

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, MARCH 8, 2016 VETERANS MEMORIAL HALL - 6:00 P.M. 209 SURF ST., MORRO BAY, CA

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS –

PUBLIC PRESENTATIONS - None

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

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

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

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 FROM THE FEBRUARY 9, 2016 JOINT CITY COUNCIL AND WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE (WRFCAC) MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FROM THE FEBRUARY 9, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 APPROVAL OF MINUTES FROM THE FEBRUARY 10, 2016 CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-4 APPROVAL OF MINUTES FROM THE FEBRUARY 23, 2016 JOINT CITY COUNCIL, PLANNING COMMISSION AND GENERAL PLAN ADVISORY COMMITTEE MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-5 APPROVAL OF MINUTES FROM THE FEBRUARY 23, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

RECOMMENDATION: Receive and file.

- A-7 WATER RECLAMATION FACILITY PROGRAM UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

- A-8 PROCLAMATION OF THE CITY COUNCIL IN RECOGNITION AND APPRECIATION OF THE SERVICE OF SENATOR BARBARA BOXER; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-9 PROCLAMATION OF THE CITY COUNCIL IN RECOGNITION AND APPRECIATION OF THE SERVICE OF CONGRESSWOMAN LOIS CAPPS; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted

A-10 RESOLUTION NO. 14-16 AUTHORIZING SUBMISSION OF RECYCLED WATER FEASIBILITY GRANT APPLICATION TO THE STATE WATER RESOURCES CONTROL BOARD; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 14-16.

A-11 AUTHORIZATION FOR PARTICIPATION IN THE CALIFORNIA HOME FINANCE (CHF) AUTHORITY PACE PROGRAMS AND ASSOCIATE MEMBERSHIP IN CALIFORNIA HOME FINANCE AUTHORITY AS ADMINISTERED BY YGRENE ENERGY; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolutions 15-16 and 16-16 authorizing the participation in PACE programs as administered by Ygrene Energy.

B. PUBLIC HEARINGS

B-1 REVIEW AND ADOPT FINAL FUNDING RECOMMENDATIONS FOR THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Adopt Resolution No. 13-16 adopting the final funding recommendations for the 2016 Community Development Block Grant (CDBG) Funds.

C. BUSINESS ITEMS

C-1 REVIEW AND DIRECTION REGARDING WATER RECLAMATION FACILITY (WRF); (ADMINISTRATION)

RECOMMENDATION: Discuss the information provided and direct staff accordingly.

C-2 COMMUNITY ENHANCEMENT (CODE ENFORCEMENT) PROGRAM STATUS/DISCUSSION; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Discuss and direct staff accordingly.

C-3 CONSIDERATION OF HARBOR ADVISORY BOARD “TRIANGLE LOT” CONCEPT SITE PLAN RECOMMENDATION AND AUTHORIZATION TO PROCEED WITH A FINANCIAL FEASIBILITY ANALYSIS OF A PROPOSED MARINE SERVICES FACILITY BASED ON CONCEPT SITE PLAN; (HARBOR)

RECOMMENDATION: Accept the Harbor Advisory Board’s recommendation to consider RRM Design Group’s “Option A” concept site plan as the preferred site plan on which to conduct a financial feasibility study and authorize staff to engage a consultant to conduct a full financial feasibility analysis on the proposed Marine Services Facility/Boatyard.

C-4 DISCUSSION OF AGENDA FOR THE CALIFORNIA MARINE AFFAIRS AND NAVIGATION CONFERENCE (C-MANC) ANNUAL WASHINGTON, D.C., “WASHINGTON WEEK” MEETINGS; (HARBOR)

RECOMMENDATION: Receive and file.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, March 22, 2016 at 6:00 pm** at the Veteran’s Memorial Hall located at 209 Surf Street, Morro Bay, California.

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 – FEBRUARY 9, 2016
JOINT MEETING OF THE MORRO BAY
CITY COUNCIL AND WATER RECLAMATION FACILITY CITIZEN ADVISORY COMMITTEE
MORRO BAY VETERAN’S HALL
209 SURF STREET – 4:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	John Headding	Councilmember
	Matt Makowetski	Councilmember
	Noah Smukler	Councilmember
	John Diodati	Committee Chair
	Bill Woodson	Committee Member
	Ginny Garelick	Committee Member
	Dale Guerra	Committee Member
	Valerie Levulett	Committee Member
	Barbara Spagnola	Committee Member
	Richard Sadowski	Committee Member
ABSENT:	Steve Shively	Committee Member
	Paul Donnelly	Committee Member
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Rob Livick	Public Works Director
CONTRACT		
STAFF:	Michael Nunley	WRF Program Manager (arrived at 4:13pm)
	John Rickenbach	WRF Deputy Program Manager

ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established by the City Council with all members present.

A quorum was established by the Water Reclamation Facility Citizen Advisory Committee (WRFCAC) with all members, but Members Shively and Donnelly, present.

I. WATER RECLAMATION FACILITY (WRF) SITE SELECTION UPDATE AND REVISED REPORT

<https://youtu.be/YFNgQu-07-g?t=2m5s>

WRF Deputy Program Manager Rickenbach provided a summary of the revised site selection report, similar to that presented at the February 2, 2016 WRFCAC meeting.

Since May 2014, the biological resource assessment, cultural resource investigation, hydrogeologic study, and geotechnical investigation have been completed. No fatal flaws have been identified at either the Rancho Colina or Righetti site, however, issues identified present challenges that will affect design.

There have been significant changes involving property ownership. Development on the Rancho Colina site is now limited to an 8-acre portion not previously studied and would be limited to WRF or water-related facilities (no corporation yard, for example). The Righetti property was placed for sale and the City has secured the option to purchase, if that site is chosen.

The February 2016 revised study is limited to three specific sites, one on the Righetti property and two on Rancho Colina. While both sites are suitable, the Righetti site ranks highest with the following key factors: the City can control purchase of the entire site without restriction, the purchase price is offset by the lower cost of pipeline construction, proximity to deeper portion of groundwater basin, less visually prominent (as compared to Rancho Colina's new location), and more area and flexibility to meet other City goals.

Based on the revised report, staff recommended the Council either reaffirm Rancho Colina or select the Righetti property as the preferred WRF site. Once selected, the Facility Master Plan would be completed and CEQA/NEPA review will focus on that preferred site, with the project on track for February 2021 delivery.

PUBLIC COMMENT

<https://youtu.be/YFNgQu-07-g?t=20m1s>

Lynda Merrill, Morro Bay, expressed her appreciation to the Council and staff for helping residents understand the process.

Bill Martony, Morro Bay, suggested the 150-acre Tri-W site is also suitable for the project, has better access and is inside the City limits. He also noted the Cayucos preferred site is on Toro Creek Rd. and recommended Morro Bay and Cayucos work together on a common site.

Marla Jo Bruton-Sadowski, Morro Bay, asked how the cost and varying uses of the 240-acre property will be divided between rate payers and other City services.

Bob Keller, Morro Bay, agreed the Righetti site seems the best alternative and was concerned that moving to another location would put the project behind schedule and increase costs.

Tina Metzger, Morro Bay, expressed concerns about building a sewage treatment plant near her home, including decreased property values, odors, particulate matter, noise, and increased traffic at Hwy 41/Hwy 1.

The Public Comment period was closed.

Mr. Buckingham responded to questions raised during public comment.

The Council and Committee discussed the alternatives and expressed a preference for further public outreach, particularly focused on neighborhoods near the Righetti site, directed staff to bring the report to WRFCAC at the March 1 meeting, then to Council on March 8.

ADJOURNMENT

The joint meeting of the City Council and Water Reclamation Facility Citizen Advisory Committee was adjourned at 5:55 p.m.

Recorded by:

Dana Swanson
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – FEBRUARY 9, 2016
VETERAN’S MEMORIAL HALL – 6:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Matt Makowetski	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Noah Smukler	Councilmember
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Susan Slayton	Administrative Services Director
	Rob Livick	Public Works Director
	Scot Graham	Community Development Manager
	Eric Endersby	Harbor Director
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:10 p.m.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT - No Closed Session Meeting was held.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/Td55J6s0Orw?t=2m22s>

Councilmember Smukler reported out as the City’s representative to SLO County APCD, the Wood Burning Device Change-Out Program has been renewed and expanded to Morro Bay residents. Replacement of wood or pellet burning stoves are eligible for up to \$1,000 reimbursement, and conventional masonry, prefabricated, or zero-clearance open hearths are eligible for up to \$2,000. A total of \$160,000 is available on a first-come, first-served basis. For applications and more information, visit their website: www.slocleanair.org or contact Megan Field at 781-1003.

PUBLIC PRESENTATIONS - NONE

PUBLIC COMMENT

<https://youtu.be/Td55J6s0Orw?t=12m32s>

Jerry Appling, from All Natural Now and Homemade Healthy Meals, presented the business spot. All Natural Now is the parent company focused on health, well-being and nutrition. From

that, they created Homemade Healthy Meals, a personal chef delivery service that combines cooking and caretaking for residents of Morro Bay and the County. Their #1 goal is to help make healthy eating part of your everyday life. For more information, visit www.homemadehealthymeals.com

Rigmore, Morro Bay, encouraged more discussion with residents and merchants about future changes to parking. She was concerned about the perpendicular parking being implemented on Market Street but noted it seems to be working. She would like more information about the future boat haul-out, which she opposes.

Barbara Doerr, Morro Bay, spoke regarding Item C-3 and asked the Council to allow political free speech during the public comment period.

Bill Martony, Morro Bay, spoke in support of using the triangle property for a boatyard and suggested the Market Avenue property recently acquired by the City would be a good location for an aquarium.

Steve MacElvaine, Morro Bay, spoke regarding the potential siting of the WRF and stated the studies make Righetti the obvious location. He is comfortable with that position and thanked the City Council and staff for their work.

Erica Crawford, Chamber of Commerce, announced they are expecting an influx of non-residents for the Coastal Commission Meeting and encouraged all businesses to use the Visitor Center as a resource.

Nancy Castle, Morro Bay, announced the Coastal Commission meeting could bring hundreds or even thousands of visitors to Morro Bay. The meeting will be broadcast live on Channel 20 and slo-span.org, and livestreamed on cal-span.org.

Betty Winholtz, Morro Bay, spoke regarding Item C-3 and recommended the Council choose Option 2 provided by the City Attorney, adding that allowing political speech has not caused any problems.

David Nelson, Morro Bay, stated Morro Bay residents had voted in favor of allowing medical marijuana dispensaries and asked why they are still not allowed.

Lynda Merrill, Morro Bay, spoke regarding Item C-3 stating restricting political speech during public comment would be difficult to enforce. Regarding Item C-7, she cautioned the Council to do more research before supporting the item as homeless shelters are complicated and very expensive to operate.

Chuck Stoll, President of Morro Bay Senior Citizens, Inc., announced various item including the Senior Transportation Program kick-off on February 16 and support for pickleball which will be discussed at the next City Council meeting. Regarding Item C-7, he was hopeful the City will support a warming station and Morro Bay Senior Citizens Inc. would like to be involved.

Linda Fidell, Morro Bay, spoke in support of Item C-7 and suggested the Council allow residents an opportunity to investigate what is needed to provide a warming shelter. They are gathering information now and will bring information back to the Council in a couple of weeks.

The public comment period was closed.

A. CONSENT AGENDA
<https://youtu.be/Td55J6s0Orw?t=50m6s>

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 CITY COUNCIL MEETING HELD ON JANUARY 12, 2016; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE SPECIAL CITY COUNCIL MEETING HELD ON JANUARY 26, 2016; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE CITY COUNCIL MEETING HELD ON JANUARY 26, 2016; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 APPROVAL OF MINUTES FOR THE SPECIAL CLOSED SESSION CITY COUNCIL MEETING HELD ON JANUARY 27, 2016; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 AWARD OF PROFESSIONAL SERVICES CONTRACT WITH MENTAL MARKETING FOR TOURISM MARKETING AND PUBLIC RELATIONS SERVICES; (ADMINISTRATION)

RECOMMENDATION: Approve the selection of Mental Marketing for tourism marketing and public relations services and delegate the authority to execute said contract to the City Manager.

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

Councilmember Johnson pulled Item A-5 for a brief comment

MOTION: Councilmember Headding moved the Council approve Items A-1 through A-4 on the Consent Agenda. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

A-5 AWARD OF PROFESSIONAL SERVICES CONTRACT WITH MENTAL MARKETING FOR TOURISM MARKETING AND PUBLIC RELATIONS SERVICES; (ADMINISTRATION)

<https://youtu.be/Td55J6s0Orw?t=51m15s>

Councilmember Johnson highlighted the contract before the Council was approved by the Morro Bay Tourism Bureau and TBID Advisory Board. She was able to watch the presentations and selection process which were conducted in an open meeting and appreciated the quality of work by local marketing firms.

Councilmember Headding was glad to see marketing and promotions come together under one contract and appreciated the emphasis of social media and digital marketing.

MOTION: Councilmember Johnson moved the Council approve Item A-5. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 RESOLUTION NO. 05-16 AUTHORIZING THE 2015/16 MID-YEAR BUDGET AMENDMENTS; (ADMINISTRATIVE SERVICES)

<https://youtu.be/Td55J6s0Orw?t=56m5s>

Barbara Spagnola, Citizens Oversight / Citizens Finance Committee Chair, provided the Measure Q overview and Committee recommendations, as well as quarterly budget review.

Chair Spagnola requested the Committee be expanded from five to seven members to allow for the creation of more sub-committees and that new members have a strong financial background. She also asked the Council to provide direction for prioritizing the Committee's workload.

As requested by the Citizens Finance Committee, Police Chief Christey provided an update on the School Resources Officer (SRO) at Morro Bay High School which is funded at the 50% level by Measure Q funds, with the balance paid by San Luis Coastal Unified School District. Officer Nicole Canby is currently serving in this role and looks forward to continuing.

Administrative Services Director Slayton presented the staff report and, along with Mr. Buckingham, responded to Council inquiries.

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

Erica Crawford, Morro Bay Chamber of Commerce, offered the Chamber's assistance with the quality of life survey.

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

The Council expressed its appreciation to the Citizens Finance Committee for their review and recommendations and supported the staff recommendation for mid-year budget amendments and requested expenditures. Councilmember Headding advised caution about TOT and sales tax projections, but understands staff will manage and address issues as they arise.

MOTION: Councilmember Johnson moved the Council adopt Resolution No. 05-16 authorizing the mid-year budget amendments and accept the Citizens Oversight / Finance Committee report. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

A brief recess was taken at 8:44pm; the meeting reconvened at 8:53pm.

C-2 DISCUSSION OF FY 16/17 PROGRAM OBJECTIVES ASSOCIATED WITH THE ADOPTED CITY GOALS; (ADMINISTRATION)
<https://youtu.be/EqTEPybkqTg?t=4s>

City Manager Buckingham presented the staff report and responded to Council inquiries.

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

David Nelson, Morro Bay, asked about potential future uses for the power plant property. He understood there was a deed restriction in place that limits future use of the property to only power.

Erica Crawford, Morro Bay Chamber of Commerce, spoke to the proposed Downtown Friday Series noting the Chamber is focused on growing the Saturday Farmer's Market which could potentially include a concert series.

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

The Council supported the list of FY 16/17 program objectives, as presented, and appreciated staff included a list of removed items to keep in mind for next year. Councilmember Smukler reminded staff an integrated pest management policy will need to be established at some point in time.

No formal action was taken by the City Council.

C-3 DISCUSSION AND OPTIONS RE: PUBLIC COMMENT PERIOD DURING COUNCIL MEETING; (CITY ATTORNEY)
<https://youtu.be/EqTEPybkqTg?t=50m1s>

City Attorney Pannone presented the staff report and offered a third option which would be for the Council to determine subject matter jurisdiction includes City campaigns and no other campaigns.

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

David Nelson, Morro Bay, stated people have come to the podium to speak on both State and local issues and it hasn't been a problem. He urged the Council to keep public comment open for the public.

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

Mayor Irons noted the Council Policies and Procedures were amended when he came into office to allow the public an opportunity to speak on multiple items. The Council appreciated the City Attorney bringing this issue to their attention, however there was consensus to continue the current practice.

No formal action was taken by the Council.

C-4 2016 ANNUAL WATER REPORT AND DRAFT REVISIONS TO MORRO BAY MUNICIPAL CODE CHAPTER 13.20, AND CARRYOVER OF 2015 WATER EQUIVALENCY UNITS; (PUBLIC WORKS)
<https://youtu.be/EqTEPybkqTg?t=1h27m6s>

Public Works Director Livick presented the staff report and suggested the following timeline for amending MBMC Chapter 13.20: Draft ordinance to be reviewed by PWAB on March 16, 2016, followed by Planning Commission April 5, 2016, then return to Council for introduction and first reading on May 10, 2016. The WEUs for FY 16/17 would be established based on 2016 data and reviewed by the Council in late June.

The public comment period for Item C-4 was opened; seeing none, the public comment period was closed.

The Council supported the staff recommendation and proposed timeline.

MOTION: Mayor Irons moved to adopt Resolution No. 06-16 allocating the unused remainder of WEUs as allocated in 2015; process allocation limits on a first-come, first-served basis, based on priorities contained in the current General Plan and Local Coastal Plan policies; require each new WEU resulting from development in 2016 to be offset on a two-to-one basis by providing retrofits or, if retrofit is infeasible, then by paying in-lieu fees; and direct staff to bring back revisions to MBMC Chapter 13.20 reflecting the realities of report preparation dates and changes, along with changes in the City's water supply portfolio in the timeframe presented by staff. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

C-5 ADOPTION OF ORDINANCE NO. 600 ADDING CHAPTER 8.17 TO THE MORRO BAY MUNICIPAL CODE REGULATING THE USE OF EXPANDED POLYSTYRENE PRODUCTS WITHIN THE CITY; (PUBLIC WORKS)
<https://youtu.be/EqTEPybkqTg?t=1h48m35s>

Mr. Livick presented the staff report.

The public comment period for Item C-5 was opened.

Janine Rands, SLO Foam Free, appreciated Morro Bay's support for the environment and shared San Luis Paper Supply will help local businesses replace Styrofoam and update their inventory.

The public comment period for Item C-5 was closed.

MOTION: Mayor Irons moved for adoption of Ordinance No. 600, An Ordinance of the City Council of the City of Morro Bay, California, amending the Morro Bay Municipal Code by adding Chapter 8.17 to regulate the use of expanded polystyrene products within the City, and waived further reading. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

C-6 ADOPTION OF ORDINANCE NO. 598 AMENDING SECTION 3.08.070 OF THE MORRO MUNICIPAL CODE RELATING TO BIDDING; (CITY ATTORNEY)
<https://youtu.be/EqTEPybkqTg?t=1h52m23s>

Mr. Pannone presented the staff report.

The public comment period for Item C-6 was opened; seeing none, the public comment period was closed.

MOTION: Mayor Irons moved for adoption of Ordinance No. 598, An Ordinance of the City Council of the City of Morro Bay, California amending Section 3.08.070 of the Morro Bay Municipal Code relating to bidding, and waived further reading. The motion was seconded by Councilmember Johnson and carried unanimously, 5-0.

C-7 DISCUSSION OF HOMELESS SERVICES OVERSIGHT COUNCIL'S RECOMMENDATION TO DECLARE AN EMERGENCY SHELTER CRISIS; (ADMINISTRATION)
<https://youtu.be/EqTEPybkqTg?t=1h53m37s>

Mr. Buckingham presented the staff report and responded to Council inquiries.

The public comment period for Item C-7 was opened.

Nancy Castle, Morro Bay, sensed the shelter crisis has abated slightly and the number of those needing shelter in Morro Bay was not huge. She requested the Veteran's Hall or the former County public health building be made available.

The public comment period for Item C-7 was closed.

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

Councilmember Johnson provided the background and current status of warming shelters in San Luis Obispo County, as well as services offered by Estero Bay Alliance of Care (“EBAC”) and Community Resource Connections. She suggested the Council declare a shelter crisis that sunsets April 15, 2016, to send a message to the County that Morro Bay is willing to work toward a solution, then work with partners in the City and County to investigate options for sheltering people either in City or County buildings, or investigate options for transportation.

Councilmember Smukler commented the EBAC subcommittee had looked at this concept both two years ago and last year. The challenge is finding enough volunteers to put together a program that is safely managed. He supported the declaration and encouraged the community to step forward to volunteer. He opposed the financial contribution suggested by the County and supported the City’s continued financial support through Community Resource Connections.

MOTION: Councilmember Johnson moved the Council respond to requests from SLO County Homeless Services Oversight Council and SLO County Board of Supervisors to declare a shelter crisis pursuant to Government Code sections 8698-8698.2 which sunsets April 15, 2016; work with partners in the City as well as the County to consider options for sheltering people either in City or County buildings, or through transportation to existing shelters; and direct the City Manager to assess resources available, including working with the County to secure resources. The motion was seconded by Mayor Irons and carried unanimously, 5-0.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/EqTEPybkqTg?t=2h23m29s>

Mayor Irons requested a report discussing the agenda for the C-MANC, Washington DC visit, and to reach out to staff members for Senator Boxer and Congresswoman Capps to craft resolutions acknowledging their retirement; the Council concurred.

Councilmember Makowetski acknowledged a request from the Harbor Advisory Board to discuss City support for further community workshops presenting alternate views on a national marine sanctuary and its impact on the community; Mayor Irons and Councilmember Heading supported the item.

E. ADJOURNMENT

The meeting adjourned at 11:24pm. The next Regular Meeting will be held on Tuesday, February 23, 2016 at 6:00 p.m. at the Veteran’s Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by:

Dana Swanson
City Clerk

MINUTES – FEBRUARY 23, 2016
JOINT MEETING OF THE MORRO BAY
CITY COUNCIL, PLANNING COMMISSION AND GENERAL PLAN / LOCAL COASTAL
PROGRAM ADVISORY COMMITTEE (GPAC)
MORRO BAY VETERAN’S HALL
209 SURF STREET – 4:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Matt Makowetski	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Noah Smukler	Councilmember
	Robert Tefft	Planning Commission /GPAC Chairperson
	Joseph Ingraffia	Commissioner
	Michael Lucas	Commissioner
	Gerald Luhr	Commissioner
	Rich Buquet	Committee Member
	Jan Goldman	Committee Member
	Jeffrey Heller	Committee Member
	Glenn Silloway	Committee Member
	Melani Smith	Committee Member
	Susan Stewart	Committee Member
ABSENT:	Richard Sadowski	Commissioner
	Robert Davis	Committee Member
	Susan Schneider	Committee Member
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Scot Graham	Community Development Manager

ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established by the City Council with all members present.

A quorum was established by the Planning Commission with all members except Commissioner Sadowski present.

A quorum was established by the GPAC with all members except Member Davis and Member Schneider present.

I. GENERAL PLAN / LOCAL COASTAL PROGRAM KICK-OFF AND INTRODUCTION WITH PRESENTATION BY MICHAEL BAKER INT’L.

<https://youtu.be/PGuQ8jc2Pzk?t=3m46s>

Community Development Manager Graham introduced members of the consultant team leading the General Plan, Local Coastal Plan and Zoning Ordinance update, including Jeff Henderson, Tammy Seale, and Chris Reed.

Jeff Henderson provided an overview of the core components of the update and the proposed timeline to complete the update by December 2017. The PowerPoint presentation is available here: <http://www.morro-bay.ca.us/DocumentCenter/View/9377>

One of the goals of the plan is to identify the important assets of the community, what the community treasures, and the necessary pieces to advance the economy to achieve the community's goals for the next 20-30 years. That information is used to establish goals, objectives, priorities, policies and a work plan to remain resilient as the community faces future challenges.

The Council, Commission and GPAC had the opportunity to respond to the following questions for facilitated discussion:

1. Has your understanding of local issues changed significantly since December 2014?
2. How can short-term goals and objectives support long-term vision?
3. Are there inconsistencies between what was discussed in December 2014 and the City Council goals & objectives?
4. What recent or planned projects should we be aware of?

PUBLIC COMMENT

<https://youtu.be/PGuQ8jc2Pzk?t=1h27m20s>

Marla Jo Bruton-Sadowski, Morro Bay, appreciated the process and focus on protecting the City from sea level rise. She was proud of the City for moving WWTP away from the beach.

Shawn Green asked how the public can engage with the GPAC and what would be done to make sure the General Plan is applicable both for short-term budgeting yet still viable in 20-25 years.

The Public Comment period was closed.

ADJOURNMENT

The joint meeting of the City Council and Water Reclamation Facility Citizen Advisory Committee was adjourned at 5:38pm.

Recorded by:

Dana Swanson
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – FEBRUARY 23, 2016
VETERAN’S MEMORIAL HALL – 6:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Matt Makowetski	Councilmember
	John Headding	Councilmember
	Christine Johnson	Councilmember
	Noah Smukler	Councilmember
STAFF:	Dave Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Sam Taylor	Deputy City Manager
	Rob Livick	Public Works Director
	Janeen Burlingame	Management Analyst
	Scot Graham	Community Development Manager
	Cindy Jacinth	Associate Planner
	Eric Endersby	Harbor Director
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:01 p.m.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT - No Closed Session Meeting was held.

STAFF PRESENTATION

https://youtu.be/U_uI_kthwXE?t=2m14s

City Manager Buckingham presented certificates of appreciation to Harbor and Fire Department personnel for their extraordinary rescue and lifesaving actions on February 14, 2016, as they responded to a capsized vessel in Morro Bay. Those employees included Scott Mather, Marcos Green, Michael Talmadge, Travis Hasch, and Jeremiah Jacobs.

Mayor Irons and the City Council presented certificates of appreciation to Chief Nilles and members of the Coast Guard Morro Bay for their expert utilization of motor lifeboats and rescue support during the February 14, 2016, response to a capsized vessel in Morro Bay.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

https://youtu.be/U_uI_kthwXE?t=9m37s

Mayor Irons reported out from his participation on the City Selection Committee for various County-wide boards. Ed Waage from Pismo Beach was appointed to the Local Agency Formation Commission (“LAFCO”).

PUBLIC PRESENTATIONS – Morro Bay Tourism Bureau Quarterly Report

https://youtu.be/U_uI_kthwXE?t=17m18s

Brent Haugen, Morro Bay Tourism Bureau Director, provided the quarterly report for October – December, 2015. A link to the PowerPoint presentation is available here:

<http://www.morro-bay.ca.us/DocumentCenter/View/9376>

PUBLIC COMMENT

https://youtu.be/U_uI_kthwXE?t=28m17s

Caroline Duell of Elemental Herbs provided the business spot. The business recently moved its headquarters to the Sun Bulletin building in Morro Bay which allowed them to bring warehousing and shipping functions in-house. The product line extends to all organic body care products including lip products, sunscreen, and healing salves. One percent of all revenues is dedicated to fighting for social and environmental justice around the world. For more information, please visit their website: www.Allgoodproducts.com.

Rigmore, Morro Bay, opposed City funding for warming shelters and free use of public facilities. She suggested a thorough review of City codes and rules.

Trina Dougherty, Morro Bay, spoke on behalf of AGP Video, thanking the entire community for stepping up with recent Coastal Commission meeting. She also announced the Eco Rotary Club meets the second and fourth Thursday of each month. This week, Randy Ponder will share about his recent trip to Ethiopia. Also, the Morro Bay Friends of the Library will hold its first book sale of the year on Saturday, March 5, from 10am - 5pm at the Library.

Marla Jo Bruton-Sadowski, Morro Bay, announced a free event to be held at the Coalesce Bookstore on Saturday, February 27 at 7pm. Cathy de Moll, author of “Think South”, will lead a conversation about extreme adventure and global politics.

Linda Stedjee, Morro Bay, stated the City failed to protect beach access route in north Morro Bay. An alternate path was offered which she considers unsafe and unusable for seniors, disabled and families with small children.

Dawn Beattie, Morro Bay, urged the Council to review the municipal code before issuing citations.

Chuck Stoll, Morro Bay, thanked the Council for declaring a shelter crisis and the willingness to explore other plans. He believes there are plans in place throughout the County that can be adapted to work in Morro Bay.

Susan Craig, Morro Bay resident, business owner, and former 4th of July committee member, spoke regarding C-5 and supported a day-time 4th of July event.

Larry Landis, Morro Bay, spoke in support of pickleball.

The comment period was closed.

- A. CONSENT AGENDA
https://youtu.be/U_uI_kthwXE?t=50m17s

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

- A-1 RESOLUTION NO. 07-16 AUTHORIZING SUBMISSION OF RURAL TRANSIT FUND GRANT APPLICATION; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 07-16.

- A-2 RESOLUTION NO. 08-16 AUTHORIZING APPLICATION SUBMITTAL FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY'S BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 08-16.

- A-3 ADOPTION OF RESOLUTION NO. 10-16 UPDATING THE CITY'S CONFLICT OF INTEREST CODE; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 10-16.

- A-4 ADOPTION OF 2016-17 CITY GOALS AND PROGRAM OBJECTIVES; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-5 PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING TUESDAY, FEBRUARY 23, 2016 AS "WORLD SPAY DAY"; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

Councilmember Johnson pulled Item A-2.

MOTION: Councilmember Smukler moved for approval of Items A-1 and A-3 through A-5 on the Consent Agenda. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

- A-2 RESOLUTION NO. 08-16 AUTHORIZING APPLICATION SUBMITTAL FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY'S BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM; (PUBLIC WORKS)
https://youtu.be/U_uI_kthwXE?t=51m24s

Councilmember Johnson pulled the item to provide an opportunity to explain recent closure of recycling facilities in the City. Staff clarified those closures were not associated with the issue before the Council and the City has no control over recycling centers. Information regarding recycling centers can be found at www.calrecycle.ca.gov.

MOTION: Councilmember Johnson moved for approval of Item A-2. The motion was seconded by Councilmember Headding and carried unanimously, 5-0.

B. PUBLIC HEARINGS

- B-1 CONCEPT PLAN APPROVAL FOR CONDITIONAL USE PERMIT (UP0-359) FOR THE CONSTRUCTION OF A GANGWAY, DOCK, SEVEN (7) BOAT SLIPS, SECOND STORY DINING DECK EXPANSION, AND COASTAL ACCESS IMPROVEMENTS AT 725 EMBARCADERO, ROSE'S LANDING; (COMMUNITY DEVELOPMENT)
https://youtu.be/U_uI_kthwXE?t=59m36s

Associate Planner Jacinth presented the staff report and responded to Council inquiries.

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

Steve Publisi, Project Architect, spoke on behalf of the applicant and introduced the project team including his client, Doug Redican; Michael Dammeyer, Project Manager; and Scott Kimura of Tenera Environmental. Responding to Council inquiries, he explained they cannot at this point in the project incorporate a green roof. They have worked to create an aesthetically pleasing project and eliminated restaurant activities that would impede public coastal access. If requested, the tables removed from the lower level could be placed on upper level view deck for public use.

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

The Council supported the project and discussed adding the following conditions: Councilmember Smukler suggested language to encourage stormwater management components to improve storm water runoff beyond those related to the construction phase of the project; Councilmember Headding requested a minimum of two benches be provided on the second floor public observation deck; and Mayor Irons requested the trash receptacles located on the south side of the building be redesigned with a cover in order to be screened from public view. There was Council consensus to support each of these requests and the applicant was favorable to including the conditions as part of project approval.

MOTION: Councilmember Smukler moved the Council adopt the Mitigated Negative Declaration and adopt Resolution No. 09-16, making the necessary findings for approval of Conditional Use Permit (#UP0-359) for the construction of a gangway, dock, seven boat slips, second story dining deck expansion, and coastal access improvements at 725 Embarcadero, Rose's Landing, with additional language regarding stormwater best management practices, seating on upper level public dock, and trash enclosure improvements. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

C. BUSINESS ITEMS

C-1 RECREATION PROGRAMS UPDATE; (ADMINISTRATION)
https://youtu.be/U_uI_kthwXE?t=1h51m52s

Deputy City Manager Taylor presented the staff report and responded to Council inquiries.

The public comment period for Item C-1 was opened; seeing none, the public comment period was closed.

The Council expressed appreciation for the renewed energy and improved marketing of the City's recreation programs and complimented the work done by the Recreation and Parks Commission and staff.

No formal action was taken by the City Council.

A brief recess was taken at 8:15pm; the meeting reconvened at 8:22pm.

C-2 CONSIDERATION OF CONVERSION OF THE DEL MAR PARK HOCKEY RINK INTO PERMANENT PICKLEBALL COURTS; (ADMINISTRATION)
<https://youtu.be/HRV7RjBab9k?t=20s>

Mr. Taylor presented the staff report and responded to Council inquiries.

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

Trish Domega, Cambria Pickleball by the Sea, was involved with the construction of new courts in Cambria and encouraged the Council to promote pickleball in the community.

Elliott Gong, Morro Bay, encouraged the development of permanent courts to make pickleball available to people of all ages.

Julie Jensen-Chow, Los Osos resident and member of Central Coast Roller Derby, spoke in support of roller derby and maintaining a multi-use facility.

Ruth Stewart, San Luis Obispo County resident, urged the Council to maintain the multi-use space so the entire community can continue to grow.

Kathy Ponting, chairperson for the steering committee for permanent pickleball courts, provided a review of recent tournaments, clinics and events. She also suggested there may be a way to continue sharing court space with other uses.

John Wallace, Nipomo, shared they had a similar situation in Nipomo and worked with County Parks to raise money to resurface one of the courts. He supported multi-use, if feasible, and hoped there's a way to have full courts and host sanctioned tournaments.

Sharon Bruce, Los Osos resident and member of Central Coast Roller Derby, was excited to hear about what pickle ball is doing in Morro Bay but heartbroken that roller derby is being squeezed out of every facility. She urged the Council to take care of the whole community.

Jeff Napier spoke in support of pickleball and investing in facility improvements, noting the facility could be easily converted to another use should that need arise.

Jane Von Koehe, Morro Bay, spoke in support of maintaining a multi-use facility and encouraged surface improvements.

Greg Whitfield, Cambria, spoke in support of permanent pickleball and noted the current surface is not suitable for either skating or pickleball.

Victoria Betts, San Luis Obispo, spoke in support of roller derby and maintaining a multi-use facility.

