



CITY OF MORRO BAY CITY COUNCIL AGENDA

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

Regular Meeting Tuesday, January 12, 2021 – 5:30 P.M. Held Via Teleconference

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 - NONE

PUBLIC COMMENT

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this Meeting will be conducted telephonically through Zoom and broadcast live on Cable Channel 20 and streamed on the City website (click [here](#) to view). Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Veterans' Hall will not be open for the meeting.

Public Participation:

In order to prevent and mitigate the effects of the COVID-19 pandemic, and limit potential spread within the City of Morro Bay, in accordance with Executive Order N-29-20, the City will not make available a physical location from which members of the public may observe the meeting and offer public comment. Remote public participation is allowed in the following ways:

- *Community members are encouraged to submit agenda correspondence in advance of the meeting via email to the City Council at council@morrobayca.gov prior to the meeting and will be published on the City website with a final update one hour prior to the meeting start time. Agenda correspondence received less than an hour before the meeting start time may not be posted until after the meeting.*
- *Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).*
- *Alternatively, members of the public may watch the meeting and speak during general Public Comment or on a specific agenda item by logging in to the Zoom webinar using the information provided below. Please use the "raise hand" feature to indicate your desire to provide public comment. Each speaker will be allowed three minutes to provide input.*

Please click the link below to join the webinar:

- <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcwTHlRTk9xaTlmWVNWRFUQT09>
Password: 135692
- Or Telephone Attendee: 1 (408) 638-0968 or 1 (669) 900 6833 or 1 (346) 248 7799;
Webinar ID: 827 2274 7698; Password: 135692; Press *9 to "Raise Hand" for
Public Comment

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 FOR THE DECEMBER 4, 2020, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FOR THE DECEMBER 08, 2020, CITY COUNCIL SPECIAL SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 APPROVAL OF MINUTES FOR THE DECEMBER 16, 2020, CITY COUNCIL SPECIAL SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-4 APPROVAL OF MINUTES FOR THE DECEMBER 17, 2020, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-5 FISCAL YEAR (FY) 2019-20 STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES; (FINANCE DEPARTMENT/COMMUNITY DEVELOPMENT DEPARTMENT/PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the Council Accept Fiscal Year (FY) 2019-20 status report on receipt and use of Development Impact Fees.

- A-6 ADOPTION OF RESOLUTION NO. 01-21 APPROVING AMENDMENT #1 TO THE MASTER LEASE AGREEMENT BETWEEN THE CITY OF MORRO BAY AND TLC FAMILY ENTERPRISES FOR LEASE SITE 87-88/87W-88W, LOCATED AT 833 EMBARCADERO; (HARBOR DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 01-21, approving Amendment #1 to the Master Lease Agreement for Lease Site 87-88/87W-88W, as proposed.

- A-7 ADOPTION OF RESOLUTION NO. 02-21 AUTHORIZING A ONE-YEAR EXEMPTION FROM QUALIFYING AS A COMMERCIAL FISHING VESSEL FOR EXISTING COMMERCIAL SLIP HOLDERS FOR THE 2021 CALENDAR YEAR; (HARBOR DEPARTMENT DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 02-21, authorizing a one-year exemption from qualifying as a commercial fishing vessel for existing City of Morro Bay commercial slip holders, as proposed.

- A-8 APPOINTMENT OF MAYOR PRO TEMPORE; APPOINTMENT OF REPRESENTATIVES ON DISCRETIONARY BOARDS, COUNCIL LIAISON ASSIGNMENTS AND COUNCIL SUB-COMMITTEES; REMOVE COMPLETED/DISBANDED SUB-COMMITTEE AND DISCRETIONARY APPOINTMENTS; (MAYOR)

RECOMMENDATION: Appoint Council Member Jeff Heller as Mayor Pro Tempore; appoint representatives to serve on the various County or Regional Discretionary Boards, Council Liaison Assignments and Sub-Committees for calendar year 2021 as shown on the attached appointment list; and remove discretionary assignments and sub-committees that are no longer needed.

- A-9 ADOPTION OF RESOLUTION NO. 03-21 APPROVING THE CITY'S AMENDED SALARY SCHEDULE FOR FY 2020/21 ENDING 5% SALARY CONCESSIONS AND REINSTATING SALARIES FOR MEMBERS OF THE MORRO BAY FIREFIGHTERS ASSOCIATION EFFECTIVE JANUARY 1, 2021; (FINANCE DEPARTMENT/CITY CLERK/HUMAN RESOURCE DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 03-21, approving the City's amended FY 2020/21 Salary Schedule effective January 1, 2021.

