,591	\$73,659	\$89,901	\$92,149
Allocated expenses	\$0	\$0	\$0	
Bad Debt	\$700	\$1,378	\$1,297	\$1,200
Computer Services				
Depreciation on Trucks/Containers	\$199,654	\$175,807	\$157,357	\$139,284
Drivecam fees	\$4,441	\$5,132	\$4,787	\$4,883
Dues and Subscriptions	\$1,386	\$986	\$889	\$907
Gas and oil	\$161,859	\$117,144	\$132,363	\$135,010
Interest Expense				\$0
Legal and Accounting	\$10,697	\$12,016	\$14,286	\$14,572
Miscellaneous and Other	\$931	\$743	\$1,994	\$2,034
Office Expense	\$20,017	\$19,195	\$25,823	\$26,339
Operating Supplies	\$4,339	\$2,470	\$2,731	\$2,786
Other Insurance	\$103,471	\$68,773	\$70,654	\$72,067
Medical Insurance	\$76,839	\$93,375	\$113,880	\$116,158
Other Taxes	\$5,296	\$3,581	\$5,490	\$5,600
Outside Services	\$362	\$373	\$1,160	\$1,183
Permits	\$10,567	\$9,934	\$10,816	\$11,032
Postage	\$545	\$3,824	\$3,073	\$3,134
Public Relations and Promotion	\$2,661	\$2,375	\$649	\$662
Recycling				\$0
Rent	\$6,656	\$6,893	\$7,080	
Telephone	\$4,492	\$3,620	\$3,195	\$3,259
Tires	\$15,658	\$15,972	\$14,663	\$14,956
Travel	\$73	\$41	\$2,576	\$2,628
Transportation-related party	\$804	\$731		\$0
Truck License				\$0
Truck Repairs	\$60,287	\$65,930	\$66,387	\$67,715
Uniforms	\$4,187	\$3,376	\$2,817	\$2,873
Utilities			\$846	\$863
51. Total Other Gen/Admin Costs	\$695,922	\$613,669	\$644,813	\$629,145
52. Total Tipping Fees	\$ 299,834	\$ 293,449	\$ 326,359	\$ 342,046
53. Total Franchise Fee	\$168,055	\$180,910	\$186,277	\$190,114
Total AB939 fees to City	\$20,706	\$20,706	\$22,500	\$23,340
54. Total IWMA Regulatory Fees	\$33,685	\$35,015	\$35,692	\$37,000
55. Total Lease Pmt to Affil Co.'s				\$7,222
56. Total Cost	\$1,985,659	\$1,937,539	\$1,949,076	\$2,001,947

RECEIVED

 City of Morro Bay
 Public Services Department

Base Year Rate Adjustment Application

Base Year Revenue Offset Summary

For Information Purposes Only

Section VII-Revenue Offsets

Description of Revenue

Overall Total	Franchise Total	Refuse Collection			
		Morro Bay	growth	IWMA FEE	State Parks

Residential Revenue

(without increase in Base Year)

57.	Single Family Residential	\$1,002,020	\$1,002,020	\$982,265	\$3,060	\$16,695	
	Multiunit Residential Dumpster						
58.	Number of Accounts	\$0	\$0				
59.	Revenues	\$0	\$0				
60.	Less Allowance for Uncollectable	\$0	\$0				
61.	Total Residential Revenue	\$1,002,020	\$1,002,020	\$982,265	\$3,060	\$16,695	\$0

Non-residential Revenue (without increase in Base Year)

Account Type

Non-residential Can

62.	Number of Accounts	30	30	30			
63.	Revenues	\$46,862	\$46,862	\$45,925	\$0	\$937	

Non-residential Wastewheeler

64.	Number of Accounts	136	136	136			
65.	Revenues	\$85,469	\$85,469	\$81,875	\$1,885	\$1,709	

Non-residential Dumpster

66.	Number of Accounts	360	359	359			1
67.	Revenues	\$882,932	\$801,601	\$771,645	\$12,297	\$17,659	\$81,331

68. Less: Allowance for Uncollectible

Non-residential Accounts

		\$0	\$0				
--	--	-----	-----	--	--	--	--

69.	Total Non-residential Revenue	\$1,015,263	\$933,932	\$899,445	\$14,182	\$20,305	\$81,331
-----	--------------------------------------	--------------------	------------------	------------------	-----------------	-----------------	-----------------

74.	Interest on Investments	\$21,572					\$21,572
-----	--------------------------------	-----------------	--	--	--	--	-----------------

75.	Other Income	\$1,500		\$0			\$1,500
-----	---------------------	----------------	--	------------	--	--	----------------

00

76.	Total Revenue Offsets	\$2,040,355	\$1,935,952	\$1,881,710	\$17,242	\$37,000	\$104,403
-----	------------------------------	--------------------	--------------------	--------------------	-----------------	-----------------	------------------

Fiscal Year: 1-1-2014 to 12-31-2014

Pg. 5 of 6

RECEIVED

2014

Base Year Rate Adjustment Application

Operating Information

Historical				Current		Projected		
2011	Percent Change	2012	Percent Change	2013	Percent Change	Base Year 2014	Percent Change	2015

Section IX-Operating Data

Residential & Commercial Garbage

77. Accounts-Residential	4,538	0.4%	4,555	0.3%	4,569	0.3%	4,583	0.3%	4,597
Accounts-Commercial	504	0.8%	508	1.8%	517	1.7%	526	0.6%	529
78. Routes	3	0.0%	3	0.0%	3	0.0%	3	0.0%	3
79. Tons Collected	7,572	-0.1%	7,562	-0.8%	7,500	0.0%	7,500	0.0%	7,500
80. Direct Labor Hours	8,320	0.0%	8,320	0.0%	8,320	0.0%	8,320	0.0%	8,320

Recyclable Materials - Curbside Recycling-City of Morro Bay

85. Accounts	5,042	0.4%	5,063	0.5%	5,086	0.5%	5,109	0.3%	5,126
86. Routes	2	0.0%	2	0.0%	2	0.0%	2	0.0%	2
Tons Collected	2,235	-4.0%	2,145	-3.9%	2,062	-0.1%	2,060	-0.5%	2,050
87. Direct Labor Hours	4,160	0.0%	4,160	0.0%	4,160	0.0%	4,160	0.0%	4,160

Recyclable Materials - Greenwaste Collection-City of Morro Bay

88. Accounts	5,042	0.4%	5,063	0.5%	5,086	0.5%	5,109	0.3%	5,126
89. Routes	1	0.0%	1	0.0%	1	0.0%	1	0.0%	1
Tons Collected	1,526	11.0%	1,694	11.8%	1,894	0.3%	1,900	0.0%	1,900
90. Direct Labor Hours	2,080	0.0%	2,080	0.0%	2,080	0.0%	2,080	0.0%	2,080

RECEIVED

2014-07-01

City of Morro Bay
Public Services Department

**CITY OF MORRO BAY
NOTICE OF PUBLIC HEARING REGARDING
PROPOSED SOLID WASTE RATE INCREASE**

Dear Property Owners and Tenants-Customers:

This notice is intended to inform you the City Council of the City of Morro Bay (“the City”) will hold a public hearing regarding solid waste disposal rate increases (the “Proposed Rate Increase”) proposed by Morro Bay Garbage Service, Inc. (“the Garbage Company”) for properties and customers receiving solid waste services within the City. The Proposed Rate Increase will be considered by the Morro Bay City Council at the date, time and location specified below. Consistent with the requirements of Proposition 218, this notice also provides you with the following information:

- Date, Time and Place of the Public Hearing
- Majority Protest Procedures
- Reason for the Proposed Rate Increases
- Basis Upon Which the Proposed Rate Increases are Calculated
- Proposed Rate Increase Amounts

NOTICE OF PUBLIC HEARING

A Public Hearing for the Proposed Solid Waste Rate Increases within the City limits will be held on:

Date: July 8, 2014

Time: 6:00 pm

Place: Morro Bay City Council Chambers, Veterans Memorial Building, 209 Surf Street, Morro Bay, CA

At the Public Hearing, the Morro Bay City Council will consider all public comment in support of and in opposition to the Proposed Rate Increase and whether or not a Majority Protest exists pursuant to the California Constitution (below). If approved, then the Proposed Rate Increase would become effective 30 days after adoption of the resolution approving the increase.

