

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, SEPTEMBER 23, 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

- Efforts of the Lodging Industry / Tourism Bureau regarding their water conservation efforts
- Regional Transit Authority's Proposal to increase fares on the Runabout System and to discuss ways for community members to be able to provide input

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 SEPTEMBER 9, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON SEPTEMBER 9, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF THE INTERIM EMERGENCY AGREEMENT WITH SAN LUIS OBISPO COUNTY TO PROVIDE REGIONAL DISPATCH SERVICES FOR THE FIRE AND HARBOR DEPARTMENTS; (FIRE / HARBOR)

RECOMMENDATION: Approve the Interim Emergency Agreement with SLO County providing all dispatch services for the /Fire and Harbor Departments and authorize the Mayor to execute the contract on behalf of the City.

A-4 APPROVE THE AGREEMENT WITH SAN LUIS OBISPO COUNTY SHERIFF FOR REGIONAL POLICE DISPATCH SERVICES; (POLICE)

RECOMMENDATION: Approve the agreement for 9-1-1 emergency communications dispatch services and information technology services between the County of San Luis Obispo Sherriff's and the City of Morro Bay. .

A-5 ACCEPTANCE OF A GRANT OF EASEMENT FOR SEWER PURPOSES FROM IMPERIAL COAST LIMITED PARTNERSHIP (INN AT MORRO BAY, 60 STATE PARK ROAD); (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 62-14 accepting the offer of an Access Easement to lease site 27W.

A-6 ACCEPTANCE OF A GRANT OF EASEMENT FOR SEWER PURPOSES FROM KIRK AND LAREE NAJARIAN (325 ZANZIBAR STREET); (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 61-14 accepting the Grant of Easement for sewer purposes on Lot 21, Block 3A in 2-MB-15 (Atascadero Beach Tract) located at 325 Zanzibar Street.

A-7 AUTHORIZATION TO FILL A PUBLIC SERVICES DEPARTMENT VACANCY – WASTEWATER TREATMENT PLANT OPERATOR; (PUBLIC SERVICES)

RECOMMENDATION: Authorize an internal/external recruitment for the vacant Wastewater Treatment Plant Operator position.

A-8 APPROVAL OF RESOLUTION NO. 60-14 AUTHORIZING THE CITY OF MORRO BAY TO ENTER INTO A 2014/2016 SURRENDERED AND ABANDONED VESSEL EXCHANGE CONTRACT WITH THE DIVISION OF BOATING AND WATERWAYS; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 60-14 authorizing the Harbor Director to execute the attached \$58,000 Surrendered and Abandoned Vessel Exchange (SAVE) Contract Agreement #C7702206 with the Division of Boating and Waterways (DBW) for assistance with demolition of abandoned/surrendered vessels and hazards to navigation.

A-9 APPROVAL OF RESOLUTION 63-14 EXPRESSING APPRECIATION FOR THE DEDICATION AND PUBLIC SERVICE OF ED KREINS AS INTERIM CITY MANAGER FOR THE CITY OF MORRO BAY; (MAYOR)

RECOMMENDATION: Approve Resolution 63-14.

B. PUBLIC HEARINGS - NONE

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES

C-1 STATUS UPDATE FOR THE GENERAL PLAN AND LOCAL COASTAL PLAN UPDATE; (PUBLIC SERVICES)

RECOMMENDATION: Receive the report and presentation, and provide comments to staff.

C-2 STATUS REPORT OF MORRO CREEK MULTI-USE TRAIL & BRIDGE PROJECT (MCMT&B); (PUBLIC SERVICES)

RECOMMENDATION: Receive and file the report.

C-3 REVIEW RECOMMENDATIONS FOR IMPROVEMENTS TO THE CENTENNIAL STAIRWAY BY RECREATION AND PARKS COMMISSION, PUBLIC WORKS ADVISORY BOARD AND THE PLANNING COMMISSION AND PROVIDE DIRECTION TO STAFF; (PUBLIC SERVICES)

RECOMMENDATION: Review the three concepts prepared by the property owner of 781 Market Avenue along with recommendations from the Recreation and Parks Commission, Public Works Advisory Board and Planning Commission and provide direction on which concept to direct the property owner to pursue.

D. NEW BUSINESS - NONE

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 –
SEPTEMBER 9, 2014
CITY HALL CONFERENCE ROOM – 4:00 P.M.

AGENDA NO: A-1

MEETING DATE: 9/23/2014

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
	Susan Slayton	Administrative Services Director

ESTABLISH QUORUM AND CALL TO ORDER

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

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

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for public comments for items only on the agenda; seeing none, the public comment period was closed.

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

CS-1 CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: Interim City Manager
Employee Organizations: Morro Bay Firefighters' Association; Morro Bay Police Officers' Association; Service Employee's International Union, SEIU Local 620; Management Employees; and, Confidential Employees

CITY COUNCIL RECONVENED 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 4:44p.m.

Recorded by:

Jamie Boucher
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – SEPTEMBER 9, 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
	Rob Livick	Public Services Director
	Joe Woods	Recreation & Parks Director
	Eric Endersby	Harbor Director

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

CLOSED SESSION REPORT – Interim City Attorney Joe Pannone reported with regards to Closed Session Items: Conference with Labor Negotiators regarding Morro Bay Firefighters’ Association, Morro Bay Police Officers’ Association, Service Employee’s International Union, SEIU Local 620, Management Employees, and, Confidential Employees; the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS

Mayor Irons presented Morro Bay in Bloom Certificates to Morro Bay residents and business owners. In July, America in Bloom judges came through Morro Bay and did an evaluation of the City; they awarded Certificates of Admiration to Linna Thomas (Coalesce Bookstore), Cloisters Nature Area (Dawn Beattie), Vince and Janet Marino and Sunshine Health Foods/Shine Café (Greg and Tanner).

Mayor Irons and the Council presented Eric Endersby with a 25 year employee service pin.

PUBLIC COMMENT

Shannon Sawicki, owner of Shore Senior Fitness presented the Morro Bay Business report. Shannon is new to the area, moving here in March from Redlands. She has been a lifestyle fitness coordinator for seniors; given her background and seeing the need in our area, she created

this business. The entire central coast has amazing fitness opportunities; she wants to specifically cater to those who can't get out due to illness or injury; she offers clients a way to interact with her and hopefully eventually the community. She also keeps in close contact with doctors and therapists to ensure client safety. She loves it here, the people are wonderful.

Ken Vesterfelt applauded the parade crew – it was a wonderful event. As a result of a recent fatality, he brought up bicyclist and skateboarder safety. He is concerned with the poor choices that many are making – ie: running stop signs, not wearing safety helmets, etc. He urged parents to take control of their young people – make them wear helmets. He also encouraged education as well as enforcement.

Karen Croley spoke in an effort to bring awareness to Measure D, a measure that will be on the November ballot. She hopes to bring awareness to the outdated infrastructure in our schools, especially Morro Bay High School. She encouraged citizens to do a school tour to see for themselves. Vote yes on Measure D.

Rigmore is not usually in favor of police power; however, a young Morro Bay couple dumped a load of trash next to the Sun Bulletin building. It was brought to the Police's attention and they made them clean it up as well as made them do some work around the location. She publicly thanked the police department as well as the person who made the initial report to the police.

Barbara Doerr stated that most adults don't wear bicycle helmets. She hopes that through the leadership of Council and businesses, people can be pressured to wear them and be safer.

Susan Stewart spoke on Item D-1, urging Council to pay close attention to the recommendations from the commercial fishermen, HAB and staff. We should require that Dynegy minimize or eliminate potential impacts on an industry already overburdened with restrictions and regulations. It is our responsibility as a community to provide FERC with a comprehensive statement of concerns. As the process moves forward, and as a member of the Chamber, she wants to work with City staff, HAB and fishing representatives to help provide educational and informational forums. She also announced that the Avocado Margarita Festival is being held this weekend.

Nancy Castle is an adult bike rider who doesn't have nor wear a helmet; she is now going to get and wear one. We can be the examples for young people. She thanked the organizers of the parade, the participants of the parade and those that watched the parade - it was wonderful. She spoke on the Monday Night Dinners – they are still occurring, being held from 5-6pm at the Vet's Hall, have had approximately 60 diners each week, she thanked the participating groups and donors. She also let the public know there is a distribution table for food, clothing, books, toiletries, etc. for those who would like to help in that way. St. Peter's is having an evening BBQ on September 20th for those who have helped with anything that day.

Bill Martoney spoke on the site location for the WRF. He knows we are getting close. He recommends the McElvaine property – there is a motivated buyer, there is a need for water in the Morro Valley, and it is an ideal location for a city yard. Regarding the CMC option, there have been nitrate problems there; he also doesn't think Morro Bay wants to pump 9.5 miles. If we

want a regional concept, then look towards Los Osos, they could “super-size” for only \$20 million.

The public comment period was closed.

A. CONSENT AGENDA

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

A-1 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON AUGUST 26, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON AUGUST 26, 2014; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file report.

A-4 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file report.

A-5 AMENDMENT 1 TO THE COOPERATION AGREEMENT BETWEEN THE COUNTY OF SAN LUIS OBISPO AND THE CITY OF MORRO BAY FOR JOINT PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, THE EMERGENCY SOLUTIONS GRANT PROGRAM, AND THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM THROUGH FISCAL YEARS 2015-2017; (PUBLIC SERVICES)

RECOMMENDATION: Approve execution of Amendment 1 to the Cooperation Agreement for participation in the Urban County for Fiscal Years 2015-2017.

A-6 APPROVAL OF RESOLUTION 59-14 AUTHORIZING A NEW LEASE AGREEMENT WITH UNITED STATES COAST GUARD TO LEASE A MAINTENANCE AND STORAGE FACILITY FOR THE COAST GUARD STATION MORRO BAY, LOCATED AT 1620 EMBARCADERO; (HARBOR)

RECOMMENDATION: Approve the attached one-year Lease Agreement with three one-year successive options to renew, with the United States Coast Guard (USCG)

for use of a portion of the City's Harbor Department gear storage yard and building located at 1620 Embarcadero.

A-7 AUTHORIZE CITY MANAGER TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH CENTRAL COAST MARITIME MUSEUM ASSOCIATION (CCMA) FOR DISPLAY OF UP TO THREE VESSELS AND TWO KIOSKS IN THE CITY PARKING LOT ON FRONT STREET; (PUBLIC SERVICES / HARBOR)

RECOMMENDATION: Authorize the City Manager to negotiate and approve a license agreement with Central Coast Maritime Museum Association, to allow the CCMA to use a portion of the City's parking lot and public right-of-way along Front Street for display of three vessels, and two informational kiosks.

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

Councilmember Christine Johnson pulled Item A-2 and Councilmember Nancy Johnson pulled Item A-7 from the Consent Calendar.

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

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

No's: None

A-2 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON AUGUST 26, 2014; (ADMINISTRATION)

Councilmember Christine Johnson pulled Item A-2 for clarification. She previously spoke with the City Clerk, presenting some possible amendments to the minutes. The City Clerk concurred, then provided the amendments to the Council for their consideration, prior to the meeting.

MOTION: Councilmember Christine Johnson moved the City Council approve the August 26, 2014 minutes as amended. The motion was seconded by Mayor Irons and carried unanimously, 5-0.

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

No's: None

A-7 AUTHORIZE CITY MANAGER TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH CENTRAL COAST MARITIME MUSEUM ASSOCIATION (CCMA) FOR DISPLAY OF UP TO THREE VESSELS AND TWO KIOSKS IN THE CITY PARKING LOT ON FRONT STREET; (PUBLIC SERVICES / HARBOR)

Councilmember Nancy Johnson is a proponent of the Maritime Museum and is glad to see it growing; the biggest concern is parking down there. She wants to see us using the parking lot we acquired from Dynegy – the triangle lot. There was a movement several years ago with the

triangle parking lot, taking the fence come down as well as removing the trees separating the 2 parking lots. As the museum is enlarged, that concept is extremely important to keep in the forefront.

Councilmember Leage feels that signage is important to let people know the parking lot exists and we need a crosswalk down there badly.

Councilmember Smukler reinforced the proposals for the additional vessel to be on display as well as discussion of the final build-out of the museum. At this point, it makes sense to keep the momentum going with the Maritime's effort and public outreach. He doesn't feel the placement will impact parking too much.

MOTION: Councilmember Nancy Johnson moved the City Council approve Item A-7 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 - None

C. UNFINISHED BUSINESS / SECOND READING AND ADOPTION OF ORDINANCES – None

D. NEW BUSINESS

D-1 CONSIDERATION OF DYNEGY APPLICATIONS TO THE FEDERAL ENERGY REGULATORY COMMISSION FOR ENERGY-GENERATING WAVE PARKS IN MORRO BAY AREA WATERS; (HARBOR)

Harbor Director Eric Endersby presented the staff report. The HAB heard this item on September 4, 2014 and voted unanimously to recommend the Council take the position against FERC accepting the permit applications as proposed. There are areas that would have a lot less impact to fisheries. These proposed locations will inhibit commercial and recreational fishing opportunities. As starting points, Mr. Endersby prepared 2 draft letters, with alternative 1 being the HAB recommended opposition and alternative 2 being a more conciliatory approach.

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

Bill Martoney listened to the HAB meeting and understands the concerns of the fishermen. His understanding is the objective is to put 650 of these out in the ocean. He is all for wave energy but this has more to do with location. He feels Diablo is a perfect location, as it is a better wave energy producing area, is out of sight, and the transmission lines are right there on shore. Putting this out in the harbor mouth will be visually unattractive and a safety hazard for boats.

Barbara Doerr can see there is no alternative but to oppose these applications, especially since they are so site specific. She asked the City to request FERC deny the applications as they pose

hazards to navigation and are damaging to sealife and fishing. She also suggests hiring an outside consultant to follow any future application process in order to advise the City; ask Dynegy and GWAVE to give a WAVE Energy Plant presentation to the citizens of Morro Bay; and, ask FERC, Dynegy and GWAVE to stop calling these wave energy production projects “parks” – the term is highly deceptive.

John Headding recommends Council strongly oppose the current proposed study by Dynegy for wave parks as is presented. He is all for decreasing the carbon footprint in this nation; however, economic viability for this community is critical and the risks to the fishing industry outweigh the benefits to the community with regard to the project as proposed. He urged the Council and public to look at the Humboldt Wave Connect Pilot Project where PG&E suspended permitting efforts after several challenges made the project unviable. The Central Coast Wave Connect Project, another project through PG&E in Santa Barbara was also suspended in 2011. PG&E suspended further activity and filed with FERC to surrender the preliminary permit.

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

Mayor Irons stated that when Dynegy/GWave came out, they shared a “field” of where they proposed to place the wave generators. Probably more than science that has changed, are regulations. It’s his understanding, if you have renewables, you should be able to sell them back to the market place and get a return on your investment. The Diablo Canyon comment is an interesting thought, but he feels that location would be a regulatory issue; also, adding an additional 600 megawatts to an existing distribution line would be difficult. He feels what is proposed isn’t necessarily what came to Council; it isn’t accurate as far as what was looked at. Council’s job is to protect the City which means protecting the fishermen and their industry. He is in support of opposing this all together. Agreeing conditionally isn’t the way to go.

Councilmember Leage stated this is the most ridiculous thing he’s ever seen; they need to come up with a different plan as this will ruin both fishing and boating activities. He feels we can do without it.

Councilmember Christine Johnson says it’s exciting and interesting to see what and where the future of this lies, but not at the expense of Morro Bay. There are 3 areas she feels we need to consider and include in an opposition letter: access to fishing; safe navigation; impact on marine mammals and other marine species. Knowing we haven’t had any public input on this process is something that isn’t good to start a process with. She prepared a letter that she hoped Council would review.

Councilmember Nancy Johnson understands the importance of alternative energy and the potential economic impact it can bring to Morro Bay, but not this project. She feels the need to send a strong letter opposing it and really likes the letter that HAB recommends. The thing that upsets her most is their proposal; when she had her meeting with them, she was scheduled just after the fishermen and so was able to listen to them; it looks like in the proposal brought forward, they ignored what the fishermen said. She is strongly opposed to what they have proposed.

Councilmember Smukler stated that the concept is intriguing for a lot of reasons. But based on the fact that they didn't structure this "community first" with outreach and participation as requested, we need to oppose this. His concern with the HAB letter is its weak on environmental impacts. He'd strengthen the letter presented by Councilmember Christine Johnson by adding a clear statement of opposition in the first sentence stating "we'd like to submit the following general comments opposing Dynegy's preliminary permit applications to FERC as proposed for the Point Estero and Estero Bay Wave Park." The rest of the letter gets to his core concerns.

Mayor Irons stated that we are clear on opposing the project. Council then went onto discussions revising the letter proposed by Councilmember Christine Johnson.

MOTION: Mayor Irons moved approval of the letter drafted and discussed at tonight's meeting and submit to FERC for comments filed before the September 20, 2014 deadline with all the Councilmembers' signatures. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

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

No's: None

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

No Future Agenda Items were declared.

ADJOURNMENT

The meeting adjourned at 7:59 p.m.

Recorded by:

Jamie Boucher
City Clerk



AGENDA NO: A-3

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor & City Council **DATE:** September 15, 2014

FROM: Steven Knuckles, Fire Chief

SUBJECT: Approval of the Interim Emergency Agreement with San Luis Obispo County to provide Regional Dispatch Services for the Fire and Harbor Departments

RECOMMENDATION

Staff recommends Council approve the Interim Emergency Agreement (“Agreement”) with San Luis Obispo County providing all dispatch services for the Fire and Harbor Departments, and authorizing the Mayor to execute the contract on behalf of the City. This agreement is scheduled to commence on October 1, 2014.

Due to operational staffing needs, the Fire and Harbor Departments entered into a temporary delegation of responsibilities for dispatching with the County under the authority of the Operational Area Mutual Aid Agreement on September 3, 2014.

ALTERNATIVES

As this is Council’s direction, there are no alternatives being provided.

FISCAL IMPACT

During the term of the interim emergency agreement, the City will be paying \$809/month in addition to providing a qualified public safety dispatcher assigned under the direction of San Luis Obispo County Emergency Command Center (ECC). During this interim contract, this dispatcher will go through a required background process with the State of California. After the vetting process is completed, a final contract will be created with costs of \$8,084/month for dispatch services and \$809/month for mobile data computing technology services generating an annual cost of \$97,000 and \$9,702 respectively.

SUMMARY

Under the Agreement, San Luis Obispo County will provide dispatch services for Morro Bay's Fire and Harbor Departments performed by the County through Cal Fire dispatchers and a qualified Morro Bay dispatch employee temporarily assigned to the ECC. This agreement will provide the Morro Bay dispatcher an opportunity to enter into a hiring and vetting process to become a State employee working for Cal Fire. We anticipate this interim agreement will last 3

Prepared By: SK

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

to 6 months ; a final agreement will be established at the conclusion of the process.

San Luis Obispo County will provide the following services consistent with National Fire Protection Agency (NFPA) 1221 guidelines:

- The ECC will receive all 911 emergency calls and transfers from the Morro Bay jurisdiction and dispatch Fire and Harbor Departments.
- The ECC will dispatch all personnel and equipment of the Morro Bay Fire and Harbor Departments to emergency incidents to a level of service directed by the Morro Bay Fire Chief.
- The ECC will provide notification of allied agencies, duty officers, reserve firefighters, City Manager, Harbor Director, Fire Chief and other appropriate entities as indicated by the type of incident or event.
- The County will purchase and install Mobile Data Computer (MDC) required software.
- The County will maintain all hardware, software, materials, supplies, and wireless service for equipment provided by the Morro Bay Fire Department, and install and maintain future MDC's in six emergency response vehicles operated by our Fire Department.
- The County will install and maintain all hardware, software, materials, supplies and labor required for one Rip and Run Printer in the Morro Bay Harbor Street Fire Station under the control of our Fire Department.

BACKGROUND

During the Council meeting on August 11, 2014, a staff report was presented discussing the opportunities of regional dispatching for the Fire, Harbor and Police Departments. The decision to move forward with regional dispatch was approved by a unanimous vote. Below is a brief recap of the August 11th presentation:

- The Fire Department will have the same radio coverage for their mobile units in Morro Bay using County Fire's dispatch channel and repeater system. There will be an increase in coverage with their handheld units in the Sunset Street area, South Bay Blvd., South Quintana, and North Morro Bay. There are no "dead spots" in Morro Bay using County Fire's dispatch channel.
- Reduction of Code-3 medical aid responses in Morro Bay with the use of Emergency Medical Dispatch (EMD).
- Reduction in Code-3 medical aid responses; the department will be able to respond one unit, while leaving an engine at the fire station for City response to a simultaneous emergency incident.

- Reduction in responses to care facilities for ambulance transportation type of incidents that will be identified through Emergency Medical Dispatching. (EMD)
- With medically trained dispatchers, 911 callers will be advised how to assist the injured or the medical emergency patient through EMD.
- Improved Auto-Aid and Mutual-Aid requests through the ECC.
- Obtain auto-paging through texting for daily incidents through Rip and Run, general alarms, and call back personnel for the Fire and Harbor Departments.
- Improved consistency dispatching units during large scale emergency incidents with the use of ECC's Computer Aided Dispatch (CAD).
- During low frequency high risk incidents (LFHR) such as fires, multiple dispatchers will be able to handle 911 calls while dispatching fire units simultaneously through MDC's.
- Use of electronic mapping through MDC's to enhance responses; especially with mutual aid response throughout the State of California.
- Future mutual aid opportunities, such as “Community Boundary Drops” will enhance response to North Morro Bay. Local Estero Bay communities such as Los Osos, Cayucos, Morro Toro, Cambria, and the surrounding State Responsibility Area (SRA) will be dispatched by the ECC.
- With the Harbor Department being a part of the response in San Luis Obispo County Coastal Incident Response Plan (CIRP), the dispatch and command channels will be aligned with our neighboring water front rescue agencies. With the use of ECC, all ocean rescues in San Luis Obispo County will be dispatched on the same channel.

CONCLUSION

On September 3, 2014, the Fire and Harbor Departments transitioned smoothly to the ECC with a temporary delegation of responsibilities found in the Operational Area Mutual Aid Agreement we have with the County. It is staff's recommendation to approve the Interim Emergency Agreement (“Agreement”) with San Luis Obispo County providing dispatch services for the Fire and Harbor Departments and authorizing the Mayor to execute the contract on behalf of the City.

ATTACHMENTS

Interim Emergency Agreement, 10.01.2014

Temporary Delegation of Responsibilities for Dispatching Mutual Aid Agreement, 09.03.2014

COUNTY OF SAN LUIS OBISPO AND
CITY OF MORRO BAY

THIS INTERIM EMERGENCY AGREEMENT FOR SUPPORT SERVICES (“Agreement”) is entered into by and between the County of San Luis Obispo, a political subdivision of the State of California (the “County”) and the City of Morro Bay, a municipal corporation (“Morro Bay”) through its duly authorized officers (collectively, the “Parties”). For the purposes of this Agreement, the term “County” shall include all officers, employees, volunteers and agents of the County.

The purpose of this Agreement is for the San Luis Obispo County Fire Department Emergency Command Center (ECC) to provide all dispatch services to emergency incidents for Morro Bay Fire Department and Morro Bay Harbor Department, under the request of Morro Bay’s Fire Chief. This Agreement shall be effective until the Parties execute a successor agreement or this Agreement expires without extension. During the effective period of this Agreement, Morro Bay and the County will evaluate a long-term agreement. Morro Bay and the California Department of Forestry and Fire Protection (“CAL FIRE”), the County’s fire protection services provider, may consider the transition of a Morro Bay employee to State service.

RECITALS

- A. Pursuant to various provisions of the California Government Code, Morro Bay is responsible for fire protection services within its jurisdictional boundaries. Morro Bay implements that responsibility through its Fire Department, providing day-to-day emergency response, fire prevention, and other services.
- B. Pursuant to a master agreement (“County/CAL FIRE Agreement”) between the County and CAL FIRE, the County provides through CAL FIRE emergency response and related services to unincorporated areas of the County not otherwise served with fire protection services.
- C. Both CAL FIRE and the County currently provide emergency response services to Morro Bay under existing mutual aid and automatic aid agreements.
- D. Morro Bay has a need for services listed in Schedule A – Scope of Work and Rates for Services to assist with the day-to-day management and operations of emergency dispatching of the Morro Bay fire and harbor departments.
- E. The County is willing and able to provide Morro Bay with the services set forth in Schedule A – Scope of Work and Rates for Services, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants contained herein, the Parties agree as follows:

I. SERVICES

The County shall provide services to Morro Bay, as set forth in Schedule A, Scope of Work and Rates for Services. Services under this Agreement shall be performed by the County through CAL FIRE, its fire protection services provider pursuant to the County/CAL FIRE Agreement. Those services will be provided by CAL FIRE employees, and /or a qualified Morro Bay dispatcher employee temporarily assigned by Morro Bay with the approval of CAL FIRE to the ECC, supervised by CAL FIRE, functioning as the County Fire Department, and subject to all CAL FIRE/County Fire governing statutes, policies and procedures. If a Morro Bay employee is assigned to temporarily work in the ECC, then a scope of work will be developed and agreed upon by Morro Bay's Fire Chief and the County Fire Chief. At no time shall such Morro Bay employee be considered an employee or independent contractor of the County.

