



CITY OF MORRO BAY CITY COUNCIL AGENDA

*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, October 25, 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
RECOGNITION
CLOSED SESSION REPORT
MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

PRESENTATIONS

- Chamber of Commerce Quarterly Presentation

PUBLIC COMMENT PERIOD

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 city of residence 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. The public will also be provided an opportunity to comment on consent agenda items.

A-1 APPROVAL OF MINUTES FROM THE SEPTEMBER 27, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FROM THE OCTOBER 11, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

C-1 ADOPTION OF RESOLUTION NO. 72-16 APPROVING ADJUSTMENTS TO THE FISCAL YEAR (FY) 2016-17 ADOPTED BUDGET BASED ON AN ANALYSIS OF EXCESS AVAILABLE FUNDS FROM YEAR END FY 2015-16 AND SPENDING PRIORITIES; (FINANCE)

RECOMMENDATION: Adopt Resolution No. 72-16.

C-2 AWARD OF CONTRACT TO PAVEMENT COATINGS CO. OF WOODLAND, CA FOR PROJECT NO. MB2017-ST01: PAVEMENT MANAGEMENT PROJECT; (PUBLIC WORKS)

RECOMMENDATION: Award an Indefinite Delivery, Indefinite Quantity (IDIQ) contract with an initial two-years term and two additional option periods of up to two years each to Pavement Coatings Co., in the amount of \$971,574.60, and authorize the Public Works Director to execute the final contract for the Initial Period.

C-3 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, November 15, 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 REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – SEPTEMBER 27, 2016
VETERAN'S MEMORIAL HALL – 6:00 P.M.

AGENDA NO: A-1

MEETING DATE: October 25, 2016

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

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:03 p.m., with all but Councilmember Makowetski present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - None

CLOSED SESSION REPORT – City Attorney Pannone reported that with regard to Closed Session Items, the Council did not take any reportable action pursuant to the Brown Act.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PRESENTATIONS

Sarah Trauger, SLOCOG Rideshare Program Coordinator, provided the Rideshare Week Presentation.

<https://youtu.be/09jYQxtQrA4?t=9m15s>

PUBLIC COMMENT

<https://youtu.be/09jYQxtQrA4?t=13m33s>

Chris Peterson, Forever Stoked, provided the business spot. Forever Stoked is an art collaborative that began 18 years ago; the Forever Stoked Gallery at 1164 Quintana Road opened five years ago. Art shows featuring guest artists is hosted every 4 to 5 months; business displays and painting events are offered.

Erica Crawford, Morro Bay Chamber of Commerce, announced a Candidate Forum will be held Monday, October 3rd at 6:00 p.m. at the Morro Bay Community Center. She also urged Chamber members to participate in the election of the Chamber Board of Directors.

Carole Truesdale, Morro Bay, encouraged City leaders to make wise decisions pertaining to growth and development with global warming in mind.

Bob Keller, Morro Bay, announced the Morro Bay High School Homecoming Football Game is Friday, September 30, at 7:00 p.m. He encouraged the community to support the football team and all Morro Bay High athletes.

Judy Salamacha, Morro Bay resident and member of the Central Coast Maritime Museum Board of Directors, thanked all who supported the San Salvador visit and provided an overview of coming events.

Jane Heath, Morro Bay resident, business owner, and member of the Central Coast Maritime Museum Board of Directors, announced the 1542 Navigator's Circle is fully subscribed. She asked the public to stay tuned for more opportunities to participate in the capital campaign.

Ed Griggs, Morro Bay, spoke representing Morro Bay stakeholders in opposition to the proposed fuel tank removal at 3300 Panorama. The group is not opposed to removal of the tanks, but requests an EIR be done instead of a Negative Declaration.

Dana McClish, Morro Bay, invited the boating community to participate as they welcome the San Salvador Thursday morning at approximately 10:00 a.m.

Walter Heath, Morro Bay, displayed a surfboard art piece by David Ramirez, one of 25 pieces displayed throughout Morro Bay as part of the Morro Bay Surfboard Art Festival. Maps are available at www.mbsurboardartfest.com and in local businesses. The art sale will be held December 3rd at the Inn at Morro Bay from 10:00 a.m. – 4:00 p.m.

Joan Solu, Morro Bay, spoke to Item C-1 and congratulated the community on the great ideas provided thus far. She recommended gaining additional input through the schools and by using electronic surveys at the top, middle and bottom of Centennial staircase.

Anne Marie Schnitzler, Morro Bay, announced the unveiling and dedication of a sculpture representing the strength, beauty and power of the sea on Saturday, October 22, at 11:00 a.m. at the Morro Bay Senior Center.

The public comment period was closed.

The Council and staff responded to issues and questions raised during the public comment period.

A. CONSENT AGENDA
<https://youtu.be/09jYQxtQrA4?t=46m49s>

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 SEPTEMBER 13, 2016 SPECIAL CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FROM THE SEPTEMBER 13, 2016 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPOINTMENT OF ACTING MAYOR PRO TEMPORE, REPRESENTATIVES ON DISCRETIONARY BOARDS AND COUNCIL LIAISON ASSIGNMENTS DURING COUNCILMEMBER MAKOWESKI'S LEAVE OF ABSENCE; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

MOTION: Councilmember Johnson moved the Council approve all items on the Consent Agenda. The motion was seconded by Councilmember Heading and carried 4-0-1 with Councilmember Makowetski absent.

By policy, Public Hearing items cannot begin before 7:00 p.m.; there was Council consensus to hear Item C-3 next.

C. BUSINESS ITEMS

C-3 ADOPTION OF ORDINANCE NO. 608, WHICH AMENDS SECTIONS 3.08.100 AND 3.08.110 OF THE MORRO BAY MUNICIPAL CODE PROVIDING FOR COOPERATIVE PURCHASING PROCEDURES (PIGGYBACKING); (PUBLIC WORKS)
<https://youtu.be/09jYQxtQrA4?t=47m30s>

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

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

MOTION: Councilmember Heading moved for adoption, by title only and with further reading waived, Ordinance No. 608: An Ordinance of the City Council of the City of Morro Bay, California, repealing and then replacing section 3.08.70 (Bidding) of Chapter 3.08 (Purchase and Sale of Supplier and Equipment) of Title 3 (Revenue and Finance) of the Morro Bay Municipal Code to provide for bidding procedures for purchase of supplies, equipment, materials and Public Works projects, while also providing for cooperative purchasing procedures. The motion was seconded by Councilmember Smukler and carried 4-0-1 with Councilmember Makowetski absent.

The Council took a short recess at 6:53 p.m. The meeting reconvened at 7:03 p.m.

B. PUBLIC HEARINGS

B-1 ADOPTION OF RESOLUTION NO. 69-16, A RESOLUTION FOR THE ABANDONMENT (VACATION) OF AN 80-SQUARE FOOT PORTION OF THE PUBLIC SERVICES (SEWER) EASEMENT ON THE NORTHEAST PORTION OF PROPERTY AT 219 MARINA (C.P. PARKER, 219 MARINA, APPLICANT) PERMIT NO. E00-000-107; (PUBLIC WORKS)
<https://youtu.be/09jYQxtQrA4?t=51m46s>

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

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

MOTION: Councilmember Headding moved the Council adopt Resolution No. 69-16 approving the abandonment of an 80-foot portion of the public services (sewer) easement on the northeast portion of property at 219 Marina. The motion was seconded by Councilmember Johnson and carried 4-0-1 with Councilmember Makowetski absent.

C. BUSINESS ITEMS

C-1 REVIEW OF THE CENTENNIAL PARKWAY AND EMBARCADERO DRAFT DESIGN PLANS; (COMMUNITY DEVELOPMENT) <https://youtu.be/09jYQxtQrA4?t=59m28s>

Community Development Director Graham introduced Debbie Rudd and Scott Martin of RRM Design Group who presented the draft design plans and responded to Council inquiries. (The slide presentation can be found [here](#).)

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

Cherise Hansson, Morro Bay resident and owner of Undersea Gallery and Gifts, liked the amphitheater style of first proposal, but not the extended pier. She would like some form of a glass bottom pier with grid-like floor, designed for ease of maintenance. She expressed concern transients might use the fire pits to stay warm.