MAJORITY PROTEST PROCEDURES

Pursuant to Section 6 of Article XIII D of the California Constitution, the following persons may submit a written protest against the Proposed Rate Increase to the City Clerk before the close of the Public Hearing referenced above:

- An owner(s) of property (parcel(s)) receiving solid waste service within the City limits. If the person(s) signing the protest, as an owner, is not shown on the last equalized assessment roll as the owner of the parcel(s), then the protest must contain or be accompanied by written evidence the person signing the protest is the owner of the parcel(s) receiving solid waste services; and
- A tenant-customer(s) whose name appears on the Garbage Company’s records as the customer of record for the corresponding parcel receiving solid waste service within the city limits (tenant-customer).

A valid written protest must (i) contain a statement you protest the increase in solid waste rates, (ii) include the address OR Assessor’s Parcel Number (APN) of the parcel or parcels which receive solid waste service and (iii) be signed by either the owner or the tenant-customer of the parcel or parcels. Only one written protest per parcel shall be counted in calculating a majority protest to the proposed solid waste rate increase subject to the requirements of Section 6 of Article XIII D of the California Constitution. Written protests will not be accepted by e-mail or by facsimile. Although oral comments at the public hearing will not qualify as formal protests, unless accompanied by a written protest, the Mayor and City Council welcome input from the community during the public hearing. To be counted, a protest must be received, in writing, by the City Clerk before the close of the Public Hearing referenced above.

Written protests regarding the solid waste rate increase may be mailed to:

**City of Morro Bay
Attn: City Clerk
595 Harbor Street
Morro Bay, CA 93442.**

Any mailed protest must be received by the City Clerk before 3 p.m. on July 8, 2014.

Written protests may also be personally delivered to the City Clerk at Morro Bay City Hall located at 595 Harbor Street, Morro Bay, California by 5 p.m. on July 8, 2014, or submitted to the City Clerk at Veterans Memorial Building on July 8, 2014, before the Public Hearing is closed.

If valid written protests are presented by a majority of owners and/or tenants-customers of parcels receiving solid waste service within the city limits, then the City will not adjust/increase the solid waste disposal rates. Only one protest per parcel will be counted in determining whether or not a majority protest exists.

REASON FOR THE PROPOSED RATE INCREASES

The Proposed Rate Increases (amounting to an average increase of approximately 3.7% for each category of service) are necessary for the Garbage Company to continue to provide safe, environmentally sound and reliable solid waste removal, transportation and disposal services to the citizens of the City of Morro Bay. The increases requested by the Garbage Company are due to increasing operational costs. Several factors have contributed to those increased costs, including, but not limited to, increased costs associated with operation of and fuel for vehicles, ongoing maintenance, increased labor costs, increased landfill rates, increased green waste fees, and increased costs associated with meeting more stringent State and Federal regulations.

BASIS UPON WHICH THE PROPOSED RATE INCREASE IS CALCULATED

The Proposed Rate Increases of 3.7% for each category of service are based on the following cost increases incurred by the Garbage Company:

1. 2.76% of the Proposed Rate Increases are based on increased costs for fuel, vehicles, ongoing maintenance, and increased Garbage Company labor costs.
2. 0.94% of the Proposed Rate Increases are based on a \$2.25 per ton increase in the cost of landfill disposal.

In addition, commencing on January 1, 2015 and January 1 2016, all the rates shall be increased based on the following:

1. Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for the month of June 2014 for January 1, 2015 and June 2015 for January 1, 2016.
2. Increase of 0.93% for 2015 and 0.89% for 2016 for increase in landfill disposal cost.
3. Increase, if any, in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers U.S. City Average published by the U.S. Department of Labor, Bureau of Labor Statistics for increase in AB939 fee cost.

A copy of the 2014 Base Year Rate Adjustment Application, which provides additional information on the proposed rate increases, is available at the City Clerk's office located at 595 Harbor Street, Morro Bay, CA

PROPOSED RATE INCREASE AMOUNTS

The following charts (on pages 3-7) provide a summary of the current solid waste rates and the Proposed Rate Increases:

Morro Bay Garbage				
SERVICE DESCRIPTION	PICK UPS PER WEEK	CURRENT RATE EFFECTIVE 01/01/13	PROPOSED RATE ADJUSTMENT %	NEW MONTHLY RATE EFFECTIVE 09/01/14
SINGLE-FAMILY AND MULTI-UNIT RESIDENTIAL (4 UNITS OR LESS)				
Price per month for specified waste-wheeler container collected once each week. Greenwaste and recycling service is included at no additional charge.				
MINI-CAN SERVICE				
One 19 gallon waste wheeler container	1	\$9.30	3.70%	\$9.64
ECONOMY RATE				
One 32 gallon waste wheeler container	1	\$14.88	3.70%	\$15.43
STANDARD RATE				
One 64 gallon waste wheeler container	1	\$29.76	3.70%	\$30.86
PREMIUM RATE				
One 96 gallon waste wheeler container	1	\$44.64	3.70%	\$46.29
PREMIUM PLUS RATE				
One 96 gallon waste wheeler at the premium rate plus an additional charge of:				
One 32 gallon waste wheeler container	1	\$11.77	3.70%	\$12.21
One 64 gallon waste wheeler container	1	\$23.55	3.70%	\$24.42
One 96 gallon waste wheeler container	1	\$35.33	3.70%	\$36.64
SERVICE AWAY FROM THE STREET CURB				
Additional per month per can or container charge		\$8.11	3.70%	\$8.41
NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increases as described on Page 2]				
EXTRA COLLECTIONS WITH PICKUP OR FLATBED TRUCK (Phone call required)				
Per garbage can or equivalent volume. (Over 6 cans by quotation)		\$7.42	3.70%	\$7.69
Overfilled waste wheeler		\$7.42	3.70%	\$7.69
Extra recycling		\$3.72	3.70%	\$3.86
Extra greenwaste		\$3.72	3.70%	\$3.86
Switch waste wheeler more than once per 12 months		\$27.05	3.70%	\$28.05
Per white good article/ appliance. (Once a month only)		\$47.33	3.70%	\$49.08
Per mattress or boxspring.		\$13.53	3.70%	\$14.03
Change waste wheeler size (once per year free)		\$27.03	3.70%	\$28.03

Re-deliver container fee-if pulled for collections		\$27.03	3.70%	\$28.03
Tires (limit 2 per month)		\$2.71	3.70%	\$2.81
Tires with rims(limit 2 per month)		\$3.80	3.70%	\$3.94
Replace burned/destroyed waste wheeler		\$58.85	3.70%	\$61.03
Replace burned/destroyed lids		\$58.85	3.70%	\$61.03
Replace burned/destroyed container		\$400.00	3.70%	\$414.80

Polystyrene (Styrofoam, Plastic #6) is no longer collected for recycling and should be thrown away as trash. Greenwaste is recycled in a special green waste wheeler and is picked up once a week at no additional charge. Recycling and greenwaste containers should be placed near/next to your garbage bin for collection.

NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increases as described on Page 2]

COMMERCIAL WASTE WHEELERS SERVICE PER MONTH

One 32 Gallon Waste Wheeler	1	\$30.72	3.70%	\$31.86
One 32 Gallon Waste Wheeler	2	\$59.98	3.70%	\$62.20
One 32 Gallon Waste Wheeler	3	\$78.45	3.70%	\$81.35
One 32 Gallon Waste Wheeler	4	\$96.93	3.70%	\$100.52
One 32 Gallon Waste Wheeler	5	\$126.18	3.70%	\$130.85
One 32 Gallon Waste Wheeler	6	\$155.44	3.70%	\$161.19
One 32 Gallon Waste Wheeler	7	\$185.27	3.70%	\$192.12
One 64 Gallon Waste Wheeler	1	\$44.59	3.70%	\$46.24
One 64 Gallon Waste Wheeler	2	\$78.45	3.70%	\$81.35
One 64 Gallon Waste Wheeler	3	\$113.87	3.70%	\$118.08
One 64 Gallon Waste Wheeler	4	\$153.88	3.70%	\$159.57
One 64 Gallon Waste Wheeler	5	\$192.38	3.70%	\$199.50
One 64 Gallon Waste Wheeler	6	\$224.71	3.70%	\$233.02
One 64 Gallon Waste Wheeler	7	\$264.65	3.70%	\$274.44
One 96 Gallon Waste Wheeler	1	\$59.98	3.70%	\$62.20
One 96 Gallon Waste Wheeler	2	\$104.60	3.70%	\$108.47
One 96 Gallon Waste Wheeler	3	\$153.88	3.70%	\$159.57
One 96 Gallon Waste Wheeler	4	\$204.69	3.70%	\$212.26
One 96 Gallon Waste Wheeler	5	\$249.34	3.70%	\$258.57
One 96 Gallon Waste Wheeler	6	\$304.74	3.70%	\$316.02
One 96 Gallon Waste Wheeler	7	\$367.71	3.70%	\$381.32

NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increase as described on Page 2]

COMMERCIAL DUMPSTER CONTAINER SERVICE - In cubic yards

1 Yd Dumpster	1	\$75.66	3.70%	\$78.46
1 Yd Dumpster	2	\$117.23	3.70%	\$121.57
1 Yd Dumpster	3	\$151.09	3.70%	\$156.68
1 Yd Dumpster	4	\$189.58	3.70%	\$196.59
1 Yd Dumpster	5	\$218.84	3.70%	\$226.94
1 Yd Dumpster	6	\$272.70	3.70%	\$282.79
1 Yd Dumpster	7	\$412.01	3.70%	\$427.25
1.5 Yd Dumpster	1	\$92.59	3.70%	\$96.02
1.5 Yd Dumpster	2	\$152.65	3.70%	\$158.30
1.5 Yd Dumpster	3	\$205.00	3.70%	\$212.59
1.5 Yd Dumpster	4	\$260.42	3.70%	\$270.06

1.5 Yd Dumpster	5	\$312.77	3.70%	\$324.34
1.5 Yd Dumpster	6	\$372.81	3.70%	\$386.60
1.5 Yd Dumpster	7	\$546.91	3.70%	\$567.15
2 Yd Dumpster	1	\$111.08	3.70%	\$115.19
2 Yd Dumpster	2	\$194.20	3.70%	\$201.39
2 Yd Dumpster	3	\$260.42	3.70%	\$270.06
2 Yd Dumpster	4	\$331.23	3.70%	\$343.49
2 Yd Dumpster	5	\$405.14	3.70%	\$420.13
2 Yd Dumpster	6	\$479.03	3.70%	\$496.75
2 Yd Dumpster	7	\$687.94	3.70%	\$713.39
3 Yd Dumpster	1	\$143.43	3.70%	\$148.74
3 Yd Dumpster	2	\$260.42	3.70%	\$270.06
3 Yd Dumpster	3	\$366.65	3.70%	\$380.22
3 Yd Dumpster	4	\$465.17	3.70%	\$482.38
3 Yd Dumpster	5	\$602.20	3.70%	\$624.48
3 Yd Dumpster	6	\$694.56	3.70%	\$720.26
3 Yd Dumpster	7	\$938.33	3.70%	\$973.05
4 Yd Dumpster	1	\$189.58	3.70%	\$196.59
4 Yd Dumpster	2	\$352.78	3.70%	\$365.83
4 Yd Dumpster	3	\$489.79	3.70%	\$507.91
4 Yd Dumpster	4	\$654.55	3.70%	\$678.77
4 Yd Dumpster	5	\$819.26	3.70%	\$849.57
4 Yd Dumpster	6	\$927.03	3.70%	\$961.33
4 Yd Dumpster	7	\$1,205.61	3.70%	\$1,250.22
6 Yd Dumpster	1	\$283.99	3.70%	\$294.50
6 Yd Dumpster	2	\$515.63	3.70%	\$534.71
6 Yd Dumpster	3	\$725.97	3.70%	\$752.83
6 Yd Dumpster	4	\$921.03	3.70%	\$955.11
6 Yd Dumpster	5	\$1,192.35	3.70%	\$1,236.47
6 Yd Dumpster	6	\$1,375.22	3.70%	\$1,426.10
6 Yd Dumpster	7	\$1,857.88	3.70%	\$1,926.62
8 Yd Dumpster	1	\$375.36	3.70%	\$389.25
8 Yd Dumpster	2	\$698.50	3.70%	\$724.34
8 Yd Dumpster	3	\$969.78	3.70%	\$1,005.66
8 Yd Dumpster	4	\$1,296.02	3.70%	\$1,343.97
8 Yd Dumpster	5	\$1,622.15	3.70%	\$1,682.17
8 Yd Dumpster	6	\$1,835.52	3.70%	\$1,903.43
8 Yd Dumpster	7	\$2,387.11	3.70%	\$2,475.43
Sunday Service *		\$57.27	3.70%	\$59.39
The rates shown above include the monthly container rental fee and are the same for bins and garwoods, when volume is identical. (Bins and garwoods are types of containers)				
NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increases as described on Page 2]				