Jenny Rarig spoke in support of permanent pickleball courts without restricted hours so families can enjoy the sport.

Karen Shwarzman-Rosa, Morro Bay, recently moved to Morro Bay and has developed strong social ties through pickleball, which is important to leading a healthy life.

Barbara, Paso Robles resident and President of the Paso Robles Pickleball Club, shared they installed permanent courts two years ago and have grown from 25 to 85 paying members with 150 on their mailing list.

Susan Craig, Morro Bay resident and business owner, spoke in support of permanent pickleball courts so the sport is available to all ages.

Steve Sidwell, USAPA District Ambassador for pickleball, shared his experience from the development of permanent pickleball courts in Paso Robles and urged the Council to support the sport.

Jan Smith, San Luis Obispo, spoke in support of permanent pickleball courts and stated regardless of the decision, the surface will need to be redone as it is unsafe for either hockey or pickelball.

Kathy Thomas, Morro Bay, provided the Council with a comparison of pickleball to roller derby. She noted pickleball is one of the few sports where wheelchair rules are in effect that enable wheelchair-bound athletes to play with able-bodied players.

Robert Thomas, Morro Bay, suggested the Council has the choice to install dedicated pickleball courts at Del Mar Park or double stripe courts at Monte Young for shared use.

Bonnie Sidwell, Paso Robles, spoke in support of permanent pickleball courts.

Kelly, Atascadero, spoke in support of permanent pickleball courts.

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

Mayor Irons thanked Robert & Kathy Thomas for their hard work and acknowledged the group's fundraising efforts. He was supportive of permanent courts but wanted to explore the idea of continued shared use.

Councilmember Headding supported the conversion to permanent pickleball courts based on positive impact for community health and potential revenue production through tourism. He was concerned about maintenance costs and suggested charging a membership fee that would be dedicated to the maintenance fund.

Councilmembers Makowetski and Johnson noted the entire park is a multi-use space and supported making pickleball available for all ages. Councilmember Johnson offered to help connect the roller derby group with Supervisor Gibson to find facilities on the coast and expand that program.

Mayor Irons invited Kathy Ponting to provide more information on the possibility of sharing the resurfaced courts with other uses. She noted it is not the best-case scenario as they would have to rely on the will of others to obey signage and prevent damage to court surfaces. She stated the pickleball group was willing to use current funds for maintenance costs and implement a membership fee.

Robert Thomas, Morro Bay, suggested you could create a "splash zone" that would accommodate other activities, but it would be dangerous to mix two different surfaces.

Joseph Hilden, Cambria, shared the courts in Cambria had to be locked at night to prevent damage.

The Council appreciated the discussion regarding potential multi-use; however, it wasn't likely that would be successful.

MOTION: Councilmember Headding moved the Council direct staff to move forward and permanently convert Del Mar park hockey rink to permanent pickleball courts, incorporate a use fee to help pay for court maintenance on an ongoing basis, and those courts should be locked at night to preserve court integrity. The motion was seconded by Councilmember Makowetski and carried unanimously, 5-0.

C-3 CITY OF MORRO BAY PARTICIPATION IN THE CALIFORNIA HERO PROGRAM; (PUBLIC WORKS)
<https://youtu.be/HRV7RjBab9k?t=1h36m5s>

Public Works Director Livick presented the staff report and responded to Council inquiries.

Dustin Reilich, Director of Municipal Development for the California HERO Program, clarified PACE is the legislation that make these types of programs available to residents. HERO is a brand of PACE and offers a voluntary program that provides long-term financing to enable homeowners to improve their properties.

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

Adam Roberts, Regional Manager for Ygrene Energy Fund, shared that Ygrene, like HERO, provides a PACE financing option. He encouraged the Council to consider approval of the Ygrene program at a future meeting.

Bob Crizer, General Contractor and approved PACE contractor, stated these programs provide relatively easy funding to property and business owners for energy improvements. He encouraged the Council to support several PACE programs.

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

Mayor Irons disclosed ex parte communications with Bob Crizer and appreciated him reaching out to share information about the other available PACE programs.

The Council agreed residents should have a choice of programs and directed staff to bring back agreements with other PACE providers as a consent item at a future meeting.

MOTION: Mayor Irons moved the Council adopt Resolution No. 12-16 authorizing the City's participation in the California HERO Program, which will enable property owners to finance permanently fixed renewable energy, energy and water efficiency improvements, and electrical vehicle charging infrastructure on their properties. The motion was seconded by Councilmember Johnson and carried unanimously, 5-0.

C-4 COMMUNITY DEVELOPMENT DEPARTMENT UPDATE; (COMMUNITY DEVELOPMENT)
<https://youtu.be/HRV7RjBab9k?t=1h52m44s>

Community Development Manager Graham presented the staff report and responded to Council inquiries.

The public comment period for Item C-4 was opened; seeing none, the public comment period was closed.

The Council expressed its appreciation for the tremendous amount of progress in the past year. No formal action was taken by the Council.

C-5 CONSIDERATION AND DISCUSSION OF CITY SIGNATURE COMMUNITY EVENTS; (ADMINISTRATION)

<https://youtu.be/HRV7RjBab9k?t=2h24m15s>

Mr. Taylor presented the staff report and responded to Council inquiries.

The public comment period for Item C-5 was opened; seeing none, the public comment period was closed.

MOTION: Councilmember Johnson moved the Council adopt Resolution No. 11-16 approving the City's sponsored/partnered events. The motion was seconded by Councilmember Smukler and carried unanimously, 5-0.

C-6 CONSIDERATION OF AND RECOMMENDATION TO CITY COUNCIL REGARDING THE CITY CO-SPONSORSHIP POLICY AND GUIDANCE ON COMMUNITY FACILITY USE BY VARIOUS GROUPS AT FREE OR REDUCED COST; (ADMINISTRATION)

<https://youtu.be/HRV7RjBab9k?t=2h32m22s>

Mr. Taylor presented the staff report and responded to Council inquiries.

MOTION: Councilmember Johnson moved the Council extend the meeting beyond 11pm. The motion was seconded by Councilmember Heading and carried unanimously, 5-0.

The public comment period for Item C-6 was opened.

Erica Crawford, President and CEO of Chamber of Commerce, responded to page 11 of the agenda correspondence, noting the Chamber is working closely with the City, the Visitor Center and the City's tourism entity, to share the building at 695 Harbor in a collaborative relationship. The Chamber represents the interests of local business community and at no time have they used the facility to discuss or endorse any political interests.

The public comment period for Item C-6 was closed.

Councilmember Heading provided two other city policies for staff to use as examples. Those policies include: 1) specific criteria to determine if an entity or group is able to receive direct or indirect services, 2) the individual who is empowered to make that decision, 3) list of criteria that must be met in order to qualify, 3) benefit the city receives must be equal to the dollar value of the services provided, and 4) a written agreement. Just because an organization does something that adds benefit to a community member, does not mean the city has the responsibility to provide through either direct or indirect costs a benefit to that organization.

Councilmember Smukler wanted a policy that was fair and easily understood. He noted the Adopt-a-Park policy was included as a priority for FY 16/17 and appreciated the Recreation & Parks Commission recommended parameters. He agreed with Councilmember Headding about tightening up policies, but also noted meeting space is limited in the City and to provide a room with tables and chairs can be important for community groups.

Councilmember Makowetski agreed it was important to look carefully at groups who have received benefits and what they bring to the city, then reach out to explain available resources.

Councilmember Johnson would like staff to clarify three things: a partnership policy, a policy that covers potential business sponsors for City events, and a shoulder season event or co-sponsorship policy. In the past, the Council designated funds that were distributed by the TBID Advisory Board to support events that draw tourists. She suggested 2- or 5-year agreements or MOUs with organizations that may include providing meeting space.

Mayor Irons expected the proposed policy(ies) would to go back to Recreation & Parks Commission and/or TBID for additional input.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/HRV7RjBab9k?t=3h17m36s>

None

E. ADJOURNMENT

The meeting adjourned at 11:39pm. The next Regular Meeting will be held on Tuesday, March 8, 2016 at 6:00 p.m. at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by:

Dana Swanson
City Clerk



AGENDA NO: A-6

MEETING DATE: March 8, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 22, 2016

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

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

RECOMMENDATION

Staff recommends this report be received and filed.

ALTERNATIVES

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

FISCAL IMPACT

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

BACKGROUND

The City and District approved a FY 15/16 MMRP budget of \$465,000 which includes \$200,000 in funding for new MMRP projects, and carrying over \$265,000 to complete projects funded but not completed in FY 14/15, for a grand total of \$465,000.

Below is a table that provides the MMRP budget and actual expenditures for each of the fiscal years 13/14, 14/15, and 15/16. Expenditures for MMRP projects to date have totaled \$1.287 Million. The difference between fiscal year MMRP project budgets and expenditures is related to projects carrying over multiple fiscal years and budget being carried over from fiscal year to fiscal year, as well as project budgets being reduced (chlorine contact improvement project) and projects being completed for less than estimated costs, in which case the difference stays in the sewer reserve. For example, the MMRP budget for FY 13/14 contained \$500k for the purchase and installation of influent screens; the screening project was not completed until FY14/15, and the budget from FY13/14 was carried over to FY14/15 to cover project expenses.

Prepared By: BK

Dept Review: RL

City Manager Review: _____

City Attorney Review: JWP

Adopted MMRP Projects by Fiscal Year	Adopted Budget	Actual Cost	Project Status
<u>FY13/14</u>			
Influent Screening Project	500,000	0	Carried Over to FY14/15
Clean, Coat, and Repair Digester #2	250,000	253,312	Completed July 2014
Chlorine Contact Tank Improvements	200,000	0	Carried Over to FY 14/15
Interstage Pump and Valve Project	50,000	46,759	Completed April 2014
Reconditioning of the Chlorine Building	40,000	28,459	Completed June 2014
Total for FY 13/14	1,040,000	328,530	
<u>FY 14/15</u>			
Influent Screening Project Carryover from FY13/14	550,000	502,106	Completed October 2014
Clean, Coat, and Repair Digester #1	331,000	301,946	Completed July 2015
Primary Clarifier Rehabilitation	50,000	35,551	Completed June 2015
Biofilter Arms and Biofilter Improvements	215,000	0	Carried Over to FY 15/16
Chlorine Contact Tank Improvements – scope reduced from FY13/14	75,000	57,144	Completed April 2015
Total for FY14/15	1,221,000	896,747	
<u>FY 15/16</u>			
Clean, Coat, and Repair Digester #1 Carryover	50,000	18,797	
Metering Vault and Valve Replacement	125,000	0	Planning Process
Secondary Clarifier Rehabilitation	75,000	4502	Planning process
Biofilter Arms and Biofilter Improvements			Completed/Planning
Carryover	215,000	39,109	process
Total for FY 15/16	465,000	62,408	
Total MMRP Project Expenses		1,287,685	

This staff report is intended to provide an update on the development, implementation and status of the MMRP for the WWTP since the January 26, 2016, City Council meeting.

Development of the MMRP has assisted the City and District in projecting the budgeting of expenditures required to keep the current plant operational and in compliance with regulatory requirements.

Staff's focus has been on developing and implementing work plans for the MMRP projects approved for the FY15/16 budget. The FY 15/16 budget for MMRP projects was adopted by the City and District at their regular meetings on June 9 and 18, 2015, respectively.

At the January 26 City Council meeting, the Council approved staff's recommendation to discontinue the MMRP as of the beginning of FY16/17 and continue a proactive Operations and Maintenance (O&M) program funded through the O&M portion of the WWTP budget. That recommendation was based on the successful completion of MMRP projects to date, condition assessments of the plant, and the current schedule for completion of new WRF(s). It is important to note, the O&M budget will be brought to the Council and District Board during budget deliberations for discussion and approval. That will ensure the recommended O&M funding needs are brought forward each year. If the five-year schedule is delayed for whatever reason, then City and District staff would make the requisite recommendations necessary for O&M or MMRP projects during the annual budget approval process.

A similar recommendation and staff report will be included on the next Joint Meeting between the Morro Bay City Council and the Cayucos Sanitary District Board agenda for consideration, discussion, and action by the Council and District Board.

DISCUSSION

The following discussion provides an update of the FY 15/16 MMRP projects that are currently on-going or have been recently completed.

Metering Vault Removal and Blending Valve Replacement Project

The City Council and Sanitary District Board awarded the contract to the lowest responsible bidder, Pacific Coast Excavation, Inc. of Santa Maria, in the amount of \$90,238.00 at their respective regularly meetings of October 13 and 15, 2015. Staff expects to issue a Notice to Proceed in early to mid-April depending on weather conditions, with construction expected to take 14 to 21 calendar days. Pacific Coast Excavations was on-site to perform exploratory potholing on December 8 to verify site conditions.

Rehabilitation of the Secondary Clarifier #2

Staff is in the process of developing a work plan for the needed repairs. Plant staff drained, cleaned, and inspected the secondary clarifier on October 14, 2015. Overall, the tank looked to be in satisfactory condition, with areas of corrosion observed at the air water interface on the equipment located within the tank. MKN staff was on-site and provided a memo on their observations and recommendations. This will assist staff with prioritizing the work plan for correcting any problem areas. Plant staff has also begun the repair process for the catwalk. These repairs include chipping away corroded areas and repairing and coating these areas to prevent or minimize corrosion. Ultimately, this project could include repairs to the catwalk, repairs to the metal framework on the flights and skimmer cage assembly, repair and replacement of piping and valving, and other associated work. Staff will rely on their recent experience performing similar repairs on the primary clarifiers to refine the work schedule and process. It should be noted, draining the secondary clarifier required numerous operational changes to ensure adequate time to drain, inspect, and perform any critical repairs while ensuring the plant stayed in compliance with the requirements of the NPDES permit.

Chlorine Contact Basin Improvements

The repairs to the chlorine contact basin were completed on Wednesday, April 15, 2015. A detailed description of the work was included in the May 12, 2015 MMRP Update. On January 20, 2016,

staff received a Notice of Violation from the RWQCB that includes a minimum mandatory penalty of \$3,000 for violation of the total chlorine residual limit on April 15, 2015 when the chlorine contact was bypassed to complete the repairs to the chlorine contact tank. Staff completed additional work within the chlorine contact in November to deal with a noted issue concerning the increased accumulation of solids on the floor of the two contact chambers. It appears the corrective actions have resolved the issue noted above.

Purchase and Installation of New Distributor Arms and Biofilter Improvement Project

Staff will continue to work with City Public Works Engineering staff and MKN for the purchase and installation of new distributor arms on biofilter #2 and replacement of the main bearing on the turntable. Staff requested quotes from several manufacturers and was waiting the quotes at the time this report was prepared. Upon receipt, the quotes will be reviewed and a vendor selected. It appears there will be a long lead time of sixteen to twenty weeks for receipt of the equipment once a purchase order is issued, so this project may extend into the next fiscal year.

Flood Control Measures at the Biofilters and Interstage Pumping Station

CML Construction completed the construction of masonry block walls around the periphery of the two biofilters to prevent inundation during a flooding event. The City and District executed a contract with CML Construction and construction of the masonry block walls was completed for a fee of \$39,109.04. Plant staff has continued to implement cost effective flood control measures at the interstage pump station and other various locations throughout the plant. Staff will continue to work with Public Works Engineering staff and MKN on any remaining cost effective flood control measures in accordance with the requirements of the existing and anticipated NPDES permits.

CONCLUSION

Staff requests the City Council review and receive and file this report.



AGENDA NO: A-7

MEETING DATE: March 8, 2016

Staff Report

TO: Honorable Mayor and City Council **DATE:** February 29, 2016
FROM: Mike Nunley, PE – Water Reclamation Facility (WRF) Program Manager
SUBJECT: Water Reclamation Facility Program Update

RECOMMENDATION

Staff recommends Council review the current status and the proposed next steps regarding the development of a WRF program.

ALTERNATIVES

No alternatives are recommended.

FISCAL IMPACT

Attachment 1 is a report that summarizes the status of expenditures relative to budgets and encumbrances (contracts/agreements).

DISCUSSION

Staff provides this report as a monthly update to the progress made to date on the new WRF project. With the denial of the permit for the WWTP project in its current location, the City has embarked on a process for a WRF. This staff report provides the following a review of what has occurred to date. See the list of major milestones or accomplishments since the last update to City Council below.

Accomplishments and Milestones

The City's Program Management team and technical consultants performed the following tasks since the February 2 program update presented to the WRFCAC:

- Continued coordination with California Department of Water Resources and State Water Resources Control Board for review and approval of the Recycled Water Facilities Planning Grant application. SWRCB is planning to issue an award but requested a new resolution from City Council with revised wording. This is scheduled for the consent agenda on March 8.
- Continued fatal flaw analysis and negotiation with owners of Morro Valley properties
- Completed siting study for comparison of Righetti and MacElvaine/Rancho Colina properties

Prepared By: ___MN___ Dept Review: ____
City Manager Review: _____
City Attorney Review: _____

- Conducted joint City Council/WRFCAC meeting on February 9

Budget and Expenses

The WRFCAC Financial Subcommittee provided an example of a budget report prior to the February meeting. MKN and City staff developed a new report based on this example. The attachment includes the summary, which now includes all City expenses (including staff time with benefits, copies, and other office expenses) in addition to consultant contracts. The second page provides a higher level of detail on budget status of individual consultant contracts. This new report will be provided quarterly to City Council and WRFCAC.

Near-Term Schedule

An updated schedule for upcoming meetings and workshops will be prepared after selection of a preferred site by the City Council.

ATTACHMENTS

1. Quarterly Budget Report for WRFCAC and City Council.

City of Morro Bay

Water Reclamation Facility Advisory Committee (WRFCAC) Quarterly Budget Review Summary 3Q15/16

EXPENDITURES

Key Definitions

	Quarter Projected Budget	Portion of Fiscal Year Budget Management Expects Necessary to Meet Quarter Expenditures	YTD Projected Budget	Sum Of Current Quarter Projected Budget and All Prior Quarter Projected Budgets	Encumbrance Balance	Sum Of All Project Contracts Less Actual Expenditures Against Contracts (See Note 3)
--	---------------------------------	---	-----------------------------	---	----------------------------	--

Accounts		Current Quarter				Fiscal Year To Date (YTD)				Total Project				
Fund/Code	Object Name	Projected Budget	Expenditures	Percent Expended	Variance	Projected Budget	YTD Expenditures	Percent Expended	Variance	Amended Budget	Expenditures	Encumbrance Balance	Percent Expended	Variance
599-8312	Contractual Services													
6105	Past Siting Studies (Completed - no further encumbrance)	--	--	--	--	--	--	--	--	\$534,418	\$448,057	\$0	83.84%	\$86,361
6105	Current Consultant Contracts (see P. 2)	\$200,000	\$63,902	31.95%	\$136,098	\$2,245,276	\$929,642	41.40%	\$1,315,634	\$2,245,276	\$929,642	\$1,315,634	41.40%	\$1,315,634
6105	Water Rights Legal Support (See Note 2)	--	\$0	--	--	--	\$0	--	--	--	\$7,880	--	--	--
	Subtotal	\$200,000	\$63,902	31.95%	\$136,098	\$2,245,276	\$929,642	41.40%	\$1,315,634	\$2,779,694	\$1,377,699	\$1,315,634	49.56%	\$1,401,995
599-8312	Labor (Fully Burdened)													
4910,4999	Labor and Benefits	\$12,500	\$5,857	46.85%	\$6,643	\$50,000	\$34,001	68.00%	\$15,999	\$400,000	\$138,544	--	34.64%	\$261,456
	Subtotal	\$12,500	\$5,857	46.85%	\$6,643	\$50,000	\$34,001	68.00%	\$15,999	\$400,000	\$138,544	--	34.64%	\$261,456
599-8312	Other Costs													
6105,	Laboratory/Sampling	\$25,000	\$8,917	35.67%	\$16,083	\$100,000	\$16,841	16.84%	\$83,159	\$200,000	\$16,841	--	--	\$183,159
6199,6106,6105,6750	Printing and Advertising	--	\$0	--	--	--	\$661	--	--	--	\$4,768	--	--	--
5199	Software license and fees	\$0	\$0	--	--	\$42,205	\$42,205	100.00%	\$0	\$371,205	\$42,205	\$329,000	11.37%	\$329,000
5199,7101	Property Acquisition	\$31,000	\$25,000	80.65%	\$6,000	\$31,000	\$25,000	80.65%	\$6,000	--	\$30,500	--	--	--
	Subtotal	\$56,000	\$33,917	60.57%	\$22,083	\$173,205	\$84,707	48.91%	\$88,498	\$571,205	\$94,314	\$329,000	16.51%	\$476,891
	TOTALS	\$268,500	\$103,675	38.61%	\$164,825	\$2,468,481	\$1,048,350	42.47%	\$1,420,131	\$3,750,899	\$1,610,557	\$1,644,634	42.94%	\$2,140,342

REVENUE

Key Definitions

	Quarter Projected Budget	Portion of Fiscal Year Budget Management Expects To Be Recognized During Quarter	YTD Projected Budget	Sum of Current Quarter Projected Budget and All Prior Quarter Projected Budgets
--	---------------------------------	--	-----------------------------	---

Accounts (See Note 1)		Current Quarter				Fiscal Year To Date (YTD)				Total Project				
Funding Source	Revenue Name	Projected Budget	Recognized Revenue	Percent Recognized	Variance	Projected Budget	YTD Recognized Revenue	Percent Recognized	Variance	Amended Budget	Recognized Revenue		Percent Recognized	Variance
SWRCB	Grants													
	Recycled Water Grant (Pending)	\$0	\$0	0.00%	\$0	\$37,500	\$0	0.00%	(\$37,500)	\$75,000	\$0		0.00%	(\$75,000)
	Subtotal	\$0	\$0	0.00%	\$0	\$37,500	\$0	0.00%	(\$37,500)	\$75,000	\$0		0.00%	(\$75,000)
SWRCB	Loans													
	SRF Planning/Design (Pending)	\$0	\$0	0.00%	\$0	\$10,375,000	\$0	0.00%	(\$10,375,000)	\$10,375,000	\$0		0.00%	(\$10,375,000)
	Subtotal	\$0	\$0	0.00%	\$0	\$10,375,000	\$0	0.00%	(\$10,375,000)	\$10,375,000	\$0		0.00%	(\$10,375,000)
SWRCB	Supplemental Environmental Project													
	SEP from California Men's Colony	\$0	\$0	0.00%	\$0	\$87,361	\$87,361	100.00%	\$0	\$87,361	\$87,361		100.00%	\$0
	Subtotal	\$0	\$0	0.00%	\$0	\$87,361	\$87,361	100.00%	\$0	\$87,361	\$87,361		100.00%	\$0
	TOTALS	\$0	\$0	0.00%	\$0	\$10,499,861	\$87,361	0.83%	(\$10,412,500)	\$10,537,361	\$87,361		0.83%	(\$10,450,000)

Notes:

- 1) Unless shown otherwise, current project expenses are funded by revenue from user rates and fees. There is no separate revenue fund for the WRF.
- 2) Budgets for water rights legal support and property acquisition have not yet been established. Detailed budget development will take place after completing the project descriptions in the Facility Master Plan and Master Reclamation Plan.
- 3) Encumbrance balance is only calculated for projects with contracts.

City of Morro Bay

Water Reclamation Facility Advisory Committee (WRFAC) Quarterly Budget Review Summary 3Q15/16

Current Consultant Contracts

Number	Title	Status	Total	Approved Change Orders	Total With Approved Change Orders	Draw Requests	Total Payments	Total Remaining	% Paid	Pending Change Orders	Vendor
SC--001	Facility Master Plan	Approved	\$710,123.00	\$0.00	\$710,123.00	\$521,631.55	\$334,974.65	\$375,148.35	73.46%	\$0.00	Black & Veatch
SC--002	CEQA/NEPA Documentation and Consulting	Approved	\$346,538.00	\$0.00	\$346,538.00	\$0.00	\$0.00	\$346,538.00	0.00%	\$0.00	ESA
SC--003	MacElvaine Property - Fatal Flaw - Cultural Resources	Approved	\$12,000.00	\$0.00	\$12,000.00	\$9,979.00	\$9,979.00	\$2,021.00	83.16%	\$0.00	Far Western
SC--004	Righetti Property - Fatal Flaw - Cultural Resources	Approved	\$6,485.59	\$0.00	\$6,485.59	\$0.00	\$0.00	\$6,485.59	0.00%	\$0.00	Far Western
SC--005	MacElvaine Property - Fatal Flaw - Biological Resources	Approved	\$12,835.00	\$0.00	\$12,835.00	\$11,240.00	\$11,240.00	\$1,595.00	87.57%	\$0.00	Kevin Merk Associates
SC--006	Survey - Righetti Property	Approved	\$15,644.00	\$0.00	\$15,644.00	\$6,477.50	\$6,477.50	\$9,166.50	41.41%	\$0.00	JoAnn Head Land Surveying
SC--007	Survey - Highway 41 and MacElvaine Property	Approved	\$45,050.00	\$0.00	\$45,050.00	\$41,343.00	\$41,343.00	\$3,707.00	91.77%	\$0.00	JoAnn Head Land Surveying
SC--008	Salinity Identification Study	Approved	\$23,640.00	\$0.00	\$23,640.00	\$22,920.00	\$22,920.00	\$720.00	96.95%	\$37,020.00	Larry Walker Associates
SC--009	MacElvaine Property (SE) - Fatal Flaw - Geotech and Initial Hydrologic Field Testing	Approved	\$38,600.00	\$47,800.00	\$86,400.00	\$77,809.95	\$77,809.95	\$8,590.05	90.06%	\$0.00	Fugro
SC--010	Grant and Loan Funding - Tracking and SRF Support	Approved	\$65,752.00	\$0.00	\$65,752.00	\$19,989.79	\$19,989.79	\$45,762.21	30.40%	\$0.00	Kestrel
SC--011	2015 Program Management	Approved	\$920,808.00	\$0.00	\$920,808.00	\$218,251.20	\$149,392.15	\$771,415.85	23.70%	\$0.00	MKN & Associates, Inc.
Total			\$2,197,475.59	\$47,800.00	\$2,245,275.59	\$929,641.99	\$674,126.04	\$1,571,149.55	30.02%	\$37,020.00	

**A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
IN RECOGNITION AND APPRECIATION OF THE SERVICE
OF SENATOR BARBARA BOXER**

WHEREAS, Senator Barbara Boxer has been a resident of California since 1965; and

WHEREAS, Senator Boxer was sworn-in January 5, 1993, as U.S. Senator for California, after having served ten years as a Congresswoman in the House of Representatives, representing California's 2nd District; and

WHEREAS, Senator Boxer has worked throughout her Senatorial and Congressional career successfully advancing the interests and needs of her constituencies; and

WHEREAS, Senator Boxer currently serves as the Ranking Member and is former Chairman of the Environment & Public Works Committee, the Vice Chair of the Senate Ethics Committee and is a Senior Member of the Senate Foreign Relations Committee; and

WHEREAS, Senator Boxer is a member of the Democratic Leadership in the Senate, serving as Chief Deputy Whip since 2005; and

WHEREAS, Senator Boxer has been effective at advancing Morro Bay, regional and State-wide interests and concerns on various coastal issues, including adequate funding for the Army Corps of Engineers' dredging of our harbors and maintenance of our breakwaters, support for the National Estuary Program and its Environmental Protection Agency funding, advocacy for Federal funding support of the observer program required in the West Coast groundfish trawl fishery, support for Federal 2008-2009 commercial salmon fishery disaster declarations and emergency funding, and prevention of new oil and gas drilling off our coast; and

WHEREAS, Senator Boxer's service on the Environment & Public Works Committee gave her a leading role in crafting the Water Resources Development Act of 2014, which sets priority levels and authorizes projects for the Army Corps of Engineers including dredging and jetty maintenance; and

WHEREAS, Senator Boxer's leadership on the Environment & Public Works Committee also proved instrumental in passing reauthorizations of the nation's surface transportation programs, known as MAP-21 in 2012 and FAST Act in 2015, which have positively affected millions of Americans; and

WHEREAS, Senator Boxer is retiring from a long and laudable 24-year Senatorial career at the end of this 114th Congress.

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

1. Senator Boxer's service to this State and Country is hereby recognized and honored.
2. The City Council, on behalf of the community, is grateful to Senator Boxer for her combined 34 years of service and wishes her well in her retirement from the Senate.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the City of Morro Bay to be affixed this 8th day of March 2016

JAMIE L. IRONS, Mayor

**A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
IN RECOGNITION AND APPRECIATION OF THE SERVICE
OF CONGRESSWOMAN LOIS CAPPS**

WHEREAS, Congresswoman Lois Capps has been a resident of Santa Barbara since 1963; and

WHEREAS, Congresswoman Capps was sworn in as a Member of the 105th Congress on March 17, 1998, succeeding her late husband, Congressman Walter H. Capps, representing California's 24th District; and

WHEREAS, Congresswoman Capps has worked throughout her Congressional career successfully advancing the interests and needs of her constituency which includes the entirety of San Luis Obispo and Santa Barbara Counties, and a portion of Ventura County; and

WHEREAS, that constituency includes three coastal harbors – Santa Barbara, Port San Luis and Morro Bay - and a spectacular stretch of coastline from Ventura to Big Sur including three Channel Islands; and

WHEREAS, Congresswoman Capps currently serves on the Committee on Energy & Commerce and the Natural Resources Committee, and sits on the Health, Energy & Power Subcommittee, the Environment & the Economy Subcommittee, the Subcommittee on Energy & Mineral Resources, and the Subcommittee on Federal Lands; and

WHEREAS, Congresswoman Capps currently serves on the National Marine Sanctuary Caucus, the Ports Caucus, and the Sustainable Energy & Environment Coalition; and

WHEREAS, from these committees, subcommittees, caucuses, coalitions, and congressional service Congresswoman Capps has been effective in advancing Morro Bay and regional interests and concerns on various coastal issues including adequate funding for the Army Corps of Engineers' dredging of our harbors and maintenance of our breakwaters, prevention of new oil and gas drilling off our coast, supporting sustainable fisheries, wildlife advocacy, improving ocean monitoring, protecting public lands and the ocean, combating Panga boat smuggling and improving local infrastructure; and

WHEREAS, because of her 20-year tenure as a nurse and extensive healthcare background, Congresswoman Capps is a champion health care advocate whose leadership and personal care have benefitted millions of Americans; and

WHEREAS, Congresswoman Lois Capps is retiring from a commendable and noteworthy 18-year congressional career at the end of this 114th Congress.

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

1. Congresswoman Capps' service to this district and Country is hereby recognized and honored.
2. The City Council, on behalf of the community thanks Congresswoman Capps for her 18 years of Congressional service and wishes her well in her retirement.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the City of Morro Bay to be affixed this 8th day of March 2016

JAMIE L. IRONS, Mayor

RESOLUTION NO. 14-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO APPLY FOR A RECYCLED
WATER PLANNING GRANT FOR THE MASTER RECLAMATION PLAN
FROM THE STATE WATER QUALITY CONTROL BOARD**

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

WHEREAS, the City of Morro Bay (City) is actively pursuing development of a Master Reclamation Plan that will include the use of recycled water to supplement the City's water portfolio; and

WHEREAS, the State of California State Water Resources Control Board (SWRCB) has grant funding available for the planning, design and construction of water reclamation facilities; and

WHEREAS, it is in the public interest to pursue grant funding for the planning, design and construction of the Morro Bay Water Reclamation Facility (the "Project"); and

WHEREAS, the Public Works Director/City Engineer (the "Authorized Representative") or his/her designee is hereby authorized and directed to sign and file, for and on behalf of the City, a Financial Assistance Application for a financing agreement from the SWRCB for the Project; and

WHEREAS, this Authorized Representative, or his/her designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the SWRCB and any amendments or changes thereto; and

WHEREAS, the Authorized Representative, or his/her designee, is designated to represent the City in carrying out the City's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the City and compliance with applicable state and federal laws.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay the Public Works Director/City Engineer or his/her designee is (i) hereby authorized and directed to sign and file, for and on behalf of the City, a Financial Assistance Application with the SWRCB for the development of the Master Water Reclamation Plan, (ii) designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing financial assistance agreement from the SWRCB and any amendments or changes thereto and (iii) designated to represent the City in carrying out the City's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the City and compliance with applicable state and federal laws.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of March 2016 by the following vote:

AYES:
NOES:
ABSENT:

JAMIE IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

and following) (the “Act”) and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the “Authority JPA”). CHF has established two Property Assessed Clean Energy (“PACE”) financing programs for residential, commercial, industrial and agricultural properties to address high up-front costs for property owners who wish to improve their properties through installation of measures that will generate renewable energy or reduce their energy and water use. By offering low cost financing, CHF's PACE programs allow construction of those projects to proceed and, in the process, stimulate building activity and the overall local economy, reduce peak energy demand, increase property values, and generate savings on utility bills for property owners. CHF contracts with Ygrene Energy Fund CA LLC (Ygrene) to serve as the program administrator and to operate the Ygrene Works for California PACE financing program.

PACE Financing Programs

CHF has established two PACE programs under the legislative authority of two separate California PACE laws:

1. SB 555 PACE Community Facilities District: Senate Bill 555 amended the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code and particularly in accordance with subsections 53313.5(l) and 53328.1(a) (“Mello-Roos Act”), to allow for the creation of Community Facilities Districts (“CFDs”) for the purpose of financing or refinancing the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property. Individual properties can be annexed into the district and be subject to the special tax that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the CFD and (ii) each participating owner provides its unanimous written approval for annexation of its property into the PACE CFD.
2. AB 811 PACE Contractual Assessment Program: By the passage of Assembly Bill 811, the California State Legislature added Chapter 29 to the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code. That legislation authorized cities and counties to establish voluntary contractual assessment programs for the purpose of financing private property improvements that promote renewable energy generation, energy and water efficiency and electric vehicle charging infrastructure. As with the SB 555 CFD, properties can be annexed into the AB 811 PACE program and be subject to the property tax assessment that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the program and (ii) each participating owner consents in writing to the annexation of its property into the PACE program.

The City of Morro Bay has previously approved participation in two other PACE programs, California First and HERO. Adding the CHF PACE programs, to be administered by Ygrene, provides more options for City property owners. It will not add to or require any additional responsibilities for the City.