This Agreement shall have no impact on current cooperative fire protection, automatic aid, and mutual aid agreements between Morro Bay, the County, and/or CAL FIRE.

II. AUTHORITY

This Agreement is entered into pursuant to the authority granted by California Government Code Sections 55603, 55603.5, 55632, 55606, 55642, and 61060.

III. SCHEDULES

The County and Morro Bay agree to comply with the terms and conditions of this Agreement, including the Schedules which are attached hereto and are incorporated by this reference and made a part of this Agreement. In the event any of the terms and conditions of the Schedules are inconsistent with the terms of this Agreement, the terms and conditions of the Schedules will prevail.

A. Schedule A – Scope of Work and Rates for Services

Defines the services to be provided to Morro Bay by the County and the cost of those services payable by Morro Bay to the County under this Agreement.

B. Schedule B - Certification of Insurance.

Schedule B shall be maintained and updated by Morro Bay and provided to the County.

IV. TERM

This Agreement shall become effective on October 1, 2014, at 0001 hours and shall remain in force until a permanent agreement is executed, but not longer than 12 months.

V. TERMINATION

If Morro Bay fails to remit payments in accordance with the terms of this Agreement for services satisfactorily performed by the County through CAL FIRE, then the County may terminate this Agreement and all related services upon seven days' (7 days') written notice to Morro Bay if payment is not made within that time.

Either party may terminate this Agreement for any reason upon sixty days' (60 days') written notice to the other party. This Agreement may be canceled immediately by written mutual consent.

Upon termination of this Agreement, all amounts owing from Morro Bay to the County for services satisfactorily rendered by the County through Cal FIRE shall be due and payable in accordance with terms of this Agreement. In the event of termination of this Agreement by Morro Bay, such payment shall include the full amount remaining of any hardware and/or software purchased by the County for use by Morro Bay, and which had been amortized over the term of this Agreement.

VI. MODIFICATION

This Agreement may be modified or amended by a written document executed by the Parties.

VII. ADMINISTRATION

The County Fire Department Chief will act as the contract administrator for the County for matters related to this Agreement, and unless otherwise specified, Morro Bay's Fire Chief or his/her designee will act as the contract administrator for Morro Bay. Those individuals will be available for contract resolution or policy intervention during the term of this Agreement.

VIII. PAYMENT FOR SERVICES

Morro Bay shall pay to the County for services satisfactorily rendered by the County through Cal FIRE pursuant to this Agreement the amounts set forth in Schedule A, which is attached hereto and incorporated herein by reference.

For Dispatch Services: a) the County shall invoice Morro Bay quarterly for costs incurred the previous quarter, and b) payments by Morro Bay shall be made to the County within thirty (30) days after receipt of invoice.

Invoices shall include monthly contractual costs as provided in Schedule A for services provided, charges for operating expenses, equipment and administrative services. Any portion of a month will be invoiced at a full month rate. "Contractual rates" means an all-inclusive amount, as set forth in Schedule A. The monthly contractual rate will be reduced by \$8,084 per month for each full month a qualified Morro Bay dispatcher is assigned to work in the ECC.

IX. INSURANCE

Morro Bay shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Morro Bay, its agents, representatives, or employees.

A. MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- 1. Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- 2. Automobile Liability:** ISO Form Number CA 0001 covering, Code 1 (any auto), or if Morro Bay has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
- 3. Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. If Morro Bay will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage shall also include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Morro Bay operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.
- 4. Professional Liability/Errors and Omissions (Required if Dispatch Services are provided)** Insurance covering Morro Bay's

liability arising from or related to this Agreement, with limits of not less than \$1 Million per claim and \$2 Million aggregate. Further, Morro Bay understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

5. Property Coverage (Required if Mobile Data Computer or Rip and Run Printer Information Technology Services are provided) Morro Bay will be given exclusive use of the County's owned or leased property and shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Morro Bay's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

If Morro Bay maintains higher limits than the minimums shown above, then the County requires and shall be entitled to coverage for the higher limits maintained by Morro Bay.

B. OTHER INSURANCE PROVISIONS

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The County, its officers, officials, employees, and volunteers are to be covered as insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Morro Bay and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of Morro Bay including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Morro Bay's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage

For any claims related to this Agreement, **Morro Bay's insurance coverage shall be primary** insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of Morro Bay's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except after thirty days' (30 days') prior written notice** (10 days for non-payment) has been given to the County.

Failure to Maintain Insurance

Morro Bay's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of this Agreement, upon which the County immediately may withhold payments due to Morro Bay, and/or suspend or terminate this Agreement. The County, at its sole discretion, may obtain damages from Morro Bay resulting from said breach.

Waiver of Subrogation

Morro Bay hereby grants to the County a waiver of any right to subrogation which any insurer of Morro Bay may acquire against the County by virtue of the payment of any loss under such insurance. Moro Bay agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require Morro Bay to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the County.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis, then:

1. The Retroactive Date must be shown and must be before the effective date of this Agreement.
2. Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after termination of this Agreement.***
3. If coverage is canceled or non-renewed, and not ***replaced with another claims-made policy form with a Retroactive Date*** prior to this Agreement effective date, then Local Agency must purchase "extended reporting" coverage for a minimum of ***five (5) years*** after termination of this Agreement.

Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

Verification of Coverage

Morro Bay shall furnish the County with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Morro Bay's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Certificates and copies of any required endorsements shall be sent to:

San Luis Obispo County Fire Dept.
Attn: Fire Chief
635 N. Santa Rosa
San Luis Obispo, CA 93405

Subcontractors

Morro Bay shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Special Risks or Circumstances

County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

X. NOTICES

Notices required or permitted under this Agreement shall be sent through U.S. Postal Service by certified mail. Notice shall be considered given upon deposit. Addresses for any such notices shall be:

For the County:
Robert Lewin, Fire Chief
COUNTY FIRE DEPT
635 N. Santa Rosa
San Luis Obispo, CA 93405
-and-
County of San Luis Obispo
Administrative Office
1055 Monterey Street, Room D-430
San Luis Obispo, CA 93408

For the City of Morro Bay:
Steve Knuckles, Fire Chief
CITY OF MORRO BAY
715 Harbor Street
Morro Bay, CA 93442
-and-
Edward S. Kreins, Interim City Manager
CITY OF MORRO BAY
595 Harbor Street
Morro Bay, CA 93442

Either party may designate a change of address in writing at any time.

XI. AUDITS

Since this Agreement is over \$10,000, the parties shall be subject to examination and audit, in accordance with Government Code section 8546.7, for a period of three (3) years after final payment under the agreement. Upon reasonable notice from CAL FIRE/County Fire, Morro Bay shall make its records and books relating to this Agreement available once for management review and fiscal audit by the County at any time up to three years following final payment. Examination and audit shall be confined to those matters connected with performance of this Agreement, including, but not limited to, cost of administering this Agreement.

Upon reasonable notice from Morro Bay, for a period of three (3) years after final payment under this Agreement, the County shall make its records and books relating to this Agreement available for audit by Local Agency at the office of County Fire.

XII. ENTIRE AGREEMENT

This Agreement contains the whole agreement between the parties regarding the subject matter hereof. It cancels and supersedes any previous agreement for the same or similar services.

CITY OF MORRO BAY

Signature _____
Jamie L. Irons, Mayor

Date _____

APPROVED AS TO FORM AND
LEGAL EFFECT

BY: _____
Joseph W. Pannone, Interim City Attorney

Date: _____

COUNTY OF SAN LUIS OBISPO

Signature _____
Board of Supervisors
Of the County of San Luis Obispo
State of California

Date _____

ATTEST:

Julie Rodewald
County Clerk and Ex-Officio Clerk of
the Board of Supervisors, County of
San Luis Obispo, State of California

Date _____

APPROVED AS TO FORM AND
LEGAL EFFECT

RITA L. NEAL
County Counsel

BY: _____
Chief Deputy County Counsel

Date: _____

**SCHEDULE A, Scope of Work and Rates for Services
For Fiscal Year 2014-2015**

Schedule A shall be updated by the County and provided to Morro Bay no later than May 31 of each year, with Rates for Services to be provided during the subsequent fiscal year. Updated schedules will be considered a part of this agreement.

The County shall provide the following services at a level commensurate with current practices established by the County Fire Department, consistent with NFPA 1221:

I. Dispatch Services

- A. As a secondary Public Safety Answering Point (PSAP), the ECC will receive all 911 emergency calls and transfers from the Morro Bay jurisdiction for dispatch processing of fire and harbor department resources.
- B. The ECC will dispatch all personnel and equipment of the Morro Bay Fire Department and Morro Bay Harbor Department to emergency incidents, and to a level of service directed by Morro Bay's fire chief.
- C. The ECC will provide notification of allied agencies, duty officers, reserve firefighters, city manager, harbor chief, fire chief and other appropriate entities as indicated by the type of incident or event.
- D. Creation and delivery to Morro Bay of individual incident and annual reports of dispatch activity, including incident required reporting information, response times and call types.
- E. Services will commence on October 1, 2014.

The County and Morro Bay shall:

I. Mobile Data Computing Technology Services

- A. Morro Bay will be responsible for the purchase and installation of six Mobile Data Computers (MDC), which meet the specifications of the County's MDC system, in its emergency response vehicles.
- B. The County will purchase and install MDC required software.
- C. The County will maintain all hardware, software, materials, supplies, wireless service for equipment provided by Morro Bay, and install and maintain future MDC's in six emergency response vehicles under the use of the Morro Bay Fire Department.

- D. Modifications to existing installations necessary to ensure compatibility with the County MDC system will be billed to Morro Bay on a time and materials basis.
 - 1) Any additional software or hardware added must be compatible and approved by the County and the cost borne by Morro Bay.
 - 2) If this agreement, or successor agreement, is extended beyond five years, existing MDC hardware will be replaced with new hardware belonging to the County at the County's expense and rates to Morro Bay will be adjusted to reflect the costs. The hardware purchased by Morro Bay will remain the property of Morro Bay.
- E. Installation of hardware and related items will be complete and services will commence on October 1, 2014.

I. Rip and Run Printer Technology Services

- A. The County will install and maintain all hardware, software, materials, supplies and labor required for one Rip and Run Printer in facilities under the control of the Morro Bay Fire Department.
- B. Morro Bay will purchase, install and/or provide, at their cost, the following items prior to installation of hardware items by the County required to provide services under this agreement.
 - 1) Rip and Run internet connection and ongoing internet service with one dedicated static IP address for each Rip and Run printer.
 - 2) "Clean" 110/120 volt, 15 amp power connection at the location of Rip and Run Printer.
 - 3) Obtain, install and/or provide, at its own cost, all consumable supplies used by equipment provided by the County, including but not limited to: paper, toner, ink, ribbons, etc.
- C. Installation of hardware and related items will be complete and services will commence on October 1, 2014.

Morro Bay shall:

Pay the County for services provided according to the following contractual rate schedule, and with all other terms of this Agreement. The monthly contractual rate will be reduced for each full month a qualified Morro Bay dispatcher is assigned to work in the ECC.

Services Provided by County	Rate	Total Cost for Full Year
Dispatch Services Monthly Flat-rate billing *There will be no flat rate fee for each month Morro Bay provides a qualified full time dispatch employee assigned to and under direction of ECC. This rate reduction does not affect other services provided by the County.	\$8,084/month*	\$97,000
Services Provided by County		
	Rate	Total Cost for Full Year
Mobile Data Computing Technology Services	\$809	\$9,702
Rip and Run Printer Technology Services	Included above	Included above

- A. Pay the monthly rate or provide a qualified Morro Bay dispatcher assigned fulltime, for the entire month, to the ECC until such time a permanent agreement is in place.
- B. Provide the County with full access to facilities and vehicles needed to install equipment required to provide services under this agreement.
- C. Purchase and maintain their agency owned and operated mobile, portable and fixed radio equipment within the specification of County Fire.

SCHEDULE B, Certification of Insurance or Self-Insurance

NAME OF LOCAL AGENCY: City of Morro Bay

The County and its officers, agents, employees, and servants are included as additional insureds for the purposes of this Agreement. The County shall receive thirty-days' (30-days') prior written notice of any cancellation or change to the policy at the addresses listed in this Agreement. For each type of insurance listed below, Morro Bay must either: 1) complete the certification below, or 2) provide certificates of insurance.

SELF-INSURANCE CERTIFICATION BY MORRO BAY FOR TORT LIABILITY

This is to certify MORRO BAY has elected to be self-insured.

By:
Signature _____ Date _____
Printed Name _____ Title _____

SELF-INSURANCE CERTIFICATION BY MORRO BAY FOR WORKER'S COMPENSATION BENEFITS

This is to certify MORRO BAY has elected to be self-insured for Workers' Compensation benefits which comply with Labor Code Section 3700.

By:
Signature _____ Date _____
Printed Name _____ Title _____

SELF-INSURANCE CERTIFICATION BY MORRO BAY FOR LOCAL AGENCY-OWNED VEHICLES

This is to certify MORRO BAY has elected to be self-insured for MORRO BAY owned vehicles.

By:
Signature _____ Date _____
Printed Name _____ Title _____

Temporary Delegation of Responsibilities for Dispatching of the Morro Bay Fire Department and Morro Bay Harbor Department to Emergency Incidents

Purpose: Under the authority of the Operational Area Mutual Aid Agreement, the purpose of this Delegation of Responsibilities (Delegation) is for the San Luis Obispo County Fire Department Emergency Command Center (ECC) to provide all dispatch services to emergency incidents for the City of Morro Bay Fire Department and the City of Morro Bay Harbor Department, under the request of the City of Morro Bay Fire Chief.

Term: This Delegation will become effective on the date the last signature below is applied. This delegation will remain in effect until either: 1) a successor agreement for dispatch services between the City of Morro Bay and the County of San Luis Obispo becomes effective; or, 2) the City of Morro Bay Fire Chief determines the City of Morro Bay no longer needs to delegate these responsibilities, and provides written notice of cancellation of this delegation to the County Fire Chief.

Scope: The following services are delegated to the ECC, which will be provided in accordance with current standards established by the County Fire Department:

1. As a secondary Public Safety Answering Point (PSAP), the ECC will receive all 911 emergency calls and transfers from the City of Morro Bay jurisdiction for dispatch processing of fire and harbor department resources.
2. The ECC will dispatch all personnel and equipment of the City of Morro Bay Fire Department and the City of Morro Bay Harbor Department to emergency incidents, and to a level of service directed by the City of Morro Bay Fire Chief.
3. The ECC will provide notification of allied agencies, duty officers, reserve firefighters, City Manager, Harbor Director, Fire Chief and other appropriate person, as indicated by the type of incident or event.

Terms: The City of Morro Bay agrees to reimburse the County of San Luis Obispo for the cost of this service, at a rate of \$ 8,893 per month (includes dispatch services and technical support for mobile data computers and rip and run printers). The County Fire Department will submit invoices to the City of Morro Bay for these services on a monthly basis, no later than the 7th of each month for services provided in the prior month. For those full months that Morro Bay provides a qualified dispatcher to work in the ECC, the monthly rate will be reduced to \$809. The City of Morro Bay agrees to provide payment for these invoices to the County of San Luis Obispo within 30 days after receipt of each appropriate invoice.



Steve Knuckles, Fire Chief
Morro Bay City Fire
Department
715 Harbor St.
Morro Bay, CA 93442
(805)772-6242

9-2-14

Date



Robert Lewin, Fire Chief
San Luis Obispo County Fire
Department
635 N Santa Rosa
San Luis Obispo, CA 93405
805-543-4244

9-2-14

Date



AGENDA NO: A-4

MEETING DATE: 9/23/2014

Staff Report

TO: Honorable Mayor and City Council

DATE: September 5, 2014

FROM: Amy Christey, Police Chief

SUBJECT: Approve the Agreement with San Luis Obispo County Sheriff for Regional Police Dispatch Services

RECOMMENDATION

Staff recommends Council approve the agreement for 9-1-1 emergency communications dispatch services and information technology services between the County of San Luis Obispo Sheriff's and the City of Morro Bay.

FISCAL IMPACT

The City of Morro Bay will save a minimum of \$42,912 in personnel expenses the first year of the contract. The City expects this savings to decrease each year based on the "renewal term" during the life of the three-year agreement. The renewal term language recognizes the County agrees the cost of services provided shall not increase to an amount exceeding ten percent (10%) of the dispatch fee identified in the previous year's services. For example, in the first year FY 14/15, the total Sheriff's Dispatcher anticipated cost is \$214,065, FY 15/16 is budgeted at a maximum of \$234,219, and FY 16/17 is budgeted at a maximum of \$252,076.

BACKGROUND/DISCUSSION

On August 11, 2014, Council approved the Authorization to Contract with San Luis Obispo County Fire and Sheriff Departments for Public Safety Dispatch. Since that time, members from Morro Bay Police and San Luis Obispo Sheriffs have worked towards the transition to regional dispatching, including the preparation of a three-year agreement as well as the implementation of equipment and system upgrades.

On September 3, 2014, the Police Department transitioned to regional dispatching on an emergency basis. This was done to ensure sufficient dispatch coverage during the gap of time while the agreement for services was being presented to and approved by the County and City. Since September 3rd, the Sheriff's Office has provided dispatching services for the City at no additional personnel costs. This was done through the reassignment of one Morro Bay dispatcher who is now working at the Sheriff's Dispatch Center.

The Police Department and Sheriff's Office believe this regional approach provides the City

Prepared By: AC

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

improved dispatching resources at an affordable cost. The enhanced collaboration provides patrol personnel, police and sheriff more information and increased access to resources. The agreement will provide the City seven-days a week, twenty-four hours a day dispatch service via the Sheriff's Dispatch Center. This service includes the following: answer 9-1-1 and non-emergency police calls for service; answer all radio transmissions from the police department; transfer calls for fire department and harbor patrol emergency services directly to Cal FIRE; relay pertinent and appropriate public safety information; provide urgent data inquiry responses; obtain appropriate CLETS information to provide information to the Police Department for queries made related to wants, warrants, local criminal histories, DMV information, or sensitive information intended only for law enforcement use; and, provide, install and maintain all necessary dispatch equipment.

CONCLUSION

The Police Department and Sheriff's Office made the transition to regional dispatching on September 3, 2014. The three-year agreement has been prepared and approved by County Counsel and Morro Bay's City Attorney. Staff recommends Council to approve the agreement as presented.

Sheriff's Office
 Sheriff's Dispatcher Cost for Fiscal Years 14/15 thru 16/17

Sheriff's Dispatcher - FY 14/15		Cost Per Dispatcher	Number of Dispatchers	Total
	Sheriff's Dispatcher - Salary includes benefits	\$ 99,353	2	\$ 198,706
	Sheriff's Dispatcher - Overtime *	\$ 3,740	2	\$ 7,480
	Uniform Allowance	\$ 420	2	\$ 840
	Countywide Overhead - Admin Cost	\$ 3,519	2	\$ 7,039
Total Sheriff's Dispatcher - FY 14/15		\$ 107,032		\$ 214,065

Sheriff's Dispatcher - FY 15/16		Cost Per Dispatcher	Number of Dispatchers	Total
	Sheriff's Dispatcher - Salary includes benefits	\$ 109,064	2	\$ 218,126
	Sheriff's Dispatcher - Overtime *	\$ 3,755	2	\$ 7,510
	Uniform Allowance	\$ 441	2	\$ 881
	Countywide Overhead - Admin Cost	\$ 3,851	2	\$ 7,702
Total Sheriff's Dispatcher - FY 15/16		\$ 117,110		\$ 234,219

Sheriff's Dispatcher - FY 16/17		Cost Per Dispatcher	Number of Dispatchers	Total
	Sheriff's Dispatcher - Salary includes benefits	\$ 117,067	2	\$ 234,134
	Sheriff's Dispatcher - Overtime *	\$ 4,364	2	\$ 8,727
	Uniform Allowance	\$ 463	2	\$ 926
	Countywide Overhead - Admin Cost	\$ 4,144	2	\$ 8,289
Total Sheriff's Dispatcher - FY 16/17		\$ 126,038		\$ 252,076

* Sheriff's Dispatcher - Overtime includes Evening and Night Differential
 Overtime cost is based on a 2 year average of 71 hours per Dispatcher
 at a rate of 52.46 (source SAP Report). FY 14/15, 15/16 and 16/17 OT rate is has a minimal factor of .004%.

**AGREEMENT FOR 9-1-1 EMERGENCY COMMUNICATIONS
DISPATCH SERVICES AND INFORMATION TECHNOLOGY SERVICES
BETWEEN THE COUNTY OF SAN LUIS OBISPO AND THE CITY OF MORRO BAY**

This Agreement is made and entered into as of this ____ day of _____, 2014 (the "Effective Date"), by and between the County of San Luis Obispo, a political subdivision of the State of California (hereinafter "County"), and the City of Morro Bay, a municipal corporation (hereinafter "City").

RECITALS

WHEREAS, the County Sheriff's Office provides dispatch services throughout the geographical boundaries of County; and

WHEREAS, City desires to change the manner in which its Police Department receives dispatch services within the territorial boundaries of City; and

WHEREAS, it has been determined by City that County's Sheriff's Office can most efficiently and effectively provide 9-1-1 emergency radio dispatch services and information technology services for dispatch to City's Police Department beginning _____, 2014;

NOW, THEREFORE, the parties mutually agree as follows:

I. Scope of Work:

A. Dispatch Services: Commencing _____, 2014, County, through its Sheriff's Dispatch Division ("Dispatch"), will provide City police officers with 24-hour 9-1-1 answering services and radio and computer communications dispatch services (collectively, "Dispatch Services") as follows:

1. Answer all 9-1-1 telephone calls and any non-emergency calls for service that are transferred to Dispatch from City's Police Department's station. (If City desires a dedicated Morro Bay PD line in Dispatch that the public can call directly to request a call for service, then City shall establish the needed phone line(s) in coordination with Dispatch and be responsible for communicating with and paying the phone company directly).

2. Answer all radio transmissions from City's Police Department personnel calling from their vehicle radios or base station on law enforcement radio frequencies.
3. Transfer calls for fire department and harbor patrol emergency services directly to Cal FIRE or other appropriate providers of emergency services for dispatch of emergency services.
4. Relay pertinent information noted by the recipient of a telephone request for emergency services to the appropriate public safety agencies or other providers of emergency services for dispatch of an emergency service unit.
5. Provide urgent or emergency data inquiry responses to City's field units.
6. Obtain appropriate information from the California Law Enforcement Telecommunications System ("CLETS") as requested by City's Police Department and Harbor Patrol personnel.
7. Upon request, provide information to City's Police Department personnel for queries made related to wants, warrants, local criminal histories, Department of Motor Vehicles' information, or sensitive information intended only for law enforcement use. Dispatch will generally not conduct state criminal arrest and prosecution searches ("RAPS") on behalf of City; provided, however, that during non-operational hours of City's Police Department Records staff, RAPS inquiries may be made when the information is deemed necessary by City's Watch Commander (the "Watch Commander"). In such cases, the Watch Commander shall provide the case number or other pertinent information necessary for Dispatch to conduct the search.
8. Provide, install and maintain all necessary consoles and associated radio dispatch equipment to be located in County's communication center (the "Dispatch Equipment"). County has no obligation for the maintenance of radio, telephone or computer equipment owned or operated by City, nor for making any necessary changes or upgrades of equipment, radio or telephones owned or operated by City that are required to maintain police dispatch services.
9. Collaborate with City regarding Dispatch Services protocol specific to City and in furtherance of meeting the Dispatch Services needs of City.

City shall be responsible for the maintenance of the radio equipment owned or operated by City pursuant to this Agreement, including all repeater sites and equipment necessary for quality communications. All radio frequencies assigned to City that are regulated by the Federal Communications Commission shall be kept current and maintained by City at its own expense. If City desires additional repeater sites or radio frequencies that are non-operational at the time of execution of this Agreement, then all costs associated with adding the repeaters or frequencies will be borne exclusively by City.