UNSCHEDULED EXTRA COLLECTIONS				
FOR COMMERCIAL CUSTOMERS & MULTI-UNIT				
Per bag		\$10.12	3.70%	\$10.49
1 CUBIC YARD		\$19.50	3.70%	\$20.22
1.5 CUBIC YARDS		\$29.27	3.70%	\$30.35
2 CUBIC YARDS		\$39.02	3.70%	\$40.46
3 CUBIC YARDS		\$58.50	3.70%	\$60.66
4 CUBIC YARDS		\$78.00	3.70%	\$80.89
NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increases as described on Page 2]				
RECYCLING SERVICES				
CARDBOARD & COMMINGLED RECYCLING COLLECTION OF COMMERCIAL DUMPSTER CONTAINERS				
All commercial customers pay \$3.00 per month for commercial recycling services. This charge includes all recycling services except collection of cardboard in excess of 2 yards once a week. This base charge has already been added to the rates above, for				
1 Yd Dumpster	1	INCLUDED *		INCLUDED *
1 Yd Dumpster	2	\$30.67	3.70%	\$31.80
1 Yd Dumpster	3	\$39.52	3.70%	\$40.98
1 Yd Dumpster	4	\$49.58	3.70%	\$51.41
1 Yd Dumpster	5	\$57.24	3.70%	\$59.36
1 Yd Dumpster	6	\$71.32	3.70%	\$73.96
1 Yd Dumpster	7	\$107.77	3.70%	\$111.76
1.5 Yd Dumpster	1	INCLUDED *		INCLUDED *
1.5 Yd Dumpster	2	\$39.93	3.70%	\$41.41
1.5 Yd Dumpster	3	\$53.62	3.70%	\$55.60
1.5 Yd Dumpster	4	\$68.12	3.70%	\$70.64
1.5 Yd Dumpster	5	\$81.80	3.70%	\$84.83
1.5 Yd Dumpster	6	\$97.51	3.70%	\$101.12
1.5 Yd Dumpster	7	\$143.04	3.70%	\$148.33
2 Yd Dumpster	1	INCLUDED *		INCLUDED *
2 Yd Dumpster	2	\$50.79	3.70%	\$52.67
2 Yd Dumpster	3	\$68.12	3.70%	\$70.64
2 Yd Dumpster	4	\$86.64	3.70%	\$89.85
2 Yd Dumpster	5	\$105.97	3.70%	\$109.89
2 Yd Dumpster	6	\$125.29	3.70%	\$129.93
2 Yd Dumpster	7	\$179.93	3.70%	\$186.59
3 Yd Dumpster	1	INCLUDED *		INCLUDED *
3 Yd Dumpster	2	\$68.12	3.70%	\$70.64
3 Yd Dumpster	3	\$95.90	3.70%	\$99.45
3 Yd Dumpster	4	\$121.67	3.70%	\$126.17
3 Yd Dumpster	5	\$157.51	3.70%	\$163.34
3 Yd Dumpster	6	\$181.65	3.70%	\$188.37
3 Yd Dumpster	7	\$245.42	3.70%	\$254.50

4 Yd Dumpster	1	INCLUDED *		INCLUDED *
4 Yd Dumpster	2	\$92.26	3.70%	\$95.67
4 Yd Dumpster	3	\$128.11	3.70%	\$132.85
4 Yd Dumpster	4	\$171.20	3.70%	\$177.53
4 Yd Dumpster	5	\$214.28	3.70%	\$222.21
4 Yd Dumpster	6	\$242.46	3.70%	\$251.43
4 Yd Dumpster	7	\$315.32	3.70%	\$326.99
6 Yd Dumpster	1	INCLUDED *		INCLUDED *
6 Yd Dumpster	2	\$128.91	3.70%	\$133.68
6 Yd Dumpster	3	\$181.49	3.70%	\$188.21
6 Yd Dumpster	4	\$230.26	3.70%	\$238.78
6 Yd Dumpster	5	\$298.09	3.70%	\$309.12
6 Yd Dumpster	6	\$343.81	3.70%	\$356.53
6 Yd Dumpster	7	\$464.47	3.70%	\$481.66
8 Yd Dumpster	1	INCLUDED *		INCLUDED *
8 Yd Dumpster	2	\$174.63	3.70%	\$181.09
8 Yd Dumpster	3	\$242.45	3.70%	\$251.42
8 Yd Dumpster	4	\$324.00	3.70%	\$335.99
8 Yd Dumpster	5	\$405.54	3.70%	\$420.54
8 Yd Dumpster	6	\$458.88	3.70%	\$475.86
8 Yd Dumpster	7	\$596.78	3.70%	\$618.86
NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increases as described on Page 2]				

MISC CHARGES				
Trip charge	each	\$6.75	3.70%	\$7.00
Install locking device on bin	each	\$60.00	3.70%	\$62.22
Bin cleaning fee (commercial get 2 per year free)	each	\$47.72	3.70%	\$49.49

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

All commercial customers are eligible for standard waste wheeler recycling and greenwaste services at no additional charge. Commercial customers can choose from a 32, 64, or 96 gallon blue waste wheeler for commingled recycling.

White office paper can be commingled with the other recyclables in the blue waste wheeler.

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

Greenwaste is recycled in a special green waste wheeler and is picked up once a week at no additional charge.

NOTE: On January 1 of 2015 and 2016, the foregoing rates shall be increased based on the CPI, landfill disposal and AB939 increases as described on Page 2]

FURTHER INFORMATION

If you have questions about the Proposed Rate Increase, then please contact the Garbage Company at 543-0875.



AGENDA NO: C-1

MEETING DATE: July 8, 2014

Staff Report

TO: Honorable Mayor and City Council

DATE: June 30, 2014

FROM: Eric Endersby, Harbor Director

SUBJECT: Approval of Consent of Landowner Agreement for United States Coast Guard to Begin Development Application Process for Construction of Additional Facility Building in Lease Sites 138-139 Located at 1253 and 1257 Embarcadero

RECOMMENDATION

Staff recommends Council consider the United States Coast Guard's (USCG) proposal and Consent of Landowner being presented and provide input and direction. Staff is recommending approval of the Consent of Landowner to enable USCG to begin the planning and permitting processes for their proposed building.

ALTERNATIVES

1. Approve Consent of Landowner as presented, allowing the USCG to begin the planning and permitting process to build their proposed project.
2. Approve Consent of Landowner with Council, providing changes or conditions to that approval.
3. Do not approve Consent of Landowner.

FISCAL IMPACT

There is no fiscal impact at this time. There is potential positive future fiscal impact to the Harbor Fund if the proposal is completed and subsequent new lease revenue is realized.

SUMMARY

The USCG is proposing to construct an additional building on the essentially empty lease sites 138-139 and relocate the public restroom/shower on lease site 138 to provide their station additional space to meet their mission needs. Several sites and alternatives have been considered by USCG, City Council and staff, and the site being proposed appears to be the best and most viable one at this time. USCG is prepared to pay for the cost of relocating the public restroom/shower, and is seeking City Council support in the form of a Consent of Landowner to begin the planning, permitting and public review processes for their proposal.

Prepared By: EE

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

BACKGROUND

Beginning in summer/fall of 2013, the USCG indicated to the City they had acquired funding to build an approximate 2,500-3,500 square-foot building to augment their existing station of approximately 3,500 square feet. USCG reports that Morro Bay's station needs, according to their mission and staffing, is approximately 14,000 square feet.

Several potential locations were studied and evaluated by the USCG and the City in attempts to meet the USCG's parameters to include location footprint size, proximity to their existing station, availability/ownership, minimal number of infrastructure hurdles such as existing improvements and utilities, and potential for moving forward as quickly as possible as their funding source has time constraints on its use.

DISCUSSION

Two locations were identified by the USCG and the City as potential sites for the proposed facility; the existing Harbor Department's site, and Lease Sites 138-139 located at 1253-1257 Embarcadero. Lease site 138-139 begins at the north side of the Crill's Saltwater Taffy building and incorporates the public restroom/shower immediately south of the Harbor Department.

In addition, a third site (the "Pending Possible Location") may be available, but public discussion of that site is limited at this time due to pending sublessor and sublessee rights and obligations. Staff will return to Council at a public meeting to further discuss that alternative if those rights and obligations are satisfactorily reconciled. The Consent of Landowner presented for approval includes language to allow staff and the USCG to commence planning design if that property also becomes available.

USCG is most desirous of the Harbor Department site; however, to date they have indicated it would be unable to replace the Harbor Department's building, and currently the City does not have sufficient funds to replace the building on its own. Barring any changes in status to the Harbor Department site's availability or other more advantageous locations that may be identified, the USCG is earnestly pursuing the 138-139 lease site as its primary location at this time. Since the USCG desires all of the space available at that site, it is proposing to replace, in-kind, the restroom/shower facility at a nearby location to be identified by the City.