JPA Associate Membership

To participate in the PACE programs, the City must become an Associate Member of CHF (JPA Agreement attached). Associate membership requires no dues or other costs to the City, but permits participation in all CHF programs, including the PACE program. The attached resolutions approve joining the JPA as an Associate Member. Pursuant to the JPA Agreement and CHF Board Resolution 15-01, the Executive Director has the authority to approve the addition of new Associate Members to the JPA.

CHF sought and has completed the process of validation for both the SB 555 and the AB 811 programs in the Superior Court for the County of Sacramento. As of August 25, 2015, the CHF SB 555 PACE program is fully operational. Although CHF is implementing only the SB 555 PACE program at this time, CHF chose to form, validate and maintain both the SB 555 and AB 811 programs offerings to ensure the "Ygrene Works for California" program remains the most innovative, cost effective and most secure PACE program in the state. If market conditions, consumer demand or legislative changes affects one PACE program more than another, then CHF has the flexibility to offer the program that best supports CHF's vision of service without any interruption to participating counties and cities and their property owners. CHF intends to maximize the benefits of both program offerings.

In support of CHF's approach, the Council is being asked to pass two resolutions that would approve the following actions: The first resolution authorizes the City to join the JPA as an Associate Member and permits property owners within the incorporated areas of the City to participate in the CHF SB 555 Community Facilities District. The second resolution authorizes the City to join the JPA as an Associate Member and permits property owners within the incorporated areas of the City to participate in the CHF AB 811 Authority PACE Program.

Each resolution also authorizes CHF (1) to accept applications from property owners within the City's incorporated area to finance authorized improvements and (2) to conduct proceedings and levy special taxes or contractual assessments, as applicable, on the property of participating owners. Cities and counties that have approved the Ygrene Works program to date have adopted both resolutions. Authorizing both programs ensures no matter the market or legislative environment for PACE, the Ygrene Works program will be established and able to operate successfully in the City without the need for additional review or the need for the City Council to consider approving another resolution thereby saving valuable staff time and resources.

Following are additional PACE program considerations:

- Supports development of renewable energy sources, installation of energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment.
- Only property owners who voluntarily choose to participate in the program will be subject either to assessments or special taxes, depending on which program CHF decides to implement.
- Program financing provides for an affordable method for many property owners to reduce their energy costs and improve their properties.
- Because program financing can be readily transferred upon sale, even owners who are planning to sell have the ability to make responsible and beneficial improvements to their

property.

- While early payment premiums may apply in some circumstances, property owners can choose to pay off the program financing at any time.
- The City incurs no financial obligations as a result of program participation.
- Once the Council passes the resolutions, the City will incur no costs, and no or very limited staff time is required for administration or funding of the PACE program.

CONCLUSION

Based on the foregoing, staff recommends the Council adopt the proposed Resolutions to expend private property owners in Morro Bay additional opportunities to use cost effective means for the development of renewable energy sources, installation of energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment.

RESOLUTION NO. 15-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE
CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1
(CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY
EFFICIENCY AND WATER CONSERVATION IMPROVEMENTS AND ELECTRIC VEHICLE
CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT
EXERCISE OF POWERS AUTHORITY RELATED THERETO**

City of Morro Bay, California

WHEREAS, the California Home Finance Authority, a California joint powers authority, (the "Authority") has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

WHEREAS, the City of Morro Bay is committed to development of renewable energy generation and energy efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Authorized Improvements; and

WHEREAS, the Authority has established the District, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and, to assist property owners within the incorporated area of the City in financing the cost of installing Authorized Improvements; and

WHEREAS, the City will not be responsible for the conduct of any special tax proceedings; the

levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

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

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority CFD No. 2014-1 (Clean Energy) to finance the installation of the Authorized Improvements.
2. This City Council consents to inclusion in the Authority CFD No. 2014-1 (Clean Energy) of all of the properties in the incorporated area within the City and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction there over by Authority for the purposes thereof.
3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority CFD No. 2014-1 (Clean Energy) and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements.
4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by the City Manager of any necessary documents to effectuate such membership.
5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority CFD No. 2014-1 (Clean Energy) within the City, and report back periodically to this City Council on the success of such program.
6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of March 2016 by the following vote:

AYES:

NOES:

ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

Exhibit A
JPA Agreement

CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act..

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
- (5) incurring debts, liabilities or obligations,
- (6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (7) suing and being sued in its own name, and litigating or settling any suits or claims,
- (8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993
Amended and restated December 10, 1998
Amended and restated February 18, 1999
Amended and restated September 18, 2002
Amended and restated January 28, 2004
Amended and restated December 10, 2014

[SIGNATURES ON FOLLOWING PAGES]

SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

Dated: _____

By: _____

Name: _____

Title: _____

Attest:

By _____
[Clerk of the Board Supervisors or City Clerk]

AFTER EXECUTION, PLEASE SEND TO:

YGRENE ENERGY FUND
ATTN: LEGAL DEPARTMENT
815 5TH STREET
SANTA ROSA CA 95404

ATTACHMENT 1
CALIFORNIA HOME FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County

RESOLUTION NO. 16-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA**

**CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN
THE CALIFORNIA HOME FINANCE AUTHORITY, PROGRAM TO FINANCE RENEWABLE
ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND
ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE
MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO**

City of Morro Bay, California

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, Authority has established a property-assessed clean energy ("PACE") Program (the "Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, the City of Morro Bay (the "City") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority PACE Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

WHEREAS, Authority has established the Authority PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

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

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.
2. This City Council consents to inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.
3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.
4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by the City Manager of any necessary documents to effectuate such membership.
5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority PACE Program within the City, and report back periodically to this City Council on the success of such program.
6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of March 2016 by the following vote:

AYES:
NOES:
ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

Exhibit A
JPA Agreement

CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act..

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
- (5) incurring debts, liabilities or obligations,
- (6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (7) suing and being sued in its own name, and litigating or settling any suits or claims,
- (8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993
Amended and restated December 10, 1998
Amended and restated February 18, 1999
Amended and restated September 18, 2002
Amended and restated January 28, 2004
Amended and restated December 10, 2014

[SIGNATURES ON FOLLOWING PAGES]

SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

Dated: _____

By: _____

Name: _____

Title: _____

Attest:

By _____
[Clerk of the Board Supervisors or City Clerk]

AFTER EXECUTION, PLEASE SEND TO:

YGRENE ENERGY FUND
ATTN: LEGAL DEPARTMENT
815 5TH STREET
SANTA ROSA CA 95404

ATTACHMENT 1
CALIFORNIA HOME FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County



AGENDA NO: B-1

MEETING DATE: March 8, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 24, 2016

FROM: Cindy Jacinth, Associate Planner

SUBJECT: Review and Adopt Final Funding Recommendations for the 2016 Community Development Block Grant (CDBG) Funds

RECOMMENDATION

Staff recommends the City Council review and adopt final funding recommendations for the 2016 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with other funding requests from the Urban County Consortium. Staff recommends the City Council forward two items from the City of Morro Bay, the Pedestrian Accessibility Sidewalk FY16/17 (ADA) project estimated at \$63,017 and program administration at \$15,754 for a total funding allocation of \$78,771. Additionally, authorize the City Manager to make pro rata adjustments to the allocation based on any U.S. Department of Housing and Urban Development (HUD) Federal budgetary changes to the approved final 2016 CDBG funding amount from San Luis Obispo County.

ALTERNATIVES

Alternative 1. The City Council may move to change the draft funding recommendation decision made at its December 8, 2015, meeting and instead make a final funding recommendation that includes funding for CAPSLO's Prado Day Center application for the amount of \$8,600 and fund the City's Pedestrian Accessibility Project for a lesser amount of \$54,417 and Program Administration amount of \$15,754.

FISCAL IMPACT

Approving staff recommendations would allow for \$63,017 in accessibility improvements (sidewalk and curb ramps), along with \$15,754 (\$10,240 required share to County) for the offset of administrative costs, including planning and engineering. Projects that receive over \$2,000 in CDBG funds are subject to prevailing wage requirements under Davis-Bacon and Related Acts (DBRA).

BACKGROUND

The 2016 CDBG funding cycle began in the fall of 2015. Public workshops were held throughout the County to solicit public comment on community needs. A needs workshop was held at the Atascadero

Prepared By: CJ Dept Review: SG
City Manager Review: _____
City Attorney Review: JWP

Library on September 8, 2015, with the cities of Morro Bay, Atascadero and Paso Robles participating. The County published a request for CDBG proposals (RFP) and the City received four applications.

The total 2016 funding amount of \$78,771 was released by HUD on February 19, 2015, which was conveyed to the City via email from County staff. That annual funding allocation reflects a small increase from the 2015 program year and is slightly more than the amount anticipated when the City Council considered and adopted draft funding recommendations at its December 8, 2015, meeting. At that meeting, the Council voted to forward draft funding recommendations to the County Board of Supervisors to fund the Pedestrian Accessibility Sidewalk FY 16/17 (ADA) project and administration costs which at that time were estimated to be \$62,151. The increase in funding has been correspondingly adjusted in the formula calculations.

DISCUSSION

As presented in the CDBG staff report for the Council's December 8, 2015, meeting, CDBG funds are available for community development activities, which meet at least one of the three Federal objectives: benefit to low- and moderate-income persons, aid in the prevention or elimination of blight, - or address urgent needs that pose a serious and immediate threat to the health or welfare of the community. In order for a program to qualify under the low- and moderate-income objective, at least 51% of the persons benefiting from the project or program must earn no more than 80% of the area median. Additionally, at least 70% of the CDBG funds must be spent toward that objective.

As part of the Federal CDBG process, Council must adopt a funding recommendation for the 2016 grant year that meets Federal requirements for funding criteria. After funding recommendations are adopted and forwarded to the County, the Board of Supervisors will hold a public hearing on April 12, 2016, to consider approval of the Urban Consortium 2016 Action Plan.

Staff prepared its recommendations considering criteria set forth by the County in regards to consistency with Federal regulations and laws as well as consistency with City Council adopted goals. Two of the applications received this year were not recommended for funding, because they were either not an eligible activity (CASA) or conflicted with local land use ordinance (Sunny Acres / SLO Housing).

Specifically, the County RFP for CDBG applications requires criteria used to evaluate the proposals by the cities include:

1. Consistency with Federal regulations and laws,
2. Community support (for example, approval of project by a city council),
3. Seriousness of community development need proposed to be addressed by project,
4. Degree to which project benefits low-income and very low-income families or persons,
5. Feasibility of the project to be completed as budgeted and with clear timetable,
6. Cost effectiveness of funds requested and leveraging of other funds and
7. Organization's experience or knowledge regarding CDBG or HOME requirements

Based on the foregoing and cognizant of City Council adopted goal #2 to improve City streets, staff recommends the City Council adopt final funding recommendations for the 2016 CDBG year that achieve maximum public benefit for this small funding program, while also effectively utilizing staff

administrative resources. This recommendation is presented in the table below, along with the 2015 allocation for comparison:

Recommended 2016 CDBG Allocation

<i>Public Facilities</i>	2015 Allocation Award	2016 Requested	2016 Amount Recommended
City of Morro Bay – <i>Handicapped Accessibility - Barrier Removal Projects</i>	\$57,924	\$100,000	\$63,017
Sunny Acres / SLO Housing – “Get Inside Program” Homeless Services		\$20,000	0
<i>Public Services – Limited to 15% of 2015 Allocation (or a maximum of \$11,815)</i>			
CAPSLO – <i>Prado Day Shelter Operation expenses</i>	0	\$8,600	0
CASA of SLO County – Advocacy Services for Court-Dependent Children		8,000	0
<i>Administration – Limited to 20% of 2015 Allocation (includes County share)</i>			
City Program Administration Costs (Required County Administration Costs)	\$5,069 (9,413)	\$5,069 (9,413)	\$5,514 (10,240)
Total Funds Requested		\$151,082	
Estimated Total Funding Available	\$72,406		\$78,771

CONCLUSION

Due to the high administrative burden associated with the CDBG program, past direction from the HUD-Los Angeles office has been to recommend funding projects that provide maximum public benefit for minimum staff administration time. Therefore, staff recommends Council approve the final 2016 funding recommendation for the requests from the City of Morro Bay for sidewalk accessibility improvements and program administration. Funding of the requests by the City allows the continuation of accessibility improvements at street locations throughout the City. If Council modifies this recommendation, then awards must meet program requirements, providing a minimum of 70% of funding for benefit to low- and moderate-income persons, and no more than 15% can be allocated to the public service category.

LINKS TO PREVIOUS STAFF REPORT AND CDBG APPLICATIONS RECEIVED:

1. Link to December 8, 2015 City Council meeting packet, Agenda Item #B-2:
<http://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/2619>
2. Community Development Block Grant Entitlement Fact Sheet (see <http://hud.gov/offices/cpd/communitydevelopment/library/deskguid.cfm> for the complete CDBG guidelines)

RESOLUTION NO. 13-16

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY,
CALIFORNIA APPROVING COMMUNITY DEVELOPMENT BLOCK
GRANT PROJECTS FOR YEAR 2016**

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

WHEREAS, via a Cooperation Agreement with County of San Luis Obispo, a political subdivision of the State of California (hereafter referred to as the “County”), executed by the City of Morro Bay, a municipal corporation (hereafter referred to as the “City”), on September 9, 2014, the City agreed to become a participant for a period of three years with the County and other cities therein as an “Urban County” under the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, under the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of CDBG funds; and

WHEREAS, said program will promote the public health, safety and welfare by providing grant funds to be used by the City and County to improve housing opportunities for low- and moderate-income households, to encourage economic reinvestment, to improve community facilities and public services, and to provide other housing-related facilities, or services; and

WHEREAS, the City expects to receive \$78,771 in CDBG funds in 2016; and

WHEREAS, in 2015, the County published a “Request for Proposals” for projects to be funded under the 2016 CDBG Programs, which provided proposals were to be submitted by October 23, 2015; and

WHEREAS, on September 8, 2015, the County conducted a public workshop with the City of Morro Bay to ascertain the housing and community development needs to be addressed in the document entitled the “One-Year Action Plan for Program Year 2015”; and

WHEREAS, at its meeting on December 8, 2015, the City Council gave approval for draft funding recommendations to be forwarded to the County Board of Supervisors for 2016 CDBG projects; and

WHEREAS, on February 17, 2016, the County conducted a second public workshop for the City of Morro Bay to receive comments on the proposed 2016 CDBG projects; and

WHEREAS, on March 8, 2016, the City Council held a duly noticed public hearing to review and consider and final funding recommendations for the 2016 CDBG projects.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, to recommend the Board of Supervisors for the County of San Luis Obispo adopt the 2016 One-Year Action Plan, which shall include the programs listed in Exhibit “A” attached hereto and incorporated herein by this reference, to be funded with the City’s allocation of CDBG funds.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of March, 2016 on the following vote:

AYES:
NOES:
ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT A

FINAL FUNDING RECOMMENDATIONS TO FORWARD TO THE COUNTY BOARD OF SUPERVISORS

MORRO BAY ALLOCATION OF PROGRAM YEAR 2016 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

<i>Public Facilities</i>	2015 Allocation Award	2016 Requested	2016 Amount Recommended
City of Morro Bay – <i>Handicapped Accessibility - Barrier Removal Projects</i>	\$57,924	\$100,000	\$63,017
Sunny Acres / SLO Housing – “Get Inside Program”		\$20,000	0
<i>Public Services – Limited to 15% of 2015 Allocation (or a maximum of \$11,815)</i>			
CAPSLO – <i>Prado Day Shelter Operation expenses</i>	0	\$8,600	0
CASA of SLO County – <i>Advocacy Services for Court-Dependent Children</i>		8,000	0
<i>Administration – Limited to 20% of 2015 Allocation (includes County share)</i>			
City Program Administration Costs (By agreement, required County administration cost is 65% of allowed administration allocation)	\$5,069 (9,413)	\$5,514 (10,240)	\$5,514 (10,240)
Total Funds Requested		\$151,082	
Estimated Total Funding Available	\$72,406		\$78,771



AGENDA NO: C-1

MEETING DATE: March 8, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: March 3, 2016

FROM: David Buckingham, City Manager

SUBJECT: Review and Direction of WRF

Section 1 – Recommendation

Staff recommends the City Council review the information presented in this report (and in the presentation to Council on March 8), including the recommendation of the Water Reclamation Facility Citizens Advisory Committee (WRFCAC) and provide staff direction on next steps for planning, permitting, and construction of the new Water Reclamation Facility (WRF).

Staff does not anticipate the Council will necessarily make any decisions at this meeting regarding specific preference for any site. And, in fact, staff recommends the Council direct staff to conduct further outreach, research and analysis – returning to council for a decision in the next 60 days. (Not later than the May 10 City Council Meeting.)

In discussion and direction, the Council may choose to provide some specific guidance to the staff on how broadly, or narrowly, with regard to specific sites, the staff should conduct additional research and analysis.

Section 2 – Introduction

The City has been involved in a very long process to replace our existing Wastewater Treatment Plant (WWTP). That process began in 2006 with consideration of renovating the existing plant. Around 2010 conversation then turned to rebuilding the plant on the existing oceanfront site.

In January 2013, followings years of focus on the existing oceanfront WWTP site, including the efforts of a City-hired land use consultant to educate the California Coastal Commission, the Coastal Commission denied a permit to rebuild on the existing site. With an abject denial of the permit, no new facility may be constructed at the current WWTP site. It must be moved. Thus, and at that

Prepared by: MKN/JFR/RL/ST

City Manager Review: DWB

City Attorney Review:

time, the City began a very indepth process to determine the best possible location for a new facility.

Significant community outreach was conducted to establish a set of goals for the project. Those goals may be found at this link: www.morrobaywrf.com. These goals represent the desires of a majority of Morro Bay residents and include both cost, and benefit to water supply, as primary concerns.

The water reclamation goal is a critical item as it affects both the location and the technology for the future plant. Both the California Coastal Commission and the City's General Plan require the new plant to produce recycled water. Since our goal is to reuse the nearly 1 million gallons of water a day that will be reclaimed by the plant, the facility is called a Water Reclamation Facility. Essentially this means sewage will be processed and treated to very high standards, allowing it to be used for a variety of purposes included irrigation, agriculture, injection back into the aquifer or, possibly in the near future, direct potable reuse. Reclaiming the 1 million gallons of water currently dumped into the ocean is sound policy - both environmentally and fiscally.

Since a high level of treatment is essential to meet our goals, the new WRF will necessarily use the latest, cleanest, most compatable technology available. Based on our facility master planning work to date, the plant will either use a Membrane Bio-Reactor (MBR) or Sequencing Batch Reactor (SBR), with microfiltration and ultraviolet disinfection for water reclamation. (The City's November 3, 2015, WRFCAC meeting and December 1 joint City Council/WRFCAC study session discussed these technologies in depth.)

Section 3 – Comparison of existing WWTP and new WRF Technologies.

Before further discussion of the process to date, a brief comparison of the existing WWTP and new WRF technology is warranted.

Figure 1 below is a photo of Morro Bay's existing WWTP. Figure 2 is a graphic showing the WWTP in relation to our community. Following are some facts associated with the existing WWTP:

- The WWTP is around 62 years old and has undergone numerous upgrades. Due to its position and condition, and the inability to treat wastewater for full compliance with current federal and state discharge requirements, it must be rebuilt. The Regional Water Quality Control Board, which regulates discharge from the plant, requires replacement of the plant by 2021.
- The site is in the flood plain, has experienced flooding in the past, and is also mapped within a tsunami inundation zone.
- The WWTP discharges around 1 million gallons of treated water into the ocean every day.
- The WWTP includes use of 12 open-air sludge drying beds where digested solids removed from sewage are dried in the sun before being trucked out of the City.
- The WWTP also requires the use of 7 uncovered (open air) wastewater processes, from the

head works to trickling filters to the primary and secondary clarifiers, where wastewater is cleaned and treated before being dumped into the ocean. The plant does not have covers over these facilities, nor are there odor control systems in place to collect and treat gases.

- The existing site sits on 26 acres of oceanfront property between Morro Bay High School, Morro Rock and the abandoned Morro Bay Power Plant.
- The existing site is within 2,000 feet of:
 - 560 homes and RV sites including homes in south Cloisters and many homes west of Ironwood.
 - Morro Bay High School
 - Lila Kaiser Park
 - “Morro Rock Beach”

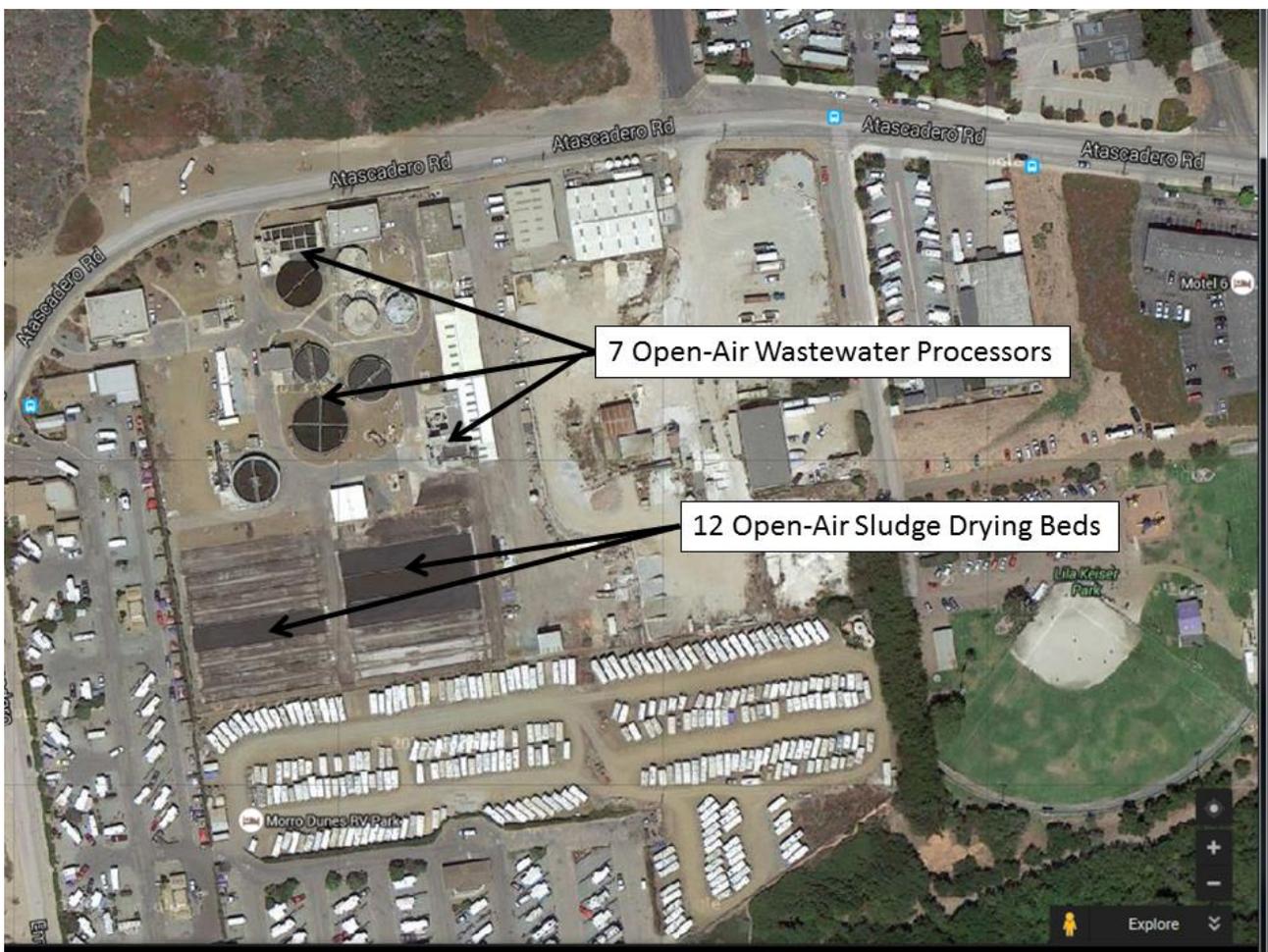
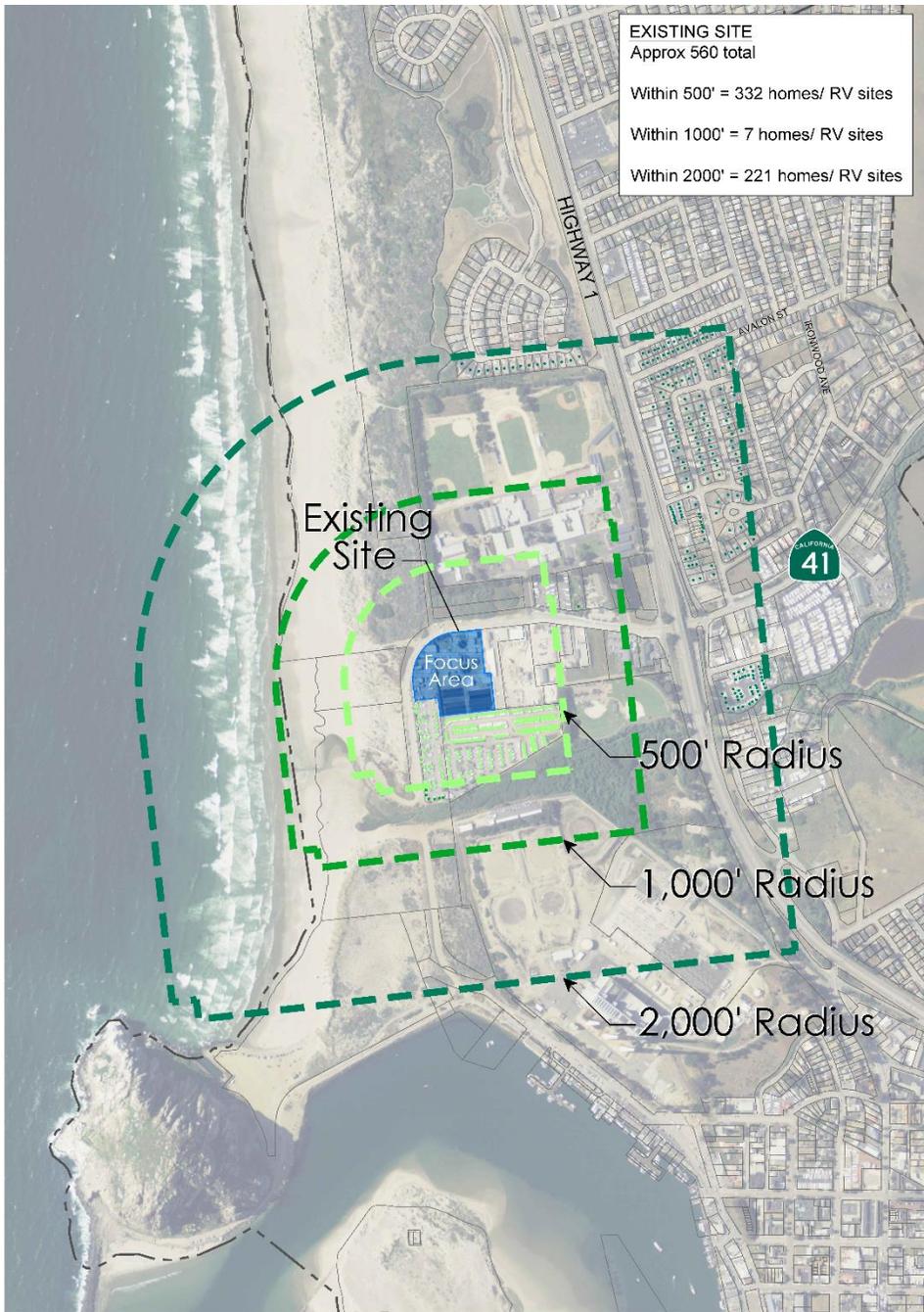


Figure 1 - Existing Morro Bay WWTP



CITY OF MORRO BAY
WATER FACILITY RECLAMATION PROJECT

Neighborhood Workshop
Existing Site



0 200 400 600
March 1, 2016

mkn

JFR

irrm design GROUP

Figure 2 - Morro Bay WWTP Community Siting

Figure 3 below is a picture of a five-year old WRF in Clovis, CA that uses new, MBR technology similar to one option proposed for the City of Morro Bay.

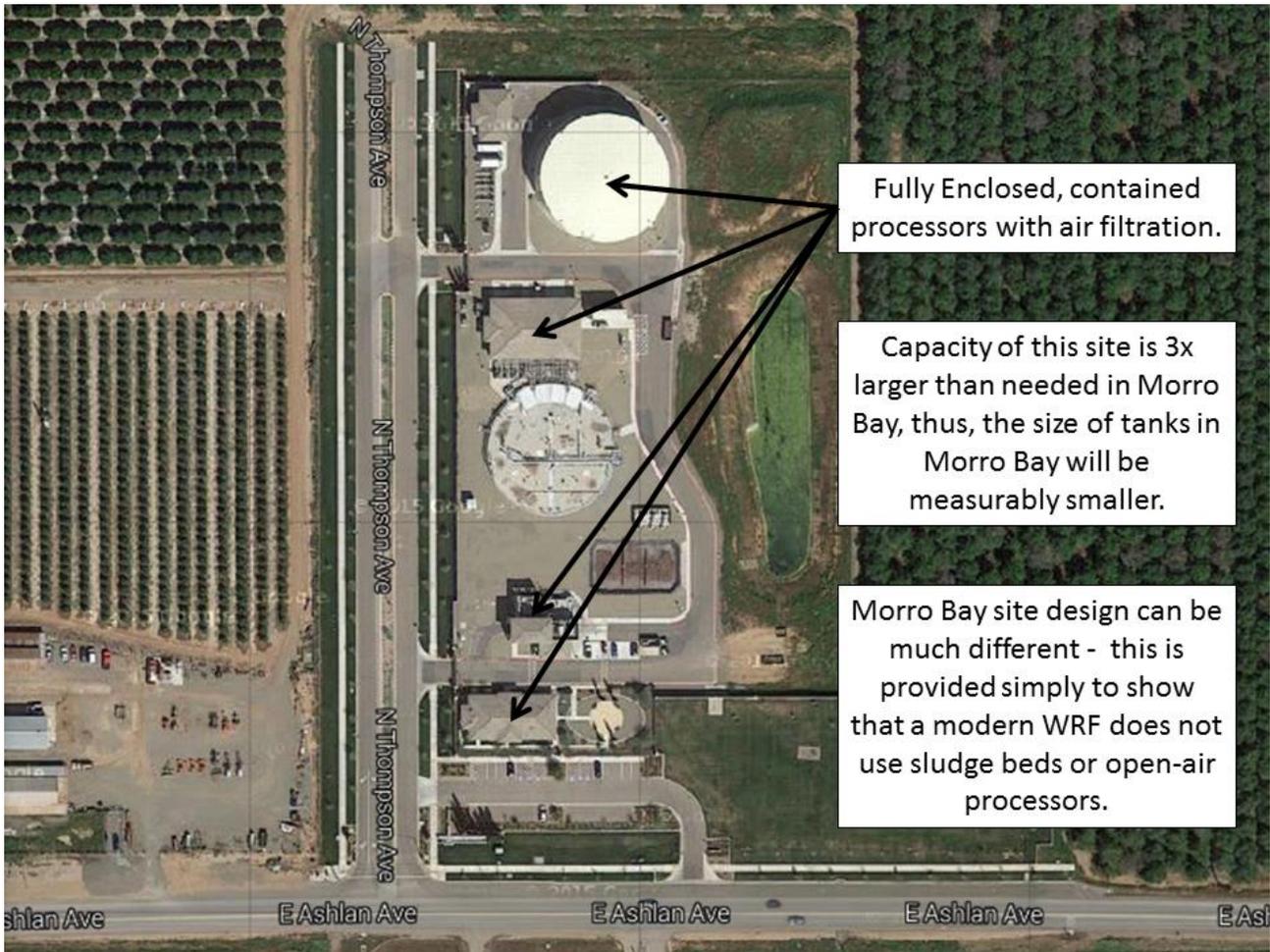


Figure 3 - New Technology WRF in Clovis, CA

Some facts about modern WRF's:

- The picture of the new WRF in Clovis, CA is provided primarily to show a technology contrast between the 62-year old Morro Bay WWTP, and a modern WRF that uses MBR technology.
- A Morro Bay WRF using similar technology could be constructed differently with buildings and processors designed in a ranch style to fit into our semi-rural setting.
- Capacity of this Clovis facility is nearly three-times greater than required in Morro Bay. So, while our required acreage may be similar, the size of the actual buildings and processors,

- especially the tanks shown above, will be measurably smaller.
- All of the treatment at such a plant happens in a completely enclosed, indoor setting and the air is specially processed to remove odor.

Figure 4 below is a street-level picture of the front of the Clovis, CA WRF.



Figure 4 - Street View of Clovis, CA WRF

In short, the existing Morro Bay WWTP wastes 1 million gallons of water a day and use 50-plus-year-old technology with open-air operations within 2,000 feet of many public and private uses. It must be rebuilt in a new location.

Morro Bay's future WRF will use completely indoor, new technology (MBR or SBR) and should be sited in a location that maximizes the opportunities to use the reclaimed water for its highest and best use.

Section 4 - Site Selection Process from Jan 2013 to Oct 2015.

Since the January 2013 Coastal Commission permit denial for reconstruction at the existing site, the City has engaged on a thoughtful, detailed and comprehensive analysis to determine the best site for a new WRF. As noted above this process has included strong public outreach and participation in numerous workshops, study sessions and public meetings.

In May 2014 the City Council established the WRFCAC and that body has met more than 25 times in public meetings to provide expert analysis and advice to City Staff and Council. Each step of the process since then has included effective WRFCAC input and interest.

The results of the first round of significant research and analysis was included in the December 2013 “Options Report.” This report considered 17 different sites for the future WRF. These included sites in the Morro Valley, Chorro Valley and as far north as Toro Creek. A “fatal flaws” analysis narrowed the number of sites to seven, which were evaluated in more detail in the report, based on criteria developed from community priorities and Council approved project goals. Included in the top seven were Rancho Colina and Righetti Ranch, both part of a larger Morro Valley site; two Tri-W parcels totaling 556 acres included in a larger Chorro Valley site, the “Giannini Site” also near the Morro Valley, and a “Chevron Site” on Chevron property in the Toro Creek area. Based on preliminary engineering and water reuse studies, those “Top 7” sites made it to the top of the list because they most closely conformed to the City’s goals.