B. After Hours Records Services: Commencing _____, 2014, County, through its Sheriff's Records Division, will provide City police officers with after hours (Monday through Friday 5:01 p.m. – 7:59 a.m.) and weekend (Saturday at 8:00 a.m. through Monday at 7:59 a.m.) records services as follows ("Records Services"):

1. Dispatch will monitor City's prime mnemonic, EEHS, after hours and advise the Watch Commander of any hit confirmations.

2. Upon written request by City's Police Department personnel, Dispatch shall serve as the agency's California Law Enforcement Telecommunication System (CLETS) operator performing CLETS entries, inquiries, modifications, clears, and cancels into all databases except the California State Criminal History System (CHS) or (RAPS).

C. Information Technology Services: Commencing _____ 2014, County, through its Information Technology Services Unit, will provide support services for City server environments connected to County's Network, ("IT Services") as described below:

1. Network Support Services: Once the Dispatch Equipment is installed, County will provide on-going staff support for City client/server environments connected to County's Network, including support and maintenance of its computer hardware, software, including Mobile Data Computer (MDC) and data communications, installing upgrades to supported computer hardware, installing new releases to supported computer software, and resolving reported problems with the supported hardware, software or data communications that are necessary for the communications link between City's server environment and County's Network. (Any third party vendor or manufacturer costs that are necessary for providing technological maintenance or support for supported software, computer, or data communication equipment, or for warranty, repair work, a new release, upgrades, parts or replacements, shall be billed to City at actual cost.)

2. Additional Services: City shall procure and pay for a mutually agreed upon portion of any hardware, software or data communications equipment, including warranties, licenses, upgrades, repairs and replacements that will reside and remain at County's Dispatch and which may be required to facilitate a requested and agreed upon implementation of a service by County to City. Those costs shall be calculated proportionate to the cost of one dispatch seating position and equipment for the dispatch position (Current CLETS billing configuration will remain unchanged.)

II. Confidential Data: In the performance of the work or services provided under the terms of this Agreement, or in contemplation thereof, County may have access to private or confidential information that may be owned or controlled by City. Therefore, County shall abide by all applicable local, state and federal laws, rules, regulations, guidelines, and directives regarding the confidentiality and security of said information and shall keep such information confidential, unless County is required by law to disclose it.

III. City's Cooperation: In order for County to fulfill its obligations under this Agreement for the provision of Dispatch and IT Services in a timely and effective manner, City staff shall provide full and uninhibited cooperation complete and unfettered access to all necessary equipment, supplies, and office space, and full and immediate access to information and data that are necessary for County's ability to provide services hereunder.

IV. Status of Employees:

A. Dispatchers as County Employees. All persons employed by County to perform services pursuant to this Agreement shall be and remain County employees and shall at all times, be under the direction and control of the County. All persons employed by County to perform the services pursuant to this Agreement shall be entitled solely to the rights and privileges given to County employees and shall not be entitled, as a result of providing services required hereunder, to any additional rights and privileges given to City employees. City shall not be liable for the direct payment of salaries, wages, benefits, or other compensation to any County personnel performing services hereunder for County or any liability other than that provided for in this Agreement.

B. City's Dispatch Employees as Prospective County Employees: City understands County provides a merit system of employment pursuant to the provisions of the County Civil Service Enabling Law (Gov. Code, §§ 31100 *et seq.*), which requires all applicants for County employment are hired in strict compliance with the Enabling Law and the County Civil Service Ordinance (County Code, Title 2,

Chapter 2.40). As such, County will consider any applications submitted by City dispatch employees that meet the civil service criteria. Successful applicants will be required to complete and pass a background check and psychological and medical examinations pursuant to Civil Service Commission rules. In the event a City employee is hired through County's civil service examination process, the employee shall be treated as any "new hire" (e.g., subject to successful completion of a probationary period) and shall not receive any time in service credits towards County employment for his or her years of services with City.

V. Billing and Payment:

A. Dispatch Service:

1. In exchange for the Dispatch Services, as described in Section I(A) of this Agreement, City shall pay to County an amount calculated annually for two full-time dispatchers, per Deputy Sheriffs' Association Dispatcher Unit (BU22) current MOU, annual overtime and a uniform allowance, which costs are set forth in Attachment 1 hereto, and incorporated herein by reference (the "Dispatch Service Fee.")

2. The Dispatch Service Fee shall be payable by City to County semi-annually, thirty (30) days after receipt of County's December and June invoices for services. The first invoice issued by County will be prorated for any period of time that is less than a semi-annual charge.

3. County shall submit to City, County's three year estimate of the Dispatch Service Fee in order to assist City in preparing its annual budget.

B. Information Technology Services:

1. In exchange for the IT Services described in Section I(C)(1) (excluding section (2) which is billed at the rate indicated therein) provided by County hereunder, City shall pay to County the actual cost per hour for the requisite level of IT Services needed for the support and maintenance of the dispatch services provided hereunder, which costs are set forth in Attachment 2, and incorporated herein by reference ("IT Service Fee").

2. IT Service Fees shall be payable by City to County, thirty (30) days after receipt of County's statement of service.

3. County shall submit to City, no later than April 15 of each calendar year, County's estimate (Cost Applied Summary) of the annual costs

of the IT Service Fees to be provided hereunder in order to assist City in preparing its annual budget.

VI. Unforeseen Mandates: In the event legislative or regulatory changes require County to incur unforeseen expenses (*i.e.*, drastic increases in mandatory training, new required equipment, employee labor MOU increases, minimum pension obligations, etc.), City agrees to compensate County in addition to its payment for Dispatch Services, for its proportionate share of the cost requirements based upon the number of dispatch positions contained in this Agreement.

VII. Term, Renewal and Termination of the Agreement:

A. Initial Term: The initial term of this Agreement shall be for three years, commencing with the execution of this Agreement, and ending on _____ of 2017, unless sooner terminated as provided herein ("Initial Term"); and

B. Renewal Term: Following completion of the initial Term, the Agreement shall automatically renew each July 1st thereafter for three (3) year terms (each, a "Renewal Term"), unless either party delivers written notification to the other party sixty days prior to the July 1 renewal date in writing of its intent to terminate this Agreement. County agrees, at the renewal of this Agreement, the cost of services provided hereunder shall not increase to an amount that exceeds ten percent (10%) of the Dispatch Fee identified in the previous year's services, exclusive of additional staffing needs occasioned solely by service to City and the additional costs of unforeseen mandates and special services as set forth in this Agreement.

C. Termination of Agreement. Either party may terminate this Agreement with or without cause prior to the expiration of the Initial Term or a Renewal Term by complying with the following process:

- i. The party desiring to terminate shall first provide the other party written notice of its intent to terminate fourteen (14) months prior to the date of desired termination of the Agreement ("Notice of Intent to Terminate").
- ii. Within sixty (60) days after delivery of the Notice of Intent to Terminate, the parties shall meet to attempt to resolve disputes, if any, by complying with the Dispute Resolution Process detailed in Section VIII below.
- iii. If after completion of the process described in Section VIII below or if sixty (60) days after the Notice of Intent to Terminate, the

party desiring to terminate continues to desire to terminate the Agreement, it may terminate by providing twelve-months' (12-months') prior written notice of termination to the other party ("Notice of Termination").

- iv. Within one hundred twenty (120) days after delivery of Notice of Termination, the parties shall complete a transition plan providing for an orderly transition of responsibilities from County to City. The transition plan shall ensure that there is no substantial disruption in the level of dispatch services to City and at a minimum shall include objectives, project phases, and timelines, division of equipment and project roles and responsibilities. Each party shall fund their respective costs in developing the transition plan.

D. Costs of Early Termination. In the event City terminates this Agreement prior to the expiration of its term, City agrees to reimburse County for all expenses resulting from the early termination. In the event County terminates this Agreement prior to the expiration of its term, County agrees to reimburse the County for any advance costs paid for services not yet received.

VIII. Dispute Resolution: In the event of a dispute concerning terms, conditions, and responsibilities set forth in this Agreement, the parties shall attempt to resolve such dispute informally through their authorized agents or designees. In the event any dispute is not resolved by the informal process set forth herein, the parties agree to attempt to resolve any such dispute by submitting their dispute to a committee composed of two (2) representatives appointed by County and two (2) representatives appointed by City, and one neutral appointee who shall be agreed upon by the parties. The committee's decision as to the disputed issues shall not be binding. (Any costs that may be incurred due to the appointment of the fifth neutral committee member shall be shared equally between the parties.) The parties agree this process shall be completed within forty five (45) days.

IX. Indemnification, Warranties and Insurance:

A. Warranty, Limitations thereof, and Limitations of Liability: In providing the technological services to City, including any software or hardware utilized in connection with the dispatch services provided hereunder, County warrants it will utilize its best efforts attempting to provide the technological services outlined herein. County does not, however, either expressly or impliedly, guarantee, warrant, or insure those services, or any software or hardware for fitness for any particular purpose, or represent or warrant errors or omissions will not occur. In no event and under no circumstances will County, its officers, employees,

agents or contractors, have any liability whatsoever for losses or damages caused by County suffered by City, nor for any loss of use, lost profits, lost data or any other form of direct, indirect, special, or consequential damages suffered by City, nor for any claim against County made by City arising from or in any way related to this Agreement even if County has been advised of the possibility of such claims or damages in advance, unless County expressly accepts responsibility for same in advance and in writing. County's improper or negligent provision of a technological service or services shall, however, constitute a material breach of this Agreement, and shall constitute grounds for the immediate termination of this Agreement by City, and entitles City to a reimbursement of the fees billed by County and paid by City for any improperly or negligently provided service or services, but only to the extent such improperly or negligently provided service or services has resulted in a loss, damage, or injury to City that may be quantified.

B. Indemnification: The parties' obligations under this indemnification provision shall survive the termination or completion of work under this Agreement:

1. Notwithstanding anything in this Agreement to the contrary, County shall indemnify, defend, protect, and hold harmless City, its officers, employees and agents from and against any and all liability, losses, claims, damages, expenses, demands and costs arising out of County's performance of the services under or arising from this Agreement and caused by the negligent act or omission, willful misconduct or violation of law of or by County, its employees, agents and subcontractors, except where caused by the active or passive negligence or willful misconduct of City or as otherwise provided or limited by law.

2. Notwithstanding anything in this Agreement to the contrary, City shall indemnify, defend, protect, and hold harmless County, its officers, employees and agents from and against any and all liability, losses, claims, damages, expenses, demands and arising out of City's performance under or arising from this Agreement and caused by the negligent act or omission, willful misconduct or violation of law of or by City, its employees, agents and subcontractors, except where caused by the active or passive negligence or willful misconduct of County or as otherwise provided or limited by law.

C. Insurance: Each party shall maintain in force at all times during the performance of this Agreement, a policy or policies of insurance (or self-insurance covering same) and in the minimum limits of liability as stated herein:

1. Comprehensive general liability, including but not limited to premises, personal injuries, products, and completed operations for combined single limit of not less than \$1,000,000 per occurrence;
2. Comprehensive automobile liability, including but not limited to property damage, bodily injury, and personal injuries for combined single limit of not less than \$1,000,000 per occurrence; and
3. Worker's Compensation covering statutory requirements of the State of California.
4. Upon request of the other, evidence of compliance with said insurance requirements shall promptly be supplied in writing.

X. General Terms and Conditions:

A. Amendment: This Agreement may be amended or modified only by an instrument in writing signed by both parties.

B. Waiver: Any waiver of any terms and conditions hereof must be in writing and signed by the parties hereto. A waiver of any of the terms and conditions hereof shall not be construed as a waiver of any other terms or conditions in this Agreement.

C. Beneficiaries and Assignment: No person or organization shall be a third party beneficiary of this Agreement. Neither party may assign all or any part of its rights, privileges, benefits or responsibilities hereunder to any other party without the express prior written authorization and consent of the other and no assignment shall be of any force or effect whatsoever unless and until the other party shall have so consented.

D. Compliance with Applicable Law: The parties shall comply with all applicable federal, state, and local laws and regulations in the performance of this Agreement.

E. Heading: The section and paragraph headings are for convenience only and shall not be used to interpret the terms of this Agreement.

F. Construction: The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment hereto.

G. Authority: Any individual executing this Agreement on behalf of a party represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such entity and bind the entity to the terms and conditions of this Agreement.

H. Integration: This Agreement, including exhibits referenced herein, if any, shall represent the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the parties as of the Effective Date hereof.

I. Records Retention: In accord with California Government Code section 8546.7, the parties acknowledge this Agreement, and performance and payments under it, are subject to examination and audit by the State Auditor for three years following final payment under the Agreement. County will keep and maintain all ledgers, books of account, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three years (or for any longer period required by law) from the date of final payment to County under this Agreement. Upon reasonable notice, either party shall have the right to inspect and audit any records maintained by the other party relevant to this Agreement, to the extent allowed by law.

J. Force Majeure: Neither County nor City shall be deemed in default in the performance of the terms of this Agreement if either party is prevented from performing the terms of this Agreement by causes beyond its control, including without limitation: acts of God; rulings or decisions by municipal, federal, state or other governmental bodies; any laws or regulations of such municipal, federal, state or other governmental bodies; or any catastrophe resulting from flood fire, explosion, or other causes beyond the control of the defaulting party. Any party delayed by force majeure shall, as soon as reasonably possible, give the other party written notice of the delay. The party delayed shall use reasonable diligence to correct the cause of the delay, if correctable, and if the condition that caused the delay is corrected, the party delayed shall immediately give the other party written notice thereof and shall resume performance under this Agreement.

K. Governing Law: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, without regard to its conflict of laws provisions. Venue for any cause of action arising out of a right or duty hereunder shall be brought in the County of San Luis Obispo.

L. Notices: Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail as follows:

To County:

San Luis Obispo County Sheriff
1585 Kansas Ave.
San Luis Obispo, CA 93405

With Copy To:

County Administrative Officer
1055 Monterey Street, D430
San Luis Obispo, CA 93401

To City:

Morro Bay Police Chief
850 Morro Bay Blvd.
Morro Bay, CA 93442

With Copy To:

City Manager
595 Harbor Street.
City of Morro Bay
Morro Bay, CA 93442

IN WITNESS WHEREOF, the County and City have caused this Agreement to be executed by their duly-authorized representative as of the day and year written above.

<p>COUNTY OF SAN LUIS OBISPO</p> <p>By: _____ Bruce Gibson, Chairman of the Board of Supervisors</p> <p>ATTEST:</p> <p>By: _____ County Clerk and Ex-Officio Clerk to the Board of Supervisors</p>	<p>CITY OF MORRO BAY</p> <p>By: _____</p> <p>ATTEST:</p> <p>By: _____</p>
--	---

APPROVED AS TO FORM
AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: *Am Duggan*
Deputy County Counsel

Dated: 9/8/14



AGENDA NO: A-5

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor and City Council **DATE:** September 10, 2014

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

SUBJECT: Acceptance of a Grant of Easement for Sewer Purposes from Imperial Coast Limited Partnership (Inn at Morro Bay, 60 State Park Road)

RECOMMENDATION

Staff recommends Council adopt Resolution No. 62-14 accepting the offer of an Access Easement to lease site 27W.

ALTERNATIVES

There are no recommended alternatives.

FISCAL IMPACT

There is no fiscal impact associated with this offer of dedication.

BACKGROUND/DISCUSSION

On March 19, 2014, the City’s Planning Commission approved a Coastal Development Permit (CP0-429) and Conditional Use Permit (UP0-376) for modifications and commercial improvements to an existing hotel including renovations to public areas, addition of outside gazebo and changes to roofline at 60 State Park Road. The Planning Commission Resolution (04-14) approving the permit contained the following condition of approval:

The Applicant shall grant an access easement to lease site 27W to the satisfaction of the Harbor Director and City Engineer prior to building permit issuance.

The 30 foot wide access easement is being offered through an Access Easement Agreement instrument over a portion of Lot 5, Section 1, T30S, R10E Lot 21, Block 3A in 2-MB-15 as described in Document Number 2011015930 on file with the San Luis Obispo County Clerk Recorder (Atascadero Beach Tract); the property is located at 60 State Park Road.

CONCLUSION

This access easement will allow City and the public to have legal access to the water lease site 27W.

ATTACHMENT

1 Access Easement Agreement

Prepared by: <u>RL</u> Dept. Review: <u>RL</u> City Manager Review: _____ City Attorney’s Review: _____

RESOLUTION NO. 62-14

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
ACCEPTING A GRANT OF EASEMENT FOR ACCESS PURPOSES**

**The City Council
City of Morro Bay, California**

WHEREAS, On March 19, 2014, the City's Planning Commission approved a Coastal Development Permit (CP0-429) and Conditional Use Permit (UP0-376) for modifications and commercial improvements to an existing hotel including renovations to public areas, addition of outside gazebo and changes to roofline at 60 State Park Road; and

WHEREAS, the City controls and manages lease site 27W, located westerly of the permittee's property which does not have legal landward access; and

WHEREAS, Planning Commission Resolution (04-14) approving the permit contained the following condition of approval:

The Applicant shall grant an access easement to lease site 27W to the satisfaction of the Harbor Director and City Engineer prior to building permit issuance; and

WHEREAS, the Owners, have granted the required easement to the City; and

WHEREAS, it is in the public interest for the Morro Bay City Council to accept the easement on behalf of the public.

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

1. The City does hereby accept the grant of easement from Imperial Coast Limited Partnership on behalf of the public.
2. The Mayor is hereby authorized to sign the "Access Easement Agreement" on behalf of the City.

PASSED AND ADOPTED by the Morro Bay City Council at a regular meeting thereof held on the 23rd day of September 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

Jamie L. Irons, Mayor

ATTEST:

Jamie Boucher, City Clerk

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

Imperial Coast Limited Partnership
ATTN: Sushil Israni
1785 HANCOCK STREET, SUITE 100
SAN DIEGO, CALIFORNIA 92110

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 066-411-002

ACCESS EASEMENT AGREEMENT

Grantor: IMPERIAL COAST LIMITED PARTNERSHIP, A CALIFORNIA LIMITED PARTNERSHIP

Grantee: CITY OF MORRO BAY

THIS ACCESS EASEMENT AGREEMENT (“Agreement”), dated this ___2nd_ day of _____JULY_____, 2014, is executed by **IMPERIAL COAST LIMITED PARTNERSHIP, A CALIFORNIA LIMITED PARTNERSHIP** (“Grantor”) for the benefit of **CITY OF MORRO BAY**, and its successors and assigns (“Grantee”).

A portion of Grantor’s real property, as legally described in the attached “Exhibit A” and “Exhibit 'B' Graphic Exhibit” (the “Easement Area”), is adjacent to Grantee’s real property, as legally described in attached Exhibit C (“Grantee’s Property”).

For and in consideration of One Dollar (\$1.00) and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions contained herein, Grantor hereby conveys to Grantee a non-exclusive easement for ingress and egress to and from Grantee’s Property (the “Easement”) on and over the Easement Area.

The Easement is granted subject to the following terms and conditions, which Grantee agrees to perform and obey:

1. The Easement is granted solely for ingress and egress. Grantee may not park or leave any vehicles or objects in the Easement Area.

2. The firelanes, walkways and parking lots currently located on the Easement Area may be relocated by Grantor; provided however, any relocated improvements shall provide direct ingress and egress to Grantee's Property.
3. Grantor may install gates and prevent access to the Easement Area; provided however, any such gates shall remain unlocked allowing passage through the Easement Area daily, from 6:00 AM to 8:00 PM.
4. The rights and obligations of the parties hereunder shall inure to the benefit of and be binding upon their respective successors and assigns.

[Signature on following page.]

IN WITNESS WHEREOF, Grantor and Grantee have executed this Access Easement Agreement as of the date first written above.

GRANTOR

IMPERIAL COAST LIMITED PARTNERSHIP,
a California limited partnership

By: 
Sushil Israni, Partner

GRANTEE

CITY OF MORRO BAY,
a _____

By: _____
[name]
[title]

STATE OF CALIFORNIA)

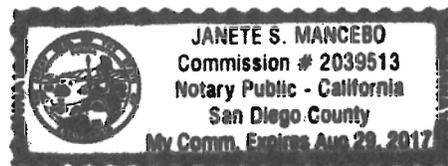
COUNTY OF SAN DIEGO)

On 7/2/14 before me, Janete Mancebo, Notary Public personally appeared Sushil Israni 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, 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.

Signature 
, Notary Public



STATE OF CALIFORNIA)

COUNTY OF _____)

On _____ before me, _____, Notary Public personally appeared _____ 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, 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.

Signature _____
, Notary Public



DAKOS LAND SURVEYS, INC.

Continuing 30 Years of Surveying Tradition on the Central Coast

7600 Morro Rd, Atascadero, CA 93422 • Ph (805)466-2445 • Fax (805)466-0812
 email: info@dakoslandsurveys.com • website: www.dakoslandsurveys.com

LEGAL DESCRIPTION

Exhibit 'A' Sheet 1 of 2

That portion of the parcel described in the Special Warranty Deed to Imperial Coast Limited Partnership, a California Limited Partnership, recorded March 31, 2011 as Document Number 2011015930 in the Recorder's Office of San Luis Obispo County, in the State of California, described as follows:

A strip of land 30.00 feet wide, lying northerly of and parallel with the southerly line of said parcel, and westerly of and parallel with the easterly line of said parcel.

Said strip is to be shortened to terminate at the westerly and northerly lines of said parcel.

The attached "Exhibit 'B' Graphic Exhibit" should be used to assist in retracing the lines of this description.

Marc Dakos 5/9/14
 Marc Dakos, LS 8769 (Date)
 Professional Land Surveyor



EXHIBIT 'B'

GRAPHIC EXHIBIT

SHEET 2 OF 2

TRACT 729
11/MB/30

N89°50'00"E 480.39'± Record

MORRO BAY

N11°00'00"W 348.31'± Record

30.00'

DOC# 2011015930
(PTN LOT 5 SEC 1
T30S, R10E, MDM)

SOUTH 440.00'± Record

MAIN ST

N15°00'00"E
101.42'± Record

30.00'

DESCRIBED

S89°50'00"W 440.18'± Record

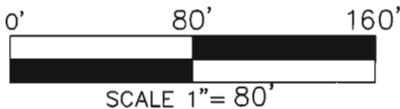
PTN LOT 5 SEC 1
T30S, R10E, MDM

SOUTHERLY LINE
OF PARCEL
DESCRIBED IN
DOC# 2011015930

EASTERLY LINE OF
PARCEL DESCRIBED
IN DOC#
2011015930



www.DakosLandSurveys.com



LEGEND

(R) RECORD DATA PER 6/RS/73
AND/OR DOC# 2011015930

Exhibit "C"
Grantee Property Legal Description



City of Morro Bay

Morro Bay, CA 93442

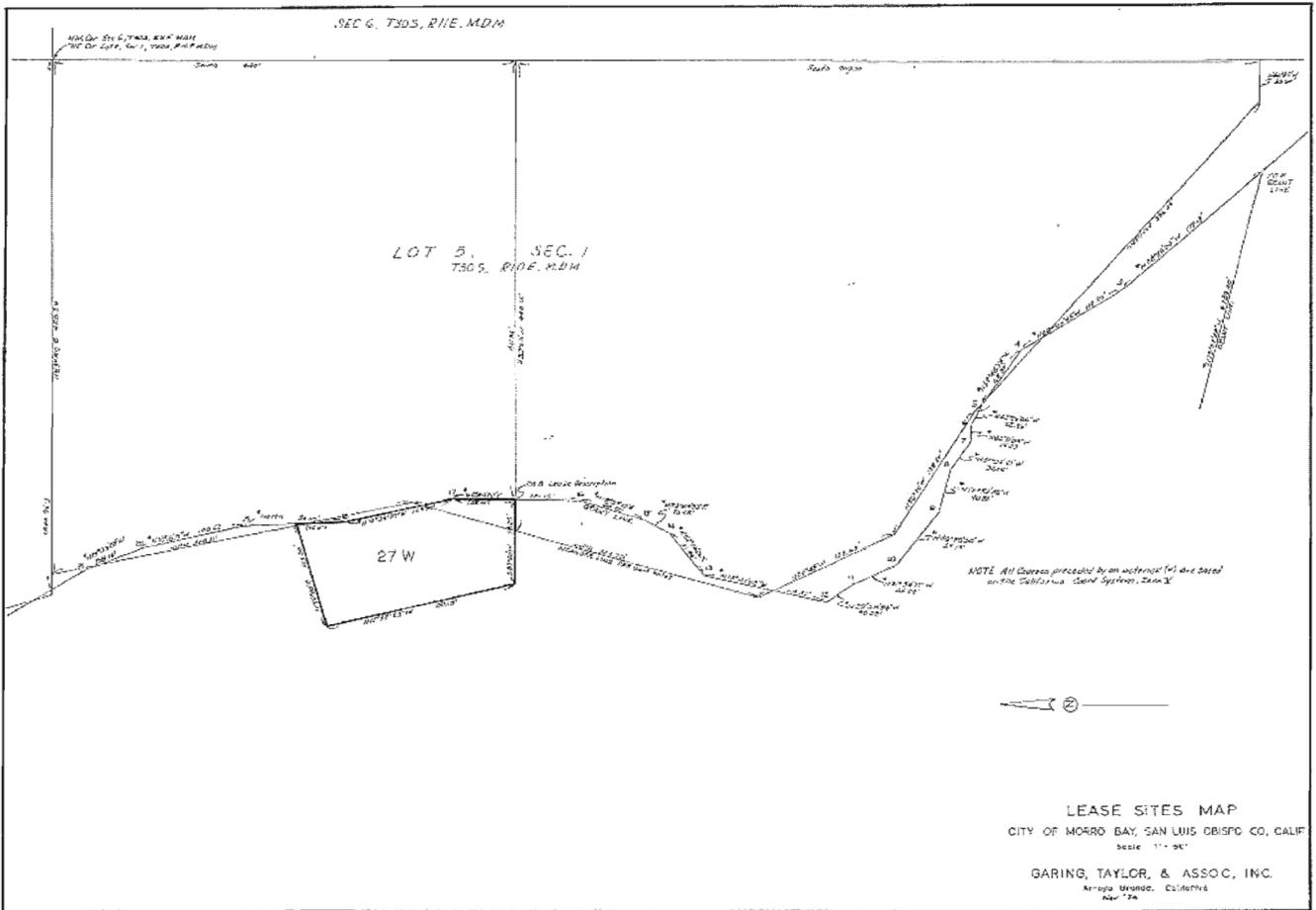
(805) 772-6200

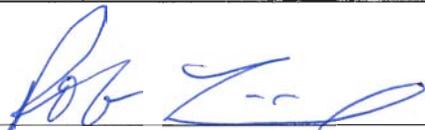
www.morro-bay.ca.us

Exhibit "C"

Grantee Property Legal Description

The Parcel described as 27W and shown on Page 13 the Official Lease Sites Map, adopted by City Council Resolution 77-74 on December 9, 1974 and on file in the Office of the City Engineer for the City of Morro Bay City, Morro Bay California.