In order to keep all potential options open, a Consent of Landowner agreement between the USCG and City, with flexible language, is being presented to the City Council for consideration. Consent on both identified locations is conditioned on replacement of the public restroom/shower facility in the case of lease site 138-139, and replacement of the Harbor Department building in the case of the Harbor Department's current site.

No matter the location, if the USCG obtains a Consent of Landowner, then it will still be subject to the standard planning and permitting process with the City and other agencies, including California Environmental Quality Act (CEQA) analysis, with the exception the Federal government is not required to obtain a Coastal Commission Coastal Development Permit, but instead must obtain Federal concurrence with Coastal's permitting parameters and requirements. Once CEQA analysis is complete, the City can then begin negotiating a new lease for the proposed site and facility.

Assuming lease site 138-139 remains the site of choice for the USCG, concurrent to the USCG's planning and permitting process on its building will be the planning and permitting process for the restroom/shower replacement. While the USCG has committed to funding this replacement, they are not willing or able to undertake the process itself; rather, they require that the City undertake and complete it on a reimbursement basis. Preliminary cost estimates for this replacement range from \$175,000 to \$200,000.

As written, the Consent of Landowner agreement contains conditions that protect the City's interest to have the restroom/shower replaced (or Harbor Department building if that option is exercised). The Consent will ensure, in addition to the eventual permits as conditioned by the City, the restroom/shower has an established location and is permittable and buildable at the determined cost. In other words, if for some reason a suitable and acceptable restroom/shower (or Harbor Department) location is not identified by the City or is not permittable, then the USCG will not be able to move forward with its project. Both projects must be able to move forward concurrently.

Staff is seeking Council consideration of the Consent of Landowner agreement being presented, input and evaluation of the proposed USCG building, as well as input and evaluation of possible restroom/shower locations.

Alternate locations for the restroom/shower facility are very limited and proximity to the North T-Pier area and boaters is the primary siting element. As such, one option identified at this time is in the nearby parking spaces that face Embarcadero Road. A preliminary estimate of five to seven parking spaces would be lost in any design sited in the parking lot location. Challenges to this site include the viability of a designated and ADA-accessible path to and from the facility, as well as the suitability of such a facility "orphaned" out in the parking lot without consideration of the overall master planning of the area including the eventual construction of the boardwalk connector through the area.

If the Pending Possible Location or the Harbor Department relocation becomes viable, then the issues relating to relocation of the restroom/shower to parking spaces adjacent Embarcadero Road may no longer be an issue.

If the Harbor Department site ascends to primary consideration, then alternate locations for a new Harbor Department building are more limited, with the only potentially viable site at this time being the 138-139 lease site. Challenges with that site, aside from cost, are the possible displacement of the restroom/shower building and the site's view opportunities of the harbor entrance and approaches by the Harbor Patrol for safety and monitoring purposes.

A concept site plan and building designs for the proposed new USCG building provided by the USCG are included with this staff report, as is a draft Consent of Landowner agreement.

CONCLUSION

In the proposed Consent of Landowner agreement being presented for USCG's proposed new

building, issues for the City Council to consider are:

- A. Whether or not to give the USCG consent to begin the planning and permitting process for its proposal on one or more sites at this time without more detail,
- B. Should any preliminary conditions or parameters be set for the design/configuration of the USCG building,
- C. Should the Consent of Landowner be conditioned on the restroom/shower facility displacement/relocation, other than as currently being proposed,
- D. Where would the best relocation site be for the restroom/shower facility?

Staff recommends Council approval of the Consent of Landowner for lease site 138-139 to enable USCG to begin the planning and permitting processes for their proposed building. If approved, then, with Council input from this meeting, City staff will concurrently begin the siting, design, planning and permitting process for the restroom/shower relocation. In addition, staff will continue to explore alternate locations for the USCG building, including, but not limited to, the current Harbor Department building location. In the case of the Harbor Department building location, City consent of that location would be contingent upon USCG ability to replace the Harbor Department building in a mutually agreeable location at USCG's sole cost and expense.



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

Consent For:

Development of Lease Sites 138-139, located at 1253 & 1257 Embarcadero Road, by United States Coast Guard (USCG), as proposed in letter dated April 23, 2014 and attached plans, and negotiation of new lease.

Site Location: Lease Sites 138-139, 1253 & 1257 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: U.S. Coast Guard, Planning/Real Property Telephone: (510) 637-5537

Address: 1301 Clay Street, Suite 700N City: Oakland State: CA Zip: 94612-5203

The undersigned Trustee of record of the above noted Tidelands Trust property for which an application for a permit, business license or other City entitlements is being requested, does certify that:

Building Permits, Land Use Permits: Such application may be filed and processed with the City's full consent, under the conditions as set forth below. The applicant is authorized to contact the City's building and planning departments in connection with this matter and regarding necessary land use entitlements ("Land Use Permits"). The City retains the right to enter upon the land described herein at any time 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 Permits approval or evaluation of the satisfactory completion of development authorized through Land Use Permits approval, including continuing compliance with any conditions of approval.

Conditions of Consent of Landowner:

1. USCG and City understand and agree the public restroom/shower facility on lease site 139 will be relocated at sole cost and expense of USCG. The new restroom/shower facility is agreed to be an "in-kind" replacement to the existing restroom/shower facility with regard to number of fixtures and amenities, upgraded as-necessary to meet any new code or compliance requirements.
2. USCG and City further understand and agree City will be responsible for determining the restroom/shower relocation site, and all design, planning, permitting, and construction of the

relocated restroom/shower facility; provided, that USCG shall fully reimburse City for the cost related to the foregoing, including all City personnel staff time costs.

3. USCG and City further understand and agree final approval of USCG to construct USCG's proposed building is contingent upon City obtaining all necessary permits and permissions to construct the restroom/shower facility.
4. USCG and City agree, if an alternate suitable location for USCG's proposed building is identified, then City consents to exploration of relocating USCG's building proposal to that alternate location. Since time and timing, however, is of the essence to USCG and the City is interested in assisting USCG with its project, to the extent that it can, City will take reasonable steps for finding a mutually acceptable alternate location for the USCG proposed building, including, but not limited to, the current Harbor Department office location.
5. USCG and City further agree the restroom facility relocation site is yet to be specifically determined, but a potential relocation site is the parking area adjacent to Embarcadero Road. If another relocation site is determined appropriate by the City Council, after considering public input received at a noticed public meeting, then this Consent of Landowner shall be deemed to refer to that site as well.

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

U.S. Department of
Homeland Security

United States
Coast Guard



Commanding Officer
United States Coast Guard
Civil Engineering Unit Oakland

Chief, Planning/Real Property
1301 Clay Street, Suite 700N
Oakland, CA 94612-5203
Phone: (510) 637-5537
Email: kim.vankapel@uscg.mil

5216

APRIL 23, 2014

City of Morro Bay
Attn: Ed Kreins, Interim City Manager
595 Harbor Street
Morro Bay, CA 93442

Dear Mr. Kreins,

The Coast Guard (CG) has selected a preferred site location for its new building based on the feedback received from the City of Morro Bay (City). The CG requests to have this proposal presented for consideration at the City Council meeting in May.

Based on in-house planning and site visits to Morro Bay, the CG is submitting a third site proposal to construct a new facility in the City of Morro Bay. The CG intends to construct a two-story building at the proposed site in support of CG Station Morro Bay. The CG desires to secure land use rights for Harbor Lease Sites 138 and 139, which is immediately adjacent to the business Crill's Saltwater Taffy and includes the public restroom for the North T-Pier area. This site location meets the CG's need to be on the waterfront with a view of the harbor entrance. Enclosure 1 shows an aerial photo of the waterfront area with an overlay of the parcels that was originally provided by the City.