Robert Davis, Morro Bay, shared the funding mechanism is the most important element and it was important to hear before the City proceeds whether a group or interested developer had been identified to participate.

Walter Heath, Morro Bay, shared the Citizens Beautification and Heritage Committee had reviewed the concept plans and there was unanimous support for closing off the street section from Harbor to Marina to vehicle traffic, allowing delivery trucks only between 6:00 – 9:00 a.m. Parking considerations and transportation (possibly shuttles) are an important component. Fire pits and angled building faces could be part of their project.

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

The Council discussed public input received thus far and provided the following guidance for a consolidated draft concept plan: From Concept A, include the elevator, chessboard area, fire pits (not on the pier), and a functional pier incorporating timbers on the water side. Low level lighting is preferred. From Concept B, integrate the 12' sidewalks and wider crosswalk. The view from the top does not need to be embellished and should not be distracting. There was concern about moving toward one-way traffic too quickly. Any transition should be flexible and adaptable, possibly using bollards to change traffic flow when necessary.

In terms of process, the final concept plan should be presented to the Harbor Advisory Board and Planning Commission for review and recommendation to the City Council. The Council encouraged the use of rendering boards and surveys on-site to gain full public input.

No formal action was taken on this item.

The Council took a short recess at 9:38 p.m. The meeting reconvened at 9:48 p.m.

C-2 DISCUSSION AND DIRECTION ON 2017 AMGEN EVENT: (ADMINISTRATION)
<https://youtu.be/09jYQxtQrA4?t=3h35m27s>

Tourism Manager Little presented the staff report and, along with Mr. Buckingham, responded to Council inquiries.

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

Erica Crawford, Morro Bay Chamber of Commerce, spoke in support of the Amgen event.

Robert Davis, Morro Bay, offered the SLO Bike Club generally contributes \$1,000 to host cities and will likely do that again this year.

Bob Keller, Morro Bay, supported the event as a good long-term investment for Morro Bay.

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

As the City's representative on the 2016 Amgen planning committee, Councilmember Johnson supported the commitment to host a finish. Councilmember Heading expressed concern about committing general fund monies without hard data about the return on investment. There was general support for hosting the event and further discussion about the possibility of lower-level general fund support or an increase from Tourism Business Improvement District (TBID) funds. Given the time constraints, further discussion with TBID was not possible.

MOTION: Councilmember Smukler moved the Council direct staff to continue working with Amgen, Visit SLO County, and our local tourism bureau, to evaluate opportunities to host a stage finish at some point in the future. The motion was seconded by Councilmember Heading.

Councilmember Johnson would have liked more information on potential return on investment but thought it was an opportunity that should be pursued. Councilmember Smukler suggested there may be room for negotiation with Amgen.

The motion carried 3-1-1 with Councilmember Johnson voting no and Councilmember Makowetski absent.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/09jYQxtQrA4?t=4h48m14s>
None

E. ADJOURNMENT

The meeting adjourned at 11:00 p.m. The next Regular Meeting will be held on Tuesday, October 11, 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

PRESENT:	Jamie Irons John Headding Christine Johnson Noah Smukler	Mayor Councilmember Councilmember Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	Dave Buckingham Joe Pannone Dana Swanson Susan Slayton Craig Schmollinger Rob Livick Scot Graham Steve Knuckles Larry Todd Kirk Carmichael	City Manager City Attorney City Clerk Administrative Services Director Finance Director Public Works Director Community Development Director Fire Chief Interim Police Chief Recreation Services Division Coordinator

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:02 p.m., with all but Councilmember Makowetski present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION

CLOSED SESSION REPORT – No closed session meeting was held.

MAYOR AND COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS – City Manager Buckingham introduced new City employees, Craig Schmollinger, Finance Director, and Kirk Carmichael, Recreation Services Division Coordinator.

PRESENTATIONS

- **Presentation of Proclamation of Appreciation to Assembly Member Katcho Achadjian**
<https://youtu.be/YCDiISoWLes?t=4m22s>
The City Council, Supervisor Bruce Gibson, and former Morro Bay elected officials presented the Proclamation of Appreciation.
- **CHC Health Care Update for North County**
<https://youtu.be/YCDiISoWLes?t=13m15s>
Denise Stewart and Steve Mahr of Community Health Centers (“CHC”) reported on the availability of medical care in the north San Luis Obispo County.

PUBLIC COMMENT

<https://youtu.be/YCDiISoWLes?t=31m24s>

Beth McGill, Regional Marketing Director of Capital Choice Financial Group, provided the business spot. Her purpose is to educate and empower her clients to find solutions to financial obstacles and challenges.

Sharon O'Leary, Director of Community Resource Connections, was pleased CHC will put forth an effort to come back to Morro Bay. Since 2013, Community Resource Connections has worked to identify resources and find transportation to medical care not available in Morro Bay.

Thomas Rex, Morro Bay, expressed appreciation for improved traffic control provided by the Morro Bay Police Department in recent months.

Val Seymour, Morro Bay representative to the Visit San Luis Obispo County Marketing Board, was pleased the TBID is supporting the Amgen event and encouraged the Council to reconsider its position and support the event.

Linda Stedjee, Morro Bay, expressed concern the proposed WRF design includes a lift station on the current wastewater treatment plant site and does not address Coastal Commission concerns regarding flooding and other natural hazards. She urged the public to review Mr. Sadowski's recommendations at www.sadowski4council.com.

Richard Sadowski, Morro Bay, suggested a televised roundtable discussion on the water reclamation facility project. He is concerned the proposed project will bankrupt the city and result in losing reclaimed water rights.

Judy Salamacha, Morro Bay, provided an overview of the 12-day visit of the San Salvador. Funds raised from a portion of the passages during the San Salvador visit will prepare the group to build a museum next year.

Robert Davis, Morro Bay, spoke as a private citizen in support of Measure J on the November ballot. Measure J will provide an additional \$600,000 funding for street rehabilitation and repair and provide a stable financing platform for long-term transportation improvements, including intersection improvements at Highway 41/Main and a walking/bike path from Morro Bay to Cayucos.

Jon Elliott, announced Morro Bay's 3rd annual Trick-or-Treat event on Monday, October 31st from 3:30 – 5:30 p.m.

Beverly Ford, Morro Bay, provided an update on various projects and events at Grandma's Frozen Yogurt.

Ken Vesterfelt, Morro Bay, announced the Central Coast and Los Osos Little League teams will hold a fundraising event on November 5th, beginning at 5:00 p.m. at the Morro Bay Community Center. As a naturalized citizen, Mr. Vesterfelt also encouraged everyone to exercise their right, privilege and duty to vote.

Betty Winholtz, Morro Bay, spoke to Items C-1 and C-4. Regarding Item C-4, she supported all four Planning Commission recommendations, including the 12-month time period. Regarding Item C-1, she expressed concern about expanding the sphere of influence and potentially opening the door for future development. She also asked for clarification on Item #10 of the MOU which references water meters on parcels 12 and 13.

The comment period was closed.

A. CONSENT AGENDA

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

A-1 APPROVAL OF MINUTES FROM THE SEPTEMBER 27, 2016 SPECIAL CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FROM THE SEPTEMBER 27, 2016 JOINT CITY COUNCIL, PLANNING COMMISSION AND HARBOR ADVISORY BOARD MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

RECOMMENDATION: Approve as submitted.

A-4 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-5 ADOPTION OF RESOLUTION NO. 71-16 APPROVING AMENDMENT #2 TO THE CURRENT LEASE AGREEMENT, APPROVING A NEW LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND BOATYARD LLC, AND APPROVING AN ASSIGNMENT AND ASSUMPTION OF THE LEASE OWNERSHIP FOR LEASE SITE 89/89W, LOCATED AT 845 EMBARCADERO, AND COMMONLY KNOWN AS THE BOATYARD; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 71-16.

A-6 APPROVAL OF PROCLAMATION IN RECOGNITION AND APPRECIATION OF THE SERVICE OF ASSEMBLY MEMBER KATCHO ACHADJIAN; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

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

Councilmember Smukler pulled Item A-4.

MOTION: Councilmember Heading moved the Council approve Items A-1 through A-3, A-5 and A-6 on the Consent Agenda. The motion was seconded by Councilmember Johnson and carried 4-0-1 with Councilmember Makowetski absent.