 Rob Livick, PE/PLS – City Engineer
 LS 8126





AGENDA NO: A-6

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor and City Council DATE: September 8, 2014

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

SUBJECT: Acceptance of a Grant of Easement for Sewer Purposes from Kirk and Laree Najarian (325 Zanzibar Street)

RECOMMENDATION

Staff recommends Council adopt Resolution No. 61-14 accepting the Grant of Easement for sewer purposes on Lot 21, Block 3A in 2-MB-15 (Atascadero Beach Tract) located at 325 Zanzibar Street.

ALTERNATIVES

There are no recommended alternatives.

FISCAL IMPACT

There is no fiscal impact associated with this offer of dedication.

BACKGROUND

On March 27, 2014, an Administrative Coastal Development Permit (CP0-425) was issued for the construction of a new home at 325 Zanzibar Street. The permit contained the following condition of approval:

A 5 foot wide sewer easement is required along the eastern property line. The limits of this easement shall be shown on the final building plans. A Dedication of Easement with complete legal description shall be provided in a format approved by the City Engineer with the Building Plans submittal.

CONCLUSION

The dedication and acceptance of this sewer easement will allow City maintenance staff to have legal access to an existing public sewer main.

ATTACHMENT

1 Grant of Easement

Prepared by: RL Dept. Review: RL
City Manager Review: _____
City Attorney's Review: _____

RESOLUTION NO. 61-14

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
ACCEPTING A GRANT OF EASEMENT FOR SEWER PURPOSES**

**The City Council
City of Morro Bay, California**

WHEREAS, On March 27, 2014, an Administrative Coastal Development Permit (CP0-425) was issued for the construction of a new home at 325 Zanzibar Street, Morro Bay.; and

WHEREAS, a public sewer main exists along the Easterly side line of the abovementioned property; and

WHEREAS, the administrative coastal development permit contained the following condition of approval:

A 5 foot wide sewer easement is required along the eastern property line. The limits of this easement shall be shown on the final building plans. A Dedication of Easement with complete legal description shall be provided in a format approved by the City Engineer with the Building Plans submittal.

WHEREAS, the Owners, have granted the required sewer easement to the City; and

WHEREAS, it is in the public interest for the Morro Bay City Council to accept the easement on behalf of the public.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Morro Bay does hereby accept the grant of easement from Kirk E. and Laree S. Najarian on behalf of the public.

PASSED AND ADOPTED by the Morro Bay City Council at a regular meeting thereof held on the 23rd day of September 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

Jamie L. Irons, Mayor

ATTEST:

Jamie Boucher, City Clerk

RECORDING REQUESTED BY:
The City of Morro Bay, a municipal corporation.

When Recorded Mail to:
City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

APN: 065-081-020

SPACE ABOVE THIS LINE FOR RECORDER'S
USE

GRANT OF EASEMENT FOR SEWER PURPOSES

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, Kirk E. Najarian and Laree S. Najarian (“Grantor”) does hereby grant to the CITY OF MORRO BAY, a municipal corporation, and each of its successors and assigns (“Grantee”), a perpetual easement and right-of-way for a public sewer main line and laterals, and those appurtenances and uses commonly associated therewith (the “Facilities”), through, in, on, over, above, under and across that certain portion of Grantor’s real property situated in the City of Morro Bay, County of San Luis Obispo, State of California, more particularly described on Exhibit “A-1” and illustrated on Exhibit “A-2,” attached hereto and made a part hereof by this reference (the “Easement”).

The Easement granted herein includes the right to do any and all of the following:

- (a) ingress and egress to and from the Easement across the lands of Grantor for all purposes useful or convenient in connection with or incidental to the exercise of the rights herein granted at locations which shall not unreasonably interfere with Grantor’s reasonable use of the remainder property, and
- (b) the right to construct, reconstruct, repair, replace, operate and maintain the Facilities and the right to enter upon, pass and re-pass over, along, and beside the Easement, and
- (c) the right of Grantee and any of its officers, agents, employees, and contractors and any of its contractors’ officers, agents or employees to deposit any tools, implements and material there on, whenever and wherever necessary for the purposes above set forth.

Grantor shall not plant any tree within or erect any fence, wall or any other type of structure over, across or upon the Easement without first obtaining written permission from Grantee, which shall not be unreasonably withheld.

The conveyance of the Easement is made for the benefit of all parties who have or may acquire any right, title, or interest in any part of the above described real property. This conveyance is binding on the Grantor, its heirs, assigns or successors in interest.

Dated: 6/2/2014

Owner(s): Kirk Najarian

Laree Najarian

Print Name(s): Kirk Najarian

Laree Najarian

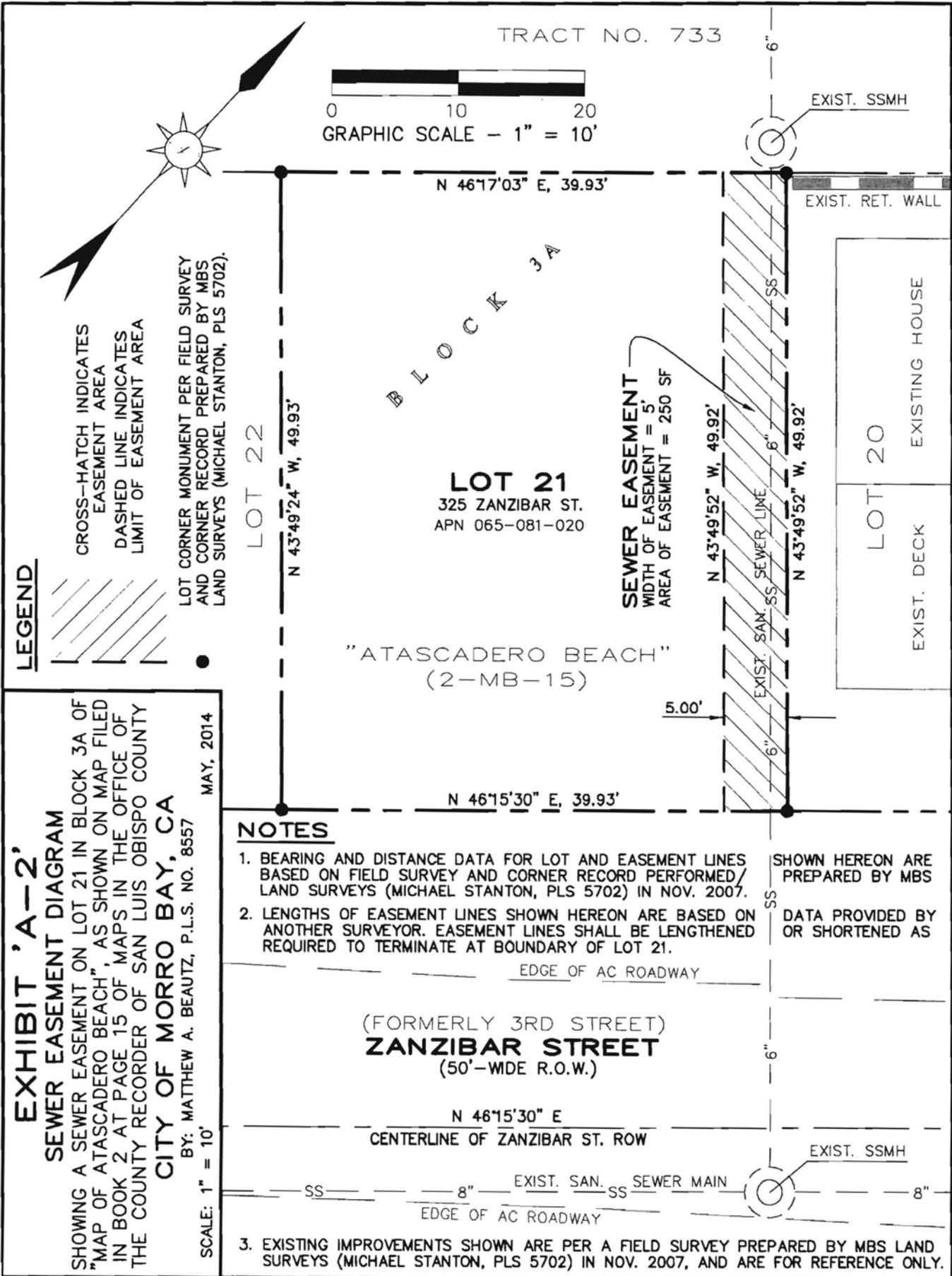
Signed: [Signature]

[Signature]

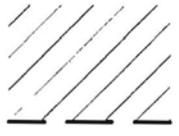
Title(s): owner

owner

Notary Certificate Required For All Signatures



LEGEND

-  CROSS-HATCH INDICATES EASEMENT AREA
-  DASHED LINE INDICATES LIMIT OF EASEMENT AREA

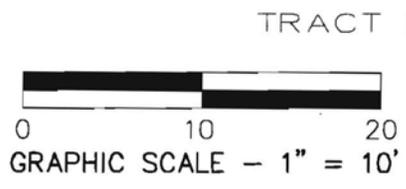
LOT CORNER MONUMENT PER FIELD SURVEY AND CORNER RECORD PREPARED BY MBS LAND SURVEYS (MICHAEL STANTON, PLS 5702).

EXHIBIT 'A-2'
SEWER EASEMENT DIAGRAM

SHOWING A SEWER EASEMENT ON LOT 21 IN BLOCK 3A OF "MAP OF ATASCADERO BEACH", AS SHOWN ON MAP FILED IN BOOK 2 AT PAGE 15 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAN LUIS OBISPO COUNTY CITY OF MORRO BAY, CA
 BY: MATTHEW A. BEAUTZ, P.L.S. NO. 8557
 MAY, 2014
 SCALE: 1" = 10'

NOTES

1. BEARING AND DISTANCE DATA FOR LOT AND EASEMENT LINES BASED ON FIELD SURVEY AND CORNER RECORD PERFORMED/LAND SURVEYS (MICHAEL STANTON, PLS 5702) IN NOV. 2007.
 2. LENGTHS OF EASEMENT LINES SHOWN HEREON ARE BASED ON ANOTHER SURVEYOR. EASEMENT LINES SHALL BE LENGTHENED REQUIRED TO TERMINATE AT BOUNDARY OF LOT 21.
 3. EXISTING IMPROVEMENTS SHOWN ARE PER A FIELD SURVEY PREPARED BY MBS LAND SURVEYS (MICHAEL STANTON, PLS 5702) IN NOV. 2007, AND ARE FOR REFERENCE ONLY.
- SHOWN HEREON ARE PREPARED BY MBS DATA PROVIDED BY OR SHORTENED AS



TRACT NO. 733

BLOCK 3A

LOT 21
325 ZANZIBAR ST.
APN 065-081-020

"ATASCADERO BEACH"
(2-MB-15)

(FORMERLY 3RD STREET)
ZANZIBAR STREET
(50'-WIDE R.O.W.)

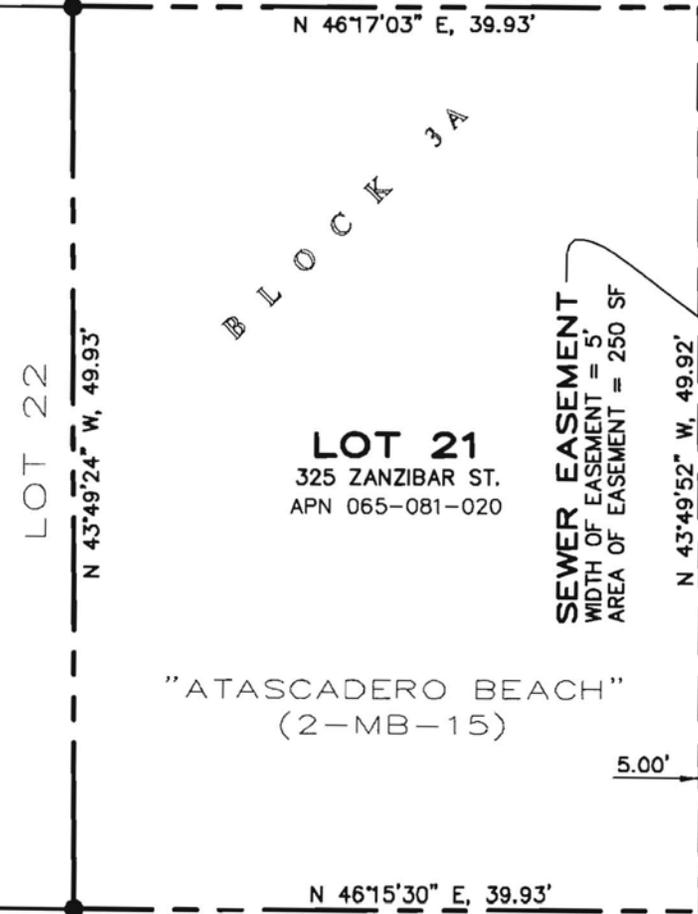


EXHIBIT 'A-1' – LEGAL DESCRIPTION

Situated in the City of Morro Bay, County of San Luis Obispo, State of California. Being a portion of Lot 21 in Block 3A of "Map of Atascadero Beach", as shown on map filed in Book 2 at Page 15 of Maps in the office of the Recorder of said County, and more particularly described as follows:

THE NORTHEASTERLY 5.00 FEET OF SAID LOT 21 (being a strip of land 5.00 feet in width along the northeasterly boundary of said Lot 21).

End of Description

Area of Easement = 250 square feet

The attached Exhibit 'A-2' should be used to assist in retracing the land described hereon, and to further clarify the location of the Sewer Easement.

Matthew A. Beutz
P.L.S. No. 8557
May, 2014

Acknowledgment

State of California

County of San Luis Obispo

On 6-2-14 before me, Colleen E Childres, Notary Public

personally appeared Kirk Najarian,
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 is true and correct.

Witness my hand and official seal.

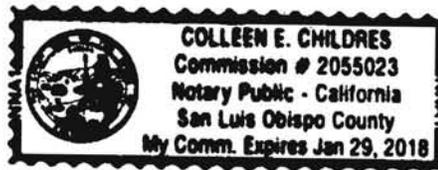
Colleen E Childres

Name

Colleen E Childres

Name Printed

County of San Luis Obispo



State of California)
County of San Luis Obispo)

On June 2, 2014 before me,
E.A. Griffin, Notary Public (here insert name and title of the officer),
personally appeared Laree Najarian,
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.
Signature [Handwritten Signature] (Seal)





AGENDA NO: A-7

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor and City Council DATE: September 18, 2014

FROM: Bruce Keogh, Wastewater Division Manager

SUBJECT: Authorization to fill a Public Services Department Vacancy – Wastewater Treatment Plant Operator

RECOMMENDATION

Staff recommends the Council authorize an internal/external recruitment for the vacant Wastewater Treatment Plant Operator position.

ALTERNATIVES

Staff does not believe alternatives are available as all positions are critical to the functionality of the wastewater treatment plant (WWTP).

FISCAL IMPACT

The adopted FY14/15 WWTP budget contains funding for a Grade I Operator position.

DISCUSSION

On September 4, 2014, one of the wastewater treatment plant operators retired after fifteen years with the City as a Grade 1 WWTP Operator. Plant staff is requesting Council authorization to replace this employee. Filling this position will continue to allow the WWTP to be fully staffed and continue with the numerous operational and maintenance issues currently underway at the WWTP.

Staff is recommending a recruitment be conducted to hire a new Operator, and the position be advertised as a certified Grade I Operator/ Operator in Training (OIT). This will provide flexibility in the recruitment process depending upon the certification and experience of the potential applicants.

While the City has been successful in hiring OITs in the past, hiring a certified Operator will allow for a faster transition to the operations team as it eliminates the training requirements imposed for OIT's. The State of California Office of Operator Certification requires an OIT to acquire one year of experience working at the plant under the supervision of a certified Operator prior to receiving a Grade I certificate. The decision to hire a certified Operator versus an OIT will be dependent on the number of the certified Operators that apply, their qualifications and their experience.

CONCLUSION

Staff recommends the Council authorize an internal/external recruitment for the vacant wastewater treatment plant operator position.

Prepared by: BK Dept. Review: RL

City Manager Review: EK

City Attorney's Review: _____



AGENDA NO: A-8

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor and City Council **DATE:** September 9, 2014

FROM: Eric Endersby, Harbor Director

SUBJECT: Approval of Resolution No. 60-14 Authorizing the City of Morro Bay to Enter Into a 2014/2016 Surrendered and Abandoned Vessel Exchange Contract with the Division of Boating and Waterways

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 60-14 authorizing the Harbor Director to execute the attached \$58,000 Surrendered and Abandoned Vessel Exchange (SAVE) Contract Agreement #C7702206 with the Division of Boating and Waterways (DBW) for assistance with demolition of abandoned/surrendered vessels and hazards to navigation.

ALTERNATIVES

There are no alternatives being presented with this item.

FISCAL IMPACT

Approval of this \$58,000 grant agreement will provide funding for demolition of several abandoned and surrendered vessels. The City is required to provide a 10% funding match that will primarily come from in-kind personnel administrative and operational services.

BACKGROUND

The Abandoned Watercraft Abatement Fund (AWAF) was established in 1997 and provides funds to public agencies to remove, store, and dispose of abandoned, wrecked, or derelict vessels or other submerged objects from navigable waterways which pose a hazard to navigation or the environment. To date, the Harbor Department has received and expended over \$62,000 in five separate AWAF fund grants.

The Vessel Turn-In Program (VTIP) was established by DBW from enabling Legislation in 2009. It provides a funding mechanism for local agencies to identify vessels in danger of being abandoned (generally older vessels at or beyond their useful life and falling into dereliction) and accepting ownership of those vessels from willing owners for demolition prior to them being abandoned and becoming a hazard to navigation or the environment. The City has accepted three prior grants from DBW under the VTIP program in a total amount of \$22,000.

Prepared By: LS

Dept Review: EE

City Manager Review: _____

City Attorney Review: _____

DISCUSSION

The Harbor Department once again applied for both AWAFF and VTIP grants this year. DBW has awarded the City an AWAFF grant in the amount of \$41,400 and a VTIP grant in the amount of \$16,600 for a total FY 2014-16 grant award of \$58,000.

New this year, for agencies awarded both the AWAFF and VTIP grants, are that these two grants have been combined to create a single grant, now titled "Surrendered and Abandoned Vessel Exchange" (SAVE); this allows agencies the ability to utilize the total funds as deemed necessary for both AWAFF and VTIP grant award purposes. The goal is to provide the opportunity for participating agencies to proactively accept as many surrendered vessels as possible in an effort to prevent and hopefully eliminate the abandoned vessel problem in California. Also new to the program, these grants now have two-year terms.

Staff will prioritize vessels in need of abatement and contract-out the work accordingly. If necessary, projects will be put out to bid as they arise, and the City will remove as many vessels as possible within the scope of the \$58,000 grant agreement.

CONCLUSION

It is recommended the City Council adopt Resolution No. 60-14, and authorize the Harbor Director to execute the 2014/2016 SAVE grant and to act as the City's authorized Agent for the purposes of the SAVE grant agreement to enable the Harbor Department to dispose of several abandoned and surrendered derelict vessels.

RESOLUTION NO. 60-14

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
AUTHORIZING THE CITY OF MORRO BAY TO ENTER
INTO A 2014/2016 SURRENDERED AND ABANDONED VESSEL EXCHANGE
CONTRACT WITH THE DIVISION OF BOATING AND WATERWAYS**

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

WHEREAS, City of Morro Bay (City) applied for two grants from the Division of Boating and Waterways (DBW) under the 2014/2016 Abandoned Watercraft Abatement Fund (AWAF) program and the Vessel Turn-In Program (VTIP); and

WHEREAS, DBW awarded the City of Morro Bay a AWAF grant in the amount of \$41,400.00 and VTIP grant in the amount of \$16,600.00 for a total FY 2014/16 grant award of \$58,000; and

WHEREAS, these two grants are combined to create a single grant, entitled “Surrendered and Abandoned Vessel Exchange” (SAVE), which will allow the City the ability to utilize the funds as deemed necessary for both AWAF and VTIP grant award purposes.

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

1. The City is hereby authorized to enter into SAVE Contract Agreement #C7702206 in the amount of \$58,000 for removal of abandoned/surrendered vessels and hazards to navigation.
2. Harbor Director Eric Endersby is hereby authorized to act as the City’s agent in regards to all aspects of the grant contract agreement.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 23th day of September, 2014 on the following vote:

AYES:

NOES:

ABSENT:

Jamie L. Irons, Mayor

ATTEST:

Jamie Boucher, City Clerk

State of California – Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION
DIVISION OF BOATING AND WATERWAYS

GRANT AGREEMENT

GRANTEE: CITY OF MORRO BAY HARBOR DEPARTMENT
GRANT TITLE: SURRENDERED AND ABANDONED VESSEL EXCHANGE (SAVE)
GRANT AMOUNT: \$58,000.00
GRANT NUMBER: C7702206
GRANT TERM: OCTOBER 1, 2014 THROUGH OCTOBER 1, 2016

The Grantee agrees to the terms and conditions of this contract, hereinafter referred to as Agreement, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California agrees to fund the total State grant amount indicated below. The GRANTEE agrees to complete the SCOPE OF WORK as defined in the Agreement.

The General and Special Provisions attached are made a part of and incorporated into the Agreement.

GRANTEE: CITY OF MORRO BAY HARBOR DEPARTMENT

ATTN: Eric Endersby, Harbor Director

ADDRESS: 1275 Embarcadero
Morro Bay, CA 93402

AGENCY: Department of Parks and Recreation
Division of Boating and Waterways
Attn: Susan Sykes

ADDRESS: One Capitol Mall, Suite 410
Sacramento, CA 95814

Authorized Signature

Printed Name and Title of Authorized Representative

Date

Authorized Signature

RAMONA FERNANDEZ, CHIEF OF OPERATIONS
Printed Name and Title of Authorized Representative

Date

**CERTIFICATE OF FUNDING
(FOR STATE USE ONLY)**

CONTRACT NO C7702206	AMENDMENT NO	CALSTARS VENDOR NO 4000000048-02		PROJECT NO
AMOUNT ENCUMBERED BY THIS DOCUMENT \$58000.00	FUND TITLE Abandoned Watercraft Abatement Fund #0577		AGENCY BILLING CODE NO 032011	
PRIOR AMOUNT ENCUMBERED BY THIS DOCUMENT \$0.00	ITEM 3790-101-0577	CHAPTER 25	STATUTE 2014	FISCAL YEAR 2014/15
TOTAL AMOUNT ENCUMBERED TO DATE \$58000.00	INDEX 1706	OBJECT CODE 702	PCA CODE 69003	PROJECT/WORK PHASE
T.B.A. NO	<i>I hereby certify upon my own personal knowledge that the budgeted funds are available for this encumbrance.</i>			
B.R.NO 77-1	ACCOUNTING OFFICER'S SIGNATURE		DATE	

STATE OF CALIFORNIA

Department of Parks and Recreation Division of Boating and Waterways
One Capitol Mall, Suite 410
Sacramento, CA 95814

**EXHIBIT A
SURRENDERED AND ABANDONED VESSELS EXCHANGE (SAVE)**

SCOPE OF WORK

Grantee agrees to provide to the Division of Boating and Waterways (DBW) as described herein:

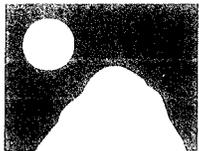
See Letters of Intent/Cover Letters/Plan of Action Grant Applications, and Questionnaire of Exhibit A.