The CG is considering two configurations for the use of the parcels. The preferred configuration is to demolish the City owned public shower and restroom on parcel 139 and replace it in-kind at a new location. This would enable all of parcels 138 and 139 to be available for the CG's new facility. The CG could replace the restrooms on the City's behalf under the authority of the substitute facilities doctrine through a friendly condemnation. Enclosure 2 depicts the site plan view of the new CG building with the City owned public restroom relocated to a potential location in the parking lot near Embarcadero Road.

The second configuration, shown in enclosure 3, leaves the City owned public restroom in place and constructs the new CG facility in the footprint between the public restroom and the Crill's Saltwater Taffy commercial building, which is situated on parcel 137. This is the least desired of the alternatives and allows for the least flexibility for the CG and City.

The proposed new facility will be a two-story structure. The building footprint will be approximately 1,500 sq ft providing roughly 2,800 sq ft of total space. When combined with the existing facilities the CG will have a total of 6,800 sq ft of space. The construction of this building helps reduce the existing space deficiency but is not enough to meet the full CG Station requirement. With this in mind, the CG will continue to use the existing facilities. Enclosure 4 is a conceptual elevation plan of the proposed CG facility.

We hope this site design and use of the area is mutually beneficial and aesthetically balanced with the City of Morro Bay's waterfront development goals. We want to ensure that you have adequate information to move forward with your immediate review process and obtain California (CA) Coastal Commission consent.

An in-place land use agreement between the CG and the City of Morro Bay is a pre-requisite before the CG can proceed with pre-construction efforts and construction award. Pre-construction efforts include design documents, National Environmental Policy Act (NEPA) evaluation, and CA Coastal Commission consistency determination. Until the NEPA process is completed and the CA Coastal Commission has provided a consistency determination, all proposals are pre-decisional. We anticipate a long-term presence and the need for an extended lease with a minimum term of 50 years.

We look forward to working with the City of Morro Bay as we move forward with this project allowing the CG to have a continued presence in Morro Bay. We welcome your feedback and look forward to seeing you at the May council meeting. If you should have any questions or concerns, please contact Mr. Kim Van Kapel at (510) 637-5537 or kim.vankapel@uscg.mil.

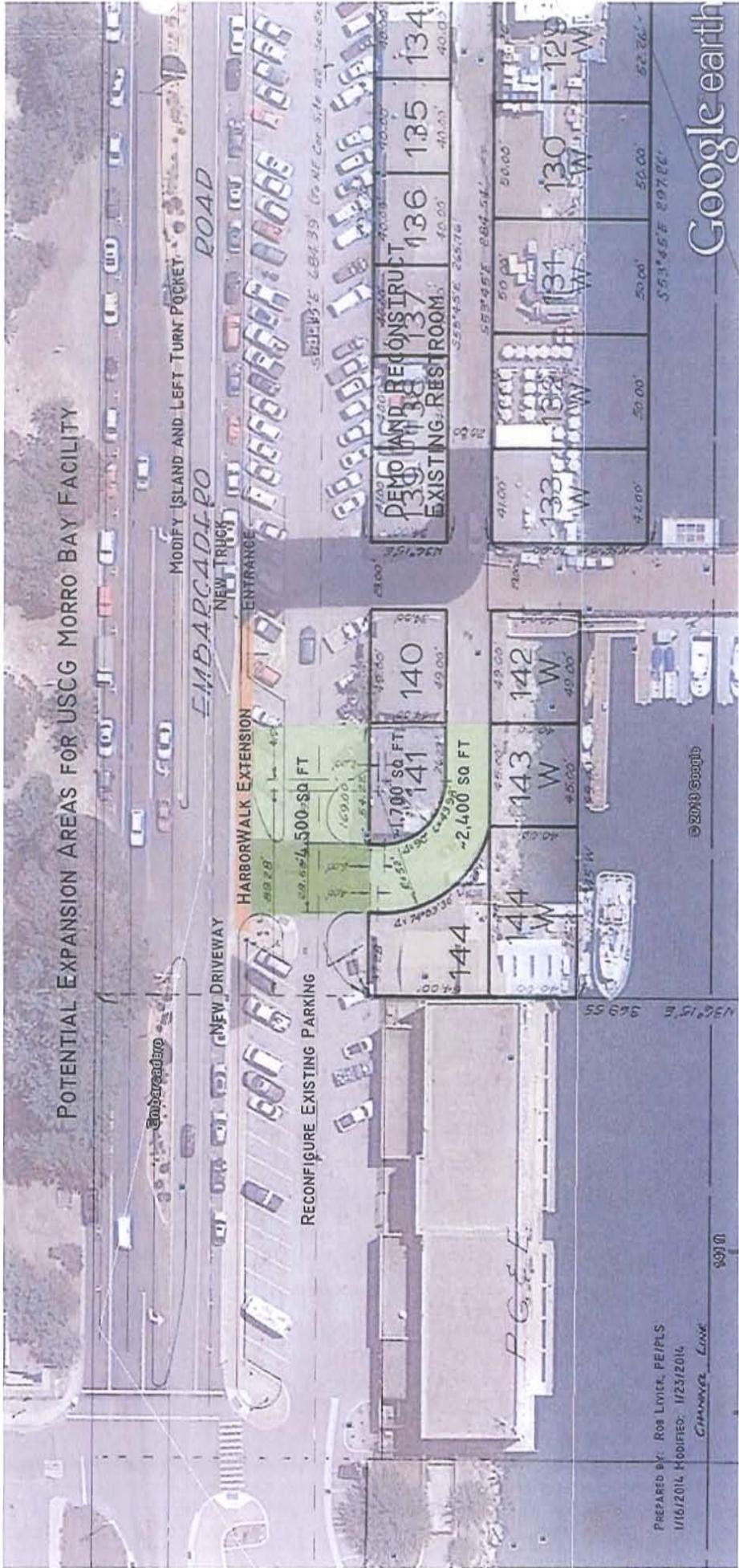
Sincerely,



T. W. Gesele
Captain, U.S. Coast Guard
Commanding Officer
Civil Engineering Unit Oakland

4 Enclosures

Copy: Commander, Coast Guard Pacific Area (PAC-8)
Commander, Eleventh Coast Guard District (dx)
Commander, Coast Guard Sector Los Angeles - Long Beach (sl)
Officer In Charge, Coast Guard Station Morro Bay



ENCLOSURE 1
Parcel Overlay



ENCLOSURE 2
Plan View CG Building-Relocate Public Shower/Rest Room



SITE PLAN
SCALE: NONE



SITE PLAN
SCALE: NONE

ENCLOSURE 3
Plan View CG Building Between Public Shower/Rest Room & Lot 137

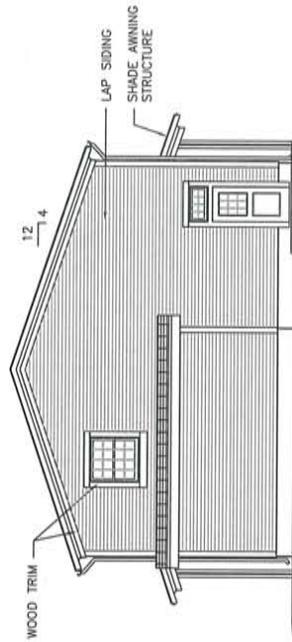
USCG STATION MORRO BAY

New Building - Elevations

(approx. 1,500 SF Footprint/ 2,800 SF Total)