A-4 WATER RECLAMATION FACILITY (WRF) PROGRAM UPDATE; (PUBLIC WORKS)
<https://youtu.be/YCDiISoWLes?t=1h6m37s>

Councilmember Smukler pulled this item to discuss the timing of various decision points, particularly presentation of the draft facility master plan. Mr. Buckingham offered to provide a full report at the next Council meeting to discuss issues that have been raised. The Council concurred.

MOTION: Councilmember Smukler moved for approval of Item A-4. The motion was seconded by Councilmember Heading and carried 4-0-1 with Councilmember Makowetski absent.

The Council took a short recess at 7:21 p.m. The meeting reconvened at 7:30 p.m.

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

C-1 APPROVAL OF THE MEMORANDUM OF UNDERSTANDING FOR FUTURE PURCHASE OF THE SOUTH BAY BOULEVARD WATER RECLAMATION FACILITY (WRF) SITE; (PUBLIC WORKS)
<https://youtu.be/YCDiISoWLes?t=1h20m58s>

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

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

Tina Metzger, Morro Bay, wanted assurance Measure H is respected if the sphere of influence is increased to include the remainder of the property.

Bart Beckman, Morro Bay, was pleased the City had reached a Memorandum of Understanding for the property and felt the boundaries were reasonable. He asked what facilities would be included in the footprint.

Bob Keller, Morro Bay, urged the Council to authorize execution of the MOU.

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

The Council expressed support for the Memorandum of Understanding and noted expanding the sphere of influence provides stronger local control, including the opportunity to review proposals for future use of that property.

MOTION: Councilmember Johnson moved the Council approve the Memorandum of Understanding for the future purpose of the South Bay Blvd. water reclamation facility site. The motion was seconded by Councilmember Smukler and carried 4-0-1 with Councilmember Makowetski absent.

C-2 DISCUSSION AND DIRECTION REGARDING USE OF PROCEEDS FROM THE SALE OF REAL PROPERTY AT 2783 CORAL AVENUE; (FINANCE)
<https://youtu.be/YCDiISoWLes?t=2h1m23s>

Finance Director Schmollinger presented the staff report and responded to Council inquiries.

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

Bart Beckman, Morro Bay resident and member of the Citizens Finance Advisory Committee, shared that given the City had approved past budgets that clearly indicated the funds would be

used to pay down the fire station debt, the Committee did not consider allocating the funds for streets.

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

There was Council concurrence to accept the CFAC and staff recommendation to commit proceeds of the sale of 2783 Coral Avenue to pay down the USDA loan. Given the proceeds will be received over an extended period of time, a separate line item should be set up to safeguard those funds. The Council directed staff to bring back a resolution to memorialize the action so that reconsideration of the intent based on more pressing financial needs would require discussion in a public meeting.

MOTION: Councilmember Smukler moved the Council accept staff and CFAC recommendation and affirm the historic intent to pay down the USDA loan with proceeds from sale of 2783 Coral Avenue, and direct staff to return with resolution affirming Council's intent and specifies the alternative for the CFAC and community to review alternative uses if presented with overwhelming or special opportunities and risk that are deemed to be a higher priority. The motion was seconded by Councilmember Johnson.

Councilmember Heading requested the motion be amended to include Council review of those alternatives.

AMENDED MOTION: Councilmember Smukler amended the motion to include Council review any proposed alternative use of proceeds from the sale of Coral Avenue property. The amended motion was seconded by Councilmember Johnson and carried 4-0-1 with Councilmember Makowetski absent.

C-3 STREETS SUMMIT UPDATE; (PUBLIC WORKS)
<https://youtu.be/YCDiISoWLes?t=2h42m5s>

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

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

The Council concurred with PWAB and staff recommendations and directed staff to choose the approaches that get the City to the highest level of PSI. Council also recommended timing of the streets summit be aligned with the budget process. Staff will provide a link to the report on the City website for public review and provide a complete list of streets in a utility bill.

No formal action was taken by the Council.

C-4 ADOPTION OF RESOLUTION NO. 70-16 REAUTHORIZING THE USE OF INTERIM RESIDENTIAL DESIGN GUIDELINES; (COMMUNITY DEVELOPMENT)
<https://youtu.be/YCDiISoWLes?t=3h23m33s>

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

The public comment period for Item C-4 was opened

Tina Metzger, Morro Bay, asked whether various stakeholders had been surveyed for feedback on the interim design guidelines and suggested anonymous surveys following this type of project in the future would provide honest feedback.

The public comment period for Item C-4 was closed.

MOTION: Mayor Irons moved the Council approve Resolution No. 70-16, as presented by staff. The motion was seconded by Councilmember Johnson and carried 4-0-1 with Councilmember Makowetski absent.

C-5 APPROVAL OF PARTICIPATION IN 2017 AMGEN EVENT; (ADMINISTRATION)
<https://youtu.be/YCDiISoWLes?t=3h57m4s>

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

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

Bob Keller, Morro Bay, supported Morro Bay's participation in the 2017 Amgen Tour of California with a financial contribution of \$25,000 TBID funds as it provides great exposure for Morro Bay

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

The Council supported the event and appreciated staff's continued work with Amgen.

MOTION: Councilmember Heading moved the Council approve Morro Bay's participation in the 2017 Amgen Tour of California event. The motion was seconded by Councilmember Smukler and carried 4-0-1 with Councilmember Makowetski absent.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/YCDiISoWLes?t=4h6m35s>

Mayor Irons requested staff bring back the historic parking credits staff report from June 28, 2016 (less the Parking in lieu discussion and recommendation) and Planning Commission and Council action with staff interpretation on parking credit use on current projects, proposed projects, and potential projects. Include current parking policies and how the Anderson Inn, Estero Inn, Harbor Front Suites, and Gray's Inn were approved with current policies. Also include staff's request for the Evaluation of the Commercial Parking Program as part of the GP/LCP update. The Council supported this request.

Councilmember Smukler asked how the City should best support the health services exploration committee. Mr. Buckingham responded the Deputy City Manager and Fire Chief will be the City representatives and the first meeting is planned for late November/early December.

E. ADJOURNMENT

The meeting adjourned at 10:21 p.m. The next Regular Meeting will be held on Tuesday, October 25, 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

The City's General Fund, which pays for the majority of services provided by the City, ended FY 2015-16 with \$200,000 more revenue than anticipated, after closing out the year (revenues-expenses). That variance is primarily related to higher than forecasts TOT tax revenues and receipt of the SLOCOG reimbursement for the Morro Creek Bridge and Bikepath project expenditures.

Risk Management Fund

The City's Risk Management Fund, which is utilized to pay for insurance and other Risk Management related issues, ended FY 2015-16 with \$280,000 above our \$100,000 minimum after closing out the year (revenue-expenses). That variance is related to fewer Risk Management claims, therefore lower insurance costs, than expected for FY 2015-16.

General Fund Emergency Reserve Levels

The General Fund Emergency Reserve (GFER) fund, by Council Resolution No. 33-15, establishes a funding goal of \$3.583M set-aside in the GFER fund for FY 2015-16. The FY 2015-16 year-end balance in the GFER fund was \$3.6M, which is slightly above this requirement and keeps the Fund in excellent financial condition, and above our 27.5% of General Fund revenue target.

General Fund Compensable Leave Bank Fund

The General Fund Compensable Leave Bank Fund was established last budget cycle to set aside adequate funding to pay for accrued vacation compensation for City employees who terminate employment with the City. The FY 2016/17 contribution to that fund was \$65,000, which is being saved toward the estimated compensable hours liability of \$686,000 (includes General and non-General Fund payouts).

Closely related to that, there is a cash-funded liability of \$400,000 on the City's General Fund Balance Sheet. That means there is actually \$400,000 cash in the General Fund bank balance that is offset by a \$400,000 liability on the General Fund balance sheet for compensable leaves. Staff recommends combining most of that \$400,000 with the \$66,000 set-aside in FY 2016-17 in the separate General Fund Compensable Leave Bank Fund in order to clearly show we have sufficient cash on hand to cover that liability.

RECOMMENDED USE OF FUNDING

General Fund and Risk Management

The following is staff's recommendation for use of this unexpected \$480,000 in supplemental discretionary funding.