B. PUBLIC HEARINGS

- B-1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 642, RESTATING AND AMENDING MORRO BAY MUNICIPAL CODE CHAPTER 13.12 TO UPDATE AND EXPAND THE CITY'S SEWER USE ORDINANCE; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Council introduce for first reading by number and title only, with further reading waived, Ordinance No. 642, Restating and Amending Chapter 13.12 of the Morro Bay Municipal Code to Update and Expand the City's Sewer Regulations.

C. BUSINESS ITEMS

- C-1 CITY COUNCIL GOALS AND OBJECTIVES UPDATE AND PROPOSED DELAY TO THE 2021 – 2022 GOAL SETTING PROCESS; (CITY MANAGER)

RECOMMENDATION: Staff recommends the City Council receive the staff update on the City Goals progress and consider staff proposal to temporarily delay initiation of the City Goal setting process for 2021 – 2022 in order to account for the budgetary and staffing impacts and uncertainties related to the COVID-19 pandemic.

- C-2 CONSIDERATION OF PROPOSAL AND APPROVAL OF CONTRACT WITH COGSTONE RESOURCE MANAGEMENT, INC. (COGSTONE) FOR ARCHEOLOGICAL AND PALEONTOLOGICAL MONITORING SERVICES FOR THE WATER RECLAMATION FACILITY (WRF) LIFT STATIONS AND OFFSITE PIPELINES CONSTRUCTION; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION:

Staff recommends the City Council:

- 1. Review the report and proposal; and**
- 2. Review the recommendation from staff to award a contract to Cogstone for Archeological and Paleontological Monitoring Services for the WRF Lift Stations and Offsite Pipelines Construction; and**
- 3. Recommend the City Council authorize the City Manager to execute an**

agreement in the not to exceed amount of \$264,918.

- C-3 CONSIDERATION OF PROPOSAL AND APPROVAL OF CONTRACT WITH KEVIN MERK ASSOCIATES, LLC (KMA) FOR BIOLOGICAL MONITORING SERVICES FOR THE WATER RECLAMATION FACILITY (WRF) LIFT STATIONS AND OFFSITE PIPELINES CONSTRUCTION; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION:

Staff recommends the City Council:

- 1. Review the report and proposal; and**
- 2. Review the recommendation from staff to award a contract to KMA for Biological Monitoring Services for the WRF Lift Stations and Offsite Pipelines Construction; and**
- 3. Recommend the City Council authorize the City Manager to execute an agreement in the not to exceed amount of \$71,310.**

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, January 26, 2021 at 5:30 p.m.** via teleconference.

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 805-772-6205 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 UPON REQUEST BY CALLING THE CITY CLERK'S OFFICE AT 805-772-6205.

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
SPECIAL CLOSED SESSION MEETING –
DECEMBER 4, 2020 – 2:00 P.M.
TELECONFERENCE

AGENDA NO: A-1
MEETING DATE: January 12, 2021

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT: John Headding Mayor
 Dawn Addis Council Member
 Robert Davis Council Member
 Marlys McPherson Council Member
 Jeff Heller Council Member

ABSENT: None

STAFF: Scott Collins City Manager
 Chris Neumeyer City Attorney
 Scot Graham Community Development Director
 Rob Livick City Engineer

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 2:00 p.m. with all members present.

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

CLOSED SESSION PUBLIC COMMENT – Mayor Headding opened public comment for items on the agenda; seeing none, the public comment period was closed.

The public comment period was closed.

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

CS-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOVERNMENT CODE SECTION 54956.8

Property: Assessor Parcel No. 066-331-046
Property Negotiators: Vistra Energy
Agency Negotiators: Scott Collins, City Manager; Rob Livick, City Engineer; Scot Graham, Community Development Director and Chris Neumeyer, City Attorney
Under Negotiation: Price and Terms of Payment – Easement Acquisition

CS-2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- Paragraph (1) of subdivision (d) Government Code Section 54956.9
- Name of Case: City of Morro Bay vs. Vistra Energy Corp., Case No. 20CV-0127, San Luis Obispo County Superior Court

RECONVENE IN OPEN SESSION – The City Council reconvened in Open Session. The Council did not take any reportable action in accordance with the Brown Act.

ADJOURNMENT - The meeting adjourned at 3:50 p.m.