On receipt of the options report, the City Council directed staff to conduct further feasibility analysis on four sites: Rancho Colina, Righetti (both within the larger Morro Valley site), Giannini and Tri-W, focusing on the most suitable locations within these properties, based on the community-derived criteria set forth in the Options Report.

(The Toro/Chevron site, which was No. 5 on the list of 7, was dropped from contention at that time because of cost and distance from City recycled water users or water supply, among a number of the other issues. These were primarily driven by the fact that the Toro/Chevron site is 2.5 miles from the center of the City’s water infrastructure – greatly increasing the cost of piping sewage there and returning recycled water and brine to the city.)

The City then conducted more detailed analysis and assessment of the four remaining sites and returned to Council in May 2014 with a further report. This report recommended Rancho Colina and Righetti in the Morro Valley as the two best alternatives to consider. Again, cost and reuse opportunities for water weighed heavily in the decision. The Morro Valley has the best opportunities for reuse of reclaimed water – whether for agriculture, recharge of the City’s primary groundwater supply, or tie-in to the city’s existing water infrastructure. The Council considered this report, concurred, and directed staff to focus on the Morro Valley sites of Rancho Colina and Righetti, with an initial focus on Rancho Colina.

Having narrowed potential sites down to the top two alternatives, the City Council established the WRFCAC in May 2014 to provide technical advice on final site selection, and in the environmental review and construction process.

At that time, Rancho Colina gained additional interest because the property owner expressed willingness to sell an undefined acreage of relatively flat land just off Highway 41. However, since the California Environmental Quality Act (CEQA) process requires robust alternatives analysis, and forbids proceeding with construction of a project before an appropriate environmental review is completed, both the Rancho Colina and the Righetti sites were, and remained, top alternatives for the future WRF.

Around this time, the City paused the process to reassess the feasibility of building a new regional WRF at the California Mens Colony (CMC). This reassessment was done with the encouragement of our partner, the Cayucos Sanitary District (CSD). Nearly six months of further expert research and analysis was done to compare and contrast a possible CMC site with the Morro Valley sites, using Rancho Colina for the comparison.

Since the Morro Valley sites are in the Coastal Zone, this comparison included further consultation with the California Coastal Commission and in December 2013 (*incorrectly noted as Dec 2014 in original staff report*) the City received a formal notification letter (attached) from the Coastal Commission that both the Righetti and Rancho Colina site appeared to be suitable for further consideration and detailed environmental review.

Consistent with the initial Options Report, the CMC vs Rancho Colina comparison study determined that the Morro Valley was the best site - from a cost and water reuse perspective - and based on the City's other project goals. Therefore, in January 2015 the City declared Morro Valley/Rancho Colina to be the "preferred site" with Righetti as the top comparative alternative.

From January to October 2015, the City focused most of its attention on the Rancho Colina site, while keeping Righetti as the top comparative alternative. That said, the focus during this period was working with our CSD partner, and doing the work to bring on board the Program Management, Facility Master Planning and Environmental Review consultants essential to the planning phase of the project. The City also developed a draft Memorandum of Understanding with the CSD for sharing costs and managing the future facility.

In April 2015, the CSD announced that they were withdrawing from the WRF project, citing facility governance and water reuse concerns, and choosing to build their own WRF. At that time, the City reiterated its desire to build a regional facility with the CSD, and has been planning for a project that, when constructed, can be scaled to include the CSD. The City's Facility Master Plan, which will be complete about four months after making a site preference decision, will include the cost impacts and benefits of partnering with the CSD.

Through the summer and fall of 2015, with WRFCAC engaged at every step and significant public

outreach and input, the City continued planning for construction of a WRF in the Morro Valley, with Rancho Colina and Righetti as the preferred alternatives. This included hiring the Program Management, Facility Master Planning and Environmental teams noted above. As stated previously, Rancho Colina had primary preference and the City conducted “fatal flaws analysis” on both sites to ensure there were no obvious, critical, geotechnical, biological or historical resource flaws before beginning the detailed environmental review.

Part of this fatal flaws preparation included property negotiation, to ensure the City had a firm option to purchase a site before significant money was spent investigating that site, and this again focused on the Rancho Colina site. While the cost of property is a concern, the City may not pay more than appraised value for property so the primary negotiation points were on how much property was required, and the condition of, or conditions on, that property.

Section 5. The Situation at the end of September 2015.

At the end of September 2015, the City was moving decidedly toward construction of the new WRF in the Morro Valley. The Program Management team was on board and working closely with the staff, community and council. The Facility Master Plan team was working on the FMP and narrowing down the technology options for the WRF to MBR or SBR; and the Environmental team had been selected and started preliminary work on the Morro Valley sites. Additionally, fatal flaws analysis was nearly complete for a wide corridor from the existing WWTP along Highway 41 that included both the Rancho Colina and Righetti sites and had determined that neither site had major flaws that would preclude further study in an environmental review document.

Section 6. The Process from Oct 2015 to Mar 2016.

In early October 2015, during negotiation associated with property acquisition, the owner of the Rancho Colina property informed the City of a major change. In short, the low flat ground previously offered to the city - and best suited for construction of the WRF - was no longer offered. Of note, the City’s fatal flaws analysis on the Rancho Colina site had been focused on that low, flat, most ideal construction site that had been the accepted specific Rancho Colina construction site since December 2013. Still on the table was an adjacent ~8 acre portion of the property, further west along Highway 41, on the higher ground immediately adjacent to the Rancho Colina mobile home and RV park.

Due to this significant change in conditions, the city began to assess the new construction site at Rancho Colina, and also immediately began a review of our top comparative alternative, the Righetti site.

As noted the new construction site at Rancho Colina was on higher ground, with steeper slopes.

Geotechnical analysis of the new Rancho Colina site demonstrated the new site would be somewhat less preferable from a number of aspects. Due to shallow bedrock and steep slopes, construction costs would be measurably higher. Additionally, the site is on a small but pronounced rise, unmasked by adjacent terrain, and therefore significantly impacts visibility of the site from Highway 41. (The December 2014 Coastal Commission letter, while noting that both Righetti and Rancho Colina appeared to be good locations, specifically noted that site visibility from the Highway 41 corridor was an important concern and all care should be taken to minimize facility visibility from the highway.)

While continuing assessment of the new Rancho Colina land, the City also began fresh analysis of the conditions at our top alternative, the Righetti site. Further review of the Righetti site and comparison to the new Rancho Colina site clearly indicated that Righetti remained, as it had been for two years, a very strong alternative to Rancho Colina. Further, due to the negative cost and visibility factors presented by the new Rancho Colina site, the Righetti site was now measurably superior in a number of ways.

One key concern was the potential cost of acquiring the entire ~250-acre Righetti Ranch which was appraised in May 2013 for around \$2.0M. (*incorrectly noted as 2.4M in original staff report*) That increased cost however, was generally offset by the significant cost savings of building the WRF on Righetti, 3,000 feet closer to the City's existing water and wastewater infrastructure. Conservative engineering estimates indicated that building at Righetti would be at least \$2.0M less expensive than at Rancho Colina due to the cost of laying pipe, both up and down the valley, a further 3,000 feet along Highway 41. This savings did not include estimation of the increased cost of building on the higher and steeper land at Rancho Colina.

In order to ensure that City had a good option in hand for construction of the new WRF, and considering the concerns at the new Rancho Colina site, the city entered confidential negotiations to secure an option to purchase the Righetti property – a similar negotiation to what was ongoing with the property owner at Rancho Colina. (Public agency financial / property negotiations are regularly, and appropriately, conducted confidentially to protect the City's interests during the negotiation process. However, such property transactions must then be approved by the City Council in open session.)

During this process, between October 2015 and December 2015, the staff brought several WRF updates to the City Council and WRFCAC in regular, publicly noticed, open meetings. These items included updates on the WRF project in general and site-specific investigations of both the Righetti and Rancho Colina properties, which would be necessary due diligence steps for the possible acquisition of either site. Significant discussion and public comment at these meetings included specific discussion of the Righetti property as one of the City's top two alternatives for the WRF. For example, at the December 1, 2015, joint WRFCAC/Council study session City Council asked questions about expenses for fatal flaw analysis and the ensuing discussion summarized work that was taking place at both the Rancho Colina and Righetti properties. (See link <https://youtu.be/iToGcxg1Uvw?t=1h44m25s>).

On January 26th, staff completed negotiation of the MOU securing an option to purchase the Righetti property for the purpose of construction of the WRF. The general terms of that MOU are that the City paid \$25,000 to take the property off the market for 6 months in order to complete further public discussion and technical analysis of the site. At the end of six months, should the City want to move forward, a \$100,000 earnest money payment is required to give the city an additional 400 days to complete an Environmental Impact Report (EIR) for possible WRF development at the site. That earnest money payment would count toward the purchase price of the property. Based on the outcome of the EIR process, if the site is determined environmentally acceptable, the City would choose to purchase it. The purchase price, as noted above, must be based, according to existing law, on the appraised value of the property as is. This protects the City from committing significant resources on site-specific facility master planning and environmental review, and puts the City in a more favorable negotiating position with the property owner, which is an important project cost consideration. In short, the MOU gives the City exclusive right to purchase the property for fair market value as determined by an independent, professional appraiser.

At that point, with an option to purchase the Righetti site secured, the City began work to have the WRFCAC and Council formally consider modifying the City's primary site preference from Rancho Colina to Righetti, based on the technical studies and updated site analysis, which as noted previously, was based on criteria set forth and prioritized by the greater Morro Bay community. Even so, like Righetti, and even with the increased cost and concerning visibility issues from the Highway 41 corridor, the Rancho Colina site remains a top alternative. Negotiations with the Rancho Colina property owner are thus continuing.

In order to begin the process of formally considering Righetti as the preferred site, the City conducted a joint WRFCAC / City Council Study session on February 9, 2016. As with all public meetings, this session was noticed using multiple means including traditional paper notices, email blasts to the hundreds of residents signed up to receive email news from the City, news flash items on the City website, and notices on the City's facebook page. (In addition to some more traditional communication venues, the City uses our Facebook page to provide "what's happening now" updates to our residents, 3,700 of who follow the City on Facebook.)

The February 9th, joint WRFCAC / Council study session included at least one attendee from the the Nutmeg / Ponderosa neighborhood who was instrumental in helping the city spread the word about the possible site preference change.

At that meeting, while a number WRFCAC members and Council members indicated some level of general concurrence with staff recommendation to change the site preference to Righetti, both bodies recommended delaying the decision for four weeks to allow for further public outreach, specifically to the Nutmeg/Ponderosa neighborhood, because WRFCAC and Council felt their input would be needed before making a clear recommendation.

That public outreach included a Neighborhood Workshop conducted on February 25th that was attended by about 100 residents, most from the Nutmeg and Ponderosa neighborhoods. The purpose of the workshop was to further communicate with, and listen to the concerns of, residents from that neighborhood. At the workshop, many residents expressed concern that the WRF would have significant odor, visibility, traffic and noise impacts that would have a negative impact on property values. Also apparent was that some residents who have understandably not been following the City's multi-year WRF construction process, may not be aware of the new technology planned for the new WRF, and were instead expecting something similar to the existing WWTP with its open-air sludge beds, trickling filters, and clarifiers.

Keeping with the schedule announced in our public outreach, the Righetti site preference question was taken to a public meeting of the WRFCAC the following week. On March 1st the WRFCAC met from 3-6 PM, a public meeting that was again very well attended. At that meeting, many residents expressed similar concerns to those outlined above and heard at the Neighborhood Workshop. In addition to concerns about odor, noise, traffic, visibility and property values, residents noted clearly they believe more time was required for more public education, outreach and comment.

At that March 1st WRFCAC meeting, a motion to recommend approval of Righetti as the preferred site did not pass. A further motion to pause for 60 days to conduct further public outreach, and to reconsider the Chevron/Toro, and Tri-W sites – in addition to Righetti and Rancho Colina, passed on a 5:4 vote.

Based on our interaction with the public, and the WRFCAC recommendation, staff is bringing this item to council for review and direction, not necessarily for decision on a Righetti site preference.

Section 7 – Chevron and Tri-W, and Giannini.

This purpose of this item is not to make an in-depth comparison of any site, much less the Chevron or Tri-W sites. However, since the Council and public focus over the past two years - when Chevron and Tri-W were ranked lower based on cost and water reuse opportunities, among other factors - has been on Rancho Colina and Righetti, some very brief comment on Chevron and Tri-W are warranted.

As noted above in Section 3, both the Chevron and Tri-W sites were studied comprehensively in the City's initial research and analysis and reported in the December 2013 Options Report.

Chevron was found to be comparatively more expensive and did not best support the City's water reuse goals and thus, although it made the top 5 of 17, it was not carried forward for further investigation by the City Council.

The Tri-W site made the City's final four, with a particular emphasis on the most promising location on that site based on the criteria set forth in the Options Report. However, again, increased

construction costs, and its less appealing (from a water reuse perspective) Chorro Valley siting, made it clear to our technical team, staff and ultimately to the City Council that Rancho Colina and Righetti were preferable. Of significant note, as shown in Figure 5 below, siting the WRF on the ~160 acre Tri-W property located within the city limits would put the WRF, like the Righetti site, in closer proximity to Morro Bay neighborhoods and, compared to Righetti, closer to the downtown. In short, the Tri-W site within the City limits is as close to some parts of the City as the Righetti site.

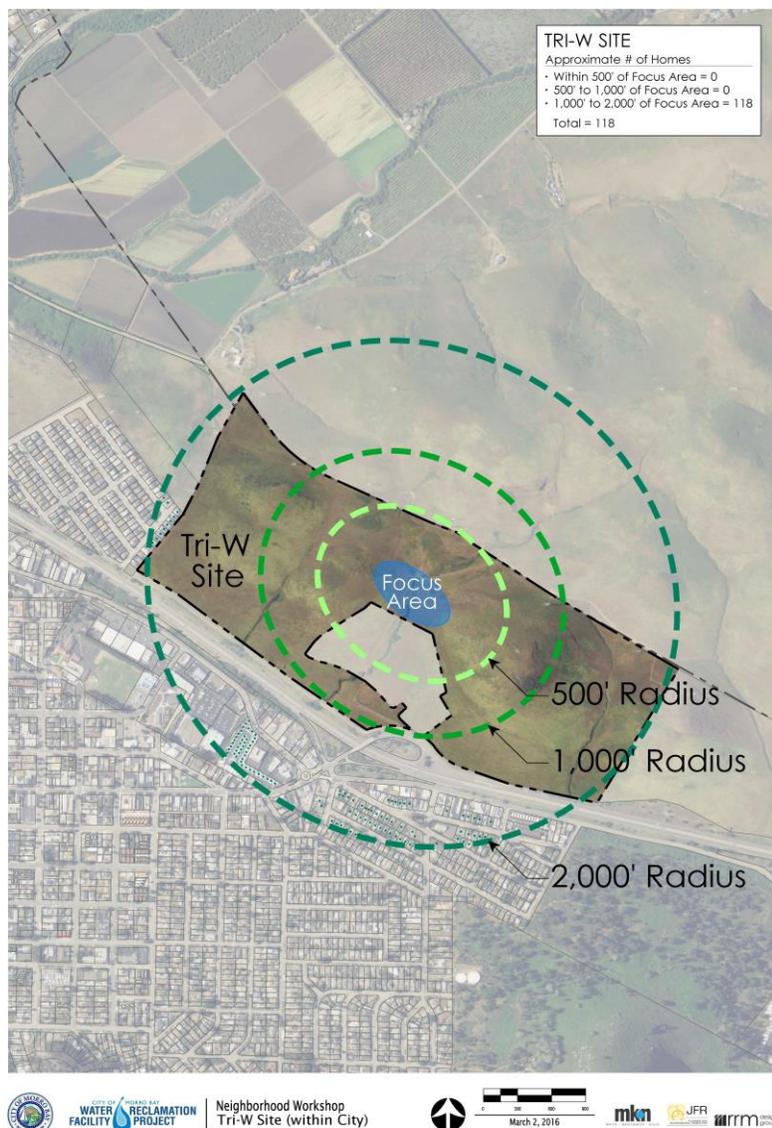
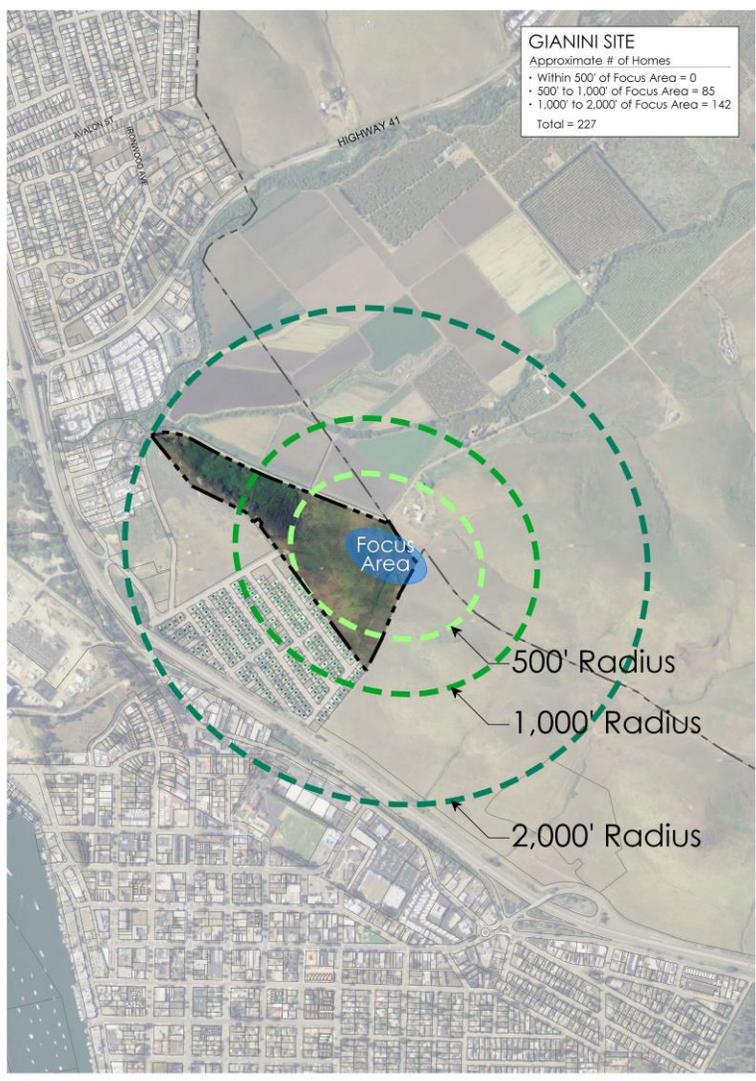


Figure 5 - In-City Tri-W Site Proximity

Although the Giannini site was not recommended for further study, Figure 6 is included to show the proximity of that site to the community.



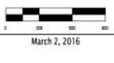
       
March 2, 2016

Figure 6 - Giannini Site Proximity

To round out the proximity comparisons, the proximity graphic for Righetti and Rancho Colina are also below as Figures 7 and 8.

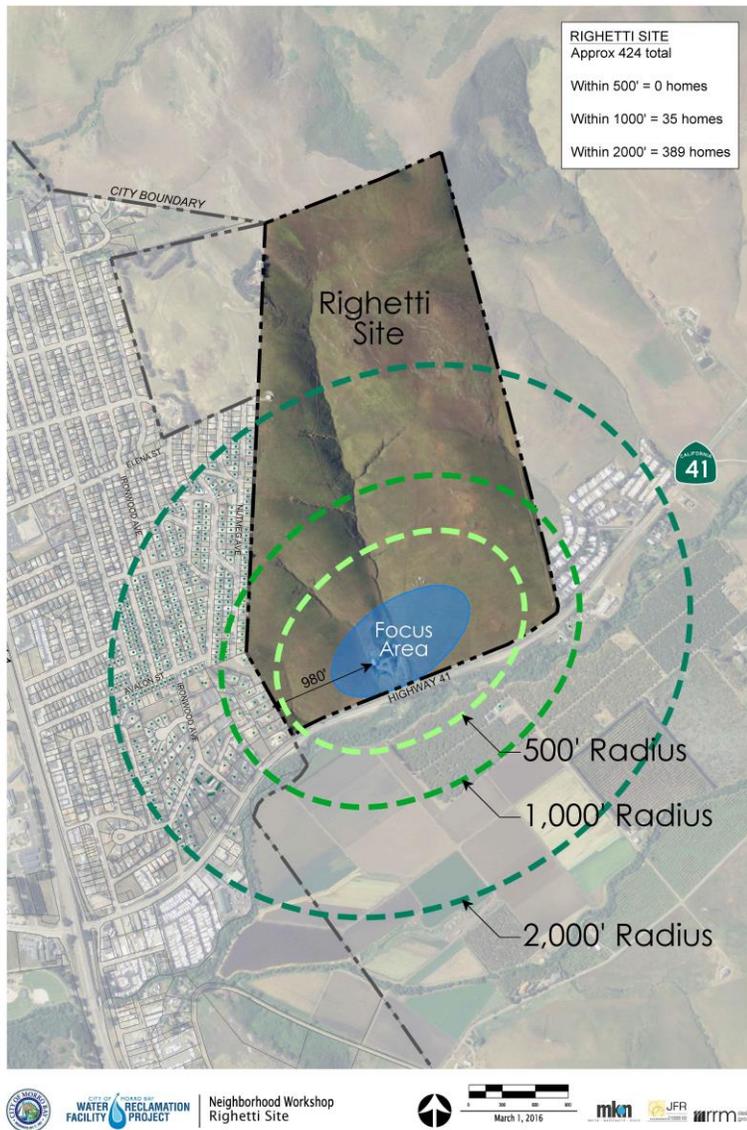
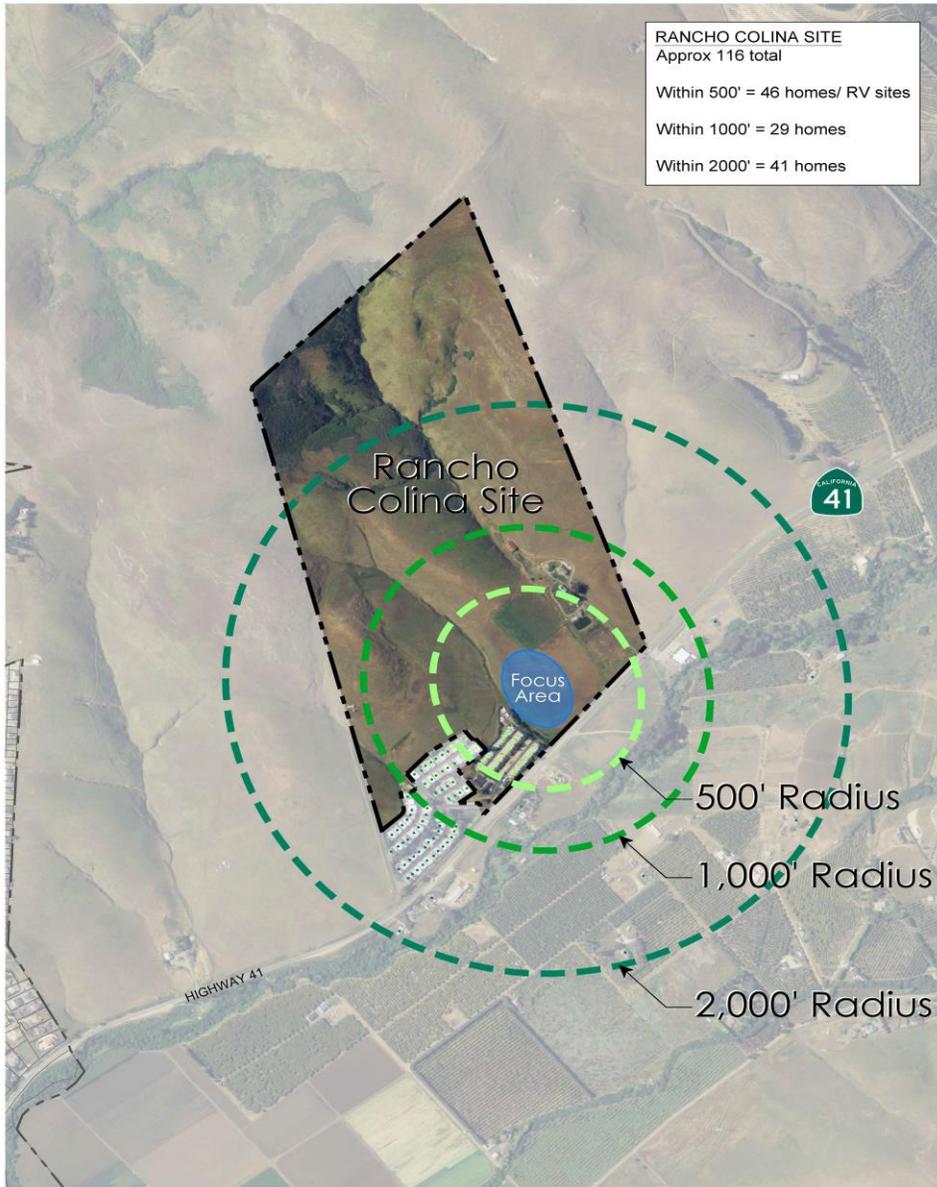


Figure 7 - Righetti Site Proximity



CITY OF MURFREESBORO
WATER FACILITY RECLAMATION PROJECT

Neighborhood Workshop
Rancho Colina Site



Scale bar: 0, 100, 200, 300, 400 feet
March 1, 2016



Figure 8 – Rancho Colina Site Proximity

Section 8 – Recommendations

As noted above, the staff recommends the Council review the information presented in this report (and in the presentation to Council on March 8), including the recommendation of the Water Reclamation Facility Citizens Advisory Committee (WRFCAC) found herein, and provide staff direction on next steps for planning, permitting, and construction of the new Water Reclamation Facility (WRF).

Staff is comfortable conducting a review, and further public outreach, and returning to Council in 60 days for an update and possible recommendation for decision. When considering either a “pause” (perhaps 60 days - primarily to conduct additional public outreach), or a “reset” (perhaps a year to conduct additional analysis of sites already investigated, or to search for new sites), staff recommends Council consider and deliberate the following:

- With regard to the project in general, time is money. Each delay, and especially a long delay, increases the ultimate cost of the project.
- With regard to the Righetti site in particular, the 6 month + 400 day clock on the Righetti MOU started running on January 26th and the Environmental review on any site will take a substantial amount of time, likely a year or more. Lengthy delays could result in our option to purchase Righetti expiring before the Environmental review is complete.
- There are other issues associated with a long delay, including our permit to discharge from the existing WWTP; and environmental, weather (flooding) and maintenance concerns.

The Council may want to consider providing the staff some more specific direction on how broad of a review to conduct. For example, should staff conduct additional research and analysis on sites, such as the Chevron and Tri-W sites, previously determined not to rank as high as the Morro Valley? Or, should staff focus our continued analysis and outreach on the Morro Valley sites – Rancho Colina and Righetti.

Should Council agree to a 60-day (or other length of time) pause to conduct further public engagement, staff would likely conduct at least two workshops to engage the entire community, hear concerns and answer questions. Staff recommends these be workshops and not public meetings to better allow staff time to engage residents in a fuller dialogue than usual in a formal “Brown Act” public meeting.

Council may also consider directing staff to visit one or more modern WRFs in California to conduct a first-hand investigation of neighborhood impacts – especially odor, noise, traffic and visibility.

--end--

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
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December 10, 2013

Mayor Jamie L. Irons and Honorable Councilmembers
City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

Subject: City of Morro Bay December 10th City Council Hearing, New Water Reclamation Facility Project, Second Public Draft Options Report

Dear Mayor Irons and Honorable Councilmembers:

We received the above-referenced study regarding the proposed development of a new Water Reclamation Facility (WRF) for the City of Morro Bay. The Second Public Draft Options Report (Report) incorporates "Neighborhood Compatibility" and "Opportunity Costs" into the analysis of potential sites, revises criteria weighting (especially for cultural resources) and expands the study area included in the analysis. The updated analysis better incorporates requirements of the Coastal Act and Local Coastal Program (LCP), addresses long term planning considerations and more accurately reflects public priorities regarding the development of the WRF. The analysis ranks the Morro Valley Site highest of the potential locations for the WRF development.

As you know, the California Coastal Commission unanimously denied the use of the existing waste water treatment plant (WWTP) site for development of the new facility. The development of a new facility at the existing WWTP site was found to be inconsistent with the LCP and Coastal Act, including because it is not an allowable use under the LCP's zoning and because it is located in a tsunami run-up zone and in an area that would also be inundated in a 100 year flood event. Therefore, it is appropriate for the City to exclude the existing site from further evaluation of site alternatives, and we support the Report's direction to do so. Further, we are encouraged to see the additional analysis that has been provided in the Report and we believe the City is taking the necessary steps to fully evaluate the project alternatives and to ultimately identify a site that is consistent with the LCP and Coastal Act.

The analysis in the Report ranks the Morro Valley site first overall for potential location of the new WRF. The power plant site ranked second and the Chorro Valley site ranked third. Within the sites, each specific area proposed as the most suitable for development has benefits and weaknesses. As the City pursues the proposal, Commission staff makes the following initial comments regarding the preliminary site investigations to date.

Morro Valley Site

The analysis ranked the Morro Valley site first overall out of potential sites; it contains 5 parcels and 2 identified "optimal sites". The Righetti property provides one identified 'optimal site' for construction of the new WRF. The analysis deems that the identified optimal site on the Righetti

Mayor Irons and Honorable Councilmembers
December 10, 2013

property presents minimal coastal hazards, is out of the flood plain and is not subject to tsunami considerations. Although the analysis shows that there are some ESHA areas and prime farmland on the Righetti property, the location selected is analyzed to present minimal potential impacts. The identified optimal site on the Righetti property is deemed to be located on a section of prime farmland, however this area is small and isolated from any surrounding farmland. Although all efforts should be made to avoid impacts to prime agricultural land, the County LCP does allow agricultural land to be converted for this purpose, if it is determined to be the least environmentally damaging feasible alternative.

The other identified optimal site is located on the Rancho Colina property and is similar to the site on the Righetti property. The minimization of visual impacts is something that should be strongly investigated when pursuing this development, and indeed all developments in the Coastal Zone. The analysis of the Rancho Colina site determines that the identified optimal site may have reduced visual impacts compared to the Righetti site as it is located further from Highway 41. This is something that should be considered when selecting between the two locations. Although there may be topographical concerns in selecting the Rancho Colina property all effort should be made to ensure that the development poses the minimal visual impact.

In addition to the reduced visual impacts and hazards compared to the current water treatment facility site, the proximity of both sites in the Morro Valley to potential reclamation opportunities is of considerable benefit. Commission staff supports the development of a facility that will enable the beneficial use of reclaimed water to the greatest extent possible and that will minimize the need for outfall alternatives.

Chorro Valley Site

The Chorro Valley site ranked third in the Report, and is of interest as it includes a new property in the analysis. Specifically it now includes the Tri-W property (APN 068-401-013) in the assessment. The Chorro Valley site was assessed as very similar to the Morro Valley site but was ranked third due largely to the increased costs of development. The newly included Tri-W property is located on Highway 1; however the identified optimal site is located away from the road and the analysis suggests it would present minimal visual impacts. Minimizing the visual impact of the new WRT is an important consideration when assessing the appropriateness of each site.

Power Plant Site

The Power Plant Site ranked third overall in the Options Report, however this was largely due to the projected cost savings of developing on this site. As noted in the report, the site would rank fifth overall if cost was not a factor. Although there is existing development on site (the power plant), the facility is expected to close in the near to medium term. Development of this site for the new WRF thus presents significant lost opportunity costs as the area could potentially be comprehensively planned to meet Coastal Act and LCP priorities and objectives, including related to public recreational access and visitor-serving opportunities.

In summary, we recommend that the existing WWTP site be eliminated from further consideration. In addition, we support the City's efforts in evaluating alternative sites for the

Mayor Irons and Honorable Councilmembers
December 10, 2013

WRF, and believe these efforts will go far to ensure that the project can be proposed and developed consistent with the Coastal Act and LCP. We look forward to continuing to coordinate with the City on this process. If you have any questions, or would like to discuss this matter further, please don't hesitate to contact me at (831) 427-4863.

Sincerely,

Aiden Campbell
Coastal Planner
Central Coast District Office



City staff conducted a recruitment for two part-time Code Enforcement Officers in September/October of 2015. Tim Kristofek and David Crockett were hired in October/November of 2015. The next phase in the proactive Code Enforcement program involved public education, which is currently ongoing. The public education phase of the program has taken many forms, including sending out a utility bill mailer in December identifying the top ten code violations (flyer provided in Attachment 3), publication of two informational news articles in the Bay News by the City Manager, posting of information on the City's website at morrobay.gov/codeenforcement, press releases to the media, and information posted to the City's Facebook site at facebook.com/cityofmorrobay. The City also held a public presentation, where staff outlined the Code Enforcement program roll out, in September 2015 with the City Council.

Once the Code Enforcement Officers were hired in Fall 2015, most of the City's Code Enforcement activities have been funneled through them. That means, in addition to their current efforts on proactive Code Enforcement, complaints received, as a normal course of business (reactive Code Enforcement), are also processed by the Officers. Complaint driven Code Enforcement is discussed in greater detail further along in this report. For proactive Code Enforcement, the Officers are currently engaged in a focused three-month outreach effort, which started in January of 2016, and includes the preparation and dissemination of informational handouts related to the top ten code enforcement issues. The top ten list of code violations includes the following:

1. Water use
2. Improper Parking of RV's and Boats
3. Fences & Hedges
4. Garbage Can Placement
5. Signs
6. Storage of Inoperable Vehicles
7. Storage/accumulation of Junk and Debris
8. Illegal Camping
9. Shrubbery and sight distance issues
10. Illegal placement of improvements in the right of way

The Officers have focused their initial outreach efforts on item 2 above, Improper Parking of RV's and Boats. The process took the form of preparation of a flyer (see attachment 4 for a copy of the RV/Boat Flyer) that identifies where RV's/Boats can and cannot be stored. Once the flyer was prepared, the Officers started canvassing the City and developing lists of properties that contained RV's/Boats that were stored in violation of current City Policy. To date (February 24, 2016), the Officers have canvassed approximately ¾'s of the City for RV/Boat violations and 97 flyers have been distributed. The flyers are accompanied by a Code Enforcement Notice that indicates the Officers will be following up in April (see Attachment 5 for a copy of the CE Notice).