1. \$185,000 - Risk Management. Staff recommends leaving \$185,000 in the Risk Management Fund as a contingency to cover two ongoing risk management actions with possible exposure of around \$185,000.
2. \$25,000 – PGE/Diablo Canyon action. Staff recommends committing \$25,000 to pay for the ongoing Coalition of Cities action related to PGE/Diablo Canyon closure and previously directed by Council.
3. \$10,000 - Budget Transparency. City Goal 5.b (Budget Transparency) was approved by Council in Feb 2016 and a \$15,000 funding requirement was validated by Council in the FY16/17 Budget. While validated, that requirement was left unfunded in the budget process. Staff does not believe \$15,000 will be required this year, but does recommend Council fund Goal 5.b at \$10,000 to implement the "public friendly budget document" currently being developed in coordination with the Citizens Finance Advisory Committee during the FY17/18 budget process.
4. \$50,000 – Economic Development Strategic Plan (EDSP) Implementation. City Goal 6.b (EDSP Implementation) was approved by Council in Feb 2016 and a \$50,000 funding

requirement was validated by Council in the FY16/17 Budget. While validated, that requirement was left unfunded in the budget process. Staff recommends committing \$50,000 to begin implementation of the Economic Development Strategic Plan. With the recent arrival of our new Deputy City Manager, staff intends to complete the EDSP and have actionable items ready for implementation by the end of the year.

5. \$100,000 – Downtown Waterfront Strategic Plan Implementation. City Goal 3.e (Downtown Waterfront Strategic Plan) was approved by Council in Feb 16 and is nearing completion. City Goal 7.d (Signs and Branding) was also approved by Council, validated in the budget process, but unfunded. Staff recommends setting aside \$100,000 to begin implementation of the Downtown Waterfront Strategic Plan. That plan will have a number of “shovel ready” projects, including signs, branding, and place-making, that will be ready to go following anticipated plan approval by Council in early calendar year 2017.
6. \$30,000 – Recruitment Costs. The City Council approved the Early Retirement Management Program (ERMP) that resulted in a larger number of executive and management level recruitments than normal. Staff conducted wide recruitments for all of those positions. Therefore, while those costs have been a fraction of what they would have been using an outside recruiter, we will exceed our recruiting budget this year. Further, Interim Police Chief Todd recommends utilizing a professional recruiting firm for the recruitment of a new Police Chief, which would be funded through this recommendation. Staff, thus, recommends committing \$30,000 to recruitment costs, over \$20,000 of which will be the utilization of a professional recruiting firm for our Police Chief search.
7. \$25,000 – Labor Negotiation Costs: Staff anticipates labor negotiation costs that were not included in the FY 2016-17 adopted budget. When the FY 2016-17 budget was compiled there was uncertainty on whether those negotiations would result in 1 or 2 year contracts; thus, sufficient funds for negotiations in the current budget year were not included. Staff recommends committing \$25,000 of the FY15/16 surplus to FY16/17 labor negotiation costs.

The numbered list above represents a total of \$425,000 requested to be appropriated for the identified areas. The additional available \$55,000 (\$480,000 total minus the \$425,000 identified in recommended project costs) can be programmed in a number of ways. Below is a listing of some identified options for utilization of the referenced \$55,000 (Council, of course, may reprogram or revise the areas identified above as well).

1. Enhance funds set aside in the Capital Replacement Fund for future use
2. Hold funding aside for future one-time spending in FY 2017-18

The options above are not, nor intended to be fully exhaustive; rather those are staff’s recommendations for utilization of the identified \$480,000. Council certainly may take a different approach for utilization of those funds.

General Fund Compensable Leave Bank Funding

Staff recommends utilizing this funding to pay for the General Fund costs associated with both the Early Retirement Management Program (ERMP) and associated vacation compensation. The total costs for both of those items are \$70,000 and \$100,000, respectively. By following this recommendation, the General Fund Compensable Leave Bank Fund will balance at \$295,000 (\$66,000 in budget + \$400,000 in cash, minus the above \$170,000). Staff is confident maintaining the \$295,000 in funding for Compensable Leave purposes will adequately cover future potential liabilities arising from leave payouts from General Fund funded positions.

CONCLUSION

Staff presents and recommends adoption of Resolution No. 72-16, authorizing the above-described budget adjustments.

ATTACHMENT

1. Resolution No. 72-16

RESOLUTION NO. 72-16

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MORRO BAY, CALIFORNIA,
ADOPTING AND PROGRAMMING THE FY 2015-16 DEFINED
AVAILABLE CASH FROM THE GENERAL FUND
AND RISK MANAGEMENT FUND INTO FY 2016-17 BUDGET**

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

WHEREAS, the City of Morro has reconciled the FY 2015-16 General Fund and Risk Management Fund, and determined there is excess cash in those funds as of the 2015-16 fiscal year end that is available for programming in the FY 2016-17 budget; and

WHEREAS, the FY 2015-16 General Fund excess cash has been reconciled to \$600,000, \$400,000 of which is committed to compensable leaves and \$200,000 of which is available for programming; and

WHEREAS, the Risk Management Fund, after removing the established minimum balance of \$100,000 in cash, as established by Resolution No. 32-15, has \$280,000 in excess cash which is available for programming in the FY 2016-17 budget; and

WHEREAS, City Council authorization is required to appropriate those funds, and has reviewed staff recommendations and City Council priorities; and

WHEREAS, Staff has presented the City Council with a priority list, which will be attached to this Resolution, as amended with any changes made by the Council at the meeting at which this Resolution was adopted.

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

1. The FY 2015-16 reconciliation and calculation of excess funds available for spending is accepted:
 - a. General Fund: \$200,000; and
 - b. Risk Management Fund: \$280,000, after deducting the minimum required balance of \$100,000.
2. The City Council accepts the appropriations list, as recommended and amended at the meeting at which this Resolution was adopted, and included in the list attached to this Resolution; and
3. The City Council authorizes the City Manager to adjust the FY 2016-17 budget to include allocations of the use of those funds; and
4. The City Council authorizes the City Manager to establish the General Fund Compensable Leaves Bank Fund and transfer the \$400,000 reserve plus the \$66,000 set-

aside, established with the FY 2016-17 budget.

PASSED AND ADOPTED, by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 25th day of October, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

Resolution No. 72-16
Page 3

Prioritized List for Spending the Excess FY 2015-16 Cash

TBD



AGENDA NO: C-2

MEETING DATE: October 25, 2016

Staff Report

TO: Honorable Mayor and City Council **DATE:** October 17, 2016

FROM: Rob Livick, PE/PLS – Public Works Director/City Engineer
Jarrod Whelan, PE - Associate Engineer

SUBJECT: Award of Contract to Pavement Coatings Co. of Woodland, CA; for Project No. MB2017-ST01: Pavement Management Project

RECOMMENDATION

Staff recommends the City Council award an Indefinite Delivery, Indefinite Quantity (IDIQ) contract with an initial two-years term and two additional option periods of up to two years each to Pavement Coatings Co., in the amount of \$971,574.60, and authorize the Public Works Director to execute the final contract for the Initial Period.

ALTERNATIVES

1. Reject all bids and rebid the project in hope of receiving lower bids.
2. Appropriate \$161,475 in additional funds to award the entire bid of \$1,133,049.60

FISCAL IMPACT

The budget for this project is currently funded with revenues generated by the City's Measure Q sales tax which typically generates approximately \$500,000 per year. Additionally, voters will consider Measure J during the November 2016 election which could potentially add another \$500,000 to the street maintenance budget annually. City Council is also currently evaluating several financing alternatives which could augment the street renovation budget with as much as another \$6,000,000, depending on what street funding options are selected by City Council.

BACKGROUND and DISCUSSION

This project entails furnishing and supplying labor, materials, tools, equipment, transportation, and services necessary to complete the subject project, which includes, but is not limited to, treatment of existing pavement with slurry and or scrub sealing, chip/cape sealing, and micro/macro-surfacing of 9.9 centerline miles of road work or approximately 20-percent of the City's streets. All work performed will be conducted in strict conformance to applicable federal, state, and local safety regulations. Pavement Coatings Co.'s bid conforms to, complies with, and is responsive to the plans, specifications, special provisions, and bid forms.

All Prospective bidders met with City project team for up to 2 hours to tour the prospective street renovation locations throughout the City of Morro Bay on September 15 or 16, 2016. The objective of the walk through was to acquaint bidders with the site conditions and discuss recommended treatment options. The final Bid Form for the Base Bid was developed based on those discussions and distributed to the prospective bidders on September 19, 2016.