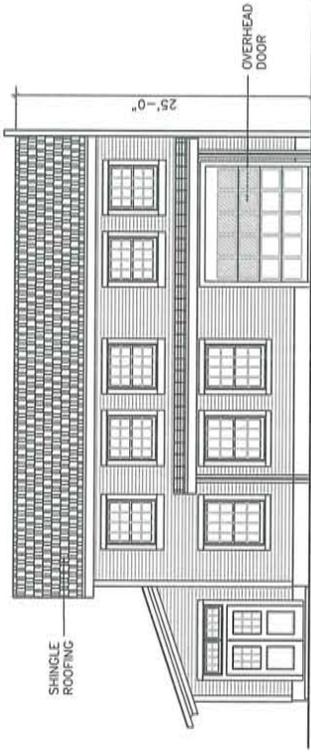


SITE ADJACENT TO PUBLIC RESTROOM
SCALE: NONE

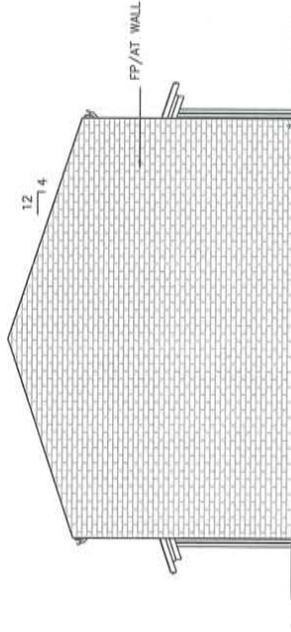


NORTH ELEVATION
SCALE: NONE

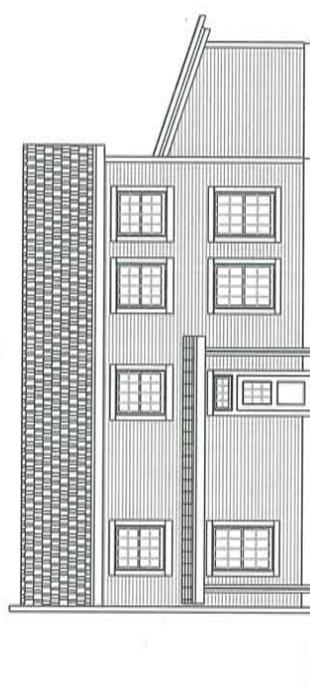
ENCLOSURE 4
CG Building Elevation View



WEST ELEVATION
SCALE: NONE



SOUTH ELEVATION
SCALE: NONE



EAST ELEVATION
SCALE: NONE

FISCAL IMPACT

The County Election Office will charge the City approximately \$13,000 for administering this Special Election regarding this Measure. However, if the Measure is adopted, then the City should see a reduction in future election administration costs as the City will conduct only one election every two years.

BACKGROUND / DISCUSSION

The manner in which City officials are elected is determined by whether the City consolidates its general municipal election with the statewide direct primary election, held in June of even years, or with the statewide general election, held in November of even years.

If a city consolidates its general municipal election with the statewide direct primary election, then the manner of electing city officials is governed by Elections Code, sections 8140 and 8141. Under that process, only those candidates who receive votes on a majority of all of the ballots cast during the primary election are elected to the particular office. If the seat is not filled at the primary election stage, then the two candidates who received the highest number of votes for each seat not filled are placed on the ballot for the statewide general election. (Elections Code, section 8141.)

However, if the general municipal election is consolidated with the statewide general election, then the candidate who receives the most votes on the ballots cast for the particular seat is elected to that seat. (Elections Code, section 15452.)

Prior to 2006, the City conducted its general municipal election on the date of the statewide general election. However, in 2006, the City's voters approved Measure S, which served to amend the Morro Bay Municipal Code to change the date of the general municipal election to the date of the statewide direct primary election.

At the June 24, 2014, City Council meeting the Council voted 3-2 to direct the Interim City Attorney and City Staff to prepare the necessary resolutions and other documents to call for an election to submit to the voters the question of whether the City should hold one general municipal election on the date of the statewide general election to elect the mayor and city council offices. This report and the attachments respond to that direction.

Calling the Election -

Attached as Exhibit "A" is a proposed Resolution calling for the election and requesting the County of San Luis Obispo consolidate that election with the statewide general election to be held on November 4, 2014. The proposed Resolution sets for the language of the measure to be submitted to the voters as follows:

Shall the Morro Bay Municipal Code be amended to change the time and method of electing the Mayor and City Council Members to allow for a single election in November on the date of the statewide general election with the candidates receiving the highest number votes of the ballots cast being elected to the open positions?	YES
	NO

For that measure to be placed on the ballot for the November, 4, 2014, election, pursuant to the Elections Code., the Resolution, if approved, must be submitted to the County’s Election Department no later than 88 days prior to the election, which would be August 8, 2014. However, in order for the County’s Election Department to properly and timely process the proposed measure for that election, Staff has been informed that Resolution should be submitted by July 23, 2014.

Directing Preparation of an Impartial Analysis and Priorities of Arguments -

Attached as Exhibit “B” is a proposed resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING THE MORRO BAY GENERAL MUNICIPAL ELECTION DATE MEASURE

The proposed Resolution first directs the City Attorney to prepare an impartial analysis of the measure. This proposed Resolution then provides the Council the option of specifying which, if any, Council Members may submit arguments in favor or against the measure, or of authorizing all of the Council Members to submit arguments either for or against the Measure. Prior to adopting this Resolution, the City Council must determine which option it wants included in the final Resolution to be considered for adoption. Alternative “A” is the option that would authorize certain members of the Council to file arguments for or against the Measure. Alternative “B” is the option that would authorize the entire Council to file those arguments. If the Council decides no arguments will be submitted by Council Members, in their official capacities, then Alternative “C” should be chosen for the Resolution.

If more than two City Council Members will be submitting the argument for or against the ballot measure, then the discussion and approval of those arguments must occur at a duly noticed public meeting.

CONCLUSION

The City Council should consider this staff report and decide whether to adopt the proposed resolutions and direct staff accordingly.

RESOLUTION 51-14

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
CALLING AND GIVING NOTICE OF THE HOLDING OF A SPECIAL MUNICIPAL
ELECTION ON TUESDAY, NOVEMBER 4, 2014, FOR THE SUBMISSION TO THE
VOTERS OF THE CITY A PROPOSED MEASURE CHANGING THE TIME OF THE
CITY'S GENERAL MUNICIPAL ELECTION AND IN ACCORDANCE THEREWITH
REQUESTING THE COUNTY OF SAN LUIS OBISPO TO CONSOLIDATE THE
CITY'S SPECIAL ELECTION WITH THE SPECIAL AND GENERAL MUNICIPAL
ELECTIONS HELD WITHIN SAN LUIS OBISPO COUNTY ON THAT DATE**

**The City Council
City of Morro Bay, California**

WHEREAS, on November 7, 2006 the voters of the City of Morro Bay approved Ordinance No. 528 that amended the Morro Bay Municipal Code to establish the City of Morro Bay's general municipal election be held at the time of the statewide direct primary election; and

WHEREAS, when the City's general municipal election is held at the time of the statewide direct primary election, only those candidates who receive votes on a simple majority of the ballots cast for each office are elected at that time and with regard to those seats for which a candidate receives only a plurality of votes, a runoff election is held on the date of the statewide general election, with only two candidates for each seat that remains available allowed to proceed to the runoff election; and

WHEREAS, if the City's general municipal election is held on the date of the statewide general election, then the candidates receiving the most votes of the ballots cast for each office are elected at that time even if the candidates do not receive a simple majority of the ballots cast; and

WHEREAS, the City Council wishes to submit to the voters the question of whether to continue with having the City's general municipal election on the date of the statewide direct primary election, subject to a runoff election the following November, or whether to have the City's general municipal election on the date of the statewide general election with successful candidates receiving the most votes of the ballots cast for each office; and

WHEREAS, the City Council wishes to have the voters consider this measure at the next statewide general election to be held on November 4, 2014.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Pursuant to the requirements of the California Elections Code, Sections 306, 9222 and 1301, there is called and ordered to be held in the City of Morro Bay, California, on Tuesday, November 4, 2014, a Special Municipal Election for the purpose of submitting to

the voters of the City of Morro Bay the measure. Pursuant to Elections Code Section 9222, it is the intent of the City Council the measure be submitted to the voters of Morro Bay at the aforementioned Special Election. The full text of the measure is attached hereto and marked as Exhibit A. The San Luis Obispo County Registrar of Voters is requested to print the Full Text of Measure contained on Exhibit A in the sample ballot pamphlet. As required by Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is specific below in Section 2. The City Clerk is hereby authorized and directed to make any changes to the text of the proposition or this resolution as required to conform to any requirements of the San Luis Obispo County Registrar of Voters.