Reactive Code Enforcement.

We continue to conduct enforcement on a reactive basis for complaints that are received by the Code Enforcement Division. Since November of 2015, the Code Enforcement Officers have responded to 100 complaints, achieving compliance on 52 of the cases. The remaining 48 cases are in various stages

of the compliance/notice process, meaning final deadlines have not yet been reached. It should be noted our Code Enforcement Officers are given significant leeway in bringing about compliance. They have the ability to work with residents and business owners to remedy violations in a manner and timeframe that works for both the resident/business owner and the City. The intent behind that process is to achieve compliance, not to issue citations.

DISCUSSION

The goal behind the Code Enforcement program is to bring to the attention of property and business owners any existing code violations, which could have a negative impact on the neighborhood, property values, and the City of Morro Bay as a whole. The intent behind the program is to obtain voluntary compliance and cooperation and to instill an atmosphere of personal responsibility for the wellbeing of the community. A successful program will help make Morro Bay a better place to live, work, visit, shop, and recreate.

The following paragraphs discuss the Code Enforcement process starting with noticing, running through the administrative citation process and culminating in a discussion about remedies through the courts. Also included in this report is a discussion of issues and concerns that have arisen recently in relation to enforcement of RV/Boat storage requirements, Fence/Hedge height requirements and lastly, regarding portions of the Morro Bay Municipal Code (MBMC) that may require revision.

Code Enforcement Notice

As noted in the background section of the report, we are currently in the educational and outreach phase for proactive Code Enforcement and those efforts will continue until April of 2016 when actual enforcement will start.

Similar to how we conduct reactive Code Enforcement, proactive Code Enforcement, starting in April of 2016, will commence with issuance of a 30-day courtesy notice being sent to property owners/tenants of properties where any violations are identified. The Officers will follow up after 30 days to see if the violation persists. If, after 30 days the violation remains, then the Officers will send out a 10-day warning notice, followed by a 5-day warning notice if compliance has not been achieved. If the violation remains after the 5-day warning notice, then an administrative citation may be issued.

Administrative Citation

If the code violation notification process fails to achieve compliance, then the Officers have the ability to issue administrative citations consistent with Chapter 1.03 of the Municipal Code. The fine schedule is as follows:

1. Up to \$100.00 for First Violation
2. Up to \$200.00 for Second Violation of same ordinance or permit within one year of the first violation
3. Up to \$500.00 for each additional violation of same ordinance or permit within one year of the first violation.

Citation Appeal Process

Any recipient of an administrative citation may challenge that citation by contending there is no violation or he or she is not the responsible party. The challenge must be in writing and filed within thirty calendar days after the date of issuance of the citation and request a hearing.

The City Manager is responsible for designating the hearing officer for an administrative citation hearing. The hearing officer cannot be a City of Morro Bay employee.

After conducting the hearing, the hearing officer is responsible for rendering a written decision to either uphold or cancel the administrative citation. Reasons supporting that decision must be included in the written decision. The decision of the hearing officer is final and not appealable to the City Manager, City Council or any other City entity. However, judicial review is available to any person aggrieved by the administrative decision of the hearing officer.

What Happens when Fines Don't Bring about Compliance (The Courts)?

When fines are unsuccessful in bringing about compliance, the City can pursue compliance through the courts. The City may choose to pursue compliance through criminal and civil court actions.

The criminal court process involves treating the violation as either an infraction or misdemeanor. The decision to pursue criminal prosecution remains at the sole prosecutorial discretion of the City Attorney's Office and cannot involve City Council case-by-case consideration or authorization.

Pursuing a civil lawsuit to achieve code compliance would require Council approval. Therefore, prior to filing a civil action, direction to pursue that civil remedy would be brought to the City Council for consideration and decision in a closed session, as authorized by the Brown Act.

Direction Requested

Council, in the past, has expressed concern regarding the pursuit of code compliance through the criminal court process and staff would like the Council to discuss this issue and provide direction moving forward.

We believe it is best for the Council to leave the option of criminal prosecution as one of the tools available to ensure code compliance. However, even if the Council retains that tool, Council could determine the preferred method of achieving compliance is through the civil process and direct staff to use criminal prosecution as a last resort.

Again, the decision whether to initiate a civil lawsuit in order to bring about code compliance requires Council approval. It does not appear anything needs to be decided on this issue as Council retains complete discretion.

What Happens When Compliance is Achieved?

Ultimately, when compliance is achieved, the Officers will send out a thank you letter, which both shows our appreciation for bringing the property into compliance with current code requirements and serves as notice the violation has been rectified.

RV/Boat Storage Issues/Concerns

Regardless of the amount of outreach conducted, enforcement of codes in a proactive manner, when codes have not been enforced in that way in the past, is bound to generate some discontent on the part of City residents and business owners. To date, the Officers have sent out 97 flyers related to RV/Boat storage and in return they have received 47 responses, either via phone or written correspondence (see RV/Boat Storage Flyer provided in Attachment 4). The Officers report there is some awareness on the part of the public the City was intending on moving forward with proactive code enforcement. In other words receiving the flyer was not a surprise. That means the City outreach efforts have at least been somewhat effective in making citizens aware of the program.

The fact many citizens are aware the City was moving toward active Code Enforcement does not mean they are necessarily happy with the specific enforcement being pursued. The City has received quite a bit of input from citizens who are unhappy the MBMC does not allow RV/Boat storage within the front or street side yards of a residential lot. Concerns mostly center on the cost of storing RV/Boats in a storage yard, the lack of convenience of doing so and the overall lack of commercial storage opportunities within City limits.

It should be noted staff has also has received correspondence in favor of enforcing the MBMC, including specifically the RV/Boat storage requirements. Most comments that favor the current code are based on neighborhood aesthetics, access to light and air, or safety concerns related to maneuvering in and out of a driveway adjacent to an RV/Boat stored in the front yard (sight distance).

Staff anticipates a significant amount of public input on this subject at the meeting.

Fence and Hedge Concerns

Staff regularly receives complaints related to fence and hedge height violations throughout the City. The complaints that seem to garner the most angst center more on hedges, because when they are not maintained they tend to get very large/tall. Most complaints focus on one of the following three issues: the blocking of site distances up and down the street, blockage of light and air, and most commonly view blockage (although the MBMC provisions do not mandate unfettered viewsheds).

The City's Fence and Hedge height requirements can be found in Subsection 17.48.100(D) of the MBMC, which limits heights of open (open to passage of light and air for 50% or more of the surface) fences and hedges in the front yard to 4 feet and 3 feet if solid. Fences and Hedges in the rear yard and interior side yard are allowed at a height not to exceed six feet six inches.

It is fairly common for City's that regulate fence height to also regulate the height of hedges, as they can also serve the same or similar purpose. Allowing hedges to grow unfettered can have rather dramatic impacts on how a neighborhood looks and feels. See hedge example pictures below

1. Hedge blocking views and some site distance issues



2. Hedge blocking view of front of home



3. *Hedges at appropriate height*



In any case, staff has received some negative feedback related to hedge height enforcement. Most push back centers on people wanting to grow vegetation in whatever manner suits them or the fact they want more privacy than is provided by the allowed heights under the current ordinance. Staff anticipates some public comments on hedge height limitation at the meeting.

Update of MBMC

There has been concern noted on the part of some of the public related to the fact the City is moving forward with proactive code enforcement without first conducting a comprehensive review of all City policies that are being enforced.

Realistically, such a review would likely take years given current workloads and the fact we are already involved in a comprehensive update of the General Plan/Local Coastal Program and Zoning Code. However, it is possible, as we move forward with proactive Code Enforcement, there might arise the need to address/revise problematic portions of the MBMC or to eliminate certain code language that no longer reflects the values of Morro Bay. One way to deal with those types of items is to bring them forward to Council for discussion as the issues are discovered or there could be a fixed schedule placed on the Council agenda, possibly on a quarterly or biannual basis, where those types of items are brought forward. If the Council determines there are particular provisions of the MBMC that should be changed immediately, then providing that direction to staff at this time would also be appropriate.

CONCLUSION

This report serves as a status update on Code Enforcement efforts in the City, to date. Input, discussion and direction from the Council is desired in the specific areas of overall process, how enforcement is conducted through the Courts, and on whether there are portions of the MBMC that the Council desires to revise.

Staff recommends the City Council review the information provided in the staff report and comments from the public and provide appropriate comment/direction to Staff.

ATTACHMENTS

1. May 2015 Grand Jury Letter
2. City Grand Jury Response Letter
3. December 2015 Utility Bill Mailer, Top 10 Code Violations
4. RV/Boat Informational Handout
5. Code Enforcement Notice Letter
6. Public correspondence received as of March 2, 2016

MORRO BAY MUNICIPAL CODE ENFORCEMENT: BAND-AID OR PROCESS?

Should the City of Morro Bay make a transition from a citizen complaint-driven municipal code enforcement process to a proactive, managed code enforcement process?

INTRODUCTION

Municipal codes help establish the administrative framework for the health and safety of a community, its residents and visitors. Code enforcement also affects the visual and environmental aspects of a community.

Over the past decade, economic events such as loss of power plant funds and significant reductions to the fishing industry have resulted in a renewed interest by Morro Bay officials to revitalize its waterfront and increase other tourist-friendly projects. These activities can provide the potential for increases in revenues to support needed city services such as code enforcement which can improve tourist impressions.

This investigative report presented by the 2014-2015 San Luis Obispo County Grand Jury (Grand Jury) describes deficiencies in the current approach to municipal code enforcement and offers recommended changes that may benefit Morro Bay, its residents and visitors.

ORIGIN

Following a review of a Morro Bay citizen complaint, the Grand Jury solicited additional comments from Morro Bay residents about the lack of municipal code enforcement. This led to investigation of the process and effectiveness of current enforcement and how violations of these codes are addressed.

AUTHORITY

California Penal Code section 925 authorizes the Grand Jury to investigate and report on the operations, accounts and records of cities within the county.

METHOD

The Cities and Special Districts Committee of the Grand Jury interviewed relevant city officials, staff and Morro Bay residents for this report. In addition, it reviewed pertinent Morro Bay municipal codes and ordinances and Morro Bay's website with its links to departmental web pages. Finally, it researched how several other cities in the county manage municipal code enforcement.

BACKGROUND

Morro Bay is a seaside community incorporated as a city in July 1964 and currently has a population of approximately 10,500. During its 2002-2003 fiscal year Morro Bay experienced a 27% decrease in its General Fund revenues (\$13.2M to \$9.7M) due to the loss of power plant funds. At the same time the Operating Expenses increased 10% (\$9.7M to \$10.8M).¹ As a result plans were put into place requiring priority setting to reduce expenses. In response the position of code enforcement officer was vacated in 2005 and code enforcement was reduced to a complaint-driven process that continues today.

NARRATIVE

Municipal code enforcement includes application processing with inspection and follow-up of compliance. Municipal code responsibilities also fall under multiple departments within city administration. Most city officials interviewed agree that code enforcement is an important component in maintaining the health and safety of the community, residents and visitors. Additionally, these interviewees agree that proactive management in enforcement could provide

¹ *Assessment of City Organization and Financial Options-2008* report by Management Partners, Inc.

cost-effective citywide compliance. Based on these comments, the Grand Jury examined what steps should be taken for effective code enforcement management. These include the city's ability to receive, address and track complaints to resolution; and the ability of individuals to easily report violations and to be apprised of the outcome of complaints.

Reporting a Municipal Code Violation

The City of Morro Bay makes this process flexible, possibly too much so. Individuals may, and reportedly do, telephone or e-mail the mayor, any city council member, city manager, city hall or any city department with complaints and comments. Frequently, multiple departments receive the same complaint. Morro Bay's website provides a link with telephone and e-mail contact information for the police department operations commander to report code violations. This website also provides a link to the "Let Us Know" web page where completed report forms are directed electronically to specific city departments. Individuals may also complete and submit a complaint form at any city office. While this approach helps ensure individuals are not restricted in their communications with city officials and staff, some city officials admit significant resources are used in attempting to direct complaints to the appropriate department.

The Complaint Investigation Process

When city officials or staff receive an individual's complaint of a possible code violation, their first action is to direct the complaint to the department with the responsibility to resolve it. When staff is not certain which department has the primary responsibility, the complaint is submitted to the city attorney's office for distribution to the appropriate department(s). The investigation process may include discussions with the complainant and possible violator as well as a site visit. City staff attempts to work with violators to obtain voluntary compliance. Many complaints are investigated and resolved by the appropriate department while more complex complaints are referred to an interdepartmental team for resolution.

The Code Enforcement Committee

In 2009 under the guidance of the city attorney and police chief, the Code Enforcement Committee (CEC) was established to address interdepartmental issues and serious health and

safety code violation complaints. Representatives from the city attorney's office, police department, fire department, public services department and building services comprise this committee. Any city staff member may refer a complaint to the CEC. It meets on an as-needed basis (typically every other month) to assign responsibility for these complaints and to confirm status and progress on previously reported but unresolved complaints. To ensure complaints are tracked to resolution, the CEC uses a manual-entry spreadsheet identifying each complaint, the assigned responsible committee member and the current status of the complaint up to and including resolution. This spreadsheet does not track all complaints received by the city, only those referred to the CEC.

City officials acknowledge their current approach only corrects a single violation, instead of addressing similar violations throughout the city. It also requires the time and resources of multiple departments resulting in taking personnel away from their primary job. City officials interviewed agree the employment of a code enforcement officer as a single point of contact would provide a more complete, expedient and efficient process.

Responding to Complainant

City officials explain that while efforts are made to report resolutions to complainants, there isn't a formal process. Individuals may contact city hall staff to inquire about the status of a complaint. Without a readily accessible tracking system, the current status may not be available to staff who are left unable to respond to citizen inquiries.

CONCLUSIONS

While Morro Bay officials provide a wide range of options for its residents to communicate with them, the effectiveness of these communications cannot be determined and so many options may lead to confusion. Efforts to address code violations via a complaint-driven process can create the impression that city personnel do not see problems unless reported.

While the current complaint-driven process may result in correction of a single violation, similar violations at other locations in the city are not identified and therefore not addressed. This results in inconsistent enforcement which can be perceived as unfair.

Absent the existence of effective code enforcement tracking capabilities, comprehensive programs to ensure enforcement plans cannot be developed. The ability to track repeat municipal code violators is also limited.

Perception is reality. The inability to effectively communicate the actions taken and resolutions of reported code violations creates the impression that no action was taken and increases frustration levels among Morro Bay residents.

City officials agree that a focused municipal code enforcement process can:

- Allow department personnel to focus on their primary job
- Track code related application and licensing ensuring fees and penalties are collected
- Provide the capability for citywide enforcement compliance
- Provide the ability to track compliance and code violation complaint resolution

FINDINGS

F1: Morro Bay does not have a code enforcement officer.

F2: Municipal code enforcement in Morro Bay is complaint-driven.

F3: Complaint processing is distributed across multiple departments of the city government and therefore is a drain on city resources.

F4: Code enforcement targets only the violation at a specific location identified in a complaint resulting in the appearance of unfairness and inconsistency.

F5: Comprehensive tracking of all complaints and code violations by Morro Bay does not exist.

F6: Effective preventive actions or proactive management plans cannot be developed without comprehensive tracking.

F7: City hall staff is unable to quickly and effectively provide responses to questions about the status of code violation complaints.

RECOMMENDATIONS

R1: Establish a proactive managed code enforcement process.

R2: Fund and hire a full-time municipal code enforcement officer.

R3: Acquire, install and use a municipal code management software package to track all code violation complaints.

R4: Train staff on use of the new system.

REQUIRED RESPONSES

The mayor of the City of Morro Bay shall respond to Findings 1 through 7 and Recommendations 1 through 3.

The responses shall be submitted to the presiding judge of the San Luis Obispo County Superior Court. Please provide a paper copy and an electronic version of all responses to the Grand Jury.

Presiding Judge	Grand Jury
Presiding Judge Dodie Harman Superior Court of California 1035 Palm Street, Room 355 San Luis Obispo, CA 93408-1000	San Luis Obispo County Grand Jury P.O. Box 4910 San Luis Obispo, CA 93403-4910 GrandJury@co.slo.ca.us

California Penal Code Sections 933 through 933.05

Section 933 – Final Reports

- (a) Each grand jury shall submit to the presiding judge of the superior court a final report of its findings and recommendations that pertain to county government matters during the fiscal or calendar year. Final reports on any appropriate subject may be submitted to the presiding judge of the superior court at any time during the term of service of a grand jury. A final report may be submitted for comment to responsible officers, agencies, or departments, including the county board of supervisors, when applicable, upon finding of the presiding judge that the report is in compliance with this title. For 45 days after the end of the term, the foreperson and his or her designees shall, upon reasonable notice, be available to clarify the recommendations of the report.
- (b) One copy of each final report, together with the responses thereto, found to be in compliance with this title shall be placed on file with the clerk of the court and remain on file in the office of the clerk. The clerk shall immediately forward a true copy of the report and the responses to the State Archivist who shall retain that report and all responses in perpetuity.
- (c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.
- (d) As used in this section "agency" includes a department.

933.05. Findings and Recommendations

- (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:
 - (1) The recommendation has been implemented, with a summary regarding the implemented action.

- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
 - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.
- (c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.
 - (d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.
 - (e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.
 - (f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

RESPONSE TO GRAND JURY REPORT

Report Title: Morro Bay Municipal Code Enforcement

Report Date: May 4, 2015

Response by: _____ Title: _____

FINDINGS

- 1. I (we) agree with the findings numbered: _____
- 2. I (we) disagree wholly or partially with the findings numbered: _____
(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- 1. Recommendations numbered _____ have been implemented.
(Attach a summary describing the implementation actions.)
- 2. Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- 3. Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of the publication of the Grand Jury report.)
- 4. Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: _____ Signed: _____

Number of pages attached: _____



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

July 14, 2015

The Honorable Dodie Harman
Superior Court of California
1035 Palm Street, Room 355
San Luis Obispo, CA 93408

Dear Presiding Judge Harman,

The City of Morro Bay is in receipt of the grand jury report titled *Morro Bay Municipal Code Enforcement: Band-Aid, or Process?* (the "Report"). That report confirmed the steps the City had already begun to take were appropriate. Although we are not responding in a point-by-point manner to the issues the Report raises, the below provides a complete response to those points and meets the spirit and intent of the Penal Code. The actions taken and to be taken by the City, as described below, were the result of the City Council exercising its local authority to govern the community of Morro Bay as the Council determines most appropriate, after considering applicable legal, financial and practical considerations.

While over some years code enforcement in Morro Bay has been neglected, new leadership in the City is serious about markedly improving the quality of life in the community through a more effective code enforcement program. It should be noted during the Fiscal Year 2014 - 2015 budget process a code enforcement position was proposed however Council elected to invest in a City assessment by an independent firm to evaluate the City as a whole. This City Assessment served as valuable tool for our community and the City Council to identify needs and concerns and take appropriate action. In fact, on February 18 of this year the Council adopted seventy-three specific Fiscal Year 2015-2016 objectives. Objective 4-d is titled "Code Enforcement" and reads: "Bring a proposal for a proactive code enforcement program to Council for decision and immediate implementation." A copy of those adopted objectives is attached.

The findings in the Report are not inconsistent with the Council's own observations. Those observations served as the driving rationale for adopting that above-noted code enforcement objective, and the action the City Council has subsequently taken. The City Council has already acted on our Code Enforcement objective and, as a result, the City staff is in the process of implementing a proactive community enhancement/code enforcement program. Specifically:

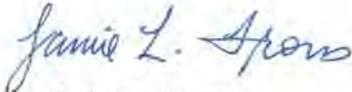
- The City of Morro Bay 2015-2016 Budget, adopted on June 9, 2015, allocated \$100,000 to hire one or more code enforcement officers. Staff anticipates advertising for those positions this month.

Superior Court of California
July 15, 2015
Page 2

- Staff is currently developing a thoughtful, proactive code enforcement system and process. The preparatory phase for implementation is in progress and includes staff training, community information and technology emplacement. A complete staff briefing on our code enforcement system is currently scheduled for the Council agenda for September 22, 2015, with the goal of the proactive system going live on October 1st.
- The adopted budget includes funding for code management software that will be synchronized with our website to allow seamless and transparent receipt, processing and disposition of code enforcement concerns.

Thank your for the opportunity to respond to the Report. In addition, we appreciate a fundamental goal of the San Luis Obispo Civil Grand Jury is to provide input to assist local decision-makers with reviewing constituents' legitimate concerns, as we work to make our jurisdictions better places to live, work and visit.

Respectfully,



Jamie L. Irons, Mayor

C: San Luis Obispo County Grand Jury



City of Morro Bay

December Information

Community Enhancement

Learn more at morrobayca.gov/codeenforcement

The City of Morro Bay Community Enhancement Staff (Code Enforcement Officers) are part of the Community Development Department. The Code Enforcement Officers investigate community complaints on issues such as excessive water use, parking, fencing, storage of garbage cans, illegal signs, accumulation of junk, trash, debris and inoperable vehicles, illegal camping, shrubbery and sight distance issues, and non-permitted improvements in the right of way. These items are regulated by the City of Morro Bay Municipal Code and violations can lead to fines and in extreme circumstances, liens on homes. These items also affect the appearance and safety of our community. The City is enhancing its code enforcement to be proactive and is beginning a three-month educational campaign where the code enforcement officers will visit and provide information on issues. After this three-month period, code enforcement officers will be more likely to issue citations for violations of the code. It is important to be familiar with City codes and ordinances that impact private property. To this end the Community Enhancement Staff has put together information regarding the 10 most common violations.

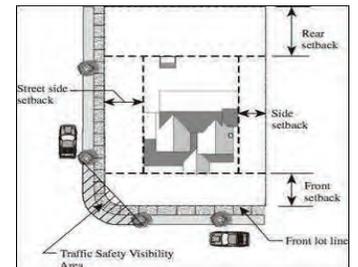
#1 Water Use

The City has implemented mandatory water conservation requirements for severely restricted water supply conditions. Sprinkler irrigation of private landscaping is prohibited between 10 a.m. and 4 p.m. Sprinkler irrigation is permitted on Wednesdays and Sundays for even numbered addresses and on Tuesday and Saturdays for odd numbered addresses. Use of water for cleaning driveways, patios and other hardscape is prohibited.



#2 Improper Parking of RVs and Boats

Recreational Vehicles (RVs) including boats are permitted on private property, but must be located outside of any required front or side yard setbacks. RVs cannot be utilized for sleeping quarters, sanitary or cooking facilities. Also, RVs may not be connected to utilities, including, but not limited to, electricity, gas, water or sewer. RVs and boats cannot be parked in the street for more than 72 hours.



#3 Fences

Fences, walls and hedges, that are open to the passage of air and light over 50 percent or more of the surface area may not exceed a height of four feet in the front or street side yard. Solid fences, walls and hedges not exceeding three feet in height may be located in any street or front yard. Fences, walls and hedges occupying the interior or side or rear yard may not exceed six feet six inches in height.

#4 Garbage Cans—Visible from Street

Refuse containers should be stored in a location that is not visible from the street. Containers should be placed at the curb for collection no earlier than 8 a.m. on the day preceding collection and removed no later than 8 p.m. on the day of collection.





City of Morro Bay

November Information

Community Enhancement

#5 Signs

All permanent commercial signs require approval of a sign permit issued by the Planning Division and may require approval of building permits as well. Temporary signs may be permitted for a limited period of time for special sale or business announcements. Prohibited signs include, but are not limited to, roof-mounted signs, signs that flash or move, tire stacks, signs affixed to utility poles, A-frame signs and non-permanent banner-type signs.

#'s 6 & 7 Junk, Trash, Debris and Inoperable Vehicles on Private Property

The City's Municipal Code con-

siders it a public nuisance for any owner or occupant to allow the accumulation, abandonment or storage of trash, rubbish, junk, automobiles and other vehicles, dismantled, in whole or in part, that are situated on private property, in public view or in view of abutting properties. These conditions can negatively impact public health and result in dangerous and unsanitary conditions.



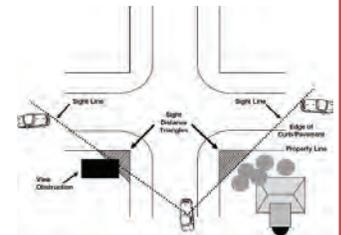
#8 Illegal Camping

Camping is only allowed in City-approved campgrounds, and Recreational Vehicle parks. It is unlawful for any person to erect, occupy or maintain a tent, tent camp, tent trailer, the living quarters of any camper, house car, bus, camp trailer or trailer coach, in any area where such activity is not specifically permitted between the hours of 10 p.m. and 6 a.m. of the following day.



#9 Shrubbery—Sight Distance

Landscaping or other solid objects located in and around local street intersections should be maintained such that they do not exceed a height of three feet in order to avoid creating sight distance safety issues. The sight distance area to be kept clear of visual obstruction is a triangular area measuring a minimum of 10 feet along each street.



#10 Improvements in the right of way/Encroachments

Any improvements or alterations proposed within the right-of-way require acquisition of either an encroachment permit or encroachment agreement, which can be obtained through the City's Public Works Department.

Community Enhancement staff includes two code enforcement officers, Tim Kristofek and David Crockett, and is overseen by Community Development Manager Scot Graham. Over the coming weeks staff will be developing individual handouts for the Top 10 items noted above. The handouts will be posted on the City's website at morrobayca.gov/codeenforcement.

The Community Development Department can also be reached by calling (805) 772-6261.





City of Morro Bay

Information Handout

Contact Code Enforcement (805) 772-2223

Code Enforcement

The City of Morro Bay Community Enhancement Staff (Code Enforcement Officers) are part of the Community Development Department. The Code Enforcement Officers investigate community complaints on issues such as Recreational Vehicle parking, fencing, inoperable vehicles, and non-permitted improvements in the right of way. These items are regulated by the City of Morro Bay Municipal Code and violations can lead to fines and in extreme circumstances, liens on homes. These items also affect the appearance and safety of our community. The City is enhancing its code enforcement to be proactive and is beginning an educational campaign where the code enforcement officers will visit and provide information on issues. To this end, the Community Enhancement Staff regards Recreational Vehicle storage as one of the 10 most common community violations.

Recreational Vehicle and Boat Storage

The purpose of the Recreational Vehicle (RV) code is to clearly define what is considered an RV and to identify locations and standards for storage of RVs and Boats in residential zones and to protect the integrity, value and character of residential neighborhoods along with public health and safety.

17.12.495 - Recreational vehicles, motor home or travel trailer.

"Recreational vehicle," "motor home" or "travel trailer" means a vehicle which is designed or used for human habitation for recreational purposes and which may be moved upon a public highway without a special permit or chauffeurs license or both, without violating any provision of the Vehicle Code.

17.48.060 - Motorhomes or recreational vehicles.

Motorhomes, recreational vehicles or other vehicles shall not be used for human habitation or occupied for living or sleeping quarters except when installed within a licensed trailer court, recreational vehicle park or mobile home park. Recreational vehicles, motor homes or boats maintained upon any lot, piece or parcel of land, other than a trailer court, trailer park or mobilehome park, shall comply with the following conditions:

- A. Outside Maintenance.** Such vehicle or boat shall not be maintained in any required front yard or side street yard.
- B. Used as a Residence.** Such vehicle or boat shall not be used for sleeping quarters nor shall any sanitary or cooking facilities contained therein be used.
- C. Connected to Utilities.** Such vehicle or boat shall not be connected to utilities, including but not limited to electricity, gas, water or sewerage.



Learn more at morrobayca.gov/codeenforcement

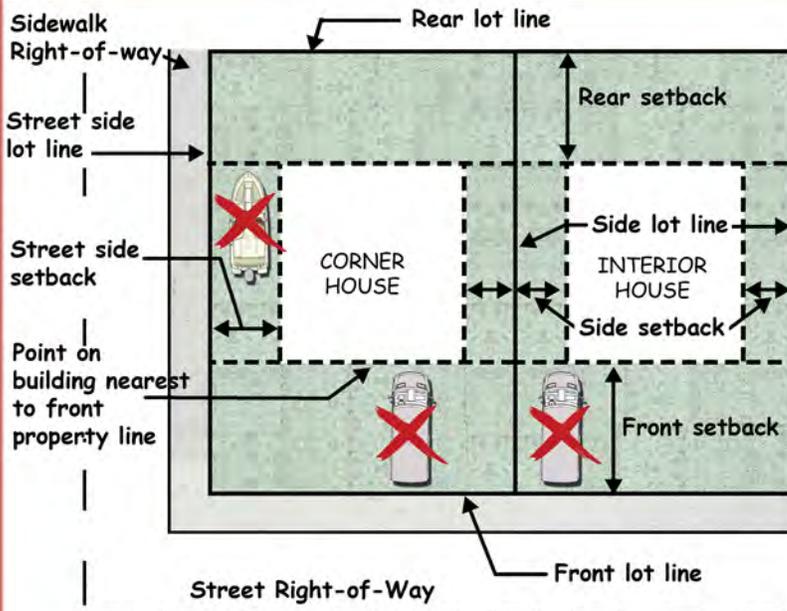


City of Morro Bay

Information Handout

Contact Code Enforcement (805) 772-2223

Recreational Vehicle and Boat Storage



Definitions

"Lot line" means a line separating the frontage from a street; the side from a street or adjoining property; the rear from an alley or street or adjoining property.

"Setback line" means a line established by this title to govern the placement of buildings or structures with respect to lot lines, streets or alleys.

"Side and front of corner lot" means the narrowest frontage of a corner lot facing the street is the front and the longest frontage facing the intersection street is the side, irrespective of the direction in which the dwelling faces.

"Front yard" means a yard extending across the front of the lot between the side lot lines and measured from the front line of the lot to the required minimum front setback.

"Side yard" means a yard between the side line of the lot and the required minimum setback and extending from the front yard of the lot to the rear yard.

Questions and Answers

Question: What is a Recreational Vehicle (RV)?

Answer: It is a vehicle which is designed or used for human habitation for recreational purposes and which may be moved upon a public highway without a special permit or chauffeurs license or both, without violating any provision of the Vehicle Code.

Question: What is a "side street yard"?

Answer: The yard adjacent to any side street.

Question: If I cover my boat or Recreational Vehicle (RV) can I store it in my front or side yard?

Answer: No, covering the Recreational Vehicle (RV) or Boat does not make the storage legal.

Question: Can a Recreational Vehicle (RV) or Boat be parked in the driveway that is in the front yard or a side street yard?

Answer: A Recreational Vehicle (RV) or boat cannot be parked in a driveway in the front yard or on the side of the house adjacent to a side street.

Question: If I put a fence around my Recreational Vehicle (RV) or Boat in my front or side street setback does that comply with the Municipal Code?

Answer: Screening a Recreational Vehicle or Boat in these yards is not allowed storage.



CODE ENFORCEMENT NOTICE

Date: February 3, 2016

Dear Owner/Occupants:

Address: _____

Morro Bay, CA 93442

The City of Morro Bay partners with community members for strong community enhancement by ensuring that nuisances and other code violations related to public health and safety are remedied efficiently and professionally.

Community enhancement involves Community Development Department code enforcement staff and other City staff members first working to educate the community about the municipal code. Voluntary compliance of the City's laws on nuisances is our first priority. Should education and voluntary compliance be ineffective, however, Code Enforcement will then utilize various laws to remedy the nuisance.

The City of Morro Bay hired two (2) part time code enforcement officers (David Crockett and Tim Kristofek) to enforce the city ordinances. At this time the officers are responding to called in complaints on properties. On April 1, 2016 the officers will take a pro-active stance. This means if they see a code violation on properties, owners and occupants will receive a 30 day letter explaining the violation and options on how to comply.

For the months of January, February and March the officers are doing neighborhood sweeps and sending flyers explaining and educating the public on specific City violations.

Once April 1st arrives official letters will be sent out to all violators.

The following check marks (with flyers attached) are violations observed on your property during a neighborhood inspection.

- | | |
|---|---|
| <input type="checkbox"/> 1. RV and Boat Parking on front or street side yard. | <input type="checkbox"/> 5. Fence - Hedge height, location. |
| <input type="checkbox"/> 2. Garbage cans – visible from street. | <input type="checkbox"/> 6. Parking inoperable vehicles. |
| <input type="checkbox"/> 3. Improvements in the right of way or encroachments. | <input type="checkbox"/> 7. Shrubbery – site distance. |
| <input type="checkbox"/> 4. Unsightly conditions on private property-junk/trash on a lot. | <input type="checkbox"/> 8. Illegal camping. |
| | <input type="checkbox"/> 9. Illegal signs. |
| | <input type="checkbox"/> 10. Excessive water use. |

Please feel free to call either Code Enforcement Officer Tim Kristofek or Code Enforcement Officer David Crockett at (805) 772-2223 to discuss any matters or question you have concerning this program.

Dana Swanson

RECEIVED
City of Morro Bay

From: Sue DeVoe
Sent: Tuesday, March 01, 2016 12:16 PM
To: Council
Subject: Code Enforcement Boats/RVs

MAR - 1 2016

Administration

Dear Sirs and Ms.,

Morro Bay is a fishing community! The new push to punish boat owners/ fishermen for having their boats parked on their own property seems ridiculous.

Please consider changing the law regarding this. I have owned property in Morro Bay since 1973 and have enjoyed being able to launch my little skiff when conditions are right for a day of fishing. Where are residents supposed to store their boats? The increase in our sewer/water bills was enough for this senior and now I am expected to pay another \$100.00 to store my boat?

The current CODE ENFORCEMENT feels very similar to belonging to a Home Owners Association. I moved from Orange County to avoid this type of restriction 43 years ago. It troubles me to see Morro Bay go in this direction and I feel it puts an unfair financial burden on citizens.