Prepared By: JW/RPS/RL

Dept Review: RL

City Manager Review: DWB

City Attorney Review: JWP

Bid prices for this proposed contract were established based on the estimated quantities noted on the Final Bid Form using the revised street treatment list developed during Contractor site walks. Payment will be made in accordance with Caltrans Payment specifications using actual field quantities. Unit prices for future delivery orders will be based on the unit prices established by this bid. Those prices will be adjusted annually based on Caltrans specification for asphalt price changes and prevailing wage adjustment. Award will be based on the total of the base bid. The work in the initial contract award shall be completed within ninety (90) calendar days after issuance of the "Notice to Proceed."

Comparison to the Streets Listed in the Budget

The street segments listed in the 2016/2017 budget document included five street segments that were not included in the invitation to bid. The budget sheet contained the following note: *PMP Street priorities are reevaluated annually during project design to utilize the most appropriate repair method considering current pavement condition & fund availability.* The streets not included in the bid request based on said evaluation were Bella Vista, Monterey and Scott, Surf Alley and Tuscan. The first three were not included since their Pavement Condition Index (PCI) values exceeded 70 but through liberal use of good engineering judgement, it was determined those street segments could wait an additional year prior to receiving a surface treatment. Surf Alley and Tuscan, even though their PCI was less than 70, required pavement rehabilitation techniques that were not proposed with this contract, therefor, were not included in the bid package.

Modification to Bid for Award

Five street segments were removed or modified from the low bid received form in order to stay within the Council adopted budget allocated and maintaining an acceptable contingency for increased quantities for this first delivery of the IDIQ contract.

Street Section	# of Properties Served in City Limits	Segment Length (ft)	As Bid	Recommended for Contract	Cost Savings
Beachcomber - Yerba Buena to North end	3	220	Pulverize Existing Pavement, Recompact, Double Chip Seal	Delete	\$13,315
Coral – Java to Creek	3	270	Pulverize Existing Pavement, Recompact, Double Chip Seal	Delete	\$13,337
Little Morro Creek – Radcliffe to City Limits	4	4,000	Triple Layer Cape Seal	Delete	\$69,092
Monterey - MBB to Harbor	13	295	Chip Seal	Micro Surfacing	\$5,971
Monterey – Harbor to Beach	7	665	Chip Seal	Micro Surfacing	\$14,071
Shasta -Acacia to Main	20	755	Chip Seal	Micro Surfacing	\$7,641

With the deleted street segments of Beachcomber, Coral and Little Morro Creek, unfortunately there was not an acceptable alternative to the treatment proposed that was bid. Alternatives to those surface treatments would require either an overlay or reconstruction at two to five times the cost.

Traffic Calming

Also, included in the project is the striping revisions to San Jacinto between Main Street and Cedar Avenue to improve cycling and pedestrian safety and will include green bike lanes. That portion of the project (\$25,000) was funded separately by Council during the 2015/16 budget and those funds were carried forward and included in this project.

CONCLUSION

Staff recommends the award of this first contract delivery order in the amount of \$971,574.60 to Pavement Coatings Co. as the first delivery in a Multi-Year IDIQ contract. Use of the IDIQ contracting mechanism should insure a more consistent and efficient delivery of street surfacing projects for the next few years.

ATTACHMENTS

- 1) Bid Summary Sheet
- 2) List of Streets in the project, and recommended surface treatment
- 3) Initial list of Streets in the project, and recommended surface treatment
- 4) Excerpt from the 2016/2017 Budget

	Bid Result	SubContractor
Pavement Coatings Co.	\$1,133,049.60	Amer. Paving Systems Cal-Stripe
Amer. Asphalt South	\$1,204,286.66	Souza Constr. Amer. Paving Systems Cal-Stripe
VSS International	\$1,211,000.60	Pavement Recycle Sys Safe USA
Telfer Pavement	\$1,260,594.00	Super Seal & Stripe
Intermountain	\$1,342,243.00	Granit Const. Cal-Stripe
Amer. Paving Systems	\$1,386,275.50	Chrisp Co.

Priority	Street ID	Section ID	Street Name	Beg Location	End Location	PCI	Treatment
1	Avalon	10	Avalon Street	Main Street	Ironwood Avenue	38	3CS
1	Avalon	20	Avalon Street	Ironwood Avenue	Laurel Avenue	51	CS
1	Bolton	10	Bolton Drive	Radcliff Street	Norwich Avenue	29	3CSL
1	Bolton	20	Bolton Drive	Norwich Avenue	Downing Street	34	3CSL
1	Coral	40	Coral Avenue	San Jacinto Street	Island St.	35	3CS
1	Elena	20	Elena Street	Greenwood Avenue	Koa Avenue	45	3FCS
1	Greenwood	30	Greenwood Avenue	San Joaquin Street	Elena Street	12	3CSLF
1	Greenwood	40	Greenwood Avenue	Elena Street (North)	Avalon Street	30	3CSLF
1	Greenwood	10	Greenwood Avenue	Sequoia Street	San Jacinto Street	40	CS
1	Harbor	10	Harbor Street	Morro Bay Blvd	Piney Way	43	3FCS
1	Hill	10	Hill Street	Main Street	Sunset Court	14	3FCS
1	Hillview	10	Hillview Street	Bayview Avenue	Sunset Avenue	23	3CS
1	Kennedy	10	Kennedy Way	Quintana Road	Shasta Avenue	39	3CSL
1	Luzon	15	Luzon Street	Panorama Drive	Main St	22	3CS
1	Mindoro	15	Mindoro Street	Panorama Drive	Main St	11	3FCS
1	Piney	40	Piney Way	South Street	Morro Bay Blvd	43	3CSLF
1	Piney	30	Piney Way	Olive Street	South Street	34	3FCS
1	Piney	20	Piney Way	Luisita Street	Olive Street	41	3FCS
1	Prescott	10	Prescott Drive	Radcliff Street	Norwich Street	32	3CS
1	SanJuan	10	San Juan Street	Ironwood Avenue	Koa Avenue	51	3CS
1	Sienna	10	Sienna	Beachcomber Drive	Terra Street	32	3CS
1	Sunset	30	Sunset Avenue	Hill Street	Hillview Street	19	3CS
1	Vashon	10	Vashon Street	Tide Avenue	Main Street	57	3CS
1	Zanzibar	20	Zanzibar Street	Panorama Drive	Main Street	58	3CS
2	Bali	10	Bali Street	Sandalwood Avenue	End	43	3CS
2	Birch	30	Birch Avenue	San Joaquin Street	Elena Street	24	CS
2	Elm	30	Elm Avenue	San Joaquin Street	Elena Street	34	CS
2	Elm	20	Elm Avenue	San Jacinto Street	San Joaquin Street	45	CS
2	Fir	20	Fir Avenue	San Jacinto Street	San Joaquin Street	18	CS
2	Fir	30	Fir Avenue	San Joaquin Street	Elena Street	24	CS
2	Greenwood	20	Greenwood Avenue	San Jacinto Street	San Joaquin Street	31	CSL
2	Napa	10	Napa Avenue	North End	Harbor Street	46	M2
2	Pacific	10	Pacific Street	Kings Street	Kern Avenue	46	3CS
3	Beachcombe	30	Beachcomber Street	Yerba Buena Street	North End	15	DCS
3	Coral	50	Coral Avenue	Paul Creek	Java Street	19	DCS
3	Ponderosa	10	Ponderosa Street	Ironwood Avenue	End	8	DCS
4	Acacia	10	Acacia Street	Main Street	Shasta Ave	60	M2
4	Bayshore	10	Bayshore Drive	Main Street	Main Street	54	M2
4	Casitas	10	Casitas Street	Laurel Avenue	Nutmeg Avenue	69	M2
4	Clarabelle	10	Clarabelle Drive	Radcliff Street	Downing Street	76	M2
4	Conejo	10	Conejo Street	Koa Avenue	Laurel Ave	54	M2
4	Driftwood	10	Driftwood Street	West End	Main Street	63	M2
4	Dunes	20	Dunes Street	Main Street	Kennedy Way	57	M2
4	Dunes	10	Dunes Street	Main Street	West End	64	M2
4	Koa	10	Koa Avenue	Laurel Avenue	North End	60	M2
4	Laurel	10	Laurel Avenue	North End	Avalon Street	63	M2
4	Monterey	10	Monterey Avenue	Surf Street	Beach Street	56	M2
4	Nutmeg	10	Nutmeg Avenue	South End	North End	72	M2
4	Vista	10	Vista Street	Piney Way	Shasta Avenue	65	M2
4	Walnut	10	Walnut Street	Main Street	Shasta Avenue	74	M2
5	Elena	10	Elena Street	Main Street	Greenwood Avenue	50	CS
5	Hill	20	Hill Street	Sunset Court	Highway 41	54	3FCS
5	LittleMorr	10	Little Morro Creek Ro	Radcliff Street	City Limits	29	3CS
5	Luzon	30	Luzon Street	Beachcomber Drive	End	47	3CS
5	Mindoro	30	Mindoro Street	Beachcomber Drive	End	41	3CS
5	Monterey	30	Monterey Avenue	Harbor Street	Morro Bay Blvd	48	M2
5	Monterey	20	Monterey Avenue	Beach Street	Harbor Street	52	M2
5	Panorama	30	Panorama Drive	Nevis Street	Mindoro Street	15	3CS
5	Panorama	40	Panorama Drive	Trinidad Street	Nevis Street	16	3CS
5	Piney	10	Piney Way	Main Street	Luisita Street	66	CS
5	Shasta	10	Shasta Avenue	Main Street	Acacia Street	77	M2