The services shall be performed in the jurisdiction of:

CITY OF MORRO BAY HARBOR DEPARTMENT

State Agency: Division of Boating and Waterways	Grantee (Agency Name): CITY OF MORRO BAY HARBOR DEPARTMENT
Name: Susan Sykes	Grantee Representative *: Eric Endersby, Harbor Director
Title: Derelict Vessel Programs Administrator	Title:
Phone: 916- 327-1825	Phone::
Fax: 916-327-1772	Fax:
Email: susan.sykes@parks.ca.gov	Email:

* Grantee representative information may only be changed by giving 30 days written notice to DBW.



City of Morro Bay

HARBOR DEPARTMENT

1275 Embarcadero

Morro Bay, CA 93442

Ph. 805-772-6254

Fax: 805-772-6258

April 15, 2014

California Division of Boating & Waterways
Susan Skyes, Vessel Abatement Programs Analyst
One Capitol Mall, Suite 410
Sacramento, CA 95814

RE: AWAFF Grant Letter of Intent 2014/2015

The City of Morro Bay Harbor Department (CMBHD) is interested in applying for funding to remove abandoned watercraft in the Morro Bay Harbor. Currently, CMBHD has three vessels, *Shillelagh*, *Heavy Mettle*, and *Viejo Del Mar*, in lien process and planned for removal and demolition with the Abandoned Watercraft Abatement Fund (AWAF). Estimated cost to remove these three abandoned vessels is \$55,000.00. CMBHD is prepared to contribute the 10% local match prior to grant reimbursement.

To date the CMBHD has acquired scores of vessels, through lien sales, abandonments, and turn-ins, and has legally disposed of them. For vessels that cannot be put on a trailer, we drag them out of the water at our launch ramp. This is done in the off-season and during low-use times. They are then demolished in a corner of the parking lot since there is no haul-out facility in Morro Bay that can accommodate such work. Trailerable vessels are towed to an off-water site. At all times we adhere to best management practices and legal requirements with regards to pollution control, fuel, oil, and hazardous materials disposal. We use a competitive bid process to qualified companies for most disposals; for the smaller vessels (skiffs and runabouts 10-feet and less) we do the work with City crews and equipment. We have a proven track record of success with abandoned and derelict vessel abatement, having been awarded to date six AWAFF grants and three VTIP grants.

Enclosed is a completed application for AWAFF grant funding. Please feel free to contact me should you have any questions or need further information. Thank you for considering our request for grant funding.

Faithfully,

Eric Endersby
Harbor Director

Enc.

State of California – California Natural Resources Agency
DIVISION OF BOATING AND WATERWAYS
ONE CAPITOL MALL, SUITE 500
SACRAMENTO, CA 95814
(916) 327-1825
WWW.DBW.PARKS.CA.GOV



THE ABANDONED WATERCRAFT ABATEMENT FUND (AWAF)
GRANT APPLICATION AND QUESTIONNAIRE
Fiscal Year 2014/15

Local Agency Name: City of Morro Bay Harbor Department

Address: 1275 Embarcadero

City: Morro Bay State: CA Zip Code: 93442

Phone: 805-772-6254 Fax: 805-772-6258

Contact Person: Name: Eric Endersby

Phone: 805-772-6254

Fax: 805-772-6258

E-Mail: eendersby@morro-bay.ca.us

Note: The contact person is the individual who will address ALL questions and concerns on behalf of the Grantee.

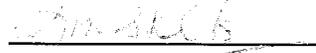
Grant request amount: \$ 55,000.00

**ABANDONED WATERCRAFT ABATEMENT FUND
GRANT APPLICATION AND QUESTIONNAIRE**

<p>1. Does your agency have a local marine law enforcement detail tasked with addressing abandoned vessels in your jurisdiction? If yes, explain in detail. If no, elaborate on your agency's efforts to create a program.</p>	<p>As the primary uniform public safety agency in Morro Bay waters, the Morro Bay Harbor Patrol is tasked with, among other things, code enforcement, pollution response and mitigation, and navigational hazard response and abatement. These duties are codified in the Morro Bay Municipal Code and Harbor Rules and Regulations.</p>
<p>2. Does your agency have a submerged navigational hazard abatement plan? Please explain.</p>	<p>The Morro Bay Harbor Department submerged navigational hazard abatement plan consists of the following:</p> <ol style="list-style-type: none"> 1. Identify navigational hazards or potential hazards. 2. Enforcement of local and State law and rules and regulations as pertained to such hazards; abandonment, operational, registration, pollution discharge, etc. 3. Aggressive delinquent fee collection, impoundment and liens. 4. Demolition of seized vessels deemed unfit for service.
<p>3. List by name and size the bodies of water or waterways your agency is responsible for in its jurisdiction.</p>	<p>The Morro Bay Harbor Department jurisdiction consists of submerged and tidelands granted waters within City limits, with both bay and ocean frontage. The approximate area of these waters in 15 square miles.</p>
<p>4. Local agencies are required to make a 10 percent match by cash, or in-kind. Is your agency able to comply with the 10 percent match in advance before any grant money is reimbursed?</p>	<p>Yes, in the upcoming 2014/2015 fiscal year approximately \$5,000 is being requested in the Harbor Department budget for derelict and abandoned vessel abatement and demolition. the City contribution will come out of this budget amount.</p>

Per Harbors and Navigation Code 525 (C) "A grant awarded by the department pursuant to subparagraph (A) shall be matched by a 10% contribution from the local agency receiving the grant." This matching fund may be rendered in cash, or through in-kind contributions which must be verified, and are at the discretion of DBW. These contributions may include (but are not limited to) the following: administrative costs, personnel hours, removal, and/or storage.

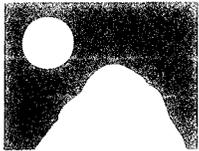
Grant monies WILL NOT be reimbursed by DBW unless 10% of each claim is met.

Prepared by: Name: Lori Stilts Signature:  Date: 7/14/14

Reviewed by: Name: Eric Endersby Signature:  Date: 9/12/14

Approving Officer: Name: Eric Endersby Signature:  Date: 9/19/14

Title of Approving Officer: Harbor Director Phone: 805-772-6254



City of Morro Bay

HARBOR DEPARTMENT

1275 Embarcadero

Morro Bay, CA 93442

Ph. 805-772-6254

Fax: 805-772-6258

April 14, 2013

California Division of Boating & Waterways
Susan Skyes, Vessel Abatement Programs Analyst
One Capital Mall, Suite 410
Sacramento, CA 95815

RE: Vessel Turn-Program Letter of Intent 2014/2015

The City of Morro Bay Harbor Department (CMBHD) is requesting funding for participation in the Vessel Turn-In Program (VTIP). Morro Bay is home port to approximately 500 vessels, a percentage of which exceed their useful life each year and fall into dereliction. Since vessels are not like motor vehicles in the sense that it's not a simple matter to dispose of them, many owners have expressed an interest to us in turning in their vessels for demolition due to both the financial inability to continue ownership or to dispose of them on their own.

For these reasons the CMBHD proposes to dispose of these "turn-in" vessels under the VTIP program should funding be granted. Should Morro Bay receive VTIP funding during the 2014/2015 cycle, the CMBHD proposes the following work plan:

- A. Turn-in vessels will be accepted on a first-come, first-serve basis, with additional priority being placed on those vessels that, in the opinion of Harbor Department staff, pose the greatest environmental and/or navigational hazards to Morro Bay waters. Currently, we have four vessels waiting for CMBHD to obtain VTIP funding. Vessels will be accepted to the point that VTIP funding allows, and the City is prepared to provide the 10% in-kind funding match.
- B. Vessels owners must show proof of ownership confirmable with DMV records. Owners will be required to sign their vessel title over to the City of Morro Bay, complete the Release of Liability form, and sign the City's turn-in agreement (attached).
- C. Vessels will be accepted during normal business hours Monday through Friday.
- D. The public will be notified of the program via the City of Morro Bay website, and flyers placed in pertinent local businesses and the Harbor Department office.
- E. The City of Morro Bay has demonstrated ample ability to dispose of various sizes and types of vessels over the years through participation in the Abandoned Watercraft Abatement Fund grant program, and our own lien sale and demolition program. A competitive bid process is used, open to qualified vendors. Vessels will be disposed of in an environmentally sound and legal manner per the bid process as the individual bidders propose.

We look forward to working with the California Division of Boating and Waterways in this vital program. Please feel free to contact me should you have any questions or need further information.

Faithfully,

Eric Endersby
Harbor Director

Enc.

**DBW VESSEL TURN-IN PROGRAM
AGREEMENT TO AUTHORIZE REMOVAL AND DESTRUCTION
OF VESSEL AND WAIVER OF LIABILITY**



This is a legally binding agreement between _____ (“Owner”) and the
City of Morro Bay (“City”) for the removal and destruction of the vessel:

“ _____ ”

Owner hereby authorizes City to take possession and ownership, and to remove and dispose of said vessel, including any and all appurtenances, equipment, fixtures, fittings, and personal property remaining on or in the vessel at City’s expense as Owner does not have the ways or means to remove said vessel. Owner hereby certifies that he/she is the true owner of record of this vessel, and as the owner he/she is legally authorized to enter into this agreement, release legal interest and ownership, and authorize the removal and destruction of the vessel under this agreement.

Owner acknowledges that by removing this derelict vessel from California waters, the City is providing a public service and carrying out its duty to manage said waters. Owner further acknowledges that he/she will receive no compensation, monetarily or materially, under the terms of this agreement. Upon destruction and disposal of the vessel, the City will notify the (California DMV or Coast Guard Documentation Center) of the vessel’s destruction.

As required by the provisions of Assembly Bill (AB) 166 (Chapter 416, Statutes of 2009), the Department of Boating and Waterways (DBW) implemented a Vessel Turn-In Program (VTIP). The purpose of the program is to allow a vessel owner to turn in their vessel to a public local agency in lieu of abandonment.

RELEASE OF LIABILITY AND WAIVER

Owner agrees to forever release and discharge the City of Morro Bay, its officers, employees, and agents from any and all liabilities, claims, demands, or causes of action that he/she may hereafter have for any injury, damage, expense, or loss to person or property arising out of the removal and destruction of this vessel. In addition, Owner agrees he/she is responsible for any and all outstanding debts, fees, rents, leases, or taxes owed against this vessel for any reason, and that the City assumes no liability or responsibility thereof. Vessel and Owner information is as follows:

Vessel CF/CG Doc.# _____ Make _____ Type _____

Length _____ Color _____ Location _____

Owner Name _____

Owner Address _____

Owner Phone _____ Owner CDL _____

Owner Signature _____ Date _____

Authorized City Representative Name _____

Authorized City Representative Signature _____ **Date** _____

State of California – California Natural Resources Agency
DIVISION OF BOATING AND WATERWAYS
ONE CAPITOL MALL, SUITE 500
SACRAMENTO, CA 95814
(916) 327-1825
WWW.DBW.PARKS.CA.GOV



VESSEL TURN IN PROGRAM (VTIP)
GRANT APPLICATION
Fiscal Year 2014/15

Local Agency Name: City of Morro Bay Harbor Department
Address: 1275 Embarcadero
City: Morro Bay State: CA Zip Code: 93442
Phone: 805-772-6254 Fax: 805-772-6258

Contact Person: Name: Eric Endersby, Harbor Director
Phone: 805-772-6254
Fax: 805-772-6258
E-Mail: eendersby@morro-bay.ca.us

Note: The contact person is the individual who will address ALL questions and concerns on behalf of the Grantee.

Grant request amount: \$ 20,000.00

Note: Per Harbors and Navigation Code 525 (C) "A grant awarded by the department pursuant to subparagraph (A) shall be matched by a 10% contribution from the local agency receiving the grant." Grant monies WILL NOT be reimbursed by the Department of Boating and Waterways until the 10% contribution is met.

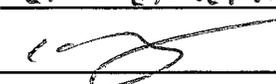
Prepared by: ERIC ENDERSBY Date: 4/15/14
Signature of Officer:  Date: 4/15/14
Title of Officer: Harbor Director

EXHIBIT B

Surrendered and Abandoned Vessels Exchange (SAVE) Grant Program

1. NEEDS AND OBJECTIVES OF DBW

a. Pursuant to its authority under Harbors and Navigation Code section 525, the Division of Boating and Waterways (DBW) wishes to contract with Grantee for the removal and disposal of abandoned, wrecked or dismantled vessels, or parts thereof, or any other partially submerged objects (hereinafter "eligible water hazards") which pose a substantial hazard to navigation within Grantee's jurisdiction as listed on the Questionnaire, found in Exhibit A.

b. Pursuant to its authority under Harbors and Navigation Code Section 525, the Division of Boating and Waterways (DBW) wishes to contract with Grantee for the removal and disposal of surrendered vessels, or parts thereof, which are in danger of being abandoned and has a likelihood of causing environmental degradation or becoming a hazard to navigation within Grantee's jurisdiction as specified according to the Grantee's Work Plan, found in Exhibit A.

2. WATER HAZARDS ELIGIBLE FOR REMOVAL AND DISPOSAL

The funds provided under this Agreement shall be used for the combined purposes of Surrendered and Abandoned Vessels Exchange (SAVE) as follows:

a. **Abatement, removal, storage and/or disposal of eligible water hazards.** For purposes of this Agreement, "abandoned" is defined in Harbors and Navigation Code section 522(a):

"Any hulk, derelict, wreck, or parts of any ship, vessel, or other watercraft sunk, beached, or allowed to remain in an unseaworthy or dilapidated condition upon publicly owned submerged lands, salt marsh, or tidelands within the corporate limits of any municipal corporation or other public corporation or entity having jurisdiction or control over those lands, without its consent expressed by resolution of its legislative body, for a period longer than 30 days without a watchman or other person being maintained upon or near and in charge of the property, is abandoned property".

b. The funds provided under this Agreement shall not be utilized for abatement, removal, storage, or disposal of commercial vessels. Commercial vessels include those vessels for which the most recent registration or documentation was commercial, even though that registration or documentation may have lapsed.

c. If Grantee is reimbursed for the costs related to the abatement, removal, storage, and/or disposal of an eligible water hazard by the registered or legal owner or other person or entity known to have an interest in the water hazard, then the water hazard shall no longer be eligible for funding under this Agreement. Grantee shall notify DBW in writing of such reimbursement and shall return all funds disbursed by DBW to Grantee with respect to such water hazard immediately.

d. **Abatement, removal, storage and disposal of eligible surrendered vessels.** For purposes of this Agreement, "surrendered" is defined in Harbors and Navigation Code section 526.1(a):

e "surrendered vessel" means a recreational vessel that the verified titleholder has willingly surrendered to a willing agency under both of the following conditions:

(1) The public agency has determined in its sole discretion that the vessel is in danger of being abandoned, and therefore has a likelihood of causing environmental degradation or becoming a hazard to navigation.

(2) The decision to accept a vessel is based solely on the potential of the vessel to likely be abandoned and cause environmental degradation or become a hazard to navigation.”

f. The funds provided under this Agreement shall not be utilized for surrender, abatement, removal, storage, or disposal of commercial vessels. Commercial vessels include those vessels for which the most recent registration or documentation was commercial, even though that registration or documentation may have lapsed.

g. If Grantee is reimbursed for the costs related to the removal, storage, and/or disposal of a surrendered vessel by the registered or legal owner or other person or entity known to have an interest in the vessel, then the vessel shall no longer be eligible for funding under this Agreement. Grantee shall notify DBW in writing of such reimbursement and shall return all funds disbursed by DBW to Grantee with respect to such vessel immediately.

3. RIGHT OF INSPECTION

Grantee shall allow DBW and other state agency representatives, at any reasonable time, to inspect any site where Grantee or its subcontractors are performing work under this Agreement.

4. ANNUAL MEETING

Grantee’s representative or alternate shall participate in an annual one-day video or phone conference conducted by DBW during the term of this agreement. Should the Grantee or representative be unable to attend the meeting and cannot provide a substitute from the agency, the Grantee must forward a letter to DBW stating the reason why they cannot attend. DBW must grant approval in writing in order for the Grantee not to be in breach of this Agreement for failure to attend.

5. ACTIVITY/NON ACTIVITY: REPORTING REQUIREMENTS

a. Grantee shall provide quarterly reports to DBW describing the status of existing issues known, pending, or in progress.

b. Lack of quarterly reporting and/or removal activity within any twelve month period during the term of this agreement is subject to possible revocation of grant.

6. OVERLAPPING ANNUAL GRANT AWARDS

A minimum of fifty percent (50%) of an existing AWAFF grant must be utilized and reported for reimbursement to DBW to qualify for a new fiscal year grant.

7. HAZARDOUS MATERIALS

Grantee shall be responsible for securing any necessary or prudent studies, permits, or authorizations associated with treatment, removal, storage, or any other handling of hazardous substances including, but not limited to, toxic waste, petroleum waste, asbestos, and similar substances, prior to the removal of any vessel and water hazard pursuant to this Agreement.

Grantee shall be responsible for the proper and lawful handling, abatement, removal, storage, and/or disposal of any hazardous substances encountered in the execution of this Agreement.

8. TITLES AND LIENS:

a. **Abandoned vessels:** Grantee shall comply with all relevant provisions of the Harbors and Navigation Code regarding notices, hearings and liens in the performance of this Agreement. Grantee (in conjunction with local law enforcement) shall conduct a title search for all vessels presumed to be abandoned, as provided by Harbors and Navigation Code section 526.

b. **Surrendered vessels:** Grantee shall comply with all relevant provisions of Harbors and Navigation Code section 526.1 in the performance of this Agreement, requiring that a surrendered vessel be that of the "verified titleholder."

9. MEDIA

Grantee agrees to acknowledge DBW's financial support whenever work funded by this Agreement is publicized in any news media, brochures, or other type of promotional material.

10. MEDIA MATERIALS RELEASE

Grantee agrees to irrevocably grant to California State Parks, Division of Boating and Waterways, its employees, officers, agents, and assigns (hereinafter referred to as "DBW"), the non-exclusive, royalty-free, perpetual and worldwide right and permission to use, reproduce, publish, copy, distribute, alter, license, adapt, and display the photographs, motion pictures, caption information, and/or written quotes (hereinafter referred to collectively as "Photographs"), that the Grantee has submitted to DBW for art, editorial, advertising, marketing, trade, broadcast, print, educational programs, or any other lawful purpose whatsoever, in any and all media. In connection with the foregoing license, the Grantee agrees not to use, reproduce, adapt, or display the Photographs, or allow others to do so, in a manner that tends to subject DBW or its AWAFF, VTIP and/or SAVE programs to ridicule, disparagement, mockery, satire, or that could tarnish the image of the DBW's AWAFF, VTIP, and/or SAVE programs. Grantee hereby releases and discharges DBW from any and all claims and demands arising out of or in connection with the use of the Photographs, including without limitations, any and all claims for libel, defamation, invasion of privacy, and/or publicity rights. DBW assumes no responsibility for lost or damaged Photographs or for the use of same. DBW may sell, assign, license, or transfer all rights granted to it hereunder.

Grantee also grants DBW and its licensees the unrestricted right to use and disclose its name in connection with use of the Photographs. The Grantee understands that it will not be paid for any use or right granted herein.

The Grantee understands and agrees that the Photographs may be used in whole or in part, at any time. The license granted herein to DBW includes the right and permission to conduct or have conducted such alterations to the Photographs as DBW deems necessary. Grantee releases and discharges DBW and agrees to indemnify and hold DBW harmless from any liability by virtue of any blurring, distortion, alteration, optical illusion or use in composite form, loss or damage, whether intentional or otherwise, that may occur in the use of the Photographs. The Grantee waives any right to inspect or approve any finished product, advertising or other copy that may be used in connection therewith or the use to which it may be applied.

The Grantee declares and avows that the Photographs it is submitting to DBW are its own original work in all respects. The Grantee is the sole and exclusive owner of the

Photographs; they are free, clear, and unencumbered. No part of them is taken from or based on any other work; no part infringes the copyright or any other right of any person; and the reproduction, publication, exhibition, or any other use by DBW of the Photographs in any form whatever will not in any way, directly or indirectly, infringe on the rights of any person. The Grantee agrees to indemnify and hold DBW harmless from and against any and all loss, damage, costs, charges, legal fees, recoveries, judgments, amounts paid in settlement, penalties, and expenses that may be obtained against, imposed on, or suffered by DBW by reason of (1) any violation or infringement of any proprietary right or copyright; or (2) any libelous or unlawful matter contained in the Photographs. Grantee also agrees to indemnify and hold DBW harmless for any such amounts arising from its breach of any covenant, representation, or warranty of this agreement.

11. OUTSIDE SERVICES

It is understood and agreed that, at its discretion, DBW reserves the right to obtain marine salvage services outside the terms of this Agreement.

12. PERMITS AND DOCUMENTATION

Prior to the removal of any abandoned vessel, eligible water hazard, or surrendered vessel, the Grantee shall obtain all necessary permits, authorizations, and documentation necessitated by any applicable provision of law.

13. SECURING OF BIDS

Grantee shall comply with any applicable laws and regulations governing the competitive bidding process when awarding subcontracts to marine salvage companies under this Agreement.

14. SUBCONTRACTORS

The Grantee warrants that any marine salvage company performing work under this Agreement holds a valid business license and carries general commercial liability insurance coverage sufficient to fully insure against any and all risks of hazardous activities associated with the work to be performed under this Agreement. Grantee shall provide DBW with a certificate of insurance from any subcontractor prior to the commencement of any work under this Agreement.

15. TRAFFIC CONTROL AND TRAFFIC SAFETY

The Grantee shall provide for adequate traffic control and safety measures at any site where Grantee and its subcontractors will perform any work under this Agreement.

16. AIR OR WATER POLLUTION VIOLATION

Grantee warrants that it is not (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to any cease and desist order not subject to review issued pursuant to Water Code section 13301 for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

17. ENTIRE AGREEMENT

This Agreement consists of the terms of this Agreement and all attachments, which are expressly incorporated herein. No amendment or variation of the terms of this Agreement shall

be valid unless made in writing, signed by the parties and approved as required.

18. APPROVAL OF AGREEMENT AND AMENDMENTS

This Agreement and any variation thereto is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Commencement of performance prior to approval of this Agreement will be at the Grantee's own risk.

19. DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PARTICIPATION REQUIREMENT

There are no Disabled Veteran Business Enterprise participation requirements with this agreement.

20. AUTHORITY TO CONTRACT

Grantee must provide DBW with evidence of its authority to enter into this Agreement. Grantee may provide a delegation of contracting authority from its local governing body that by law has authority to contract. Alternatively, Grantee shall provide DBW with a resolution, order, motion, or ordinance of its local governing body that by law has authority to contract, authorizing execution of this Agreement.

21. COMPLIANCE WITH LAW AND REGULATIONS

Grantee and its subcontractor(s) shall comply with all applicable laws and regulations of the State of California for all work to be performed under this Agreement. By signing this Agreement, Grantee certifies its compliance and the compliance of all subcontractors with: (a) applicable provisions of the California Environmental Quality Act; (b) Nondiscrimination Program requirements of Government Code section 12990 (a-f) and Title 2, California Code of Regulations, section 8103 (and section 8113 in contracts over \$5,000) along with section 7285 et. seq. of the Fair Employment and Housing Act; (c) Drug-Free Workplace requirement of Government Code section 8350 et seq.; (d) National Labor Relations Board Certification of Public Contract Code section 10296; (e) Workers' Compensation requirement of Labor Code section 3700; and (f) Americans with Disabilities Act regulations issued pursuant to 42 U.S.C. section 12101 et seq.