Sincerely,

Susan DeVoe



March 1, 2016

Morro Bay City Council
955 Shasta Avenue
Morro Bay, CA 93442

**RE: RECOMMENDATION TO CITY COUNCIL FOR AMENDMENT TO
CODE SECTION MBMC 17.48(100D)(2)(3), AND WALLS AND FENCES**

Dear Members of Morro Bay City Council:

I represent Linda F. Marsh and her sister, Judy Van Hoy, two senior citizens who have been under extreme duress and the infliction of emotional distress since receiving two notices of code violation on or about August 7, 2015 from the Morro Bay Community Development Department. The duress and distress stem from the fact the City ultimately seeks to kill approximately 125 cypress trees that served as their playground as children in the 1930s, when their parents purchased the property, and which has been part of Morro Bay's history and landscape ever since.

The initial notice of violation was likely triggered by a neighbor who acquired their property well aware of the existence of the trees, but speculated that their property value would increase greatly with the potential of an enhanced ocean view. Despite providing substantial evidence of vested property rights in these trees 30-40 years before Morro Bay became a city, and likely 70 years before the current hedge/tree/fence code was adopted (attached), one of the City's new enforcement officers rifled off another code violation notice. Mr. Kristofek's letter provides four options, two of which would kill more the 125 trees, one option would kill about 60 trees, and the last option, a request for a variance, he states that staff would not support.

Based on this analysis, there seems to be very little knowledge of - and respect for - the pre-existing, vested property rights of Morro Bay residents. As well as to the creation of Ex Post Facto Laws that apply to no more than aesthetic perspectives. As we can agree, perspectives on what's aesthetically pleasing changes from the composition from one city council to the next, but once you chop down 60 or 125 trees with 90 years of history - they're gone!

1026 Palm Street, Suite 215
San Luis Obispo, CA 93401

A Professional Law Corporation

www.Stephensternlawfirm.com
Stephen@Stephensternlawfirm.com

Page 2/2: Morro Bay City Council

Therefore, I respectfully request that this City Council re-evaluate its applicable codes with a focus on preserving Morro Bay's History while also respecting the vested property rights of its citizens and residents. This should not only include trees and hedges, but also walls and fences.

Towards that end, I recommend the Council initiate an administrative process that proactively certifies grandfathered, nonconforming property based on the obviousness of the circumstances, such as my client's vested property rights. This certification would preempt the homeowner from any current or future applicable codes, subject to a compelling government interest for health, safety and welfare and that code is narrowly tailored for that particular purpose.

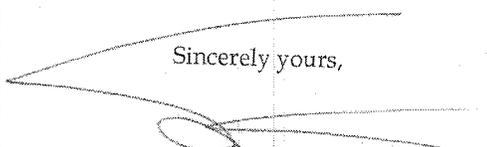
For properties that are not so obviousness (based on either determining tree age by a licensed arborist or historical photos), the City should provide direct and indirect notice to all homeowners of an open registration period to apply for the certification. The application should contain a request for evidence (tree age/historical photos) to receive the certification for code preemption.

For those homeowners who are unable to provide evidence of pre-existing, vested rights, the City should provide the opportunity for neighbors to work together to resolve these issues within a certain timeframe. If unsuccessful, then the city should proceed with its code enforcement efforts.

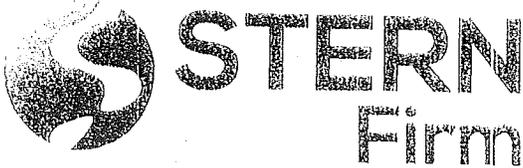
This same process should apply to pre-existing walls and fences that homeowners also invested in many years ago and which have also become part of the Morro Bay landscape.

In closing, I would respectfully request that the City immediately rescind the wrongful allegations of code violations against my client. The ongoing threat of removal or litigation continues to wear heavily on their emotional and physical state, which is extremely unhealthy and dangerous for senior citizens.

Sincerely yours,



Stephen M. Stern, Esq.



November 13, 2015

City of Morro Bay
 Community Development Department
 Ms. Joan Gargiulo, Contract Planner
 Mr. Clark Lockridge, Building Inspector
 955 Shasta Avenue
 Morro Bay, CA 93442

Re: Morro Bay
 Alleged violation of MBMC 17.48(100D)(2),(3)

Dear Ms. Gargiulo and Mr. Lockridge:

I represent Ms. Linda F. Marsh and her sister, Judy Van Hoy, the owners of the property located at _____ Please note that your letter of August 7, 2015 (Exhibit A) states an alleged violation of MBMC Section 17.48100(D) at 381 Kern Avenue, Morro Bay, which does not exist according to the San Luis Obispo County Recorder's Office and the Assessor's Office. Based on the co-referenced Assessor Parcel Number _____ your letter may have intended to reference the cypress trees located at _____

Ms. Marsh and Ms. Van Hoy, both in their late seventies, have resided -- off an on -- at _____ since the late 1930s. Their parents, Emerson W. Fisher and Ednah H. Fisher purchased this house on July 14, 1936 (Exhibit B, Deed of Conveyance, SLO County Recorder), which Ms. Marsh and Ms. Van Hoy inherited.

The house was built in 1918 (See Exhibit C, Residential Building Record, SLO Assessor's Office) and Ms. Van Hoy and Ms. Marsh believe the cypress trees, allegedly in question, were planted in the late 1920s. Ms. Marsh and Ms. Van Hoy recall playing around these cypress trees throughout their adolescence. Kevin J. Small, an ISA Certified Arborist (WE-733A) who inspected the cypress trees, estimates that they are approximately 90 years old.

1026 Palm Street, Suite 215
 San Luis Obispo, CA 93401

Page 2 of 2/City of Morro Bay

Therefore, the trees were planted and nurtured at their current location for approximately 45 years before the City of Morro Bay was incorporated in July 1968, and likely an additional 30 years prior to the enactment of any related municipal codes focusing on tree or hedge height.

Moreover, the cypress trees are legal non-conforming under their grandfathered roots, which dovetails with MBMC 17.12.464 **Nonconforming Use**:
"Nonconforming use" means a use of a structure or land which was lawfully established and maintained prior to the adoption of the ordinance codified in this title but which under said ordinance does not conform with the use regulations for new uses within the district in which it is located (ord. 445 § 3 (part), 1995).

Through my client's rights are firmly rooted with approximately 75 years of grandfathering, it's also important to note that according to Mr. Small, cutting the cypress trees to conform to a three-foot height would kill all the cypress trees. Based on an average annual maintenance cost of \$100 per tree for more than 100 trees over a period of 90 years, this would be a tremendously expensive government taking of property. (See Exhibit D, The Costs and Benefits of Trees).

Lastly, the property and its trees located at 880 Ridgeway Street are part of the larger landscape and history of Morro Bay. This property stands as visual testimony to the early pioneer spirit that helped build this city and for the natural beauty that surrounds it. Most important, it would be a tremendous loss to the entire City of Morro Bay to lose its history over ever-changing interpretations of aesthetic beauty from one council to the next.

Therefore, we respectfully request an official written determination that the cypress trees located at _____ are a legal, nonconforming use.

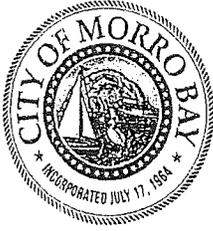
Respectfully yours,



Stephen M. Stern, Esq

C: Ms. Van Hoy, Ms. Marsh

EXHIBIT A



CITY OF MORRO BAY
COMMUNITY DEVELOPMENT DEPARTMENT
955 Shasta Avenue
Morro Bay, CA 93442

rec'd 8/15/15

August 7th, 2015

Linda Fisher Marsh

Santa Barbara, CA 93103

RE: Morro Bay Municipal Code Enforcement: Morro Bay

Dear Ms. Fisher Marsh,

The Community Development Department has become aware of vegetation located within the exterior side-yard setback of your property at

Pursuant to MBMC Section 17.48.100(D) General Fencing, Hedge, and Wall Standards, the hedge within the side setback along must be trimmed to a height of no more than three feet. See code section below:

17.48.100(D)

(2) **Solid Fences, Walls, and Hedges.** Solid fences, walls, hedges not exceeding three feet in height may occupy any street yard area.

(3) **Side or Rear Yard Areas.** Fences, walls, and hedges not exceeding six feet, six inches in height may occupy any side or rear-yard area, provided:

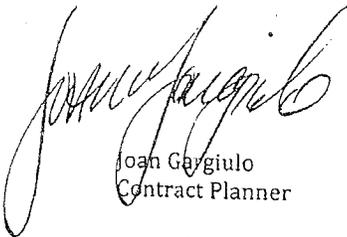
- a. That such fence, wall, or hedge does not extend into any required front yard;
- b. That in the case of a corner lot, such fence does not extend into the street side yard.

Based upon the above mentioned Sections of the MBMC, the vegetation shall be trimmed, removed, or otherwise modified to comply. Please contact the Public Works Department concerning vegetation allowed within the public right-of-way; Damaris Hanson is a good contact, her telephone number is (805) 772-6265. Following corrective action, please contact this office, as soon as possible, to schedule an inspection to verify compliance with the applicable Codes.

You have until September 7, 2015 to comply with this notice.

Thank you for your cooperation in this matter. If you have any questions, please contact Joan Gargiulo, Contract Planner or Carl Lockridge, Building Inspector at the contact information listed below.

Sincerely,

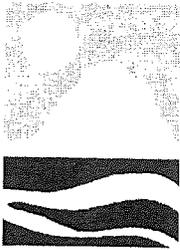

Joan Gargiulo
Contract Planner

jgargiulo@morro-bay.ca.us
(805) 772-6270



Carl Lockridge
Building Inspector

clockridge@morro-bay.ca.us
(805) 772-6214



CITY OF MORRO BAY

Public Services Department
Planning Division

955 Shasta Avenue
Morro Bay, CA 93442
(805) 772-6577

APPEAL FORM

In CCC Appeals Jurisdiction?

- YES - No Fee
 NO - Fee Paid: Yes No

Project Address being appealed:		Morro Bay
Appeal from the decision or action of (governing body or City officer):		<input checked="" type="checkbox"/> City Code Enforcement officer
<input type="checkbox"/> Administrative Decision <input type="checkbox"/> Planning Commission <input type="checkbox"/> City Council		
Appeal of action or specific condition of approval: Appeal from Alleged Code Violation MBMC Section 17.48.100(D)		
Permit number and type being appealed (ie. coastal permit, use permit, tentative subdivision):		
Date decision or action rendered: January 6, 2016		
Grounds for the appeal (attach additional sheets as necessary): Vested rights based on trees at issue being planted and maintained since the 1920s, which predates by 45 years the City of Morro Bay's incorporation in 1968. and the ex post facto codes at issue. Prosecution of stated vest rights would also amount to a taking of property, valued at more \$100,000 based on planting, maintenance and watering costs of more than 100 trees during the past 90 years. The Owner/ Occupants inherited the property from their parents who purchased the property in the 1930s. (see attached letter dated Nov. 13, 2015).		
Requested relief or action: City of Morro Bay dismisses its pending allegation of code violation with prejudice based on pre-existing vested legal rights, non-conforming.		
Appellant (please print):	Phone:	
Linda Marsh/Judy Van Joy via Stephen M. Stern, Esq	(805) 543-5297	
Address:		
1026 Palm Street, Suite 215, San Luis Obispo, CA 93401		
Appellant Signature:	Date: 2/5/2016	

FOR OFFICE USE ONLY

Accepted by:	Date appeal filed:
Appeal body:	Date of appeal hearing:



CITY OF MORRO BAY

955 Shasta Avenue
Morro Bay, CA 93442

January 6, 2016

Stephen M. Stern, Esq.
1026 Palm Street, Suite 215
San Luis Obispo, CA 93401

Subject: **HEDGES OVER 3 FEET HIGH AT**

MORRO BAY, CA.

Mr. Stern:

Thank you for your letter expressing your concerns about the hedges at Street, Morro Bay, CA.

One of your concerns was that the cypress trees are a legal non-conforming use. The cypress trees are not a recognized use within the City of Morro Bay Municipal Code. The use of a parcel means the purpose of which land or a building is designed, or arranged or intended or for which either land or building is or may be occupied or maintained. Therefore the use of this property was not to grow cypress trees in the 1920's. The cypress trees were planted for landscaping purposes and must be maintained to meet standards set by the City of Morro Bay.

I am one of two code enforcement officers hired the first part of December 2015. On Monday, January 4, 2016 I went out to the property to re-inspect the situation and found that the hedges in question are in fact approximately ten (10) feet high and must be trimmed down to three (3) feet. (See attachment)

This leaves you with four options: (1) trim the hedges down to three (3) feet high along the side street; (2) trim the hedge such that space is provided between each cypress tree so that they are no longer considered a hedge. The distance between the canopies of individual trees would need to be a minimum of two feet so as to no longer be considered a hedge; (3) remove the hedges; or (4) submit an application to the Planning Division for a variance from the City's hedge requirements. A variance request would require approval by the Planning Commission: however staff would not support such a request.

Please call me at your earliest convenience to discuss the matter further. I am in the office on Monday - Wednesday - Friday from 9:00 - 3:30. My phone number is 805-772-2224.

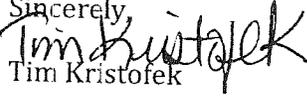
Please resolve the above issue within thirty (30) days (**February 8, 2016**).

CODE ENFORCEMENT

The City of Morro Bay partners with community members for strong community enhancement by ensuring that nuisances and other code violations related to public health and safety are remedied efficiently and professionally.

Voluntary compliance of the City's laws on nuisances is our first priority. Should education and voluntary compliance be ineffective, however, City staff then utilize various laws to remedy the nuisance

Sincerely,

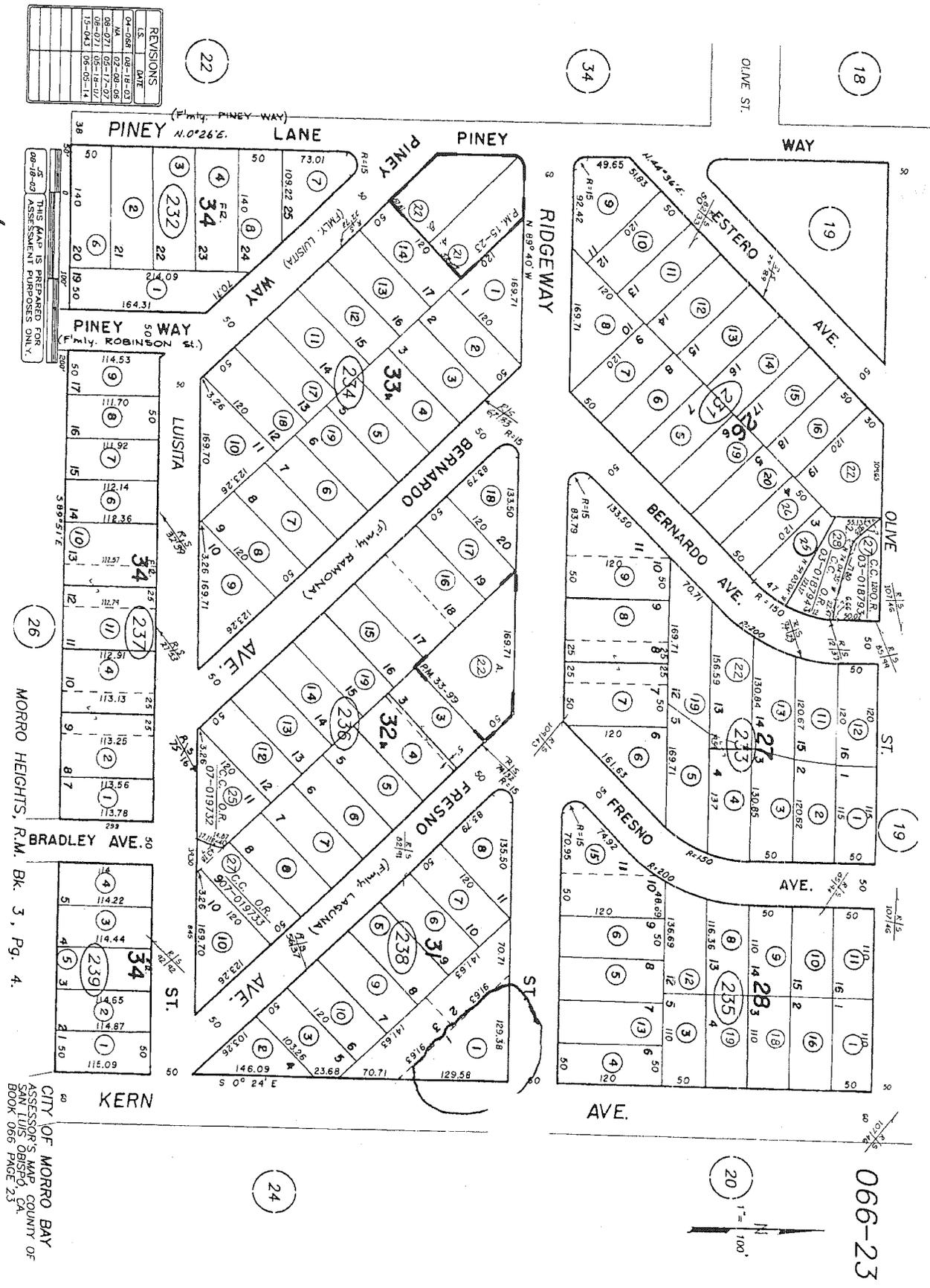

Tim Kristofek

Code Enforcement Officer

(805)-772-2224

EXHIBIT B

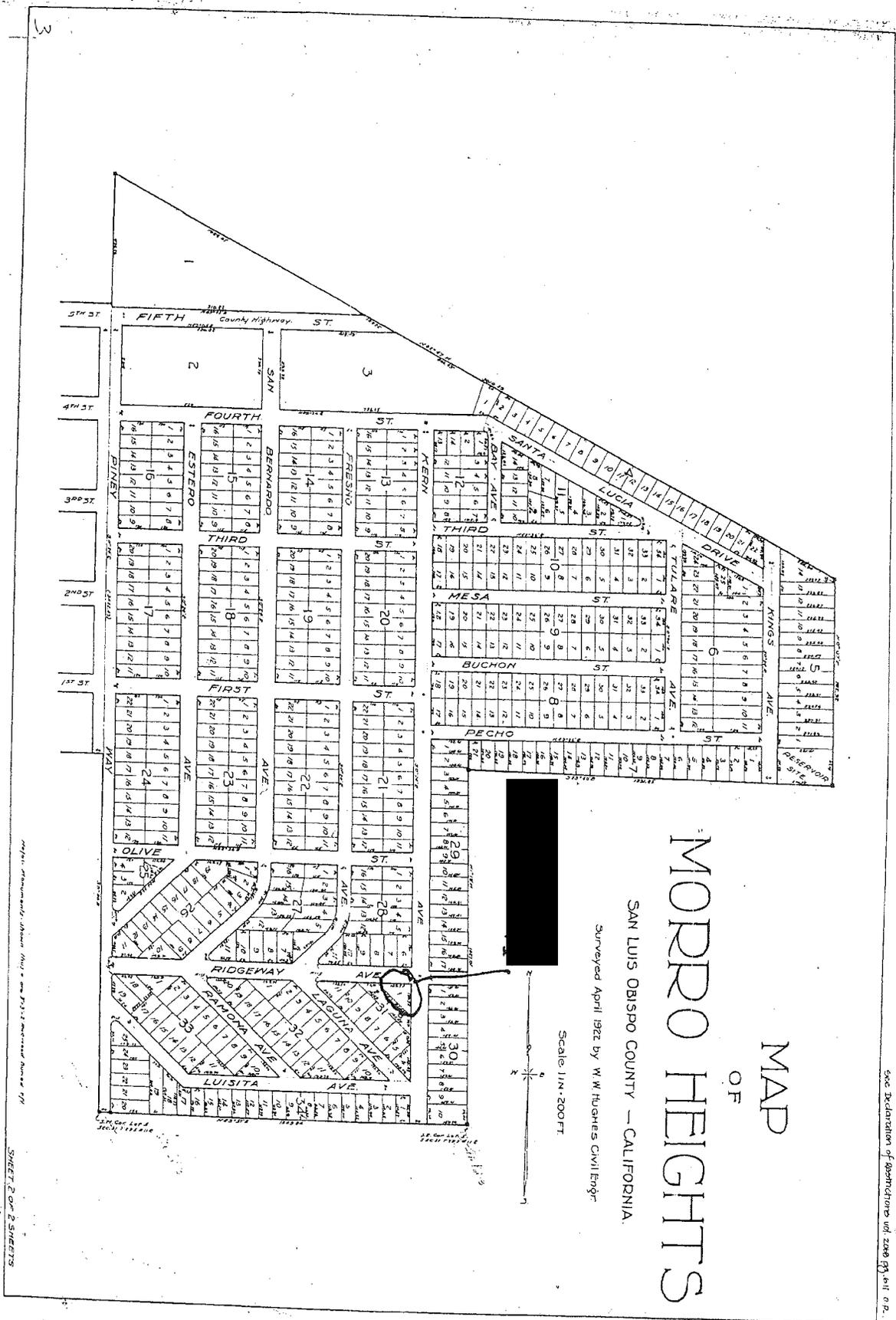
EXHIBIT C



REVISIONS	DATE
04-06-01	08-14-03
04-06-01	02-09-06
08-07-01	02-17-07
12-04-01	05-18-07
12-04-01	08-05-14

THIS MAP IS PREPARED FOR
ASSESSMENT PURPOSES ONLY.

CITY OF MORRO BAY
ASSASSOR'S MAP, COUNTY OF
SAN LUIS OBISPO, CA
BOOK 066 PAGE 23



MORRO HEIGHTS
OF
MAP

SAN LUIS OBISPO COUNTY - CALIFORNIA

Surveyed April 1922 by W. W. Hughes Civil Engineer

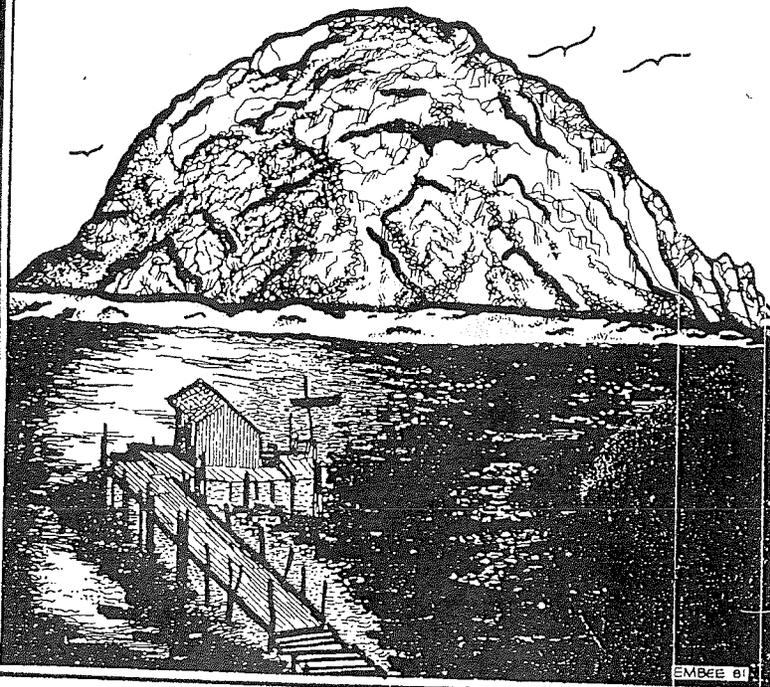
Scale 1/4" = 200 FT.



See Declaration of Assentions with 2288 89 841 0 0 0

SHEET 2 OF 2 SHEETS

MORRO BAY'S YESTERDAYS



RETURN TO
CARPUS/OCEANOGRAPHY LIBRARY

Vignettes of Our City's
Lives & Times

DOROTHY L. GATES
JANE H. BAILEY



BILL ROY

Bill Roy in Fresno during 1920's promoting lot sales in Atascadero Beach Tract, E.G. Lewis development.

at the time. The Board sold the Atascadero Beach properties to John Den Dulk.

What happened to the Cloisters Inn? Tom Hopkins was managing it at the time of Pearl Harbor. There was much fear for the safety of the West Coast, and a regiment of Coast Artillery was quickly brought to guard the Union Oil property between Morro and Cayucos. Hopkins made arrangements with the state to have the armed forces housed at the Inn. Soldiers, all of them were black, stayed in the cottages, and the white officers had rooms at the Inn

itself.

About two years later it became evident that no foreign enemy was a danger to the Pacific Coast, and the artillery was withdrawn and sent overseas. For about a year thereafter, the government maintained a small military guard at the Inn property, but after it was withdrawn, the empty buildings were quickly destroyed by vandals. The hardwood floors were ripped up and removed, as lumber was at a premium. The Spanish roofing tiles disappeared gradually. In a very short time, the Cloisters Inn was no more.

D.L. Gates

A LITTLE BIT OF EDEN Part 2

The E.G. Lewis Atascadero Beach development lay on what was then the very outer fringes of Morro. The first real subdivision within the town proper was that promoted by James Goulding and his Morro Heights Syndicate. The lots went on sale in 1922. Mr. Goulding had been manager of both the Paso Robles Inn and the Andrews Hotel in San Luis Obispo. He was also an insurance agent.

The Morro Heights Syndicate purchased the Olmstead ranch, which was bounded approximately by what is now Piney Way, Luisita, Kern, down to Pecho, then jogged east and went up to Kings. For this ranch they paid \$25,000.

Shares in the syndicate were about \$1,660 each, and each share represented 1/15 of the capital.

James Goulding held three shares, J.H. Knickerbocker of the Union Oil pipeline owned two shares, and most of the other shareholders had one share each. They included Dr. Wilmar of Paso Robles, Bill Groundwater, head of the Union Oil pipelines in San Luis Obispo, and William C. O'Donnell, who was later for many years postmaster of San Luis Obispo. Mr. O'Donnell, who was the source of our information, whimsically said that he had to borrow money to buy his share.

Lots on Ridgeway were \$500 each, on Kern Street, about \$150. Lots averaged \$300 each.

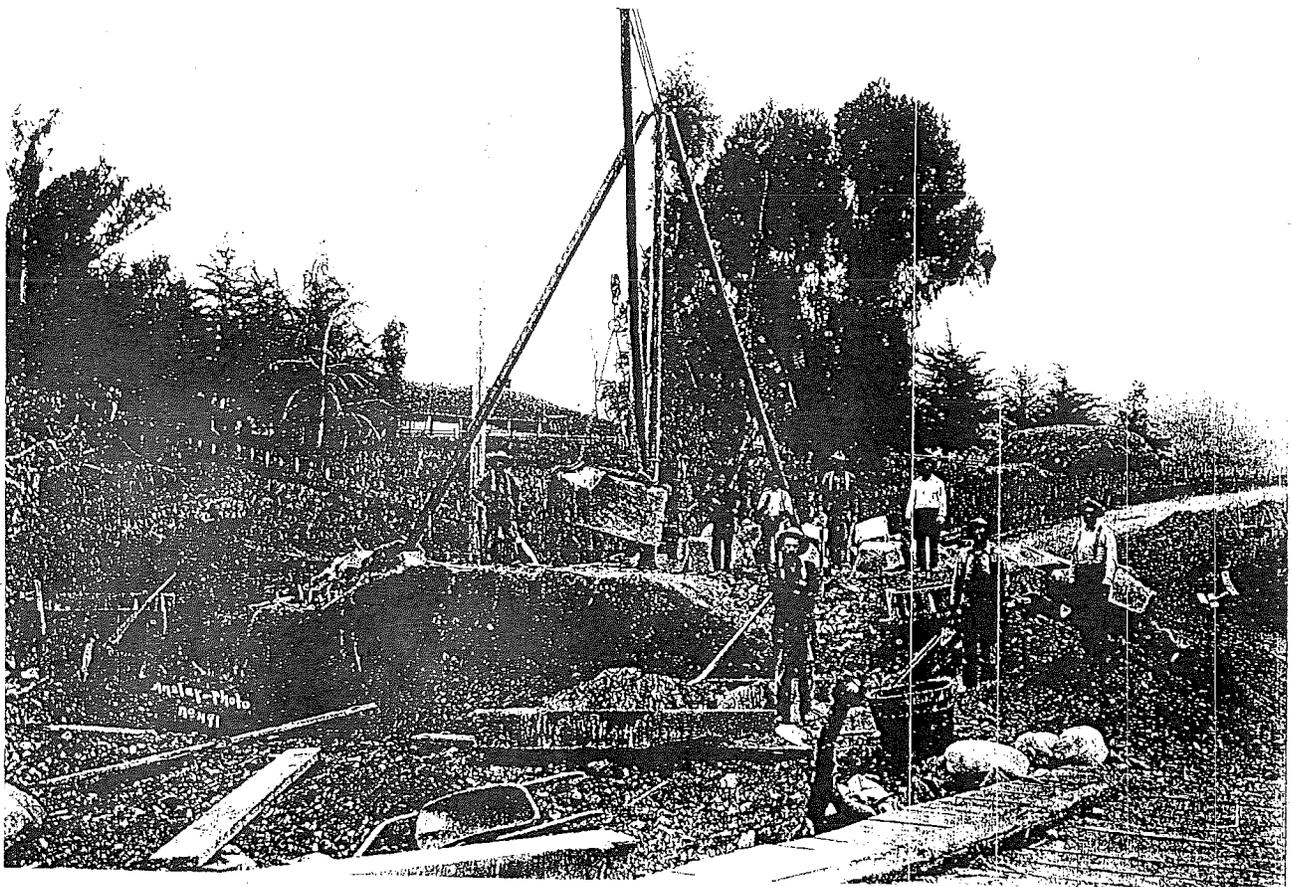
The Depression of the 1930's hit before all the lots were sold. The syndicate was liquidated by deeding the unsold lots to individual members of the syndicate, proportionately. Mr. O'Donnell got eleven lots at that time. After the end of World War II, he bought some houses used by the Army for recreational purposes in Pismo Beach, set them up and built three, which sold readily when placed on his lots. He sold the last of his Morro Heights lots in 1956.

Mr. and Mrs. Goulding were great additions to the community of Morro Bay, from 1920 until the 1950's. They lived at first in a redwood house on the southwest corner of Ridgeway and Kern. Stella Goulding organized the first Women's Club in Morro, Las Amigas, in 1928, whose membership has remained always limited to fifty. This club did a great deal toward "putting Morro on the map," in the 1920's and 1930's. They met first in T.J. Lawrence's Administration building on Kings Street. Their clubhouse was built later on Piney Way, on land donated by A. Manford Brown, that colorful real estate promoter of early Morro Bay. They had \$1200 on hand when they built the

clubhouse, and raised another \$1200 by unceasing effort through several years. Their attractive building has been free of debt for a long time.

When President Warren G. Harding died in August, 1923, Mr. Goulding arranged a community memorial service for the dead president in the tiny park in the center of town, with a troop of high school-age Girl Scouts from Atascadero, who were camping in the Willows. They sang Kipling's "Recessional," dressed in their uniforms. This author, who happened to be one of these girls, vividly remembers being entertained afterward at the Goulding's home—and the beautiful sunset they watched from the living room window on Ridgeway, the view unobstructed by other houses or trees!

James Goulding was very active in the Chamber of Commerce, and in all projects directed toward building and promoting the town of Morro. One of these projects was an outboard motorboat race down the bay channel, in the summer of 1932. Originally set for a date in June, this conflicted with a big project of the Monday Club in San Luis Obispo to sponsor tours of the Hearst Castle (very private property then) to make money for building the Monday



TONINI FAMILY

Building the bridge over San Bernardo Creek in the early twenties when the road between San Luis Obispo and Morro was constructed. Stone is from Bishop's Peak, the building is the "Morro Castle" or Canet Adobe. Ben Tonini, road foreman, stands in foreground at right. Other are: Pedro Marquez, Ralph Kester, and John Reis.

Clubhouse. Planning meetings for the motorboat race were held over a period of several months in Goulding's office. But the race was finally held on July 15th, with six classes of boats, and brought considerable favorable publicity to the town. Mr. Goulding had gotten the Motorboat Association of Fresno to sponsor it.

Goulding planted the Monterey Pines along Ridgeway, Piney Way and Kings Street about 1925, which greatly enhance the beauty of the area. Mrs. Goulding about the same time, scattered the sweet alyssum and linaria, which even into the 1980's added a touch of loveliness to the few vacant lots left in that part of town.

As the Depression of the 1930's deepened and fewer lots were selling, the Gouldings moved from their home on Ridgeway to an apartment back of the real estate office which Mr. Goulding had built on the corner of Morro Bay Boulevard and Bernardo Avenue, which in the mid-1970's was occupied by a ceramics studio, then a silver crafts studio. About this time James Goulding contributed a nostalgic poem to *The Scribblers' Quarterly*, which was published in 1933 by a group of Morro friends who managed to have a good time doing creative things during the Depression. The poem commemorates the old highway from Atascadero to Morro, a road which was narrow and steep; the dangerous summit was called Devil's Gap. With its curves encouraging motion sickness the road was called "butterfly highway" by many oldtimers. A new highway was under construction.

Remembering the difficulties of those times, we quote a part of Mr. Goulding's poem:

The New Road

Soon, by a perfect highway, scorning hills,
The rush of traffic will be gliding free,
With the old grade unknown or soon forgot,
But a warm, living memory to me.
The old grade! By the stream, then up the slope
With many a sudden pitch and bootless quirk,
Sharp corners where the opposing frightful truck
Or vagrant cow seemed purposely to lurk.
But oh! the beauty of it! Trees came close,
Wild mustard's banks of gold, and chaparral,
And with each crazy curve the vista grew;
The world will not remember, but I shall.
I shall remember (as I see their purpose)
The jolts of life with blessing, not with blame,
Shall deem the bad curves precious, somehow miss them,
Like the old road before the highway came.

A person of quite a different type from James Goulding, yet also a dreamer of sorts, was A. Manford Brown, referred to as having donated the land for the Las Amigas clubhouse. His nickname, "Pickhandle Brown," came from his having been previously the railroad section foreman at Paso Robles. When oil wells began producing in the Kettleman Hills area, in the early 1920's, he felt there would be big developments there. But when Standard Oil Company

developed the town of Avenal, Kettleman City died.