CS	Cape Seal
CSL	Cape Seal Limited
3CS	3-Layer Cape Seal
DCS	Double Chip Seal
M2	Micro Type II
3FCS	3-Layer Cape Seal: Micro Type III w/ Fiber
3CSL	3-Layer Cape Seal Limited
3CSLF	3-Layer Cape Seal Limited: Micro Type III w/ Fiber

**CITY OF MORRO BAY
SCHEDULE OF FIVE-YEAR PAVEMENT MANAGEMENT PLAN**

Five Year Plan @ \$974,000 in 2016/17 & BIENNIALLY THOUGH 2020

2015-16		2016-17		2017-18		2018-19		2019-20	
Street	Cost	Street	Cost	Street	Cost	Street	Cost	Street	Cost
Acacia1	9,065	Clarabelle1	\$ 31,724	Avalon 1	\$ 33,150	Bay1	\$ 3,242	Beachcomber3	\$ 29,700
Bayshore1	9,716	Driftwood1	9,485	Avalon 2	6,630	Bradley1	10,345	Bolton	81,000
BellaVist1	8,166	Napa1	123,285	Barlow1	10,680	Carmel1	12,963	Coral	220,000
Driftwood2	18,700	Pacific1	50,125	Beach1	22,724	Embarcadr3	54,910	Panorama1	2,250
Dunes1	20,997	Piney 1 & 2	305,970	Butte1	14,050	Formosa1	7,200	Surf 1-3	202,650
Dunes2	24,468	Prescott	43,200	Capri1	7,805	Kennedy	87,890		
Harbor	59,220	Shasta1	72,770	Downing1	12,900	Kings (Pac-Quin)	27,500		
Hill	84,000	Sienna	21,419	Fairview1	13,171	Little Morro Crk	183,535		
Monterey1	9,600	SurfAlley1	4,556	Luzon1&2	135,000	Main8	110,000		
Monterey2	10,893	Tuscan	13,631	Luista1	6,915	Main9	12,465		
Monterey3	14,950	Zanzibar	17,525	Madera1	11,420	Main12	7,000		
Monterey4	10,530			Main10	31,078	Main13	30,449		
Scott2	3,840			Morro1	6,045	Olive2	9,255		
Vista1	3,882			Morro5	25,850	Palm1	2,345		
Walnut1	4,320			PineyLn1	3,240	Toro1	7,525		
				Seaview	33,000				
	<u>\$ 292,347</u>		<u>\$ 693,690</u>		<u>\$ 373,658</u>		<u>\$ 566,624</u>		<u>\$ 535,600</u>
	Total 2015/16 & 2016/17		<u>\$ 986,037</u>		Total 2017/18 & 2018/19		<u>\$ 940,282</u>		

FY 16 work plan will be executed with a combined contract in FY17

FY18 work plan will be executed with a combined contract in FY19

This budget is based on current funding availability. Approval of new funding sources would significantly expedite reconstruction

Greenwood (CS) \$1,772,000 Ironwood (ATP) \$635,250 Juniper(CS) \$319,200
Complete Streets (CS) or Active Transportation Program (ATP) projects are dependent on the award of separate grant funding

PMP Street priorities are reevaluated annually during project design to utilize the most appropriate repair method considering current pavement condition & fund availability

2015/17 Needs	
High Priority	= \$ 750,099
Med Priority	= \$ 90,624
Recur Maint	= \$ 145,314
Total	= \$ 986,037
Measure Q \$ Available	
2015/16	~ \$ 399,000
2016/17	~ \$ 587,000
Total	\$ 986,000

- Developed Memorandum of Understanding for future acquisition of 28 acres of the South Bay Boulevard site and received City Council approval for execution
- Completed final Salinity Control Plan and began development of draft ordinance, outreach materials, and draft report for future WRFCAC and Council consideration
- Prepared and reviewed initial draft architectural simulation of the property, incorporating architectural elements and themes discussed in City community workshops
- Met with Regional Water Quality Control Board (RWQCB) staff to discuss status of draft discharge permit for the existing Wastewater Treatment Plant, as well as status of the City's WRF Program. The importance of salinity control in meeting future reuse goals was specifically discussed during the meeting and RWQCB staff expressed support for the City's efforts to manage salinity in the wastewater collection system.
- Met with State Water Quality Control Board to review status of state Direct Potable Reuse regulations and possible impact on Morro Bay WRF.
- Completed initial biological and cultural resource surveys of the South Bay Boulevard site
- Coordinated with EIR consultant team relative to the FMP progress, and began description of existing conditions on the project site to frame the context of the proposed project analysis once FMP is completed
- Consulted with California Coastal Commission staff to understand potential permitting requirements or conditions associated with development at the South Bay Boulevard site

Project Financing Update

The City has applied for a State Revolving Fund (SRF) Planning Loan for \$10.3M and according to the State Water Resource Control Board (SWRCB) Project Manager, a draft agreement should be available in October.

The City intends to pursue an SRF Construction Loan for the balance of the Phase I WRF program. The SRF Construction Loan application cannot be completed until the Environmental Impact Report (EIR) is certified. In the 2016/17 Intended Use Plan for Clean Water State Revolving Fund, Small Community Grant and Water Recycling Funding Programs, SWRCB reviewed the list of projects that have been submitted for SRF funding and have concluded additional bond sales or other revenues may be required to fund them all. The Program Management team will continue to monitor status of the SRF program in case alternative financing approaches are required. Funding programs continually evolve in response to their commitments and availability of resources, so the situation could be considerably different in a year when EIR certification is eminent.

The City also intends to identify and apply for state and federal construction grants. Completion of the California Environmental Quality Act (CEQA) program is often required to receive funding or to be competitive for many of those grant programs. The City's grant and funding strategist, Kestrel Consulting, continues to monitor grant and funding opportunities in anticipation of the City's completion of the Facility Master Plan, Master Reclamation Plan, and Environmental Impact Report. A detailed project description is critical to identification and successful pursuit of funding opportunities.

Project Environmental Review and Permitting Update

A Notice of Preparation (NOP) for the EIR was released on August 7, 2016, which began a 30-day review period during which public comments could be received to frame the scope of the study. The required EIR Scoping Meeting was held on August 16. As a result of the NOP release and the Scoping Meeting, staff received many comment letters that will be used to help better define the issues to be examined in the EIR. At this time, it is expected the EIR consultant's budget and scope of work anticipated those issues. Because the FMP will be a central component of the project description analyzed in the EIR, the consultant has begun work on the EIR, framing the

existing conditions with respect to those issues, and is coordinating with staff and the FMP consulting team. The EIR will also analyze the Master Reclamation Plan, which is currently under development. It is anticipated the EIR is on schedule, with an expected release of the Draft EIR in summer 2017, and with an anticipated Final EIR certification in November 2017.