Recorded by:

Heather Goodwin
Deputy City Clerk

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MINUTES - MORRO BAY CITY COUNCIL
SPECIAL MEETING – DECEMBER 8, 2020
TELECONFERENCE – 3:00 P.M.

AGENDA NO: A-2
MEETING DATE: January 12, 2021

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT: John Headding Mayor
 Dawn Addis Council Member
 Robert Davis Council Member
 Jeff Heller Council Member
 Marlys McPherson Council Member

ABSENT: None

STAFF: Scott Collins City Manager
 Dana Swanson City Clerk
 Katie Lichtig Interim Finance Director
 Joe Mueller Acting Public Works Director
 Scot Graham Community Development Director
 Steve Knuckles Fire Chief
 Eric Endersby Harbor Director
 Rob Livick City Engineer
 Kirk Carmichael Recreation Services Manager

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding established a quorum and called the meeting to order at 3:00 p.m. with all members present.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA

<https://youtu.be/3VEyBmxaBHY?t=105>

Sean Green, Morro Bay, objected to paving the Police Department parking lot; supported funding for wayfinding signage and filling the current police officer vacancy; requested an update on the aquarium project; and should the Council approve the suggested discount for leaseholders, cautioned the City to return to the current fee schedule before applying cpi increases next year. He also suggested the City create a public safety oversight board.

Erica Crawford, Morro Bay Chamber of Commerce, appreciated the City providing financial assistance to Morro Bay businesses and supported use of SB 1090 funds for wayfinding signage.

The public comment period was closed.

SPECIAL MEETING AGENDA ITEMS:

- I. FISCAL YEAR 2020/21 FIRST QUARTER BUDGET PERFORMANCE AND STATUS REPORT FOR THE THREE-MONTH PERIOD ENDING SEPTEMBER 30, 2020: 1) RECEIVE FISCAL YEAR 2020/21 FIRST QUARTER BUDGET PERFORMANCE AND STATUS REPORT AND AUTHORIZE BUDGET ADJUSTMENTS AS

RECOMMENDED IN THE ATTACHED FIRST QUARTER BUDGET PERFORMANCE REPORT; 2) ADOPT RESOLUTION NO. 101-20 AUTHORIZING STAFF TO PROCEED WITH THE FIRST-QUARTER BUDGET ADJUSTMENTS; AND 3) ALLOCATION OF \$29,000 FROM CALIFORNIA SENATE BILL 1090 FUNDS AVAILABLE IN THE ECONOMIC DEVELOPMENT FUND FOR SMALL BUSINESS GRANTS TO MORRO BAY BUSINESSES. (FINANCE DEPARTMENT)

<https://youtu.be/3VEyBmxaBHY?t=386>

City Manager Collins and Interim Finance Director Lichtig presented the report and responded to Council inquiries.

MOTION: Mayor Headding moved to receive the Fiscal Year 2020/21 First Quarter Budget Performance and Status Report; authorize budget adjustments as recommended in the attached First Quarter Budget Performance Report; and adopt Resolution No. 101-20 authorizing staff to proceed with the First Quarter budget adjustments with the amendment to add item 7 to Exhibit A, allocating \$34,000 from SB 1090 funds available in the Economic Development Fund for small business grants to Morro Bay businesses, and predicated on the fact that CPR reductions are one time and not compounded. The motion was seconded by Council Member Addis and carried 4-1 by roll call vote with Council Member Heller opposed.

ADJOURNMENT

The meeting adjourned at 5:08 p.m.

Recorded by:

Dana Swanson
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
SPECIAL MEETING – DECEMBER 16, 2020
TELECONFERENCE – 4:30 P.M.

AGENDA NO: A-3
MEETING DATE: January 12, 2021

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT: John Headding Mayor
 Dawn Addis Council Member
 Laurel Barton Council Member
 Robert Davis Council Member
 Jeff Heller Council Member

ABSENT: None

STAFF: Scott Collins City Manager
 Dana Swanson City Clerk
 Scot Graham Community Development Director
 Steve Knuckles Fire Chief
 Eric Endersby Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding established a quorum and called the meeting to order at 4:30 p.m. with all members present.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA
<https://youtu.be/aFNfDMJicio?t=198>

Mayor Headding opened public comment; seeing none, the public comment period was closed.

SPECIAL MEETING AGENDA ITEMS:

- I. RECEIVE AN UPDATE ON COVID-19 AND ADVOCACY IN SUPPORT FOR A TRI-COUNTY CENTRAL COAST REGION FOR THE STATE OF CALIFORNIA'S REGIONAL STAY AT HOME ORDER; (CITY MANAGER)
<https://youtu.be/aFNfDMJicio?t=1422>

City Manager Collins provided the report and responded to Council inquires.