22. INDEPENDENT CONTRACTOR

Grantee and its employees are independent contractors and shall not be considered officers or employees of DBW or agents of the State of California.

23. INSURANCE REQUIREMENTS

The abatement, removal, storage, and /or disposal of vessels under this Agreement is a hazardous activity. Grantee therefore must maintain commercial general liability insurance in an amount and of a type acceptable to DBW and to the Department of General Services / Office of Risk and Insurance Management (ORIM).

1. General provisions applying to all policies

a. Coverage Term

Coverage needs to be in force for the complete term of the Agreement. If insurance expires during the term of the grant, a new certificate must be received by the Division at least ten (10) days prior to the expiration of this insurance. Any new insurance must still comply with

the original terms of the grant.

b. Policy cancellation or termination & notice of non-renewal

Insurance policies shall contain a provision stating coverage will not be cancelled without 30 days prior written notice to the Division. In the event Grantee fails to keep in effect at all times the specified insurance coverage, the Division may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event, subject to the provisions of this Agreement.

c. Deductible

Grantee is responsible for any deductible or self-insured retention contained within their insurance program.

d. Primary clause

Any required insurance contained in this Agreement shall be primary, and not excess or contributory, to any other insurance carried by the State.

e. Insurance carrier required rating

All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management. If the Grantee is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.

f. Endorsements

Any required endorsements requested by the Division must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

In the case of the Grantee's utilization of subcontractors to complete the scope of work, the Grantee shall include all subcontractors as insured's under Grantee's insurance or supply evidence of insurance to the Division equal to policies, coverages and limits required of Grantee.

Any proposed change in this status shall be reported to the Division prior to the change and may result in restrictions being imposed on the usage of the monies or equipment.

g. Inadequate Insurance

Inadequate or lack of insurance does not negate the Grantee's obligations under the Agreement.

h. Use of Subcontractors

In the case of Contractor's utilization of subcontractors to complete the contracted scope of work, contractor shall include all subcontractors as insured's under Contractor's insurance or supply evidence of subcontractor's insurance to The State equal to policies, coverages, and limits required of Contractor.

2. Insurance Requirements

a. Commercial General Liability

The Grantee shall maintain general liability on an occurrence form with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent subcontractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Grantee's limit of liability. The policy must include the State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract. This **endorsement** must be supplied under form acceptable to the Office of Risk and Insurance Management.

In the case of Grantee's utilization of subcontractors to complete the contracted scope of work, Grantee shall include all subcontractors as insured's under Grantee's insurance or supply evidence of insurance to The State equal to policies, coverages and limits required of Grantee.

b. Automobile Liability

The Grantee shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles.

c. Watercraft Liability

The Grantee shall maintain watercraft liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of the maintenance and use of any watercraft (owned, hired or non-owned).

d. Workers Compensation and Employers Liability

The Grantee shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Agreement. Employer's liability limits of \$1,000,000 are required. The insurer waives any right of recovery the insurer may have against the State because of payments the insurer makes for injury or damage arising out of the work done under contract with the State. A Waiver of Subrogation or Right to Recover endorsement in favor of the State must be attached to certificate.

If applicable, Grantee shall provide coverage for all its employees for any injuries or claims under the U.S. Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or under laws, regulations, or statutes applicable to maritime employees. By signing this contract, Grantee acknowledges compliance with these regulations.

e. Environmental/Pollution Liability

Grantee, or in the case of Grantee's utilization of subcontractors to complete the contracted scope of work, shall maintain Pollution Liability for limits not less than \$1,000,000 occurrence covering the Grantee's liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs incurred arising out of the work or services to be performed under this contract. The policy must include

The State of California, its officers, agents, employees and servants as additional insured, but only with respect to work performed under the contract. This **endorsement** must be supplied under form acceptable to the Office of Risk and Insurance Management.

Coverage shall be provided for both work performed on site and during transportation as well as proper disposal of hazardous materials. Proof of Pollution during transportation shall be provided on an MCS-90 form or equivalent.

3. Self-Insurance

If the Grantee is self-insured for a portion or all of its insurance, the Grantee shall provide evidence of self-insurance. Review of financial information including a letter of credit may be required. The Division reserves the right to request financial information

24. TERMINATION

- A. DBW may terminate this Agreement for any reason upon thirty (30) days written notice to Grantee.
- B. If the Grantee fails to keep the required insurance in effect at all times during the term of this agreement, DBW may, in addition to other remedies it may have, terminate this agreement upon two days written notice.
- C. DBW may, by two-day written notice to Grantee and without any prejudice to its other remedies, terminate this agreement because of failure of Grantee to fulfill any of the requirements of this agreement.
- D. Upon receipt of any notice terminating this Agreement, Grantee shall immediately discontinue all removal and disposal activities affected, unless the notice directs otherwise. In such event, DBW shall pay Grantee only for removal and disposal activities completed prior to the termination date.
- E. Upon termination of this agreement, Grantee shall promptly return all advanced funds. At DBW's sole discretion, DBW may offer an opportunity to cure any breach prior to terminating for default.

25. ASSIGNMENT

This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written amendment.

26. MATCHING REQUIREMENT

- a. Section 525(C) of the Harbors and Navigation Code states, "A grant awarded by the department pursuant to subparagraph (A) shall be matched by a 10-percent contribution from the local agency receiving the grant."
- b. The 10-percent contribution is in addition to funds awarded in the grant.
- c. The burden of proof in complying with the 10-percent contribution requirement is the responsibility of the grantee. Grant funds will not be disbursed until the grantee has provided DBW with acceptable documentation that it complied with the 10-percent contribution requirement for each disbursement.

27. BUDGET DETAIL AND PAYMENT PROVISIONS

Invoicing and Payment

- a. DBW will reimburse the grantee for actual expenditures within the scope of the AWAFF program upon written request by Grantee.
- b. Invoices from service providers and subcontractors to Grantee, submitted by Grantee to DBW for reimbursement, must contain the following:

1. AWAFF Claim Requests to Include:

1. Name and address of Grantee
2. Contract or invoice number
3. Description of service performed
4. Date the service was performed
5. Location of each service
6. Vessel name, CF# or HIN# if available; otherwise, description of vessel.

a. Documents to submit with reimbursement claims:

1. Invoices from subcontractors
2. Proof of payment from Grantee to subcontractors for services received
3. Statement of 10% match contribution with supporting verification of in-kind contribution: personnel hours, purpose or action, date provided, or other as requested by DBW.
4. Photos of vessels with CF numbers (if available)
5. Department of Motor Vehicles (DMV) documents (if available)

2. VTIP Claim Requests to Include:

1. Name and address of Grantee
2. Contract or invoice number
3. Description of service performed
4. Date the service was performed
5. Location of each service
6. Vessel name, CF# or HIN#

a. Documents to submit with reimbursement claims:

1. Invoices from subcontractors to Grantee
2. Proof of payment by Grantee to subcontractors for services received
3. Statement of 10% match contribution with supporting verification of in-kind contribution: personnel hours, purpose or action, date provided, or other as requested by DBW.
4. Photos of vessels (if available)
5. Statement of Release completed and signed by owner(s)
6. Department of Motor Vehicles (DMV) documents: Certificate of Ownership signed by owner, or DMV Notice of Transfer and Release of Liability Form, completed and signed by owner(s).

3. Invoices and reimbursement requests must be itemized, extended, totaled and mailed in **triplicate** to:

Division of Boating and Waterways
One Capitol Mall, Suite 410
Sacramento, CA 95814
Attention: S. SYKES – AWAFF Enforcement Unit

- c. Submission of fraudulent invoices or other claim documentation is a breach of this Agreement, which shall result in forfeiture of all funds advanced and provided under this Agreement.
- d. All requests for payment must be submitted to DBW no later than 45 days prior to the expiration date of the agreement. DBW is not obligated to make payment on any reimbursement request(s) received or for any services completed after this date.

28. BUDGET CONTINGENCY CLAUSE

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program; this Agreement shall be of no further force and effect. In this event, DBW shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, DBW shall have the option to either cancel this Agreement with no liability occurring to DBW, or offer an agreement amendment to Grantee to reflect the reduced amount.

EXHIBIT C**GENERAL TERMS AND CONDITIONS**

1. **APPROVAL**: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Grantee may not commence performance until such approval has been obtained.
2. **EFFECTIVE DATE**: Effective date means either the start date or the approval date by the Department of General Services (DGS), whichever is later. In cases where DGS approval is not required, this Agreement is of no force or effect until the date of the last DBW signature. No work shall commence until the effective date.
3. **AMENDMENT**: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
4. **ASSIGNMENT**: This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written amendment.
5. **AUDIT**: Grantee agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
6. **INDEMNIFICATION**: Grantee agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the subcontractor or Grantee in the performance of this Agreement.
7. **DISPUTES**: Grantee shall continue with the responsibilities under this Agreement during any dispute.
8. **TERMINATION FOR CAUSE**: The State may terminate this Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Grantee under this Agreement and the balance, if any, shall be paid to the Grantee upon demand.
9. **RECYCLING CERTIFICATION**: The Grantee shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code

Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Grantee and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Grantee and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The GRANTEE CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Grantee, as provided herein, shall be in compensation for all of Grantee's expenses incurred in the performance hereof, as outlined in Exhibit B, item #1.

14. GOVERNING LAW: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Grantee by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Grantee shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of

Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and

become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:

a. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Agreement Grantee made a commitment to achieve small business participation, then Grantee must within 60 days of receiving final payment under this Agreement (or within such other time period as may be specified elsewhere in this Agreement) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Agreement Grantee made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Grantee must within 60 days of receiving final payment under this Agreement (or within such other time period as may be specified elsewhere in this Agreement) certify in a report to the awarding department: (1) the total amount the prime Grantee received under the Agreement; (2) the name and address of the DVBE(s) that

participated in the performance of the Agreement; (3) the amount each DVBE received from the prime Grantee; (4) that all payments under the Agreement have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER: If this agreement involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a “loss leader” as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT D

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Grantee to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Grantee Agency Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

GRANTEE CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Grantee has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,

2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Grantee may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Grantee has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Grantee certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Grantee within the immediately preceding two-year period because of Grantee's failure to comply with an order of a Federal court, which orders Grantee to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Grantee hereby certifies that Grantee will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Grantee agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the agreement equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its agreement with the State.

Failure to make a good faith effort may be cause for non-renewal of a state agreement for legal services, and may be taken into account when determining the award of future contracts/agreements with the State for legal services.

5. EXPATRIATE CORPORATIONS: Grantee hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Grantees contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor,

indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The Grantee further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The Grantee agrees to cooperate fully in providing reasonable access to the Grantee's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the Grantee's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies that Grantee is in compliance with Public Contract Code section 10295.3.

EXHIBIT E

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Grantee needs to be aware of the following provisions regarding current or former state employees. If Grantee has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (PCC 10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (PCC 10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Grantee violates any provisions of above paragraphs, such action by Grantee shall render this Agreement void. (PCC 10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (PCC 10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Grantee needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Grantee assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. GRANTEE NAME CHANGE: An amendment is required to change the Grantee's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment. Any changes of the Grantee's representative shall be notified to DBW within 30 days written notice on Grantee's letterhead.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the Grantee is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate Grantee performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all Grantees that are not another state agency or other governmental entity.

EXHIBIT F

Bid/Proposal Attachment regarding the Darfur Contracting Act of 2008

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code sections 10475, *et seq.*; Stats. 2008, Ch. 272). The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a)).

Therefore, Public Contract Code section 10478 (a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a "scrutinized" company when it submits a bid or proposal to a State agency. (See # 1 on the sample Attachment).

A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS) according to the criteria set forth in Public Contract Code section 10477(b). (See # 2 on the sample Attachment).

The following sample Attachment may be included in an IFB or RFP to satisfy the Act's certification requirements of bidders and proposers.

EXHIBIT F – DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

1. _____ We do not currently have, or we have not had within the previous
 Initials three years, business activities or other operations outside of the United States.

OR

2. _____ We are a scrutinized company as defined in Public Contract Code
 Initials section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

OR

3. _____ We currently have, or we have had within the previous three years,
 Initials business activities or other operations outside of the United States,
 + certification but we certify below that we are not a scrutinized company
 below as defined in Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

<i>Grantee Agency Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County and State of</i>	

YOUR BID OR PROPOSAL WILL BE DISQUALIFIED UNLESS YOUR BID OR PROPOSAL INCLUDES THIS FORM WITH EITHER PARAGRAPH #1 OR #2 INITIALED OR PARAGRAPH #3 INITIALED AND CERTIFIED

AGENDA NO: A-9

MEETING DATE: 9/23/2014

RESOLUTION NO. 63-14

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
EXPRESSING APPRECIATION FOR THE DEDICATION AND PUBLIC SERVICE
OF ED KREINS AS INTERIM CITY MANAGER
FOR THE CITY OF MORRO BAY**

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

WHEREAS, Ed Kreins began his career in public service as a police officer for the City of Hayward in 1956; and

WHEREAS, Ed Kreins' Police Chief career began in the City of Sausalito in 1966, and in 1970, after its incorporation, he started the first municipal Police Department as Police Chief for the City of Pleasant Hill; and

WHEREAS, in 1981, Ed Kreins was appointed City Manager for the City of Beverly Hills after serving as their Police Chief. While serving in Beverly Hills, Ed oversaw the renovation of the City's historic Spanish Revival City Hall that was developed into a combined City Hall, Fire and Police Departments, and Civic Center which is now the centerpiece of municipal government in Beverly Hills today. Ed served as City Manager of Beverly Hills for eleven years before retiring; and

WHEREAS, Ed Kreins couldn't stay away from public service and went on to serve as Interim City Manager for the cities of Pismo Beach, Seaside, Livermore, Hollister, and Solvang as well as serving as the first Interim City Manager for the City of Calabasas after their incorporation in the early 1990's. Ed has served over 30 cities across the State of California performing training, coaching, and investigations, before landing in the City of Morro Bay as Interim City Manager where he has served for the last 9 months; and

WHEREAS, in the last 9 months under Ed Kreins' leadership, the City has hired a City Attorney, Planning Manager, delivered a balanced budget, transferred public safety dispatch to the County cutting costs while maintaining service, along with negotiating employee contracts, and recruiting a City Manager saving the City the expense of an outside consultant; and

WHEREAS, Ed Kreins has been married to his wife Emily for 62 years, has three sons, Paul, Joseph, and Edward, five grandchildren, and three great grandchildren; and

WHEREAS, between Ed, his wife Emily, and his son's Joseph and Edward, the family has a combined 140 plus years of dedicated public service.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Morro Bay recognizes and extends its gratitude to Ed Kreins for his dedication and service to the City of Morro Bay as well as the many cities he has served over his career in public service which spans nearly six decades. The City of Morro Bay wishes Ed Kreins all the best as he continues his civic service onto his next venture and into the future.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 23rd day of September, 2014 on the following vote:

AYES:

NOES:

ABSENT:

Jamie L. Irons, Mayor

ATTEST:

Jamie Boucher, City Clerk



AGENDA NO: C-1

MEETING DATE: September 23, 2014

Staff Report

TO: Mayor and City Council

DATE: September 9, 2014

FROM: Scot Graham, Planning Manager

SUBJECT: Status update for the General Plan and Local Coastal Plan update

RECOMMENDATION

Staff recommends the City Council receive the report and presentation, and provide comments to staff.

ALTERNATIVES

Continue the discussion of this item to a future meeting and provide direction to staff regarding any additional information the Council requires.

FISCAL IMPACT

Staff anticipates the estimated cost for preparation of a detailed work plan for the General Plan and Local Coastal Plan update will not exceed \$30,000. Funding is anticipated to be taken from the General Plan Maintenance Fund, which currently contains approximately \$92,770.00.

BACKGROUND

On July 8, 2014, the City released a Request for Proposal (RFP) for consultant services for the preparation of a work plan for the incremental update and combination of the General Plan and Local Coastal Plan. The City's current General Plan and Local Coastal Plan were adopted in 1988 and 1983 respectively.

Responses to the RFP were due by August 5, 2014. The Planning Division received proposals from four sources: 1) Cal Poly San Luis Obispo, 2) Rincon Consultants, 3) PMC, and 4) John Rickenbach Consulting (teamed with RRM). The proposals were reviewed by City staff consisting of Rob Livick, Public Services Director, Scot Graham, Planning Manager, Cindy Jacinth, Associate Planner and Whitney McIlvaine, Contract Planner. The review process took approximately two weeks and resulted in a determination that all four proposals adequately responded to the RFP, qualifying each for continuation on to the interview phase.

Consultant interviews were scheduled for August 28th and September 2nd, with all four groups agreeing to interview. The interviewees were well prepared and demonstrated a strong understanding of the issues facing the City of Morro Bay as we move forward with the GP/LCP

Prepared By: SG

Dept Review: RL

City Manager Review: EK

City Attorney Review: _____

update process. After completing the interview process, the clear and unanimous choice was PMC. PMC presented a well thought out proposal that exhibited their experience and understanding of the GP/LCP update process while also detailing how preparation of the work plan will help the City better control and direct the eventual update of GP/LCP.

DISCUSSION

At the time of staff report preparation, PMC had been informed they were the preferred consultant. Staff requested that PMC provide a revised and condensed scope of work, including additional options for both stakeholder and public outreach. The City currently maintains a contract with PMC for consultant services and it is anticipated that contract will be amended to include preparation of the work plan for the GP/LCP update. It is likely the contract amendment will be in place and work started on the work plan by the time the staff report is presented on September 23rd. Staff will provide an up to date project status to the Council at the September 23rd meeting.

Funding Sources

Staff continues to work on grant funding opportunities to help with the GP/LCP update.

Local Coastal Program Sea Level Rise Adaptation Grant

As the Council is aware, the City has received a \$250,000 grant from the Ocean Protection Council, Coastal Commission and Coastal Conservancy to address climate change issues including sea level rise.

Local Coastal Program Planning Grant

Staff has also prepared and applied for a \$140,000 Local Coastal Program Grant. The grant program is administered through the Coastal Commission for the purposes of updating Local Coastal Programs.

Caltrans Sustainable Transportation Planning Grants

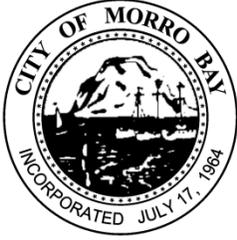
Caltrans currently has \$9.8 million available through two grant programs:

1. Strategic Partnership Grant: FY 2015-2016, range from \$100,000 to \$500,000 with a 20% non-federal local match.
2. Sustainable Communities Grant: FY 2015-2016, ranges from \$50,000 to \$500,000 with an 11.47% local match.

The grant announcement was made September 2, 2014 and staff is still researching these grant opportunities and should have more information available at the Council meeting on September 23rd. The grant application is due October 31, 2014.

CONCLUSION

Staff continues to move forward with the General Plan and Local Coastal program update process and PMC has been chosen to prepare the work program that will provide the outline for the update process that will eventually help frame the actual RFP for the GP/LCP update. While staff is moving forward with the GP/LCP update process, we continue to be vigilante and opportunistic in our pursuit of grant funding opportunities.



AGENDA NO: C-2

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor and City Council **DATE:** September 9, 2014

FROM: Barry Rands, PE - Associate Engineer
Rick Sauerwein, PE - Capital Projects Manager
Rob Livick, PE/PLS - Public Services Director/City Engineer

SUBJECT: Status Report of Morro Creek Multi-Use Trail & Bridge Project (MCMT&B)

RECOMMENDATION

Staff recommends this report be received and filed.

ALTERNATIVES

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

FISCAL IMPACT

Fiscal impact has been addressed through the budget process. The current construction cost estimate is at \$1.15 million, which includes the lighting requested by Council. Available funding for the project includes \$980,000 in allocated grant funds. The minimum City match for the project is 20% of overall construction costs including construction management. City staff will provide in-kind construction management services for a portion of the match. Development Impact Fees have been budgeted for FY14/15 to cover the remaining match and unforeseen contingencies.

BACKGROUND

This status report is intended to provide an update on the MCMT&B since the January 2014 City Council meeting at which time the environmental document was approved. During that meeting, the City Council added a condition to its approval, asking that the design include low level lighting to provide safer use of the trail and bridge after sundown.

DISCUSSION

Project design went through Coastal Commission and several City review processes during the past eight months. The Coastal Commission granted a permit waiver in June and the final design was approved by City staff in early August. During the design phase, a preliminary estimate of the construction cost revealed that there was a funding shortfall in the grant funds available for the project.

The City and SLOCOG partnered to successfully petition the California Transportation Commission for additional funds at their June meeting. Caltrans provided formal authorization to proceed on July 24th.

The project was advertised for bids on September 11, 2014, with a bid opening date of October 7, 2014. If the City Council is able to award the contract on October 28, 2014 it is expected that construction could begin in late November. Estimated duration of construction is six months.

CONCLUSION

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

City Manager Review: _____

City Attorney's Review: _____

The project is on schedule. Construction costs are estimated to exceed initial expectations, but supplemental funds have been procured from the California Transportation Commission and SLOCOG to cover the additional expenses.



AGENDA NO: C-3

MEETING DATE: September 23, 2014

Staff Report

TO: Honorable Mayor and City Council DATE: September 8, 2014

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

SUBJECT: Review Recommendations for Improvements to the Centennial Stairway by Recreation and Parks Commission, Public Works Advisory Board and the Planning Commission and Provide Direction to Staff

RECOMMENDATION

1. Staff recommends the Council review the three concepts prepared by the property owner of 781 Market Avenue (Salwasser) along with recommendations from the Recreation and Parks Commission, Public Works Advisory Board and Planning Commission and provide direction on which concept to direct the property owner to pursue.
2. Staff additionally recommends Council authorize the City Manager to execute an amended sales agreement with Salwasser reflecting a new timeline for the development of the lift station.

Recreation and Parks Recommendation:

Alternate 3 with the elevator and staircase.

Public Works Advisory Board Recommendation:

Alternate 3 with the elevator, staircase, and tower.

Planning Commission Recommendation:

1. A funicular is preferred as this is an important connection between the Downtown and the Embarcadero and should be an event, not a ride in a box;
2. If the City had to do an elevator, a minimal approach is best; incorporate the Centennial Stairway; and
3. Make sure it is a public feature and does not give the appearance of being part of a private building.

ALTERNATIVES

There are three design alternatives that have been prepared for this project. In concept, all three meet the functional requirements of the condition of sale.

Prepared by: RL Dept. Review: RL

City Manager Review: _____

City Attorney's Review: _____

1. Funicular Concept, elimination of the Centennial Staircase
2. Elevator Concept, elimination of the Centennial Staircase
3. Elevator Concept, Preservation of the Centennial Staircase
 - a. Elevator Tower Concept

FISCAL IMPACT

There is no direct fiscal impact as staff time only is being expended. Any cost of construction of the “lift station” in excess of the minimum requirements may require some funding by the City.

The architect for Salwasser has prepared very preliminary (parametric level) cost estimates for the construction of the improvements. The construction only costs range from \$389,000 for Alternative C (or 3) to \$1.2 million for a funicular or inclined elevator as shown in Exhibit A of the June 11, 2013 staff report. In addition to the construction costs, there will be fees for design, survey, environmental review, permitting and contract administration. These costs would likely add approximately 30% to the cost of the project.

The property owner has asserted that if the City decided to construct a funicular, the City would have to pay the difference between the cost of the funicular and the cost of a lift station.

BACKGROUND/DISCUSSION

1. Summary of Real Estate Agreement’s Terms Related to Lift Station

On or about March 1, 2010, the City entered into a Real Estate Agreement with George Salwasser in which the City agreed to sell to Salwasser two parcels in Morro Bay. Salwasser purchased the first parcel, located at 781 Market Street, for \$1,000,000.00. Salwasser purchased the second parcel, located at the north east corner of Pacific and Market streets for \$500,000.00. According to paragraph 22, the City agreed to process a lot line adjustment so the property line for the first parcel extends from the Northwest corner of the lot to Pacific Street parallel to Embarcadero Street and incorporates the entire bluff into the first parcel. This lot line adjustment would result in an additional 3000 square feet being added to the first parcel.

In exchange for the lot line adjustment, Salwasser agreed in paragraph 23 to contract for, and pay the costs to design, engineer, and install a Lift Station to provide access to the Embarcadero and Market Street. Paragraph 23 sets forth the following deadlines related to the Lift Station:

Deadline Date	Activity to be Completed
12/31/2011	Buyer to complete all design and permitting, subject to the approval of Seller.
12/31/2012	Subject to the approval of the Seller, the Lift Station shall be installed and operational.

Paragraph 23 of the sales agreement expressly states that the Lift Station design shall be approved by the City of Morro Bay as Seller.