Program management staff and the EIR consultant are coordinating closely with outside agencies that would have potential permitting authority over one aspect or another of the project, including the Coastal Commission, Regional Water Quality Control Board, and a variety of regulatory resource agencies such as the California Department of Fish and Wildlife. Their input will be useful to help guide the EIR analysis. The EIR itself will be used to support permitting efforts, once the Final EIR is certified by the City.

Schedule Update

FY 16/17 activities are primarily planning, permitting, and procurement of consultants for elements of the Phase I WRF. Specific objectives include completion of the Facility Master Plan, Master Water Reclamation Plan, technical studies and initial drafts of the EIR, and procurement of the State Revolving Fund Planning and Design Loan.

The anticipated schedule for significant milestones and Council decisions is summarized below, as reported to Council on August 9, and all critical path efforts are on schedule.

Item	Date
Release of Public Draft Facility Master Plan	November 9, 2016
Community Workshop/Input on Phase I WRF Architecture	Rescheduled to November Facility Master Plan Workshop (November 14, 2016)
Draft Facility Master Plan	November 2016
Final Facility Master Plan	December 2016
Council Selection of Delivery Method for Phase I WRF	January 2017
Draft Master Water Reclamation Plan	March 2017
Confirmation of Phase I and Phase II WRF Budget	April 2017
Council Selection and Award for Phase I WRF Offsite Improvements (Lift Station and Pipelines)	April 2017
RFQ for Design/Construction of Phase I WRF Onsite Improvements	June 2017
Release of Public Draft EIR	August 2017
RFP for Design/Construction of Phase I WRF Onsite Improvements	October 2017
Certification of Final EIR (Critical Timeline for Grant Pursuit)	November 2017
Negotiation/Award of Contract for Phase I WRF Onsite Improvements	May 2018
Award of Contract for Construction of Phase I Offsite Improvements (Lift Station and Pipelines)	April 2019
Completion of Phase I WRF Improvements	May 2021

Responses to Frequently Asked Questions

The Program Management team has updated the list of Frequently Asked Questions (FAQs) on the WRF website (www.morrobaywrf.com) in response to questions and comments from the public. Several new questions and answers are provided below:

1. Santa Paula and Fillmore completed their water reclamation facilities in less than 5 years. Why is this one requiring 5 years?

The City's 5-year goal includes all the planning, permitting, financing, design, construction, and commissioning for the project after site selection. Construction for each of the Santa Paula and Fillmore Water Reclamation Facilities was completed approximately 2 to 2 ½ years after the construction contracts were approved. *However, the master planning, permitting, CEQA compliance, and other efforts took several years prior to the approval of the construction contracts.* Morro Bay's 5-year goal includes all those activities beginning June 14, 2016, when Council selected the South Bay Boulevard site as the preferred location for planning and permitting.

The City of Santa Paula completed a project report that identified treatment technologies for their WRF in 2003. Preliminary cost opinions were developed in Spring 2005. The Environmental Impact Report was certified in April 2005, and construction of the WRF was completed in May 2010.

The City of Fillmore developed a Project Report with an initial program budget in 2004, then began work on the Environmental Impact Report. The design-build-operate-finance team began design and construction in November 2006, and the WRF was completed and operational in August 2009.

2. The primary collection point for the City's wastewater system will necessarily be at a low elevation that will likely be in the 100-year floodplain. What special conditions can the City anticipate from California Coastal Commission (CCC) to allow a lift station to be built within the 100-year floodplain?

CCC will require an alternatives evaluation and justification for constructing a new lift station near the existing WWTP site. That evaluation can be accomplished in the context of the EIR for the project. The City's sewage collection system drains to the existing WWTP from multiple directions. The existing WWTP lies within a floodplain. With construction of the WRF at a new location, the City's collection system will need to be modified to flow to the new WRF. Rerouting the existing collection system to drain to the new location would involve considerable design and permitting and would significantly increase overall project costs. Instead, a lift station at or near the existing WWTP is proposed to receive the City's sewage and pump it to the new WRF. The lift station will be designed with flood proofing measures, including submersible pumps that continually operate underwater. Structures will be set two feet above the 100-year flood elevation. The electrical panels will also be located at an elevation to avoid flooding and conduits will be sealed.

3. There are members of the community who want to investigate building a "hardened" WRF on property adjacent to the current WWTP. Does Coastal Commission (CCC) staff believe such an approach is supportable?

The property adjacent to the WWTP is within the floodplain and the tsunami inundation zone, similar to constraints to building a new WRF at the existing site. Based on recent discussions between City and CCC staff, there is no support from CCC staff for pursuing a new WRF adjacent to the current WWTP site, because it is inconsistent with previous CCC direction to move the facility farther from the coast to better implement relevant Coastal Act policies. Coastal Commission staff

expressed support for moving the project forward at the South Bay Boulevard site instead.

4. Can we recycle wastewater if we build the WRF at South Bay Boulevard?

Yes. One of the advantages of the South Bay Boulevard site, from a long-term prospective, is the proximity between the City’s two groundwater basins (Chorro Valley and Morro Valley) allowing flexibility for future reuse within either or both basins. Costs for water reuse alternatives will be developed within the Master Water Reclamation Plan, which will be released in draft form in March 2017.

First Quarter 16/17 Summary

A budget update for the first quarter of fiscal year 2016/17 (1Q16/17) has been prepared. It should be noted the final consultant invoices and charges through September 30 of FY 16/17 may not arrive at the City until November.

As discussed in prior meetings, MKN & Associates and City staff developed a budget and expense report format with input from the WRFCAC Financial Subcommittee. The summary is attached, and 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. An update of that report will be provided quarterly to City Council and WRFCAC. The current report represents expenses (excluding those consultant invoices mentioned above) through September 30, 2016.

The following sections provide an analysis and overview of the City’s WRF budget for FY16/17. The budget summary presents budget information on quarterly, annual (based on the fiscal year for the City between July and June) and total project time periods. All costs for a given period are based on the invoice dates (except for consultant costs as described below). That resulted in minor changes to the costs per quarter compared to the previous report, but working from the invoice dates allows us to better automate the reporting process since that is the information the City uses to report miscellaneous costs.

EXPENDITURES: The following table describes the line items from Attachment 1, as well as any comments regarding budget status.

Object Name (from Attachment 1)	Description	Comments
Past Siting Studies	Contractual services for studies completed prior to initiating the Facility Master Plan process (2013-2015)	These work efforts were completed, contracts expired, and there are no further encumbrances.
Current Consultant Contracts	Summary of Page 2 from Attachment 1	Work efforts are under budget for FY 16/17. In order to facilitate a more automated reporting process, consultant costs for a given period will be based on the dates work was performed instead of invoice or payment dates.
Water Rights Legal Support	Contract attorney fees for input on water reuse alternatives and legal constraints	--

Labor and Benefits	City staff labor and benefits (also called “fully burdened labor”) for the WRF Program	Current FY 16/17 efforts included wastewater sampling, meeting attendance, administrative support, collection system flow monitoring, and all activities related to the WRF Program
Laboratory/Sampling	Contract laboratory services for wastewater analysis to support Facility Master Plan and future detailed design efforts	--
Printing and Advertising	Costs from outside vendors for copies, printing, and postage to develop and distribute WRF Program materials	
Software License and Fees	Fee for Procore Project/Construction Management Software	Procore software is used to manage and track consultant budgets and contracts, store program documents and deliverables, coordinate and record meetings, and track work efforts during the planning/permitting phase. During construction, the software will be used for tracking contractor submittals, pay requests, field observations, and other work efforts. Annual fee is \$42,205 over the next 5 to 8 years.
Property Acquisition	Cost to purchase property appraisal	--
Program Office Equipment	Copier, monitor, telephone, and other office equipment to equip the Program Office in the City Hall Annex	--

REVENUE: At this time, the City is funding the project through user rates, the Recycled Water Facilities Planning Grant, and Supplemental Environmental Project (SEP) money from California Department of Corrections and Rehabilitation for California Men’s Colony. SEP funds were intended to offset costs for the CMC evaluations completed last year.