However, Pickhandle Brown had not put all his eggs in one basket. He had seen even better possibilities in Morro Bay. He sold lots for James Goulding's Morro Heights development, then started his own "A. Manford Brown Acres," about three miles south of town, approximately where the Ashhurst religious commune, Roandoak, was situated in the 1970's. Later he built the "Log Cabins," Morro Bay's first good motel.

Everyone who remembers Morro Bay in the 1920's and 1930's speaks of "Pickhandle Brown," an unforgettable character. When Amy Warner's husband, Francis Gillette Warner, a very dignified gentleman, and probably the wealthiest man in town, put a gate across the end of the street near his home (Morro Street near South Street), A. Manford Brown crashed through the gate purposely with his car. Mr. Warner never replaced it!

"Pickhandle Brown" was responsible for bringing to Morro Bay the Rohrberg family, who soon joined the leading real estate developers of the community, with almost entirely local capital.

John Rohrberg, a real estate sales manager from Aberdeen, Washington, was enroute with his family to Los Angeles, then a mecca for people in that business. Staying at a cabin in Morro Bay, they were impressed with the attractiveness of the beach, the bay, and the town in general. A. Manford Brown's real estate office was directly across the street from their cabin. He told them about the bright prospects for land sales there, and it wasn't long before Rohrberg had a small real estate office across from the Cloisters Inn, with a fountain in front. He was the subdivider and broker for Ocean Heights. Later, this little building stood on the corner of Harbor and Shasta Streets where the City Hall was later located, and later still, with quite an addition, it became a dwelling near the Halfway Market on Atascadero-Morro Road.

John Rohrberg was also the subdivider and broker for Morro Strand, on both sides of the highway.

In 1927 the Rohrbergs founded the Morro Bay Holding Company, to buy the Joe Enos ranch on Atascadero Road, west of the present Masonic Hall. It consisted of 320 acres, which they were to buy for \$32,000. However, the Depression hit before much was accomplished with this, so they got the release only on 50 acres, and the rest went back to Mr. Enos, who had a dairy. He sold it later to Dr. Wilmar of Paso Robles, who had other Morro Bay investments, and he later sold a good deal of it to the Texaco Company. The Morro Bay Holding Company had among its stockholders "Pete" Peterson, editor of *The Midway Driller*, Chet Schlegel, Jr., his father, Chet Sr., and Harold Gott of Taft.

Milton Rohrberg and his brother, Ted, both got their real estate license as soon as they were eighteen years old, and were involved with the Morro Bay Holding Company.

Soon after the end of World War II, Curt Davis, a famous baseball player, bought two houses from Milton Rohrberg in Cambria. He had been a pitcher for the Brooklyn Dodg-

EXHIBIT D

The Costs and Benefits of Trees

SDA Conference - Keystone

9/20/12

Bob Howey

Tree Analysis Group, LLC

Crash Course on Trees

- The Benefits of Trees
- The Costs of Trees
- Tree Management - Planting, Pruning, PHC, and Removals
- Trees: FAQ's / Hot Topics
- Q & A

The Value of Trees

- Trees in both natural and urbanized areas are important to people and our lives.
- Trees evoke emotional benefits to us all and to some even spiritual significance.
- All of us are innately drawn to trees - both consciously and subconsciously.

The Functions of Trees

- Most trees in cities or communities are planted or preserved to provide beauty, shade, or other important functions.
- Trees serve many purposes and it is helpful to consider the functions that they may fulfill. Trees provide: shading, cooling, screening, producing oxygen, absorbing pollutants, food, wildlife habitat, provide privacy, and creating a sense of place.

Community Benefits of Trees

- Though trees may be on private property, their size and location often makes them part of the community.
- Since tree canopies can occupy considerable space, planning is required for all to benefit.
- With proper selection and maintenance, trees can enhance and function on one property without infringing on the rights of neighbors and can be beneficial to the adjacent properties – the converse is also true.

Environmental Benefits

- Trees alter the environment in which we live by moderating climate, improving air quality, conserving water, and harboring wildlife.
- Climate control from trees is obtained by moderating the effects of sun, wind, and rain.
- The leaves of deciduous trees absorb or reflect radiant energy in the summer and when the leaves fall, this allows warming sun on a building or area in the winter.

Environmental Benefits

- Wind speed and direction can be affected by trees. The more dense the foliage is on a tree or group of trees, the greater the influence as a windbreak.
- Trees should be planted on the windward side of the prevailing winds, but consider also possible snow drifting that can occur downwind of these breaks.

Environmental Benefits

...

- Trees make the environment cooler in the summer and warmer in the winter by regulating the sun's radiant energy and by transpirational cooling.
- To obtain these benefits, is best to plant deciduous trees on the West, East, and South side of homes or buildings.

Environmental Benefits

...

- The downward fall and impact(s) of rain, sleet, and hail is initially absorbed or deflected by trees, which provides some protection for the people and property below.
- Trees intercept precipitation, slow its flow and release, store some water, help reduce storm water runoff, and lessen the possibility of flooding.

Environmental Benefits

- The temperatures in the vicinity of trees are cooler than it is away from or without trees.
- The larger the tree canopy, the greater the shading and transpirational cooling that is provided.
- By using trees in the cities, we are able to moderate the heat-island effect caused by pavement and buildings in urban areas.

Environmental Benefits - Last

- Air quality can be improved through the use of trees. Leaves filter the air we breathe removing pollutants, harmful gases, dust, and other particulates.
- Trees take up and absorb carbon dioxide from the air and also absorb air pollutants—such as ozone, carbon monoxide, and sulfur dioxide—and they generate and give off oxygen as a by-product.
- Carbon sequestration – Carbon “captured” from the air and is used or stored by trees and they serve to reduce the carbon dioxide in the atmosphere that comes from the burning of various fuels.
- By planting trees in areas, we create a more natural, more inviting, and a less artificial environment. Birds and other wildlife are also more attracted to areas with trees.

Economic Benefits

- Trees have value and that can be appraised, but the variability of species, size, condition, location, and their function makes determining their economic value more complex and requires a consulting arborist to determine.
- Trees can add 5-20% to the appraised value of a property and trees generally increase in value from the time they are planted until they are mature.
- The economic benefits of trees are both direct and indirect. Direct economic benefits are usually associated with reduced energy costs and increased property values.

Economic Benefits

- Indirect economic value and benefits are tied to the trees' added aesthetics and beauty which are harder though still possible to value.
- Lowered electricity bills are paid by customers when power companies are able to use less water in their cooling towers, build fewer new facilities to meet peak demands, use reduced amounts of fossil fuel in their furnaces, and use fewer measures to control air pollution.
- Communities also save if fewer facilities must be built and maintained to control storm water.

Savings from Trees

- The energy savings, lessening of runoff, reduce pollution, and carbon sequestration benefits which can be accurately valued and are worth calculating especially when discussing larger quantities of trees.
- These cost savings can be calculated and given hard valuation via the USDA Forest Service UFORE and/or American Forests - City Green models. Let me know if you would like more information about or help in calculating these cost savings.

Costs: Trees Require an Investment

- An investment is required for trees to provide the desired benefits.
- The single biggest, one time cost of a tree occurs when it is purchased and planted. Planting should include an irrigation system and also supplemental watering during establishment.
- Leaf clean up, pruning, fertilization, insect/disease control, removals, and the disposal can be costly and should be planned and accounted for.

Costs: Trees Require an Investment

- To function well in the landscape, trees require ongoing care, attention, and maintenance. A professional arborist, whether on staff or under contract, should be utilized to manage and maintain trees. Arborists have the knowledge and equipment needed to prune, spray, fertilize, and otherwise maintain trees.
- Ongoing tree care is the often underestimated and not adequately budgeted for. It also is an easy budget line item to cut or defer. When tree maintenance gets cut from the budget (and maybe not reappear), this often leads to poor or substandard trees over time.
- A Consulting Arborist, Community Forester, or Extension Agent can provide unbiased answers about tree maintenance, suggested treatments, or recommend qualified arborists and tree care companies for providing the needed tree services.

Tree Costs - 20 year Cost of Ownership

The following are my own estimates/projections of tree care costs based on actual field experience for the 20 year tree care, "retail" costs for a tree and tree care. All costs will vary especially with tree quantities involved and quality of work factors, but this provides at least a starting point for decision making, budgeting and other considerations.

- Installation/Planting: \$630 - 2" Deciduous or 6 foot Evergreen tree
 - staked and mulched, connected with irrigation system
 - Maintenance excluding Fall leaf clean up and special watering:
 - > Pruning - every 4 years \$60 average x 5 = \$300, lower in early years
 - > Plant Healthcare - Annual Spraying \$15 x 20 = \$300
 - Fertilization - every 3 years \$10 x 7 = \$70
 - ≥ Irrigation Maintenance/Water Cost - ongoing \$30 x 20 = \$600
- TOTAL - 20 Year Cost = \$1940 per tree**
- \$1270 (\$62.50/year) Maintenance plus Initial Planting \$670

Annual Tree Maintenance Costs

- A study published by Virginia Tech University listed annual tree maintenance costs at \$84 to \$100 per tree per year depending on the size of the tree. Virginia Cooperative Extension, Publication #420-121
- Most Properties/Communities/Metrodistricts do not allow for anywhere near this much in their budget to maintain their tree assets. It is often just 10-25% of this needed amount.

**For more tree questions,
information, or assistance - please
contact us:**



Bob Howey

ISA Certified Arborist and ASCA Consulting
Arborist, QS, Horticulturist, MBA

303-726-1952 or bob@treeanalysis.com

Please contact us if we can help you with any tree management, water conservation, or landscape issues or advisement - both one time items or ongoing support.

February 22, 2016

To: City of Morro Bay council@morrobayca.gov
 Attn: Mayor and City Council
 595 Harbor Street
 Morro Bay, CA 93442

City of Morro Bay
 FEB 29 2016
 Rec'd City Hall

From: Walter Schob
 Morro Bay, CA 93442

Subject: Code Enforcement Notice---"1. RV and Boat Parking on front or street side yard"

Dear Mayor and City Council:

I received subject Code Enforcement Notice dated 2/8/2016 (Attachment 1). I request relief from this Code Enforcement Notice for the following reasons:

I bought my house in Morro Bay 20 years ago (7/22/1996) and one of the items, pointed out by the real estate agent, that influenced my purchase, was the special feature: "a paved parking area for an RV or a boat".

I have lived in my house for 20 years and have parked (like a car) my RV (trailer) on the paved parking area during the days when my wife and I are not on the road camping in the trailer.

When parked, the trailer is not used for human habitation and is not connected to utilities. It is parked on a paved driveway area designed for an RV and/or a boat and is not maintained in any required front yard or side street yard.

I can find nothing in Morro Bay Municipal Code, Title 8, Chapter 8.04---Health Codes and Chapter 8.14---Public Nuisances

That applies to parking my trailer on a paved parking area specifically designed for RV or boat parking.

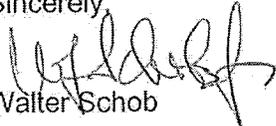
That mentions any health and safety issues with parking my trailer on a paved parking area specifically designed for RV or boat parking.

When parked, the trailer CANNOT be considered harmful and/or deleterious to public health, safety and welfare of the citizens of Morro Bay. And DOES NOT affect the appearance and safety of my/our community. It is kept clean, covers conceal the tires and foliage that conceals the West side of the trailer is kept neatly trimmed.

I have attached two pictures showing the trailer parked on the paved parking area specifically designed for RV parking.

I request relief from this Code Enforcement Notice.

Sincerely,


 Walter Schob

Attachment 1: Code Enforcement Notice---"1. RV and Boat Parking on front or street side yard"
 Attachment 2: Two pictures of trailer parked on the paved parking area designed for RV parking

CODE ENFORCEMENT NOTICE



Date: 2/18/2016

Dear owner/occupants: _____

Address: _____

Morro Bay, CA 93442

The City of Morro Bay partners with community members for strong community enhancement by ensuring that nuisances and other code violations related to public health and safety are remedied efficiently and professionally.

Community enhancement involves Community Development Department code enforcement staff and other City staff members first working to educate the community about the municipal code. Voluntary compliance of the City's laws on nuisances is our first priority. Should education and voluntary compliance be ineffective, however, Code Enforcement will then utilize various laws to remedy the nuisance.

The City of Morro Bay hired two (2) part time code enforcement officers (David Crockett and Tim Kristofek) to enforce the city ordinances. At this time the officers are responding to called in complaints on properties. On April 1, 2016 the officers will take a pro-active stance. This means if they see a code violation on properties, owners and occupants will receive a 30 day letter explaining the violation and options on how to comply.

For the months of January, February and March the officers are doing neighborhood sweeps and sending flyers explaining and educating the public on specific City violations.

Once April 1st arrives official letters will be sent out to all violators.

The following check marks (with flyers attached) are violations observed on your property during a neighborhood inspection.

- | | |
|---|---|
| <input checked="" type="checkbox"/> 1. RV and Boat Parking on front or street side yard. | <input type="checkbox"/> 5. Fence - Hedge height, location. |
| <input type="checkbox"/> 2. Garbage cans – visible from street. | <input type="checkbox"/> 6. Parking inoperable vehicles. |
| <input type="checkbox"/> 3. Improvements in the right of way or encroachments. | <input type="checkbox"/> 7. Shrubbery – site distance. |
| <input type="checkbox"/> 4. Unsightly conditions on private property-junk/trash on a lot. | <input type="checkbox"/> 8. Illegal camping. |
| | <input type="checkbox"/> 9. Illegal signs. |
| | <input type="checkbox"/> 10. Excessive water use. |

Please feel free to call either Code Enforcement Officer Tim Kristofek or Code Enforcement Officer David Crockett at (805) 772-2223 to discuss any matters or question you have concerning this program.

Tim Kristofek

Attachment 2:

Pictures of trailer parked on paved parking area designed for RV parking



Looking West



Looking East

Dana Swanson

From: CHARLES AWBREY <
Sent: Sunday, February 28, 2016 7:27 PM
To: Council
Subject: Citation of Cypress Hedge on Kern Street

FEB 28 2016
Administration

Mrs. Van Noy, a long time resident of Morro Bay, has lived here since 1938. The hedge in question is on the
of her property and stretches about 71 yards. The triangular lot borders and the backyards of
homes on Avenue.

We live on Avenue. The removal of the hedge would affect us due to the increase in noise from traffic on

The hedge has been in place since before Morro Bay was incorporated as a city. It does not impede turning
from I

Cutting the existing hedge down to three feet would undoubtedly kill these old growth plants. The cypress
hedge has been home to

small nesting birds, keeping them safe from hawks. Where are they now to go?

Compliance with this citation does nothing but satisfy an inflexible rule without regard to the cost or the overall
privacy of the resident.

Respectfully,

Carol and Bill Awbrey

Morro Bay

Dana Swanson

From: Don Lockwood < >
Sent: Sunday, February 28, 2016 11:19 AM Administration
To: Council; Jamie Irons; Christine Johnson; Matt Makowetski; John Headding; Noah
Smukler; Don Lockwood
Subject: Storm brewing

Hi to the MB City Council

First: My name is Don Lockwood, I am a citizen of Morro Bay, and I have lived here for forty years. I have also served on your Harbor Advisory Board and was the Chairman for about ten years.

The subject of this message is The Code Enforcement question. To start with I am of the school of "Don't fix it if it aint broke." Unfortunately with your recent policy change I feel you may have broke something. I have read with interest that change in the code enforcement policy i.e. to "Proactively enforce the various ordinances." As I interpret that policy it seems that you are preparing to aggressively enforce the ordinances where ever and when ever the officers can find them. That they will actively go on patrol looking for violations. I am assuming that since the Fire Department, the Building Department, the Harbor Department and the Police Department all have code enforcement duties and responsibilities, that the two new code enforcement officers will be primarily concerned with the Public Nuisance ordinances. I'm sorry but I think you have opened a large can of worms.

Considering how poorly that ordinance is written those two officers will have no trouble documenting more than enough violations to justify their positions. As an example read the following taken directly from the ordinance:

"Public nuisance" means and includes anything which is injurious to health,
or is **indecent or offensive to the senses.**"

I guess my question is who gets to decide what is indecent, who gets to take offense and which of the five senses are to be employed?

Having spent many hours sitting up on the podium, like you, listening to people complain, I am very sympathetic to your situation. So instead of just griping I will offer what may be a solution to the fire storm that is brewing.

First, call off the enforcers at least until the code or codes have been cleaned up.

Second, establish an advisory panel made up of Morro Bay citizens to study and recommend changes to code or codes identified by you. I suggest the panel should have no more than seven members none of which are employees of The City of Morro Bay. To function in a productive manner it should have access to all Departments, be able to call public input meetings and establish small independent working groups to address specific problem areas.

Last, they should be free of all but minimal input or control from the City Manager. The reason for this is that there is a growing concern here in North Morro Bay that he is part of the problem not the solution.

I think if you had something along these lines in the works you might be able to defuse a volatile problem situation before it starts.

Thank you for being our Council. I feel you have done a fine job. There is still a lot of work to do. Please don't let this problem distract you.

Kindest regards Don

Dana Swanson

FEB 29 2016

From: Steve Francis <
Sent: Friday, February 26, 2016 4:56 PM
To: Council
Subject: Letter in Support of Morro Bay Code Enforcement
Attachments: Letter in support of Morro Bay Code Enforcement - Steve and Cathy Francis.pdf

Administration

Please see attached letter. We support the recent code enforcement actions.

Steve Francis

Steve and Cathy Francis

Morro Bay, CA 93442

February 26, 2016

Letter Regarding Enforcement of the City Code:

We were glad to receive the Community Enhancement information in the mail. We live in the Beach Tract, where lots are very small and houses are close together. We have seen some flagrant code violations:

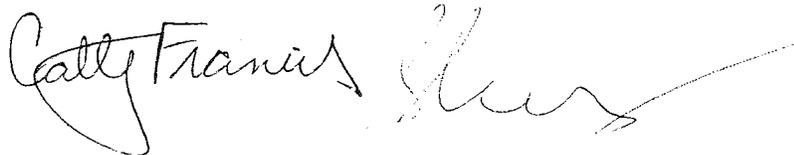
1. neighbors parking a horse trailer in their front yard
2. people camping on the street in their RVs (with power cords plugged into the house).
3. neighbors continually parking in front of the mailboxes and the mail carrier refused to deliver the mail at that point. This resulted in the mailbox owners having to pay a contractor to have the mailbox moved because these people kept parking their boat and truck in front of the mail boxes.

In all cases, polite requests to the neighbors asking them to be more considerate have resulted in profanity, anger, and no positive change.

Human nature being what it is, most people seem to think that they should be able to do anything that they want to. Often there is little thought for how their actions affect other people. The guy who wants his boat or RV in his side yard doesn't think about the fact that his neighbors don't really want to look at his boat or RV (or his trash cans) and views these things as an eyesore. We have a motor home that we think is beautiful! However, we don't think it looks beautiful sitting on the side of our lot or in the street in front of our house. Our neighbors probably agree with this thought.

Another issue solved by the enforcement of the city codes is neighborhood aesthetics. Aesthetics contribute to property values and to the ability to attract visitors to this community, supporting our tourism industry. Property values will go down and visitors will be less inclined to visit and pay top dollar when the place they are visiting looks tacky.

So we support the city of Morro Bay enforcing the existing codes. Note that we think that the city of San Luis Obispo has gone a little overboard with their zealotry. But when we drive around Oceano we see strong value in code enforcement.

A handwritten signature in black ink, appearing to read "Cathy Francis". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Steve and Cathy Francis

Dana Swanson

RECEIVED
City of Marina Bay

From: CRAIG PORTER ·
Sent: Friday, February 26, 2016 10:09 AM
To: Council
Cc: Noah Smukler
Subject: code enforcement.

FEB 26 2016

Administration

AS a resident as well as someone who uses their boat as a source of income, the new code enforcement tactics are concerning. In recent weeks I have had numerous residents stop by my house and express concern about the new policies being put in place by this council. Boats, RV's and trailers not in public parking spaces in our town, but rather in the owners private property should cause little concern to anyone. If you have done your homework you will understand that in other coastal cities such as Santa Barbara, or Monterey the boat owners play 72 hour shuffle with their boats in on street parking. Our beautiful city's image is not harmed by people owning or parking these items in their yards, but having these items parked on street all over town will do no one any good. Also of concern is the rule that a boat can not be hooked up in any way to utilities. I plug my boat into electric to maintain the batteries so I don't get stuck offshore. I have talked to over 100 people who have expressed the same opinions on this. I appreciate your time and look forward to a response..

E. Craig Porter

Dana Swanson

From: Lou Kranz <
Sent: Thursday, February 18, 2016 2:14 PM
To: Council
Subject: Code Enforcement

Hi - I will be out of town on March 8th and unable to attend the meeting. That being said, I can't tell you how happy I am that we have code enforcers. I moved from a city with a strict HOA and all of the yards and houses looked nice. We were not able to park RV's, boats, or trailers on our property. This kept the neighborhood looking very nice. When it came time to sell my house, it sold quickly and I moved here. As I walk around Morro Bay, I am appalled at some of the things I see. Some streets look like junk yards. If I had it to do all over again, I wouldn't move here. I realize that people feel that since it is their own property, they can do as they please, but this affects the property values.

I say, ENFORCE, ENFORCE, ENFORCE !

Thanks,

An unhappy homeowner

RECEIVED
City of Morro Bay

FEB 16 2016

Administration

Memorandum - Two Pages

Date: February 16, 2016
To: Morro Bay City Council
From: Ron Reisner, Morro Bay Resident
Subject: City of Morro Bay Municipal Ordinances and Code Enforcement

With all the talk concerning tight budgets and fiscal responsibility in our little town, I find myself confused by certain aspects of the current state of Municipal Ordinance Code enforcement - enforcement which now represent at least \$100,000 of annual City budget, without regard to the inevitably associated costs of other City employees and City resources.

I and other citizens are familiar with the May 2015 San Luis Obispo County (SLO) Grand Jury findings concerning City of Morro Bay Code Enforcement. As we know, the Grand Jury made four recommendations:

- R1: Establish a proactive managed code enforcement process.
- R2: Fund and hire a full-time municipal code enforcement officer.
- R3: Acquire, install and use a municipal code management software package to track all code violation complaints.
- R4: Train staff on use of the new system.

We are also familiar with Mayor Irons July 14, 2015 response to judge Harman following the Grand Jury findings.

Unfortunately, neither the Grand Jury investigation and its findings, nor the Mayor's response to the court, nor the City's current Goals and Objectives item 4.d., nor the City's code enforcement process to date seem to include the all-important element of a comprehensive City Municipal Ordinance review. Or, perhaps I am ignorant of the City sharing with its citizens the results of such a comprehensive review.

Given that Ordinances are laws created by the City, and Codes are standards or administrative interpretations of those Ordinances, the question is not whether a City needs Ordinances (and the Code enforcement of those Ordinances), but rather what City Ordinances are appropriate and necessary?

No responsible citizen would argue against the need for City Municipal Ordinances that meaningfully protect health and safety. However, two exemplar issues regarding current City health and safety Ordinances raise questions regarding meaningfulness. The first relates to the storage of non-derelect recreational vehicles and boats on private property, irrespective of whether some portion of those RV's or boats sit on a zoning set-back within the boundaries of that private property. The second relates to the height of hedges on private property when the height does not interfere with traffic sight lines. It is difficult to understand how these two examples of private property use have a negative impact on the City's health or safety.

My question is, since the May 2015 SLO Grand Jury findings, and the subsequent actions of the City of Morro Bay relative to Municipal Ordinance Code enforcement, have those actions been preceded by and/or included a comprehensive review of City Municipal Ordinances, as well as the associated public input?

In the City's December "Information" release, the "10 most common [Code] violations" are featured. Taking them in turn: Water conservation, which under present circumstances cannot be argued; Control of commercial signage, very likely necessary; Prohibiting public nuisance junk, debris, and trash on private property, which makes sense; Prohibiting shrubbery heights that impeded traffic safety – sure; Prohibitions against encroaching on City property – understandable; Prohibition against illegal camping – if only that one was actually enforced. That leaves us with City Ordinances addressing: "Improper Parking of RV's and Boats"; "Fences"; "Garbage Cans – Visible from Street".

So, seven of the 10 most common violations appear worthy of being City Municipal Ordinances, while in the light of rational review, three of the 10 (or portions thereof) may not. In order to justify the application of City resources, City budget, and City taxpayer funds to Ordinance enforcement, it is logical that an Ordinance must materially and specifically contribute to public "health and safety". What then is the litmus test for such contribution, and who decides?

I do not know how many Morro Bay Municipal Ordinances exist that relate to health and safety, as well as to the associated use by private land owners of their property, but there appears to be a need for comprehensive and substantial review. Using the example of the 10 most common violations, approximately 30% of existing Municipal Ordinances relating to public health and safety might be called in to question relative to their rationale and relevance. If even a fraction of this is the case, a reasoned and rational review of Morro Bay Municipal public health and safety Ordinances is necessary. This is especially true in light of the impact on the City budget and taxpayer dollars from the Code enforcement process. Even if the City were awash in budget funds and taxpayer funding, a reasoned and rational approach to the specific nature and existence of City Municipal Ordinances, much less their enforcement, is a prime responsibility of City government.

Please advise relative to your position regarding the need for a comprehensive and substantive review of City Municipal Ordinances, especially those relating to public health and safety – a review which focuses on reasonableness and relevance, and which factors in the responsible use of public funds for enforcement. Further, please advise as to your position regarding conducting that review prior to expending City budget and taxpayer dollars on relevant aspects of Municipal Ordinance enforcement.

I look forward to your response.

Sincerely,

Ron Reisner
Morro Bay Resident



AGENDA NO: C-3

MEETING DATE: March 8, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 19, 2016

FROM: Eric Endersby, Harbor Director

SUBJECT: Consideration of Harbor Advisory Board “Triangle Lot” Concept Site Plan Recommendation and Authorization to Proceed with a Financial Feasibility Analysis of a Proposed Marine Services Facility Based on Concept Site Plan

RECOMMENDATION

Staff recommends the City Council accept the Harbor Advisory Board’s December 3, 2015, recommendation to consider RRM Design Group’s “Option A” concept site plan for the “Triangle Lot” property as the preferred site plan on which to conduct a financial feasibility analysis for the proposed Marine Services Facility/Boatyard.

Staff further recommends the City Council authorize staff to seek and engage a consultant to conduct a full financial feasibility analysis on the proposed Marine Services Facility/Boatyard, based on the “Option A” concept site plan, including authorization of up to \$50,000 to complete the analysis from the Harbor Accumulation Fund.

ALTERNATIVES

1. Council could choose the “Option B” concept layout.
2. Council could choose not to authorize the financial analysis.

FISCAL IMPACT

Approximately \$55,000 in approved funding remains in the Boat Repair/Storage Yard capital account, which draws funds from the Harbor Accumulation Fund. If approved, then it is estimated the proposed financial feasibility analysis will cost approximately \$40,000-\$50,000. If the actual cost exceeds the current balance in this account, then the excess would come from the Accumulation Fund.

BACKGROUND

At the May 7, and June 4, 2015, Harbor Advisory Board (Board) meetings, the Board recommended the City Council commit to evaluate and site a proposed future Marine Services Facility/Boatyard in the City’s newly acquired “Triangle Lot” property adjacent to the former power plant. At the June 23, 2015, City Council meeting, staff brought forward the recommendation to engage a design consultant to

Prepared By: EE

Dept Review: EE

City Manager Review: DWB

City Attorney Review: JWP

develop initial concept site plans with respect to how the proposed marine facility (based on the Harbor Advisory Board-approved facility site criteria), dry boat storage, maritime museum and public parking might all fit into the Triangle Lot property. Council voted unanimously to authorize the Harbor Director to engage such a consultant, with a maximum budget of \$15,000.

In mid-August 2015, staff received several proposals from consultants as a result of an RFP issued for a concept layout analysis of the Triangle Lot and surrounding public property areas. RRM Design Group of San Luis Obispo was the low proposer and chosen to perform the study with a total contract cost of \$9,980. RRM completed the analysis with considerable Harbor Advisory Board Ad-Hoc Committee Member, City staff and other key stakeholder involvement.

Out of the analysis process, RRM developed and presented two layout options, “Option A” and “Option B.” The primary difference between Options A and B are the path of travel of the vessel travel-lift from the approximate haul-out site to the yard. Those options were presented to the Harbor Advisory Board on December 3, 2015, and the Board voted 6-1 to recommend the City Council consider Option A as the preferred alternative.

Options A and B, as well as an overhead view of the existing conditions of the Triangle Lota area, are included as Attachment 1 to this staff report. In addition, the staff report and approved meeting minutes from the December 3, 2015, Harbor Advisory Board meeting are included with this staff report as Attachment 2.

DISCUSSION

In both Options A and B, the Marine Services Facility/Boatyard is located in the northeast section of the Triangle Lot, the Maritime Museum in the southwest section, and dry boat storage between the two. Both options include identical treatment of the yard, museum and dry boat storage with ten vessel repair stalls, 50 dry boat storage spaces, a 3,200 square-foot museum building and adjacent outside museum display area.

While not germane to the Marine Services Facility/Boatyard per se, in both options, the very south end of the Front Street parking lot, where the one-way entrance is currently configured near the corner of Beach and Embarcadero, was identified as a good location to reconfigure into an open space plaza.

In both options, the area of the current Beach Street commercial fishing boat slips was identified as the most logical vessel haul-out area, with Option A taking a path of travel for the vessel travel-lift straight across Embarcadero and to the east side of the Front Street parking lot to the yard. Option B takes a travel-lift path following the waterfront north immediately after the haul-out area, then taking a turn inland to the yard adjacent to the Great American Fish Company restaurant.

From a public parking space standpoint, both options include a complete redesign of the entire area from approximately Morro Bay Landing to Beach Street, including all public parking and other areas, with back-in angle parking and significant parking space, driveway cut and drive aisle redesign to maximize the parking potential. From today’s existing parking spaces in the consideration area, and not including the current unofficial Triangle Lot parking spaces, Option A nets a 37-space gain over

existing, while Option B nets a 52-space gain.

CONCLUSION

The 2014 Morro Bay Fishing Community Sustainability Plan's #1 recommendation was continued analysis and pursuit of a vessel boatyard/haulout facility in Morro Bay. The recommendation was based on potential demand for such a facility and continued strong community support, in addition to being the Harbor Advisory Board's declared #1 goal and a continued City Council goal.

In March 2015, a market demand analysis was conducted by Lisa Wise Consulting that concluded a potential customer base of 269 vessels per year and generation of approximately \$1.74M total spending could occur were a full-service marine service facility located in Morro Bay. It must be noted the market analysis accounted for a *total* amount of potential spending by boatyard customers on their haul-out needs, not all of which would necessarily be spent in the actual yard itself; therefore, the market analysis figures cannot be used for determining total potential boatyard revenues.

Nevertheless, given a significant market demand does appear to exist, and one of the costliest elements of a potential boatyard in Morro Bay – land acquisition – is not a factor if the Triangle Lot is utilized, the Harbor Advisory Board and staff recommend the follow-on step of proceeding with a full financial feasibility analysis to inform decision makers and the community if the proposed facility is indeed commercially viable.

While a similar analysis conducted by Marshall & Associates on behalf of the City in 1998 concluded a marine services facility sited in the area of the dirt extension of Embarcadero was not economically viable, 18 years have passed and significant changes have occurred since then that warrant a new analysis, including (i) the City's acquisition of a viable property location, (ii) closing of one Morro Bay boatyard that existed in 1998, (iii) different yard size and parameters today than in 1998, (iv) probable increased demand and (v) stricter environmental regulations.

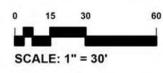
Staff recommends the City Council authorize the Harbor Director to solicit and engage a consultant to conduct a full financial feasibility analysis based on the Option A concept site plan developed by RRM, with analysis parameters and deliverables developed with Advisory Board Ad-Hoc Committee input. If approved, then the completed analysis would be routed through that Ad-Hoc committee and full Harbor Advisory Board for input and recommendation before being brought back to Council for consideration.

ATTACHMENTS

1. Overheads of Option A, Option B layouts and existing conditions.
2. December 3, 2015, Harbor Advisory Board Marine Services Facility/Boatyard staff report and approved minutes.