Paragraph 24 requires Salwasser to provide the City with either a Performance Bond or a standby Letter of Credit, “in form acceptable to Buyer and his bonding company or bank.”

2. Timeline of Events Related to Consideration of Design Options

DATE	EVENT	INFORMATION SOURCE
11/2012	City Council reviewed two concept plans for lift station. One design was a funicular, or inclined elevator. The other design was a traditional elevator. The then Council voted to support the funicular and directed staff to communicate Council’s decision to Salwasser.	Staff Report dated June 4, 2013
	Salwasser stated City would have to pay the cost difference between the funicular and the traditional elevator.	Staff Report dated June 4, 2013
June, 2013	Salwasser submits three new designs for the lift station. The first is a funicular design, the second a more traditional design. The third is also for a traditional elevator.	Staff Report dated June 4, 2013
June 11, 2013	At the Council meeting after consideration of the three designs, Council adopts a motion to send the three design options to the Recreation & Parks Commission and the Planning Commission with the third option designated as the cost choice and to direct staff to request the developer modify the third design.	Minutes of June 11th Council Meeting.
August 29, 2013	At a joint meeting of the Public Works Advisory Board and the Recreation and Parks Commission, the Advisory Board voted to approve Alternative 3 with the elevator, staircase, and tower. The Commission voted to approve Alternative 3 with the elevator and staircase.	Minutes of August 29th Joint Meeting.

On August 19, 2014, the Planning Commission reviewed the project along with the recommendations from the other two advisory bodies and came to consensus that a funicular is their preferred option.

In considering the item, the Planning Commission stated historically, this concept and location has been talked about since the 1970's as being the connection point between the Embarcadero and Downtown; those discussions were always about the connection being a funicular. The Planning Commission felt the funicular could be an event that would draw people to the area; however, if the decision is made to go with an elevator, it would be their recommendation to make it the most basic steel and glass type, focusing on the view and not building an architectural piece in what is one of the best view corridors in the City. The Commission also noted the design in Exhibit A requires a lot of improvements; and, there should not be a stop at the mid-level landing.

The time to construct the lift station has long since passed and the sales agreement should be modified to reflect a new timeline for the design, permitting and construction of the lift station. Staff recommends the following as a reasonable time to accomplish the required:

Proposed New Deadline Date	Activity to be Completed
11/1/2014	Salwasser to provide the required security to the City to guarantee construction of the Lift Station.
3/31/2015	Salwasser to complete all design and permitting, subject to the approval of Seller.
12/31/2015	Subject to the approval of the Seller, the Lift Station shall be installed and operational.

This gives the buyer approximately 15 months to complete the project.

CONCLUSION

Three of the City's advisory boards have reviewed the concept proposals. Due to cost concerns, both the Recreation & Parks Commission and Public Works Advisory Board recommended Alternative 3. PWAB did have a preference for an enhanced elevator tower. The Planning Commission recommended Alternative 1, the funicular, due to its ability to better connect the Embarcadero with the downtown; should the elevator be recommended, they did not endorse the tower concept.

Additionally, since we are well beyond the timeline for development of the lift station as stated in the sales agreement. The City should amend the sales agreement to reflect a new time to design, permit and construct the lift station.

ATTACHMENTS

1. August 19, 2013 Planning Commission Staff Report and draft minutes, including any referenced attachments

EXCERPT FROM PLANNING COMMISSION MINUTES ITEM D-1

SYNOPSIS MINUTES – MORRO BAY PLANNING COMMISSION
REGULAR MEETING –AUGUST 19, 2014
VETERAN’S MEMORIAL BUILDING – 6:00 PM

PRESENT:	Robert Tefft	Chairperson
	Gerald Luhr	Vice Chairperson
	Michael Lucas	Commissioner
	Richard Sadowski	Commissioner
STAFF:	Rob Livick	Public Services Director
	Scot Graham	Planning Manager
	Whitney McIlvaine	Contract Planner

D-2 Centennial Stairway Project Concepts

Livick presented the staff report.

Chairperson Tefft, Vice Chairperson Luhr, and Livick discussed the sales agreement relating to who approves what type of lift station to be installed.

Chairperson Tefft clarified the drawings being reviewed are concept only.

Chairperson Tefft and Livick discussed the mid-level landing area and ADA requirements.

Commissioner Sadowski and Livick discussed the timing of installation of the lift in relation to the sale of the property.

Vice Chairperson Luhr stated this has been talked about since the 1970’s as being the connection point between the Embarcadero and Downtown and has always been talked about as being a funicular, noting he does not support the concepts brought forward.

Commissioner Lucas stated the idea of a funicular is an event that would draw people, noting that if it has to be an elevator, to make it the most basic steel and glass type, focusing on the view and not another architectural piece in what is one of the best view corridors we have.

Commissioner Sadowski stated we are a tourist area and it should be an event, not a box.

Chairperson Tefft agreed with the other Commissioners regarding the funicular, noting that the design in Exhibit A needs a lot of improvement, and there should be no stop at the mid-level landing.

Chairperson Tefft stated if the City has to go with an elevator that it be somewhere between Exhibit B and C, noting the Centennial Stairway should be preserved.

Livick clarified there was consensus from the Commission:

- A funicular is preferred as this is an important connection between the Downtown and the Embarcadero that should be an event, not a ride in a box;
- If the City had to do an elevator, a minimal approach is best and incorporate the Centennial Stairway; and

- Make sure it is a public feature and does not give the appearance of being part of a private building.



AGENDA NO: D-2

MEETING DATE: August 19, 2014

Staff Report

TO: Planning Commissioners **DATE: August 13, 2014**

FROM: Rob Livick, PE/PLS – Director/City Engineer

SUBJECT: Review the Three Proposed Concept Plans for Improvements to Centennial Staircase

RECOMMENDATION

The Planning Commission review the three concepts prepared by the adjacent property owner along with the Public Works Advisory Board and the Recreation and Parks Commission recommendation provide and further recommendations or comments to City Council.

FISCAL IMPACT

No direct fiscal impact at this time as staff time only is being expended. Any cost of construction of the lift station in excess of the minimum requirements shall be borne by the City.

DISCUSSION

As a condition of the sale and Lot Line Adjustment for the property located at 781 Market Avenue the Agreement stated, in part:

In consideration of the lot-line adjustment and the approximate additional 3000 square footage that will added to the property at 781 Market Street, the Buyer agrees to design, engineer, and install, prior to May 1, 2011, a Lift Station to provide access to the Embarcadero and Market Street. The Lift Station design shall be approved by the City and shall be located on the west side of the building next to the centennial staircase. The Lift Station shall be open to the public to obtain access from and to the Embarcadero and Market Street and be capable of carrying a minimum of at least 6 individuals. Buyer and Seller agree to negotiate and execute an operations and maintenance agreement for the Lift Station.

On June 11, 2013 this subject was discussed by City Council and was directed that the City's Recreation and Parks Commission along with the Public Works Advisory Board review the concepts presented and provide any recommendations to City Council.

On August 29, 2013 the Public Works Advisory Board and the Parks and Recreation Commission held a joint meeting to discuss and provide recommendations regarding the proposed concept plans prepared by the

Prepared By: RL

Dept Review: RL

property owner for an new (people)“lift station”/elevator/funicular. Both bodies recommend that the City pursue Alternative 3 due to cost and the also stated that the tower concept was a desirable feature.

The first design (Exhibit A from the June 11, 2013 staff report) is for a funicular or inclined elevator, which is a cable attached to tram-like vehicle on rails that moves people up and down a slope. The second design (Exhibit B) is for a more traditional elevator. The third design is also for a traditional elevator that would satisfy the requirements of the agreement. Both designs A and B greatly exceed the costs of the concept shown in Exhibit C. Exhibits labeled “Alternate 3” (Attachment 2) are a further refinement of the concept shown in Exhibit C and utilizes the existing stairwell system and will provide the required vertical circulation and disabled access for the site and adjacent building.

In addition, the architect has prepared a concept elevation as an upgrade to the basic elevator tower, "Alternate Tower Elevation". The tower design was based on the concept of the elevator tower as a conceptual light house with a glass elevator allowing views to the rock. The additional architecture and glass elevator and glazing would run about an additional estimated \$100,000. That is a broad estimate that could be refined.

In addition to the conceptual plans for improvements to the Centennial Stairway, the architect for the property owner has prepared very preliminary (parametric level) cost estimates for the construction of the improvements. The construction only costs range from \$389,000 for Alternative C (or 3) to \$1.2 million for a funicular or inclined elevator as shown in Exhibit A of the June 11, 2013 Staff Report. In addition to the construction cost there would be fees for design, survey, environmental review, and permitting and contract administration. These costs would likely add at approximately 30-percent to the cost of the project

CONCLUSION

The Planning Commission should review and discuss the Concept Plans for Improvements to Centennial Staircase and provide any recommendations to the City Council.

ATTACHMENTS

1. June 11, 2013 Staff Report and City Council minutes
2. Alternative 3 Exhibits
3. August 29, 2013 Staff Report and minutes



AGENDA NO: C-1

Meeting Date: June 11, 2013

Staff Report

TO: Honorable Mayor and City Council

DATE: June 4, 2013

FROM: Robert Schultz, City Attorney

SUBJECT: Review of Three Proposed Concept Plans for Improvements to Centennial Staircase

RECOMMENDATION

Staff recommends that City Council review and discuss the three different Concept Plans for Improvements to Centennial Staircase and direct Staff to schedule this item for review at the Recreation and Parks Commission and the Planning Commission and return to the City Council with their recommendations.

ALTERNATIVES

1. Review proposed concept plans, schedule this item for review at Recreation and Parks Commission and Planning Commission.
2. Review proposed concept plans, make a recommendation and send to Planning Commission.
3. Reject proposed designs.

BACKGROUND

The City purchased two abutting parcels of land in June 2003. One was the former trailer park at 714 Embarcadero and the other was known as the Hungry Tiger property at 781 Market Avenue (also formerly Anthony's and Brannigan's). The former trailer park is currently used as a public parking lot and the Hungry Tiger property sat vacant for several years as result of an inability to attract an investor interested in a Hotel/Conference Center Public/Private Partnership.

In 2009, the City Council decided to sell the property at 781 Market Street to George Salwasser. After the sale, Mr. Salwasser made major improvements to the vacant building and it is now a restaurant and wine bar. As part of the Purchase and Sales Agreement, the City negotiated for Mr. Salwasser to pay the costs to design, engineer, and install a lift station to improve access between the Embarcadero and Market Street.

In November 2012, the City Council reviewed two Concept Plans attached as Exhibit A and B. One design was for a funicular, the other a traditional elevator. After deliberating, Mayor Yates

Prepared By: _____

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

moved for support of the funicular, directed Staff to communicate the Council's decision to Mr. Salwasser and send the project directly to the Planning Commission. The motion was seconded by Councilmember Leage and passed unanimously 5-0.

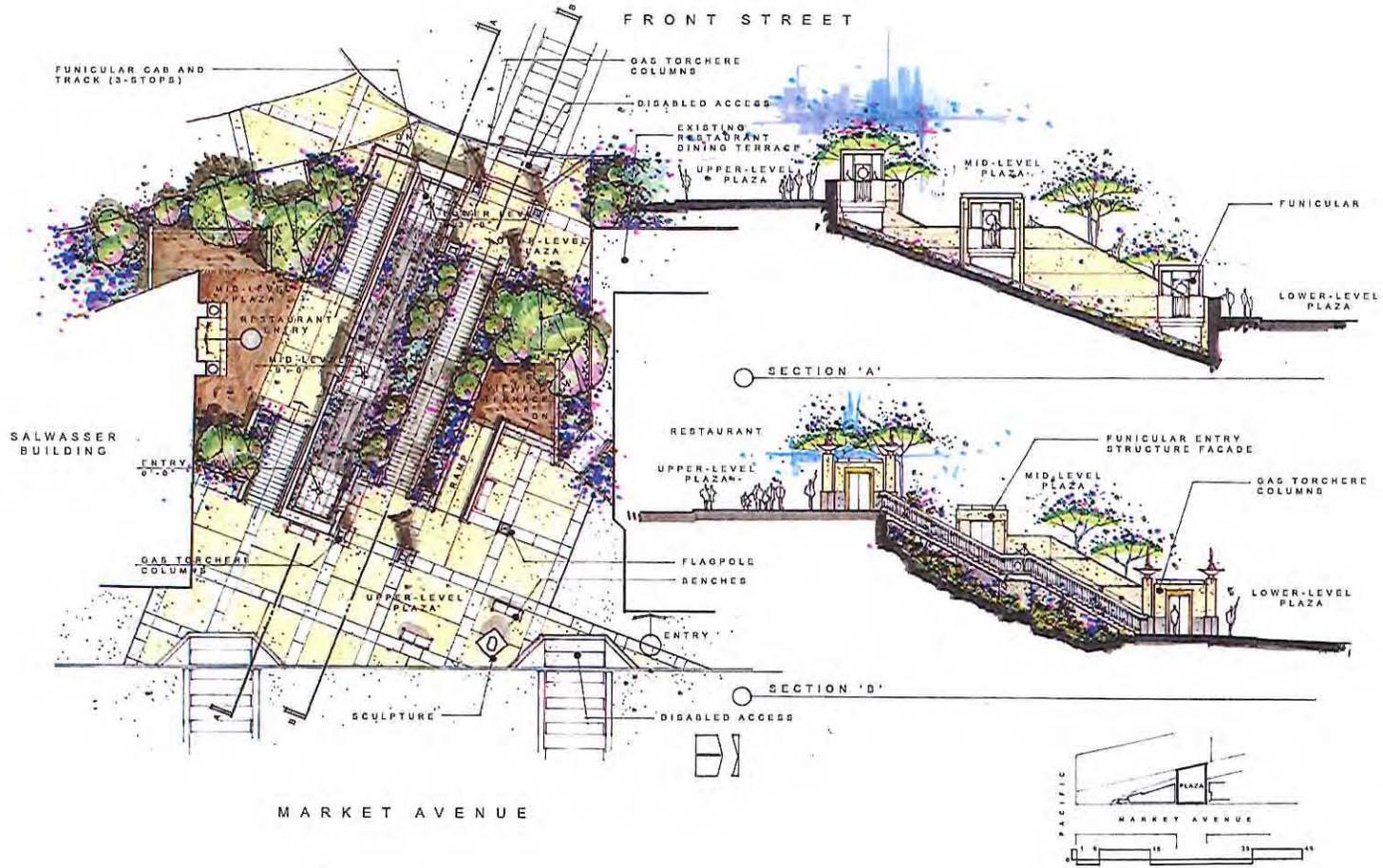
After the Council Meeting, staff communicated with Mr. Salwasser regarding moving forward with the funicular. Mr. Salwasser stated that his position was that the City was welcome to put in a funicular but according to his interpretation of the Agreement he was only responsible to pay for a lift station, and that the added cost to install the funicular would have to be borne by the City. Staff requested cost estimates from Mr. Salwasser for both proposed designs, as well as the cost and plans for the installation of a lift station that would comply with the sales agreement. In response to that request, Mr. Salwasser has submitted a design of an elevator shown as Exhibit C for a cost of \$325,000. Cost estimates for Exhibits A & B have not been provided.

DISCUSSION

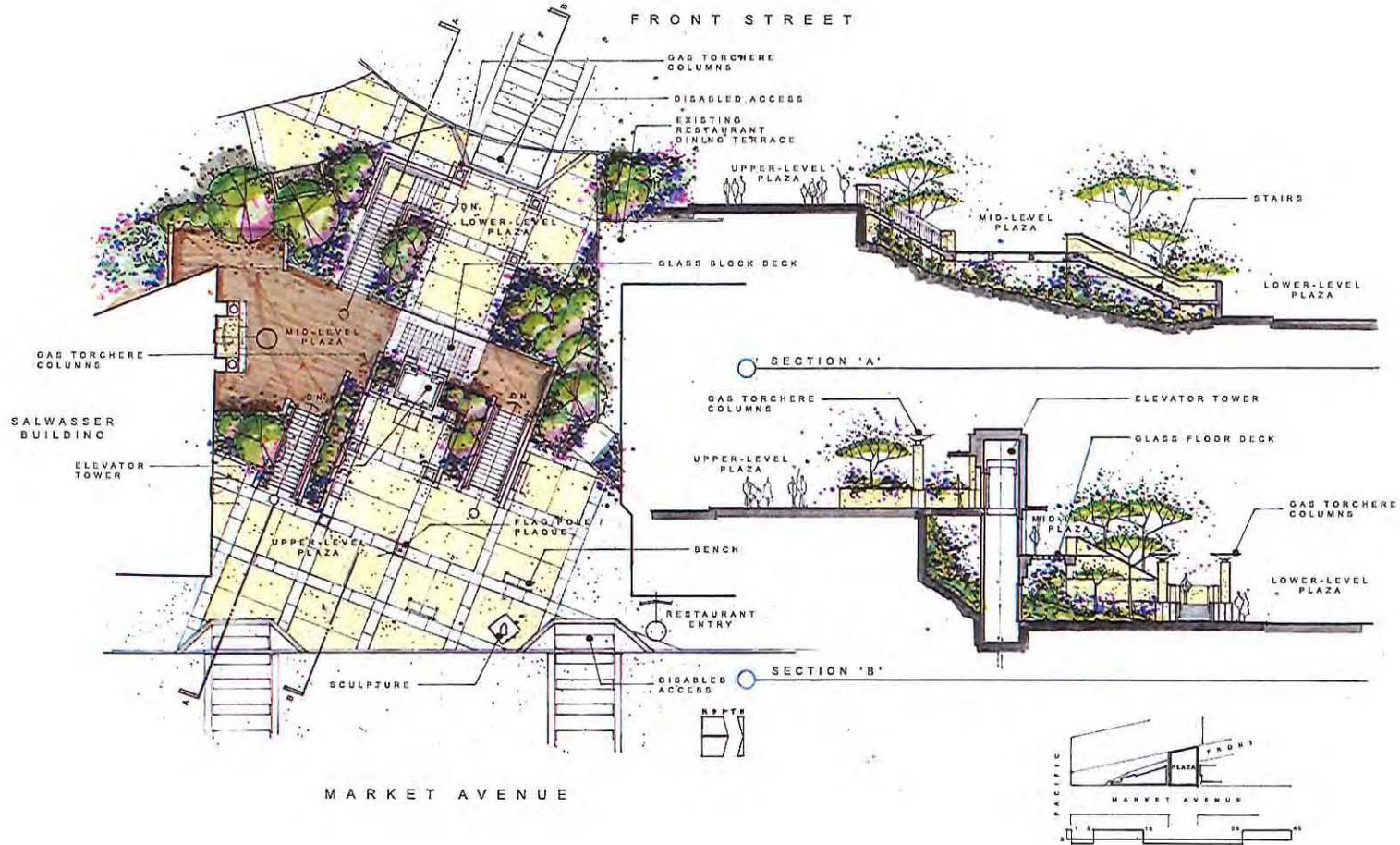
Mr. Salwasser has submitted three different designs for the installation of a lift station where the Centennial Staircase currently exists. The first design (Exhibit A) is for a funicular, which is a cable attached to tram-like vehicle on rails that moves people up and down a slope. The second design (Exhibit B) is for a more traditional elevator. The third design is also for a traditional elevator that would satisfy the requirements of the agreement. Both designs A and B greatly exceed the costs of Exhibit C. The City Council should review the plans and decide which design to move forward with, or decide to send it to various advisory bodies for their input.

CONCLUSION

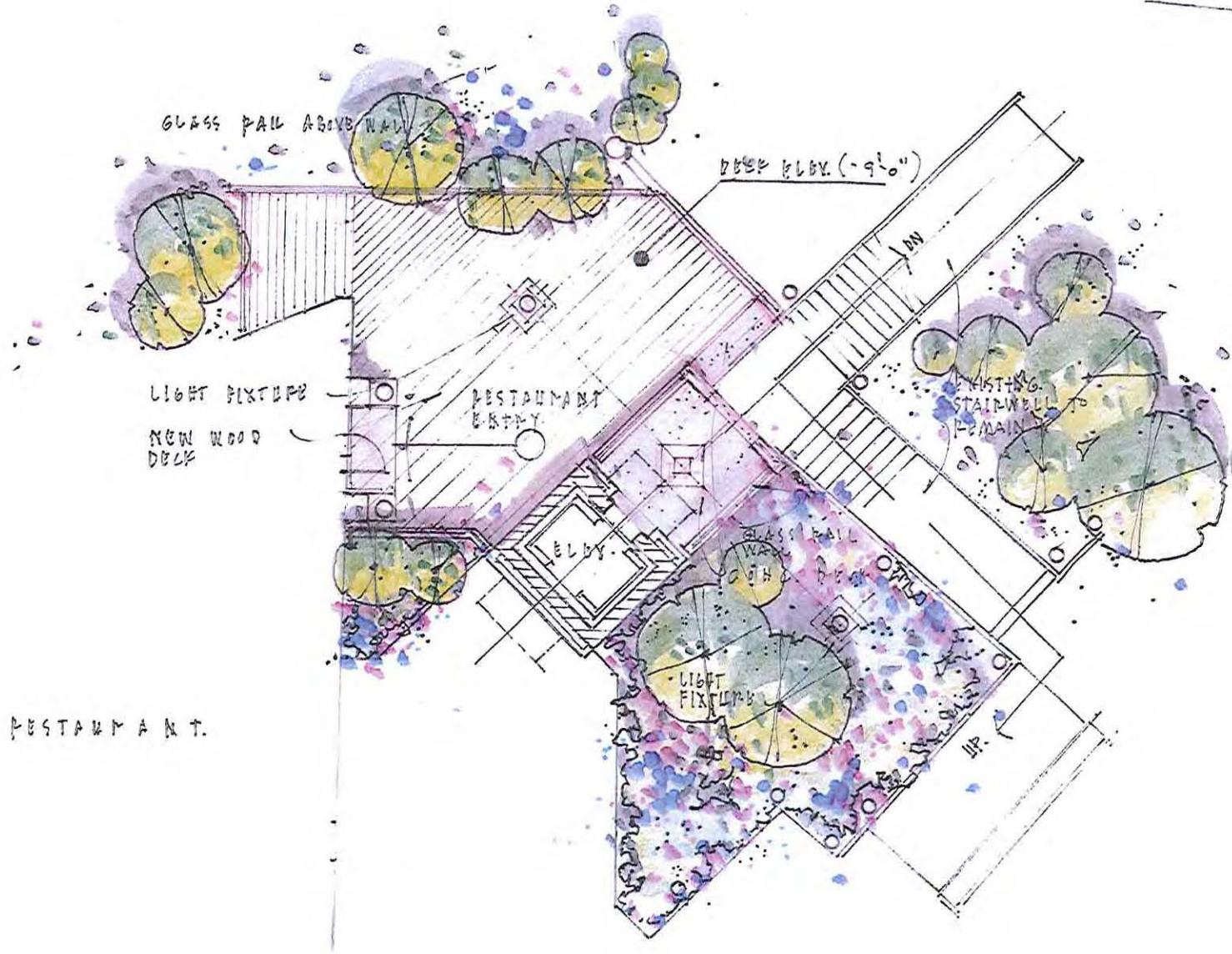
City Council should review and discuss the Concept Plan for Improvements to Centennial Staircase and direct Staff accordingly.