User rates fund the City’s sewer enterprise, including efforts not related to the new WRF. Incoming revenue is not directed into a specific fund for the WRF. Therefore, the budget table includes the revenue anticipated for the WRF, which is 75% of \$75M, or \$56.25M, with 25% of debt service coverage (assumed in the Rate Study) to increase the projected available revenue up to \$70.4M. That assumes debt service coverage would be reduced and/or reallocated by reprioritizing other wastewater capital projects.

The goal of the Facility Master Plan is to develop a more refined Phase I WRF project budget than the range of estimates from the 2014 Site Options Report (which assumed a project would be constructed at the Rancho Colina site and was the origin of the \$75M Phase I budget in the 2015 Rate Study).

ATTACHMENT

1. 1Q16/17 WRFCAC Budget Report and Commitment Summary

City of Morro Bay Water Reclamation Facility Advisory Committee (WRFCAC) Quarterly Budget Review Summary 1Q16/17														
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)	\$802,851	\$234,073	29.16%	\$568,779	\$3,211,405	\$234,073	7.29%	\$2,977,332	\$4,653,067	\$1,675,734	\$2,977,333	36.01%	\$2,977,333
6105	Water Rights Legal Support (See Note 2)	--	\$0	--	--	--	\$0	--	--	--	\$7,880	--	--	--
6105	Rate Study	--	\$0	--	--	--	\$0	--	--	--	\$1,457	--	--	--
	Subtotal	\$802,851	\$234,073	29.16%	\$568,779	\$3,211,405	\$234,073	7.29%	\$2,977,332	\$5,187,485	\$2,133,128	\$2,977,333	41.12%	\$3,054,357
599-8312	Labor (Fully Burdened)													
4910,4999	Labor and Benefits	\$15,000	\$15,521	103.47%	(\$521)	\$60,000	\$15,521	25.87%	\$44,479	\$400,000	\$228,533	--	57.13%	\$171,467
	Subtotal	\$15,000	\$15,521	103.47%	(\$521)	\$60,000	\$15,521	25.87%	\$44,479	\$400,000	\$228,533	--	57.13%	\$171,467
599-8312	Other Costs													
6105,6162	Laboratory/Sampling	\$34,500	\$5,509	15.97%	\$28,991	\$138,000	\$5,509	3.99%	\$132,491	\$200,000	\$29,147	--	--	\$170,853
5199,6106,6105,6710	Printing and Advertising	--	\$4,948	--	--	--	\$4,948	--	--	--	\$18,307	--	--	--
5199	Software license and fees	\$0	\$0	--	--	\$42,204	\$0	0.00%	\$42,204	\$371,205	\$42,206	\$329,000	11.37%	\$329,000
5199,7101	Property Acquisition	\$0	\$0	--	--	\$2,425,000	\$0	0.00%	\$2,425,000	--	\$30,500	--	--	--
5199,6106,6750	Program office equipment	\$500	\$505	101.07%	(\$5)	\$2,000	\$505	--	--	--	\$4,757	--	--	--
5199,6514	Travel expense	--	\$0	--	--	--	\$0	--	--	--	\$379	--	--	--
	Subtotal	\$35,000	\$10,962	31.32%	\$24,038	\$2,607,204	\$10,962	0.42%	\$2,596,242	\$571,205	\$125,296	\$329,000	21.94%	\$445,909
	TOTALS	\$852,851	\$260,556	30.55%	\$592,295	\$5,878,609	\$260,556	4.43%	\$5,618,053	\$6,158,690	\$2,486,957	\$3,306,332	40.38%	\$3,671,733
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	\$0	\$0	--	\$0	\$75,000	\$0		0.00%	(\$75,000)
	Subtotal	\$0	\$0	0.00%	\$0	\$0	\$0	--	\$0	\$75,000	\$0		0.00%	(\$75,000)
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
User Rates	User Rates													
	User Rates (Allocated for WRF per May 2015 Rate Study)									\$70,312,500				*Cannot be separated from City's sewer revenue
	Subtotal									\$70,312,500				*Cannot be separated from City's sewer revenue
	TOTALS	\$0	\$0	0.00%	\$0	\$87,361	\$87,361	100.00%	\$0	\$70,474,861	\$87,361		0.12%	(\$70,387,500)

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 expenditures associated with contracts.
- 4) Amended Budget for User Rates for WRF based on May 2015 Water and Sewer Rate Studies. Original budget was \$75M including 25% participation from Cayucos SD which was removed in this analysis. 25% debt coverage (on City's contribution only) was included in the rate study and in this calculation.
- 5) Expenditures for Current Consultant Contracts for a period (quarter or fiscal year) are based on the dates on which the work was performed, and not on invoice or payment date.
- 6) Total Project Amended Budget is calculated from FY1617 Projected Budget plus Total Project Expenditures from end of FY1516. Detailed budget development will take place after completing the project descriptions in the Facility Master Plan and Master Reclamation Plan.

City of Morro Bay										
Water Reclamation Facility Advisory Committee (WRFAC) Consultant Contract Summary (From Inception through 9-30-2016)										
Current Consultant Contracts										
Number	Title	Status	Total	Approved Change Orders	Total With Approved Change Orders	Draw Requests	Total Remaining	% Complete	Pending Change Orders	Vendor
SC--001	Facility Master Plan	Approved	\$710,123.00	\$123,819.00	\$833,942.00	\$623,925.04	\$210,016.96	75%	\$0.00	Black & Veatch
SC--002	CEQA/NEPA Documentation and Consulting	Approved	\$346,538.00	\$0.00	\$346,538.00	\$33,715.68	\$337,130.06	10%	\$0.00	ESA
SC--003	Fatal Flaw Cultural Resources	Approved	\$18,260.87	\$0.00	\$18,260.87	\$18,260.87	\$0.00	100%	\$0.00	Far Western
SC--005	MacElvaine Property - Fatal Flaw - Biological Resources	Approved	\$12,835.00	\$0.00	\$12,835.00	\$11,240.00	\$1,595.00	88%	\$0.00	Kevin Merk Associates
SC--006	Survey - Righetti Property	Approved	\$15,644.00	\$0.00	\$15,644.00	\$12,502.50	\$3,141.50	80%	\$0.00	JoAnn Head Land Surveying
SC--007	Survey - Highway 41 and MacElvaine Property	Approved	\$45,050.00	\$0.00	\$45,050.00	\$47,820.50	(\$2,770.00)	106%	\$0.00	JoAnn Head Land Surveying
SC--008	Salinity Identification Study	Approved	\$23,640.00	\$37,080.00	\$60,720.00	\$44,635.33	\$27,770.92	74%	\$0.00	Larry Walker Associates
SC--009	MacElvaine Property (SE) - Fatal Flaw - Geotech and Initial Hydrologic Fie	Approved	\$38,600.00	\$47,800.00	\$86,400.00	\$86,364.95	\$35.05	100%	\$0.00	Fugro
SC--010	Grant and Loan Funding - Tracking and SRF Support	Approved	\$65,752.00	\$0.00	\$65,752.00	\$36,294.47	\$29,827.03	55%	\$0.00	Kestrel
SC--011	2015 Program Management	Approved	\$920,808.00	\$0.00	\$920,808.00	\$624,299.26	\$434,410.45	68%	\$0.00	MKN & Associates, Inc.
SC--012	Evaluate Alternative Concepts for Disposal of Treated Effluent	Approved	\$22,000.00	\$60,245.00	\$82,245.00	\$53,571.55	\$61,235.26	65%	\$0.00	GSI Water Solutions
SC--013	Geotechnical Services Righetti II Site	Approved	\$35,902.00	\$0.00	\$35,902.00	\$27,325.35	\$23,884.50	76%	\$0.00	Yeh and Associates
SC--014	Survey Services for South Bay Blvd Site	Approved	\$29,850.00	\$0.00	\$29,850.00	\$23,314.00	\$23,667.50	78%	\$0.00	JoAnn Head Land Surveying
SC--015	Geotechnical Services South Bay Blvd Site	Approved	\$33,600.00	\$0.00	\$33,600.00	\$32,464.59	\$21,406.69	97%	\$0.00	Yeh and Associates
Total			\$2,318,602.87	\$268,944.00	\$2,587,546.87	\$1,675,734.09	\$1,171,350.92	65%	\$0.00	

Note: 1) Contract SC-004 was unused and was combined with Contract SC-003. 2) Contracts SC--006 and SC--007 for JoAnn Head Land Survey are one amended contract with the City.