Section 2. The City Council hereby orders the following measure be submitted to the voters at the aforementioned Special Election:

Shall the Morro Bay Municipal Code be amended to change the time and method of electing the Mayor and City Council Members to allow for a single election in November on the date of the statewide general election with the candidates receiving the highest number votes of the ballots cast being elected to the open positions?	YES
	NO

Section 3. The ballots to be used at the election shall be in form and content as required by law.

Section 4. The City Clerk is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 5. Pursuant to Sections 10402 and 10403 of the Elections Code, the San Luis Obispo Board of Supervisors is hereby requested to consent and agree to the consolidation of the Special Election with the election conducted by San Luis Obispo County to be held on Tuesday, November 4, 2014.

Section 6. The San Luis Obispo Election Department is authorized to canvass the returns of the Special Election. The election shall be held in all respects as if there were only one election.

Section 7. The San Luis Obispo Board of Supervisors is requested to issue instructions to the San Luis Obispo Election Department to take any and all necessary steps for the holding of this consolidated election.

Section 8. The City of Morro Bay recognizes additional costs will be incurred by San Luis Obispo County by reason of this consolidation and agrees to reimburse San Luis Obispo County for those costs.

Section 9. The City Clerk is directed to file a certified copy of this resolution with the San Luis Obispo County Board of Supervisors, the San Luis Obispo County Election Department and enter this resolution into the book of Original resolutions.

Section 10. The City Council authorizes the City Clerk to administer the election, including but not limited to, contracting with the County of San Luis Obispo, and otherwise take all reasonable necessary steps to ensure the proper handling and conduct of the Special Election authorized by this Resolution, and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

Section 11. This Resolution shall be effective immediately upon passage and adoption.

PASSED AND ADOPTED by the Morro Bay City Council at a regular meeting thereof held on the 8th day of July, 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jamie L. Irons, Mayor

ATTESTED:

Jamie Boucher, City Clerk

“exhibit A”

ORDINANCE NO. 588

**AN ORDINANCE BY THE PEOPLE
OF THE CITY OF MORRO BAY, CALIFORNIA
REGARDING CITY MEASURE APPROVED BY THE VOTERS,
AMENDING SECTION 2.09.010 OF THE MORRO BAY MUNICIPAL CODE
IN ITS ENTIRETY, REGARDING TIME OF GENERAL MUNICIPAL ELECTION**

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

THE PEOPLE OF THE CITY OF MORRO BAY DO ORDAIN AS FOLLOWS:

SECTION 1: Section 2.09.010 of the Morro Bay Municipal Code is amended, in its entirety, to read as follows:

Section 2.09.010: Time of General Municipal Election. Pursuant to the authority granted by the state, the city shall hold its general municipal election on the same day as the statewide general election. That day is the first Tuesday after the first Monday of November in each even-numbered year.

CERTIFICATION

I, Jamie Boucher, City Clerk of the City of Morro Bay, do hereby certify the foregoing is a true and correct copy of an ordinance adopted by a majority vote of the electors voting in the general municipal election held in the City of Morro Bay on the 4th day of November, 2014.

Dated: _____

Jamie Boucher, City Clerk
City of Morro Bay, California

RESOLUTION 52-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING THE MORRO BAY GENERAL MUNICIPAL ELECTION DATE MEASURE

The City Council City of Morro Bay, California

WHEREAS, an election shall be held in the City of Morro Bay, California, on November 4, 2014, at which there will be submitted to the voters a ballot measure to consider the question of whether to continue with having the City’s general municipal election on the date of the statewide direct primary election, subject to a runoff election the following November, or whether to have the City’s general municipal election on the date of the statewide general election with successful candidates receiving the most votes of the ballots cast for each office; and

WHEREAS, whenever a municipal ballot measure is authorized, State law provides that the City Council may direct the City Attorney to prepare an impartial analysis and provide for the filing of written arguments for and against a measure and for rebuttal arguments to be filed with the City elections official.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DOES RESOLVE, DECLARE, AND ORDER AS FOLLOWS:

Section 1. The City Council directs the City Attorney to prepare an impartial analysis of the Measure which would amend the Morro Bay Municipal Code with respect to having the City’s general municipal election on the date of the statewide general election with successful candidates receiving the most votes of the ballots cast for each office. The impartial analysis shall be filed within fifteen (15) days of the adoption of this Resolution or by the date set by the City Clerk for the filing of primary arguments, whichever is later.

[(Alternative “A”) Section 2. The City Council authorizes

(Council Member In Favor)

(Council Member Against)

as members of that body, to file a written argument In Favor of or Against the City measure not exceeding 300 words regarding the City measure, as specified above, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, in accordance with Article 4, Chapter 3, Division 9, of the Elections Code of the State of California and to change the argument until and including the date fixed by the City Clerk after which no arguments for or against the City measure may be submitted to the City Clerk.]

OR

[Alternative “B”) Section 2. The City Council authorizes ALL members of the City Council to file a written argument In Favor of or Against the City measure , as specified above, not exceeding 300 words, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, in accordance with Article 4, Chapter 3, Division 9, of the Elections Code of the State of California and to change the argument until and including the date fixed by the City Clerk after which no arguments for or against the City measure may be submitted to the City Clerk.]

OR

[Alternative “C”) Section 2. The City Council does not authorize any Council Members to file arguments; therefore arguments for or against the City measure, as specified above, shall be filed and prioritized in accordance with Elections Code Sections 9282 and 9287.]

Section 3. The arguments shall be filed with the City Clerk, signed, with the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The arguments shall be accompanied by the Form of Statement To Be Filed By Author(s) of Argument.

Section 4. The City Clerk shall make the selection of arguments in accordance with the Elections Code and local procedure. When the City Clerk has selected the arguments for and against the Measure which will be printed and distributed to the voters, the City Clerk shall send a copy of an argument in favor of the Measure to the authors of any argument against the measure and a copy an argument against the measure to the authors of any argument in favor of the measure.

Section 5. The author or a majority of the authors of an argument relating to the Measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument. A rebuttal argument may not be signed by more than five persons. The rebuttal arguments shall be filed with the city clerk, signed, with the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers. Any rebuttal argument must be filed within 10 days after the final date for filing direct arguments.

Section 6. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

Section 7. The City Clerk shall cause the City Attorney’s Impartial Analysis, and duly selected arguments and rebuttals, to be printed and distributed to voters in accordance with State law regarding same.

Section 8. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED AND ADOPTED by the Morro Bay City Council at a regular meeting thereof held on the 8th day of July 2014 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Jamie L. Irons, Mayor

ATTESTED:

Jamie Boucher, City Clerk