M O R R O B A Y P L A Z A
F U N I C U L A R P L A Z A C O N C E P T

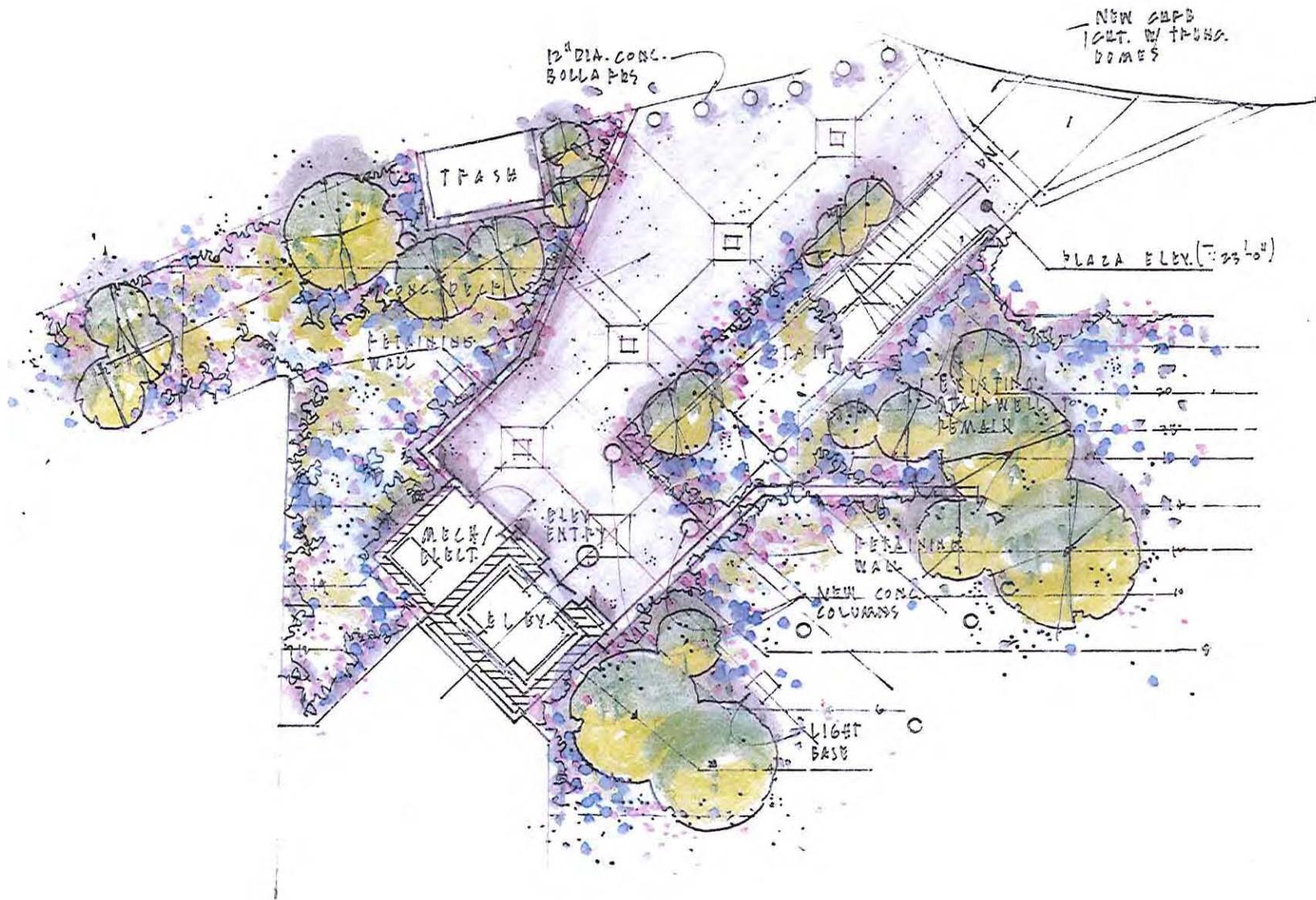


M O R R O B A Y P L A Z A
E L E V A T O R P L A Z A C O N C E P T



RESTAURANT

MID-LEVEL DECK
SCALE: 1/8" = 1'-0"
MONDAY PLAZA



L P W E F G R O U N D L E V E L
S C A L E : 1/8" = 1'-0" M A Y 2 0 1 4 P L A Z A

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – DECEMBER 14, 2009

in the program by the November 20th deadline. The program also requires the adoption of a resolution of participation by the City Council prior to January 18, 2010. The general advantage of the program is that the City can work through the overall State program and that the majority of the program administration would be covered by outside resources. The City already has an ambitious energy conservation component to its affordable housing rehabilitation program, but this is only available to households that income-qualify. Ms. Rogers recommended the City Council adopt Resolution No. 63-09 authorizing the City of Morro Bay to become a participating member agency in the CaliforniaFIRST Program and direct staff to continue the process to implement the CaliforniaFIRST Program within the City.

Mayor Peters opened the hearing for public comment.

Margaret Ambersavage, Central Coast Chapter of the United States Green Building Council, stated their organization fully supports AB811. She said this energy and efficiency program would implement solar and other renewable energy sources to reduce our carbon footprint.

Gerald Luhr stated this is an excellent program which the County requires an energy performance audit. He asked if that would also be included in the City's program. Mr. Luhr recommended the City Council approve participation in this program.

Mayor Peters closed the public comment hearing.

MOTION: Councilmember Smukler moved the City Council adopt Resolution No. 63-09 authorizing the City of Morro Bay to become a participating member agency in the CaliforniaFIRST Program and direct staff to continue the process to implement the CaliforniaFIRST Program within the City. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

B-3 ADOPTION OF RESOLUTION NO. 65-09 APPROVING THE REAL ESTATE AGREEMENT FOR THE SALE OF CITY-OWNED PROPERTY AT 781 MARKET AND THE CITY-OWNED PROPERTY AT THE CORNER OF PACIFIC AND MARKET IN MORRO BAY, CALIFORNIA; (CITY ATTORNEY)

City Attorney Robert Schultz stated the City obtained ownership of the property located at the Northeast corner of Market Avenue and Pacific Street in 2001. The real property is a ±14,387 square foot parcel currently improved with an asphalt-paved 40-space automobile parking lot. The property was purchased for \$500,000 using parking in-lieu funds. The City will need to reimburse the parking in-lieu fund \$500,000 unless the funds

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – DECEMBER 14, 2009

are reallocated to another project. The City obtained ownership of the property located at 781 Market Street in 2002. The real property is a ±6,769 square foot parcel and is currently improved with a vacant masonry building previously used as a restaurant. General Fund monies were used for the purchase of the property. The purchase of the property at 781 Market Street was part of a purchase that also included the property at 714 Embarcadero. Since 2002, the City has unsuccessfully issued a series of RFP's to develop the properties into a hotel/conference center. The buyer, George Salwasser, has accepted the terms and conditions of the Real Estate Agreement and will purchase the property at 781 Market Street and at the corner of Pacific and Market for \$1,500,000.00. Mr. Schultz recommended the City Council approve the Real Estate Agreement and adopt Resolution No. 65-09 approving the sale of City-owned property located at 781 Market Street and at the corner of Pacific and Market Street for \$1,500,000.00.

Mayor Peters opened the hearing for public comment.

John Mayers expressed support of the sale of this property; however, he does not agree with the structuring of the proposed transaction which seems to greatly favor the investor. He said the City should not get into the banking business and should move forward with a clean sale with another investor.

John Barta addressed the sale of the parking lot and noted the funds should be reimbursed to the in-lieu parking fund.

Mayor Peters closed the public comment hearing.

Councilmember Winholtz stated she is going to support the sale of this property because the City has had this property up for sale in both good and poor economic times and has not been able to sell it, and the City needs to cut its losses and move forward. Councilmember Winholtz stated she would like this money to be used to build a bathroom downtown.

Councilmember Grantham stated the City will benefit by the Lift Station purchased by the buyer of the property, and he supports moving forward with the sale of this property.

Councilmember Smukler stated he also supports the sale of this property since the buyer has liquid assets to be able to focus on rehabilitating the property. He said he is hoping to reinvest these funds in community development projects.

Councilmember Borchard expressed her support on the sale of the property. She noted a correction on Item 23 in Resolution No. 65-09 that the City will not be responsible for the proposed Lift Station.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – DECEMBER 14, 2009

Mayor Peters stated she is ambivalent to selling this property because she would prefer to maintain it as lease property in order for the City to have constant income.

MOTION: Councilmember Borchard moved the City Council adopt Resolution No. 65-09 approving the Real Estate Agreement for the sale of City-Owned Property at 781 Market and the City-Owned Property at the Corner of Pacific and Market in Morro Bay, California, with the amendment to Item #23 in the contract stating that the City will not be responsible for any operation and maintenance of the Lift Station, and will negotiate the hours of operation only. The motion was seconded by Councilmember Grantham and carried with Mayor Peters voting no. (4-1)

B-4 DISCUSSION AND DIRECTION REGARDING PLACING A MEASURE ON THE JUNE 2010 GENERAL ELECTION BALLOT APPROVING AN INCREASE OF THE CITY'S TRANSIENT OCCUPANCY TAX (TOT); (CITY ATTORNEY)

City Attorney Robert Schultz stated at the June 23, 2009 meeting, City Council directed staff to draft enabling documents to submit a tax measure increasing the City's Transient Occupancy Tax (TOT) on the June 8, 2010 ballot for voter approval as part of the General Municipal Election. TOT at a rate of 10% per rental is currently collected by all entities renting lodging for 30 days or less. Those taxes are remitted monthly to the City, and that revenue stream accounts for approximately 18% of the General Fund's revenues before transfers in. TOT is the second largest revenue source to the City (property tax is the largest.) In order to increase TOT, the City must hold an election at the same time that an election is held where members of the City Council will be elected. In addition, pursuant to State law, any increase of the tax rate must first be approved by a 2/3 vote (4 members) of the City Council and then a majority vote of the City's voters who vote at a regular Municipal Election. Mr. Schultz recommended the City Council discuss and direct staff regarding placing a measure on the June 8, 2010 ballot increasing the Transient Occupancy Tax from 10% to 12%. The deadline for submittal of such a measure to the County is February 24, 2010.

Mayor Peters opened the hearing public comment.

The following people expressed opposition to placing a measure on the June 2010 General Election ballot approving an increase in the City's Transient Occupancy Tax: John Solu, Mike Casola, Chris Duff, Jonni Biaggini, Peter Candela, Joan Solu, John Barta, Peter Beaman, George Leage, John Gerber, and Ken Vesterfelt.

Mayor Peters closed the public comment hearing.



PRYCE
ARCHITECTS

RON G. PRYCE

1936 RICHT
CLOVIS, CA 93611
559.439.0700
FAX 559.439.0708



M O R R O B A Y P L A Z A

L O W E R L E V E L P L A Z A

A L T E R N A T E 3



PRYCE
ARCHITECTS

RON G. PRYCE
1936 RICHET
CLOVIS, CA 93611
559.439.0700
FAX 559.439.0708



M O R R O B A Y P L A Z A

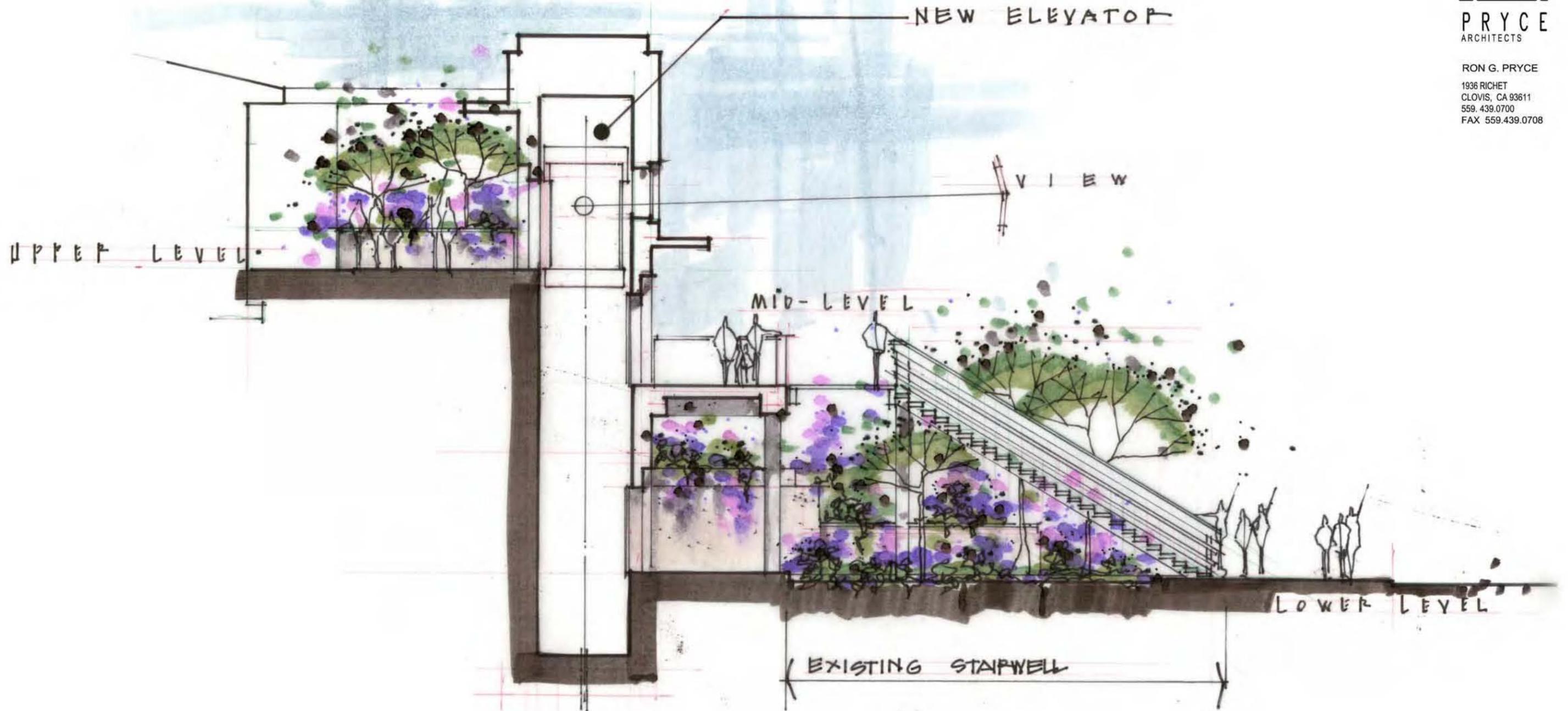
M I D L E V E L P L A Z A

A L T E R N A T E 3



PRYCE
ARCHITECTS

RON G. PRYCE
1936 RICHET
CLOVIS, CA 93611
559.439.0700
FAX 559.439.0708



M O R R O B A Y P L A Z A

S E C T I O N ' A '

A L T E R N A T E 3



PRYCE
ARCHITECTS

RON G. PRYCE
1936 RICHT
CLOVIS, CA 93611
559.439.0700
FAX 559.439.0708



M O R R O B A Y P L A Z A

S E C T I O N ' B '

A L T E R N A T E 3



PRYCE
ARCHITECTS

RON G. PRYCE

1936 RICHET
CLOVIS, CA 93611
559.439.0700
FAX 559.439.0708



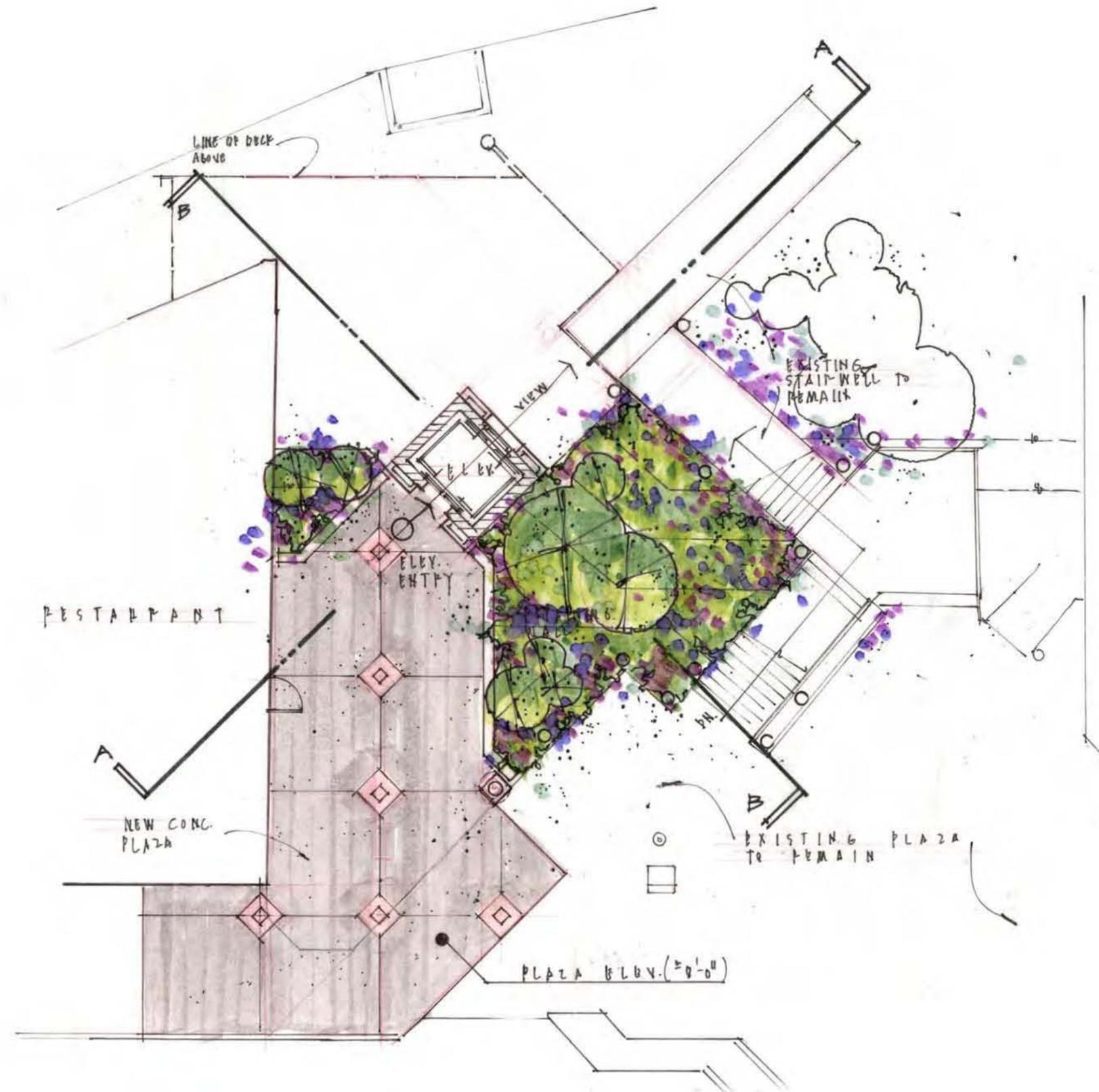
M O R R O B A Y P L A Z A
A L T E R N A T E T O W E R C O N C E P T



PRYCE
ARCHITECTS

RON G. PRYCE

1936 RICHT
CLOVIS, CA 93611
559.439.0700
FAX 559.439.0708



M O R R O B A Y P L A Z A

U P P E R L E V E L P L A Z A

A L T E R N A T E 3



AGENDA NO: I-B

MEETING DATE: August 29, 2013

Staff Report

TO: Public Works Advisory Board **DATE:** August 26, 2013
Recreation and Parks Commission

FROM: Rob Livick, PE/PLS – Director/City Engineer

SUBJECT: Discussion and Recommendations for Three Proposed Concept Plans for
Improvements to Centennial Staircase

RECOMMENDATION

The Public Works Advisory Board and the Recreation and Parks Commission review the three options and provide any recommendations to City Council.

FISCAL IMPACT

No direct fiscal impact at this time as staff time only is being expended.

DISCUSSION

As a condition of the sale and Lot Line Adjustment for the property located at 781 Market Avenue the Agreement stated, in part:

In consideration of the lot-line adjustment and the approximate additional 3000 square footage that will added to the property at 781 Market Street, the Buyer agrees to design, engineer, and install, prior to May 1, 2011, a Lift Station to provide access to the Embarcadero and Market Street. The Lift Station design shall be approved by the City and shall be located on the west side of the building next to the centennial staircase. The Lift Station shall be open to the public to obtain access from and to the Embarcadero and Market Street and be capable of carrying a minimum of at least 6 individuals. Buyer and Seller agree to negotiate and execute an operations and maintenance agreement for the Lift Station.

On June 11, 2013 this subject was discussed by City Council and was directed that the City's Recreation and Parks Commission along with the Public Works Advisory Board review the concepts presented and provide any recommendations to City Council.

The first design (Exhibit A from the June 11, 2013 staff report) is for a funicular or inclined elevator, which is a cable attached to tram-like vehicle on rails that moves people up and down a slope. The second design (Exhibit B) is for a more traditional elevator. The third design is also for a traditional

Prepared By: RL

Dept Review: RL

elevator that would satisfy the requirements of the agreement. Both designs A and B greatly exceed the costs of the concept shown in Exhibit C. Exhibits labeled "Alternate 3" (Attachment 2) are a further refinement of the concept shown in Exhibit C and utilizes the existing stairwell system and will provide the required vertical circulation and disabled access for the site and adjacent building.

In addition, the architect has prepared a concept elevation as an upgrade to the basic elevator tower, "Alternate Tower Elevation". The tower design was based on the concept of the elevator tower as a conceptual light house with a glass elevator allowing views to the rock. The additional architecture and glass elevator and glazing would run about an additional estimated \$100,000. That is a broad estimate that could be refined.

In addition to the conceptual plans for improvements to the Centennial Stairway, the architect for the property owner has prepared very preliminary (parametric level) cost estimates for the construction of the improvements. The construction only costs range from \$389,000 for Alternative C or 3 to \$1.2 million for a funicular or inclined elevator as shown in Exhibit A of the June 11, 2013 Staff Report. In addition to the construction cost there would be fees for design, survey, environmental review, and permitting and contract administration. These costs would likely add at least 25 to 30-percent to the cost of the project.

CONCLUSION

The Recreation and Parks Commission along with the Public Works Advisory Board should review and discuss the Concept Plans for Improvements to Centennial Staircase and provide any recommendations to the City Council.

ATTACHMENTS

1. June 11, 2013 Staff Report to City Council
2. Alternative 3 Exhibits

B. Discussion and Recommendations for Three Proposed Concept Plans for Improvements to Centennial Staircase (Livick)

Livick presented the staff report.

Commissioner Swain asked staff to compare maintenance costs for the elevator alternative versus the funicular alternative. Livick stated the funicular option would likely cost more to maintain because it has more moving parts.

Commissioner Swain asked staff about the possibility of charging the public to ride the funicular in order to recover some of the costs for construction and maintenance. Livick stated it may be a possibility.

Commissioner Bates expressed support for the tower alternative.

Commissioner Romero asked if the project site is owned by the City or by a private owner. Livick stated the right of way that extends from Morro Bay Boulevard is owned by the City, and that area is where the majority of the facility would be located. Livick stated the property at 781 Market is owned by a private property owner, but the City currently owns all of the property necessary to move forward with the project.

Commissioner Sidaris expressed concern that a funicular would be too expensive to install, and instead expressed support for the elevator alternative.

Boardmember Shively asked staff to confirm that ADA access will be provided to the lower level of the existing restaurant. Livick stated that in order to make effective use of the second floor, the City will require ADA access to that area. Shively also expressed concern about the maintenance issues associated with a glass elevator and a funicular, especially when the City is already short-staffed.

Boardmember Burkhart stated maintenance will be an issue for any feature selected, but the elevator would be the most financially feasible alternative. He stated the City needs to consider the sea air and its impacts when selecting an alternative.

Boardmember Goldman asked staff to clarify the owner's intention regarding whether the owner believes he should only bear the cost that is equal to the amount of property that he was given. Livick stated the City is obligated to afford the owner some proportionality to the value of the cost of the property in the agreement. He also stated the agreement did not indicate which device would be installed at the park. Goldman asked staff who would be responsible for any additional fees that would be incurred during the process. She expressed support for the elevator alternative.

Boardmember Owen stated the tower would be an unnecessary feature as the views from Market Street are already notable. She also stated the distance from the Embarcadero to Market Street is too short to install a funicular. Owen expressed support for the elevator alternative.

Chairperson Makowetski expressed support for the tower alternative as long as it could be incorporated with the elevator. He stated he would like to see stairs incorporated into the design as well.

Chairperson Makowetski opened Public Comment period, and seeing none, closed Public Comment period.

PUBLIC WORKS ADVISORY BOARD MOTION: Boardmember Burkhart moved to approve Alternate 3 with the elevator, staircase, and tower.

The motion was seconded by Boardmember Goldman and the motion passed (3-2), with Boardmembers Shively and Rutherford dissenting. According to Burkhart, Makowetski should not vote because the Chairperson is not allowed to create a tie – he is to remain neutral. Based on comments from Burkhart, Makowetski withdrew his vote.

RECREATION AND PARKS COMMISSION MOTION: Commissioner Sidaris moved to approve Alternate 2 with the elevator and no staircase.

The motion was seconded by Commissioner Romero.

Commissioner Swain expressed support for the alternative *with* a staircase so that people would still be able to access Market Street from the Embarcadero if the elevator is ever out of service. Commissioner Bates responded to Swain's comment and noted the project area is small and may not be able to accommodate both an elevator and a staircase.

Based on the comments from Swain, the Commission decided to amend the motion.

RECREATION AND PARKS COMMISSION AMENDED MOTION: Commissioner Sidaris moved to approve Alternate 3 with the elevator and staircase.

The motion was seconded by Commissioner Swain and the motion passed (2-1), with Commissioner Romero dissenting.

ADJOURNMENT

The meeting adjourned at 7:48 PM to the next scheduled meeting to be held at the Veteran's Memorial Hall on Thursday, September 5, 2013, at 6:00 PM.