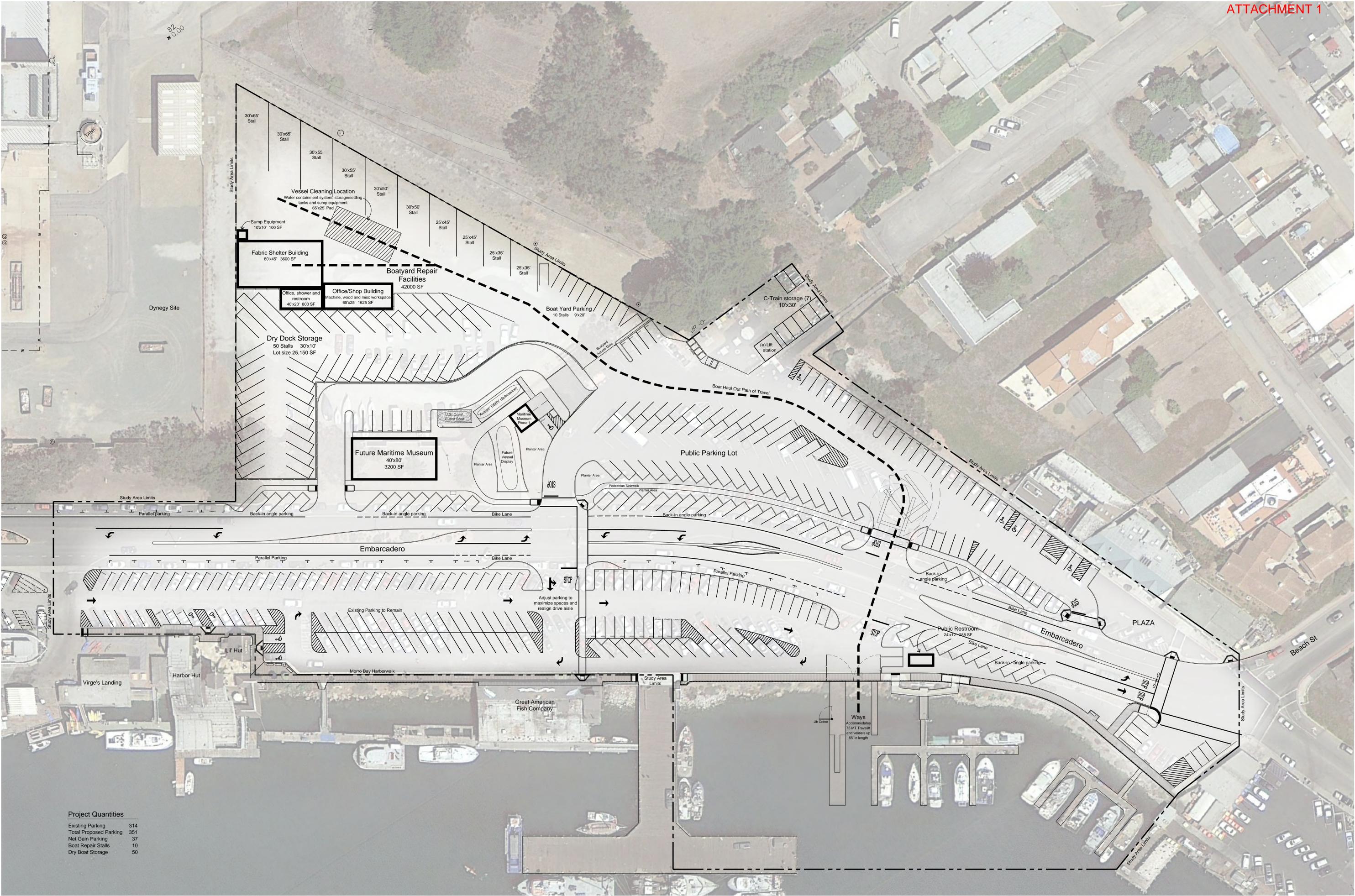


Morro Bay Triangle Lot - Existing Conditions



December 3, 2015

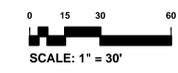




Project Quantities

Existing Parking	314
Total Proposed Parking	351
Net Gain Parking	37
Boat Repair Stalls	10
Dry Boat Storage	50

Morro Bay Triangle Lot - Option A



Base Map
December 3, 2015

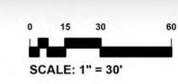




Project Quantities

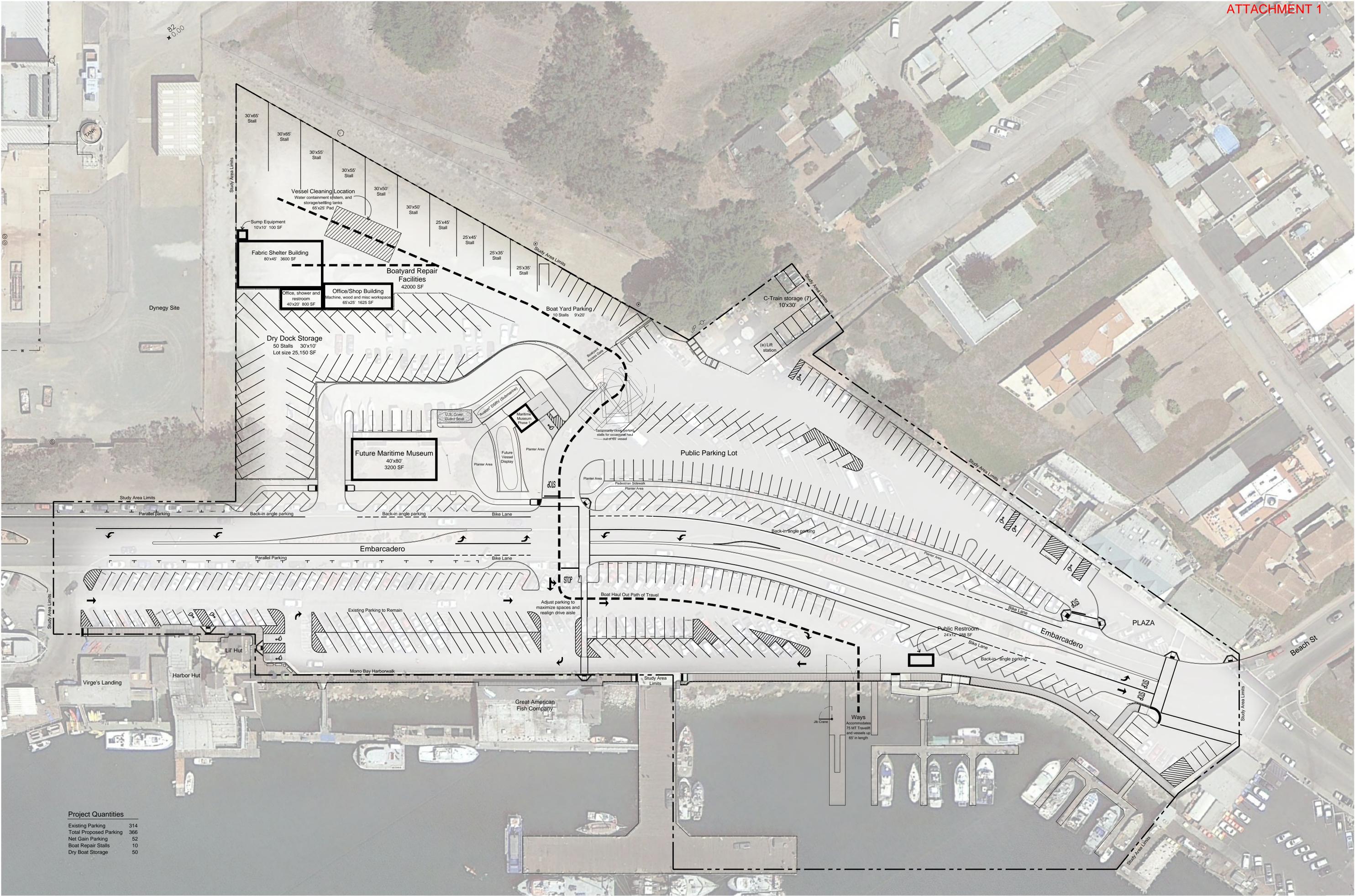
Existing Parking	314
Total Proposed Parking	351
Net Gain Parking	37
Boat Repair Stalls	10
Dry Boat Storage	50

Morro Bay Triangle Lot - Option A



Base Map
December 3, 2015

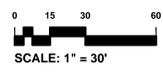




Project Quantities

Existing Parking	314
Total Proposed Parking	366
Net Gain Parking	52
Boat Repair Stalls	10
Dry Boat Storage	50

Morro Bay Triangle Lot - Option B



Base Map
December 3, 2015

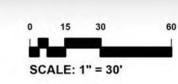




Project Quantities

Existing Parking	314
Total Proposed Parking	366
Net Gain Parking	52
Boat Repair Stalls	10
Dry Boat Storage	50

Morro Bay Triangle Lot - Option B



Base Map
December 3, 2015



Mr. Reisner said there will be a public information session on Trident's proposed Morro Bay Offshore Wind Project on Thursday, December 10, 2015, from 6-8 PM at the Vet's Hall.

Mr. Reisner requested a standing Marine Sanctuary Ad-Hoc Committee Agenda Item for the Committee in order to report any activities. He also reminded the public that this Committee is purely for the purpose of educating the Harbor Advisory Board and City Council regarding Marine Sanctuary Act impacts to Morro Bay; he said this is not an advocacy group.

PUBLIC COMMENT

<https://youtu.be/RIAMtyYsT04?t=14m37s>

Mr. Jeremiah O'Brien thanked the Board for their work on many formidable projects in the past and on the horizon for the Board. He said the Ad-Hoc Committee on the Marine Sanctuary Act should probably include dredging and harbor maintenance issues, which is always a concern of the Morro Bay Commercial Fishermen's Organization. He also said the Drive-In Movie at the Rock was a lot of fun.

A. CONSENT CALENDAR

A-1 MINUTES

<https://youtu.be/RIAMtyYsT04?t=17m5s>

Mr. Doughty said his comment during the Member Announcements should say that his work at Morro Bay Landing was not yet complete. Mr. Alward said the month of the minutes should be October not November; and that the Wind Walker is 66-feet in length. Mr. Alward moved the November 5, 2015 Harbor Advisory Board minutes be approved with corrections as stipulated. The Motion was seconded by Mr. Doughty and carried unanimously.

A-2 MINUTES

Mr. Maloney moved the October 22, 2015 Special Harbor Advisory Board minutes be approved as submitted. The Motion was seconded by Mr. McClish and carried unanimously.

B. PUBLIC HEARINGS

B-1 Harbor Department Status Report

<https://youtu.be/RIAMtyYsT04?t=22m17s>

Mr. Endersby briefed the Board on the following topics:

Kayaker Rescue Nov 6

Vessel *Fiesta* Patient Transport Nov 8

Hazardous Bar Warning Nov 14

Harbor Patrol Rescue of Sailboarder Nov 15

SCBA (Breathing Apparatus) and Fire Turnouts for HPOs

Dungeness Crab Closure

Upcoming Events:

Dec 2-7 – Lady Washington Tall Ship

Dec 5 – Lighted Boat Parade 6:30 PM

Jan 6 – NOAA – National Marine Sanctuary Process

Past Events:

Nov 8 – MB Triathlon

Nov 13 – Movie Night at the Rock

Nov 16 – Advisory Boards and Bodies Appreciation Night

NEP Executive Director Retired

Sunken Boat in State Park Marina

C. UNFINISHED BUSINESS

C-1 Update from the Marine Services Facility/Boatyard Ad-Hoc Committee on Committee's Recent Activities, and Consideration and Recommendations on the Concept Site Plans as Developed by RRM Design Group

<https://youtu.be/RIAMtyYsT04?t=39m59s>

Mr. Endersby said the Ad-Hoc Committee will present its recommendations on the RRM Concept Site Plans, viewed by the Committee and staff onsite in Morro Bay and also at the RRM Design office in San Luis Obispo on November 13. He displayed Option A and Option B designs, discussing with the Board the pros and cons of various layouts shown.

Discussion by the Ad-Hoc Committee members on the designs.

Public Comment:
None.

Discussion by the Board on the various options of both concept designs, the Travelift route, and potential parking areas. Discussion on the dry storage area as a potential money-maker. Discussion on Dynegy property not being an option as a site since it is not City owned.

MOTION: Mr. Reisner moved that the Harbor Advisory Board recommend to the Morro Bay City Council to consider RRM Design's Mini-Master Plan Concept Option "A" for the Triangle Lot, which includes a boatyard, boat dry storage, a Maritime Museum, and enhanced parking. The Motion was seconded by Ms. Meissen and carried with a vote of 6 to 1 with Mr. Doughty voting no.

Further discussion by the Board and City Councilmember Makowetski.

C-2 Update from the Finance & Budget Ad-Hoc Committee on Committee's Recent Activities

<https://youtu.be/RIAMtyYsT04?t=1h56m20s>

Mr. Maloney said the Ad-Hoc Committee met on November 23, 2015 and discussed short-term goals. With the six-month review of the 2015 budget coming up, the Committee intends to fully support the Harbor department in any way possible. The Committee is currently developing its 2016 calendar, and would like to see the Harbor Department's budgetary calendar for this period in order to put specific action items on the Committee's calendar to further support the Harbor Department in future budgetary planning for 2016 and 2017.

Mr. Maloney said the Committee is interested in how the City's current Cost Allocation Plan applies to the Harbor Department. The City recommended waiting until the Management Partners Study was implemented before viewing the Cost Allocation Plan; however, because of the unknown timing of this implementation the Committee prefers to address this issue in January in order to give an update to the Harbor Advisory Board. Mr. Maloney said the Committee continues to be focused on necessary funding both short-term and long-term of needed harbor infrastructure repairs and construction, which is referred to by the City as the Harbor Accumulation Fund.

Discussion by the Board and Mr. Endersby.

D. NEW BUSINESS

None.

E. DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/RIAMtyYsT04?t=2h1m12s>

The Board agreed by consensus to remove three items from the Future Agenda list; following is the updated list.

Future:

- Status of State Park Marina and City's Involvement
- Coast Guard Building Location Plans
- Condition of Restrooms on the Embarcadero
- Inspecting Marine Sanitation Devices on All Vessels in Morro Bay Harbor



AGENDA NO: C-4

MEETING DATE: March 8, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 22, 2016

FROM: Eric Endersby, Harbor Director

SUBJECT: Discussion of Agenda for the California Marine Affairs and Navigation Conference (C-MANC) Annual Washington, D.C., “Washington Week” Meetings

RECOMMENDATION

Staff has prepared this report for Council review and discussion. No formal action is recommended.

ALTERNATIVES

None

FISCAL IMPACT

The total cost for registration, airfare, hotel, taxi service, and meals for our three-person delegation this year is estimated to be \$8,300. In January, a grant from the Central Coast Joint Cable Fisheries Liaison Committee was applied for and awarded in the amount of \$8,000, which covers the majority of the trip’s costs. In-kind Harbor Department administrative costs in the amount of approximately \$1,025 are the City’s primary contribution to the grant.

BACKGROUND

C-MANC annually hosts “Washington Week” meetings, where representatives of California Ports and Harbors have the opportunity to remind Congress and various other agencies of the importance of dredging projects, commercial fishing, and other coastal-related legislation in California and nationwide. The City of Morro Bay is a long-standing member of C-MANC, and for the past 20+ years, has sent representatives to the “Washington Week” meetings.

On January 26, 2016, the City Council again authorized a three-person delegation including the Mayor, City Manager, and Harbor Director as this year’s Morro Bay delegation. This year’s proceedings are March 14-17.

Prepared By: EE

Dept Review: EE

City Manager Review: DWB

City Attorney Review: JWP

Continued dredging of our Federally-authorized and funded channel remains our top priority with C-MANC and our work with the Army Corps of Engineers and Washington D.C. visits. That ensures our harbor remains not only safe for passage, but fully navigable from a commerce and operational standpoint. We work most closely with the Army Corps' Los Angeles District to coordinate our channel status and dredging needs, who, in turn, prioritize their district projects for consideration at the South Pacific Division level. That Division then prioritizes and sends a work plan to Headquarters in Washington D.C., which in turn prioritizes and sends budget requests to the Office of Management of the Budget (OMB) for the nation's civil works projects, including dredging of Morro Bay harbor.

As the Nation's number one Federal provider of outdoor recreation, the Army Corps owns and operates more than 600 dams; operates and maintains 12,000 miles of commercial inland navigation channels; dredges more than 200 million cubic yards of construction and maintenance dredge material annually; maintains 926 coastal, Great Lakes and inland harbors; restores, creates, enhances or preserves tens of thousands of acres of wetlands annually under the Corps' Regulatory Program; provides a total water supply storage capacity of 329.2 million acre-feet in major Corps lakes; owns and operates 24 percent of the U.S. hydropower capacity or 3 percent of the total U.S. electric capacity; and supports Army and Air Force installations and construction world-wide.

Therefore, it is vitally important Morro Bay maintains relationships at all levels of the Corps' organization, and Morro Bay's membership and involvement with C-MANC is one key to our and other California ports and harbors' voices being heard and needs being met. Primarily because of our strategic location between Monterey and Santa Barbara, our Coast Guard station's presence and our historically dangerous harbor entrance, annually we have received approximately \$3M for the Army Corps' dredge ship *Yaquina* to dredge our harbor entrance to help reduce the severity of large winter swells breaking there and making the entrance impassable. On the larger scale, historically our harbor has received dredging of the entire Federal channel from the entrance to approximately the Inn at Morro Bay about every 5-7 years.

C-MANC and our Washington D.C. trip are not only about dredging; we also make various legislator, regulator and other agency contacts to bring forth issues and matters of concern such as fisheries, ocean and coastal management and coastal governance.

DISCUSSION

In addition to the C-MANC organized meetings where all members generally attend en masse, we set up separate meetings with key legislators and others, including the Army Corps, to discuss specific Morro Bay and Central Coast regional issues. Last year's Morro Bay meeting agenda is included with this staff report at Attachment 1.

Dredging. Largely due to our C-MANC and D.C. efforts, this year (FY16) Morro Bay received not only \$3.07M for the *Yaquina* this spring, but an additional "plus-up" of \$4.09M from the Corps' work plan. Those two amounts should be adequate to dredge our entire harbor this year. In addition, the President's FY17 budget includes \$4.4M for Morro Bay. It is yet to be seen how the Corps will or will not combine those budgeted amounts into single or combined projects. Our goal this year is to continue our message of the importance of Morro Bay dredging to our community, the region, and state, and to ensure we maintain our important Corps relationships, including thanking those involved with securing our recent funding.

Fisheries. As in recent years, Morro Bay’s focus this year will be on the Individually Transferrable Quota (ITQ) system in the groundfish fisheries, and the continued burden under the current groundfish management scheme where 100% human observers are required to participate, in addition to participants being required to have a trawl permit, no matter what type of gear they use. Those impediments have seriously hampered the Morro Bay Community Quota Fund’s ability to get better participation in the Fund, particularly among the small boat fleet. A recent analysis by fisheries managers determined only 20.2% of the total allowable west coast ITQ groundfish catch was harvested in 2015; a dismal statistic that highlights the need for important management changes, particularly the problems with observers and permits.

Marine Sanctuaries. Last year we paid a visit to NOAA’s Office of National Marine Sanctuaries to get more information on sanctuary governance and the sanctuary designation process. This year we intend to do the same, now that the Chumash Heritage Sanctuary is on the inventory for possible future designation, as well as to bring the City of Morro Bay’s primary concerns with sanctuary governance – potential conflicts with the commercial fishing industry and working harbor uses, and lack of local control – to NOAA’s attention, including Morro Bay’s most recent resolution, Resolution No. 18-12, that still stands. Resolution No. 18-12 is included with this staff report as Attachment 2 for reference.

Water Reclamation Facility and Desalination. In past D.C. visits, we have sought possible Federal grant or funding opportunities, as well as meeting with Council on Environmental Quality staffers to discuss policy and guidance issues, drought and sea level rise issues, EPA and other topics germane to our WRF project. This year we intend make visits to several Federal agencies, and to our legislators, to continue raise awareness and to further prepare the ground for possible Federal funding assistance.

Legislators. Each year we meet personally with our Congresswoman and Senators, and/or their staffers. While we do generally get to meet with Congresswoman Capps and her top aides, we rarely have met with Senators Feinstein and Boxer. We do, however, get important and productive meetings with their key senior staff. Those meetings are of a more general nature, but do focus on specific projects, issues, and recent news and happenings of a noteworthy nature. Those personal meetings are important and do make a difference in matters and funding important to Morro Bay.

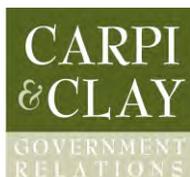
Included with this staff report as Attachment 3 are our ‘leave behind’ papers for our legislators and the Corps last year.

CONCLUSION

It is important for the C-MANC delegation, as well as the City of Morro Bay, to maintain its many relationships in Washington D.C., in addition to bringing a unified voice to D.C. of the importance of all of California’s ports and harbors to the national economy and security. As evidenced by our recent Corps funding “plus-up” and other events, such as national and international recognition of our groundbreaking Community Quota Fund, Morro Bay’s concerns and voice do matter and do make a difference in legislation, funding and other issues important to our community.

ATTACHMENTS

1. 2015 City of Morro Bay Washington D.C. meetings agenda.
2. City of Morro Bay Resolution No. 18-12.
3. "Leave behind" papers for Congresswoman Capps, Senators Boxer and Feinstein and the Army Corps of Engineers.



**City of Morro Bay
Washington, D.C. Meetings
March 9, 2015**

Monday, March 9

9:30a.m.

**Bradd Schwichtenberg, Civil Deputy
Department of Civil Works
U.S. Army Corps of Engineers
441 G Street NW Office 3T61
Washington, DC 20314 -0002
Office: (202) 761-1367
Cell: (202) 573- 1644**

1:45p.m.

**Aaron Shapiro, Senior Legislative Assistant
Office of Congresswoman Lois Capps
2231 Rayburn House Office Building
(202) 225-3601
Aaron.Shapiro@mail.house.gov**

3:15p.m.

**John Armor, Deputy Director
NOAA's Office of National Marine Sanctuaries
Matt Brookhart, Policy and Planning Division Chief
1305 East-West Highway, Building 4
Silver Spring, MD
Once at security call Matt Bookhart cell phone (301) 452-4177**

4:45p.m.

**Ted Illston, Democratic Counsel
Committee on Environment and Public Works
SD-456 Dirksen Senate Office Building
(202) 224-8832
***If NOAA meeting runs late, please contact Ted Illston at
number provided to cancel***

5:15p.m.

**Felix S. Yeung, Esq., Legislative Assistant
Office of Senator Dianne Feinstein
331 Hart Senate Office Building
(202) 224-9646**

Wednesday, March 11

4:30p.m.

Whitley Saumweber, Ph.D., Deputy Associate Director

Oceans and Coasts

Council on Environmental Quality

**Jay Jensen (Associate Director for Land & Water Ecosystems)

will try to stop by

734 Jackson Place, 2nd floor conference room.

Washington, DC

Please enter through 730 Jackson Place entrance.

POC: Judith Afooma Jideonwo, [Judith A Jideonwo@ceq.eop.gov](mailto:Judith_A_Jideonwo@ceq.eop.gov)

(202) 395-2011

(202) 456-3892

Jonathan Bauer, [Jonathan M Bauer@ceq.eop.gov](mailto:Jonathan_M_Bauer@ceq.eop.gov)

(202) 395-5429

Attendees:

Jamie L. Irons, Mayor (805) 550-6595 (Cell)

David Walter Buckingham, City Manager

Carpi Clay & Smith

RJ Lyerly – Cell: (202) 498-5011

Office – (202) 822-8300

RESOLUTION NO. 18-12

**STATEMENT OF CONTINUED OPPOSITION TO CREATION OF A
NATIONAL MARINE SANCTUARY IN THE SAN LUIS OBISPO COUNTY
COASTAL AREA, AND CONTINUED OPPOSITION TO EXPANSION
OF THE MONTEREY BAY NATIONAL MARINE SANCTUARY
INTO THE SAN LUIS OBISPO COUNTY COASTAL AREA**

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

WHEREAS, the City of Morro Bay opposes development of offshore oil and supports protection of the abundant natural resources of the San Luis Obispo coast; and

WHEREAS, the Monterey Bay National Marine Sanctuary (MBNMS) has been created on the California Coast from Half Moon Bay to Cambria to stop any potential offshore oil development and to support natural resource protection through education, public participation and research; and

WHEREAS, the MBNMS management plan update process identified expansion of the MBNMS boundary to the San Luis Obispo coast as a mid level priority for future consideration; and

WHEREAS, the MBNMS Sanctuary Advisory Council (SAC) requested MBNMS staff to support formation of a committee in San Luis Obispo County to study MBNMS expansion to this area; and

WHEREAS, the City of Morro Bay supports the Alliance of Communities for Sustainable Fisheries and its recommendation for improving sanctuary program management through the management plan update process, which recommendations the City feels have not been adequately addressed in the sanctuary program overall; and

WHEREAS, the City supports commercial fishing, commercial fishing facilities and the infrastructure needed for our traditional working harbor community; and

WHEREAS, the National Marine Sanctuary program recently circulated a new fishing regulation coordination policy that clearly states the power of the sanctuary to regulate fishing; and

WHEREAS, despite what promises are made not to regulate fishing, when sanctuaries are created or expanded, this policy will result in sanctuary's becoming another regulatory agent in the already well regulated area of fishing; and

WHEREAS, National Marine Sanctuary programs and the commercial fishing industry have many common goals in education, pollution protection, opposition to offshore oil and creation of sustainable fishery, so that there is no reason why if managed with proper balance and sensitivity to traditional working harbor uses the sanctuary programs should not have positive working relationships with the commercial fishing industry and working harbor communities; and

WHEREAS, the National Marine Sanctuary program has not developed a positive working relationship or the support of commercial fishing and the working harbor communities in its California sanctuaries at this time; and

WHEREAS, the National Marine Sanctuary program does not permit the SAC to have anything other than an advisory role and controls the ability of the SAC to communicate with the public at large and with outside agencies; and

WHEREAS, the National Marine Sanctuary Program, as currently authorized, does not provide for a mechanism for local control of sanctuary programs and the current organization of the SAC does not adequately meet the needs of local community direction to the program; and

WHEREAS, the City of Morro Bay approved Resolution 27-03 on April 28, 2003 which opposed the creation of a National Marine Sanctuary in the San Luis Obispo County Coastal Area and opposed the expansion off the Monterey Bay National Marine Sanctuary in the San Luis Obispo County Coastal Area.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay that because the National Marine Sanctuary Program has not adequately resolved conflicts and concerns of the commercial fishing industry and traditional working harbor uses and because the National Sanctuary Act does not currently allow for a sanctuary designation with true local control, the City of Morro Bay continues to oppose the formation of a National Marine Sanctuary and expansion of the Monterey Bay National Marine Sanctuary in the waters of the San Luis Obispo County coast.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting held thereof on the 10th day of April 2012, by the following vote:

AYES: Borchard, Johnson, Leage, Smukler, Yates

NOES: None

ABSENT: None



WILLIAM YATES, Mayor

ATTEST:



JAMIE BOUCHER, City Clerk



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

March 7, 2015

Honorable Congresswoman Lois Capps
2231 Rayburn House Office Building
Washington D.C. 20515

RE: MORRO BAY APPROPRIATION RECOMMENDATIONS FOR FY16 BUDGET AND
OTHER ISSUES

Dear Congresswoman Capps,

On behalf of the City of Morro Bay I respectfully communicate to you our Federal concerns and priorities. We seek your continued support to ensure that the Army Corps of Engineers is properly funded in order to execute its Federal responsibility to dredge our harbor. Morro Bay's commercial fisheries continue on an upward trend of landings and landing value, while our waterfront lease holders continue to rebound from the economic slump. We also ask your support and assistance by advancing our concerns associated with on-going funding for the continued efforts of the Morro Bay National Estuary Program to protect and enhance the Morro Bay estuary, and for some key fishery issues that impact the Morro Bay and Central Coast communities. Below is a detailed explanation of these priorities:

Morro Bay Harbor Maintenance & Operations: The President's current FY16 budget amount of \$3.07M for dredging Morro Bay harbor under the Energy and Water Appropriation through the Corps of Engineers is a substantial plus-up from last year, however, we respectfully request your support of our request for \$7.0M to complete "whole-channel" dredging of our entire Federal channel. These "whole-channel" dredging cycles are historically done approximately every five to seven years, the last cycle being 2009/2010 when we were, with your support, successful in securing almost \$8M in ARRA funding to dredge our entire channel.

With regard to continued Federal funding for harbor and port projects, including dredging, we continue to support full and appropriate expenditure of the annual Harbor Maintenance and Trust Fund revenues collected each year. In addition, we applaud your membership in the bi-partisan PORTS Caucus, which was formed to both raise awareness about America's ports and generate legislative support for them.



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

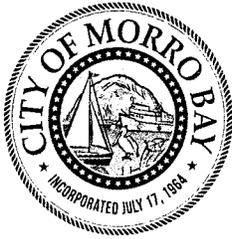
National Estuary Program Funding: The City of Morro Bay is requesting that America continues to invest directly in the stewardship of our nation's coast by helping to ensure that each of the 28 NEPs receive \$600,000 in FY16 funding. The Morro Bay NEP provides assistance to the City of Morro Bay, the County of San Luis Obispo, the California Conservation Corps, California State Parks and many other local agencies, all with the common goal of protecting and enhancing the Morro Bay Estuary and surrounding watershed. Recently, with funding assistance from the Morro Bay NEP, the Harbor Department upgraded its used engine oil and filter recycling center to continue to provide boaters a convenient and effective location to recycle used engine oil and filters, engine coolant, oil absorbent pads and dead batteries.

Fishery Issues: With funds from a 2012 National Fish and Wildlife Foundation grant, the cities of Morro Bay and Monterey have completed Fishing Community Sustainability Plans. The Morro Bay plan was accepted by the City Council on April 8, 2014, and the City is actively working on Recommendation #1 of the Plan – determination of the feasibility of a full-service boatyard/haulout facility in Morro Bay. These sustainability Plans are part of a long-term strategy to retain our family-owned fishing businesses and working waterfronts in an environmentally sound manner.

The independent non-profit Morro Bay Community Quota Fund (MBCQF), created to secure historic ground fish Individually Transferrable Quota (ITQ) is up and running and leasing quota. Acquisition of quota from the Nature Conservancy is complete, however, the continued requirement for 100% human observers in the fishery continues to be a serious threat to the success of the program.

With the requirement of 100% human observers on any vessel participating in the ITQ system, we continue to urge NOAA for a cost-effective alternative such as electronic monitoring because smaller vessels will be driven out of this fishery by economies of scale, the exact thing that the MBCQF was set up to prevent. In addition, we ask NOAA to support Adaptive management Program practices in the ITQ fishery that support historic fishing communities and community fishing associations such as the MBCQF.

Marine Sanctuaries: While supportive of the National Marine Sanctuary program's overall goals and objectives, with the new nomination of the Chumash Heritage National Marine Sanctuary the City of Morro Bay continues to have concerns with certain aspects of Sanctuary governance and management, specifically, "mission creep" into fishery management, burdensome and unnecessary permitting and oversight over traditional and necessary port and harbor maintenance and operations and lack of any true binding local control over Sanctuary governance via the Sanctuary Advisory Councils.



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

We thank you for your leadership and continued support of Morro Bay. If you have any specific questions or concerns on the issued outlined herein, please let me know. We look forward to working through these priorities with you and your staff.

Sincerely,

Jamie L. Irons
Mayor

David W. Buckingham
City Manager



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

March 7, 2015

Senator Barbara Boxer
112 Hart Senate Office Building
Washington D.C. 20510

RE: MORRO BAY APPROPRIATION RECOMMENDATIONS FOR FY16 BUDGET AND
OTHER ISSUES

Dear Senator Boxer,

On behalf of the City of Morro Bay I respectfully communicate to you our Federal concerns and priorities. We seek your continued support to ensure that the Army Corps of Engineers is properly funded in order to execute its Federal responsibility to dredge our harbor. Morro Bay's commercial fisheries continue on an upward trend of landings and landing value, while our waterfront lease holders continue to rebound from the economic slump. We also ask your support and assistance by advancing our concerns associated with on-going funding for the continued efforts of the Morro Bay National Estuary Program to protect and enhance the Morro Bay estuary, and for some key fishery issues that impact the Morro Bay and Central Coast communities. Below is a detailed explanation of these priorities:

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We thank you for your leadership and continued support of Morro Bay. If you have any specific questions or concerns on the issued outlined herein, please let me know. We look forward to working through these priorities with you and your staff.

Sincerely,

Jamie L. Irons
Mayor

David W. Buckingham
City Manager

**CITY OF MORRO BAY**

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

March 7, 2015

Senator Dianne Feinstein
331 Hart Senate Office Building
Washington D.C. 20510

RE: MORRO BAY APPROPRIATION RECOMMENDATIONS FOR FY16 BUDGET AND
OTHER ISSUES

Dear Senator Feinstein,

On behalf of the City of Morro Bay I respectfully communicate to you our Federal concerns and priorities. We seek your continued support to ensure that the Army Corps of Engineers is properly funded in order to execute its Federal responsibility to dredge our harbor. Morro Bay's commercial fisheries continue on an upward trend of landings and landing value, while our waterfront lease holders continue to rebound from the economic slump. We also ask your support and assistance by advancing our concerns associated with on-going funding for the continued efforts of the Morro Bay National Estuary Program to protect and enhance the Morro Bay estuary, and for some key fishery issues that impact the Morro Bay and Central Coast communities. Below is a detailed explanation of these priorities:

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With the requirement of 100% human observers on any vessel participating in the ITQ system, we continue to urge NOAA for a cost-effective alternative such as electronic monitoring because smaller vessels will be driven out of this fishery by economies of scale, the exact thing that the MBCQF was set up to prevent. In addition, we ask NOAA to support Adaptive management Program practices in the ITQ fishery that support historic fishing communities and community fishing associations such as the MBCQF.

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We thank you for your leadership and continued support of Morro Bay. If you have any specific questions or concerns on the issued outlined herein, please let me know. We look forward to working through these priorities with you and your staff.

Sincerely,

Jamie L. Irons
Mayor

David W. Buckingham
City Manager



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

March 7, 2015

Bradd Schwichtenberg, Civil Deputy
Department of Civil Works
U.S. Army Corps of Engineers
441 G Street NW, Office 3T61
Washington DC 20314-0002

RE: MORRO BAY APPROPRIATION RECOMMENDATIONS FOR FY16 BUDGET

Dear Deputy Schwichtenberg,

On behalf of the City of Morro Bay, I respectfully communicate to you our Federal concerns and priorities. First and foremost, to remain a safe and viable California port, we seek your continued support to ensure that the Army Corps of Engineers is able to execute its Federal responsibility to dredge our harbor.

The President's current FY16 budget amount of \$3.07M for dredging Morro Bay under the Energy and Water Appropriation is a nice plus-up from last year's appropriation. We must stress, however, this amount is only adequate for a very limited, but critical, amount of annual work in specific areas. Adequate funding above this minimal amount must be appropriated on a regular basis to dredge all areas of our navigation channels. These "whole-channel" dredging cycles are historically done every five to seven years, the last cycle being 2009/2010 when the Corps was successful in securing almost \$8M in ARRA funding. Therefore, we have conveyed to our legislators that \$7M should be included in the President's FY16 budget to enable ACOE to complete another "whole-channel" dredging cycle within the next two years.

With regard to continued Federal funding for harbor and port projects, including dredging, we continue to support full and appropriate expenditure of the annual Harbor Maintenance and Trust Fund revenues collected. To this end we are active in urging our legislators to pass changes in the Water Resources Development Act that enable such expenditures.

We thank you for your leadership and continued support of Morro Bay. If you have any specific questions or concerns, please let me know. We look forward to working with you and your staff.

Sincerely,

Jamie L. Irons
Mayor

David W. Buckingham
City Manager