MOTION: Council Member Addis moved to authorize the Mayor to sign a joint letter on behalf of the City. The motion was seconded by Council Member Davis and carried 5-0 by roll call vote.

ADJOURNMENT

The meeting adjourned at 5:16 p.m.

Recorded by:

Dana Swanson
City Clerk

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ADJOURNMENT - The meeting adjourned at 4:27 p.m.

Recorded by:

Dana Swanson
City Clerk



AGENDA NO: A-5

MEETING DATE: January 12, 2021

TO: Honorable Mayor and City Council

DATE: December 30, 2020

**FROM: Katie Lichtig, Interim Finance Director
Scot Graham, Community Development Director
Rob Livick, City Engineer**

SUBJECT: Fiscal Year (FY) 2019-20 Status Report on Receipt and Use of Development Impact Fees

RECOMMENDATION:

Staff recommends the Council Accept Fiscal Year (FY) 2019-20 status report on receipt and use of Development Impact Fees.

FISCAL IMPACT:

There is no fiscal impact associated with the requested action.

BACKGROUND/DISCUSSION:

To ensure that mitigation fees associated with development are spent in a timely manner and on projects for which they were being collected, the State Legislature passed a bill known as AB 1600 (the Mitigation Fee Act). This bill applies to developer fees which were increased or imposed on or after January 1, 1989.

The Mitigation Fee Act (California Government Code, Section 66000 et seq.) requires local agencies that impose Development Impact Fees to present an annual, consolidated report showing the receipt and use of those fees. The Annual Status Report (Attachment 1) must be available for review by the Council within 180 days after the close of the fiscal year represented. The AB 1600 report is required to be accessible to the public for viewing at least 15 days prior to the public meeting. In accordance with this legal requirement the report for FY 2019-20 (July 1, 2019 to June 30, 2020) was posted to the City's website on the day this staff report was drafted (20 days before the January 12, 2021 City Council meeting).

The City collects the following Development Impact Fees that meet the AB 1600 reporting requirements:

- Government Impact Fees (Fund 900)
 - Administration
 - Police
 - Fire
 - Street
 - Storm Drain
 - Parks Fees
- Affordable Housing In-Lieu Fees (Fund 941)

Prepared By: _____

Dept Review: _____

City Manager Review: _____

City Attorney Review: CN

- Water Impact Fees (Fund 951)
- Sewer Impact Fees (Fund 952)
- Miscellaneous Impact Fees (Fund 515)
 - Highway 41/Main Impact Fees
 - Traffic Impact
 - Sewer Mast Plan Impact
 - Flood Hazard Plan Impact

Separate balances exist for each of these fees either as individual accounts or separate funds. As required by AB 1600, as of June 30, 2020, all accounts or funds with unspent balances have been credited interest revenue at the City's current interest rate earned on its total investment portfolio.

AB 1600 requires that a status report be prepared annually which must include the following:

- A brief description of the fee and the fund into which the fee was deposited;
- The amount of the fee;
- The associated fund's beginning and ending balances for the fiscal year;
- The total amount of the fees collected, and interest earned;
- Identification of each public improvement on which impact fees were expended and amount of the expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with impact fees;
- Identification of approximate date by which construction of a public improvement will begin;
- Determination that sufficient funds have been collected to complete financing on an incomplete public improvement;
- Description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the loaned funds will be expended, and in the case of an inter-fund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan, and
- Amount of any refunds made due to inability to expend impact fees once a determination is made that sufficient impact fees have been collected to finance a public improvement, the improvement remains incomplete, and the City has not determined an approximate date by which the construction will begin.

The information is presented in the attached FY 2019-20 Annual Status Report on Receipt and Use of Development Impact Fees.

CONCLUSION

Staff recommends Council accept the FY 2019-20 Annual Status Report on Receipt and Use of Development Impact Fees as required under the Mitigation Fee Act (AB 1600).

ATTACHMENT

1. FY 2019-20 Annual Status Report on Receipt and Use of Development Impact Fees

CITY OF MORRO BAY
ANNUAL STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES
JUNE 30, 2020

Government Impact Fees:

Government Impact Fees are collected to ensure that new development pays the cost of infrastructure expansion required to meet the needs of that new development, effectively transferring the cost burden of growth from the existing rate and taxpayers.

The collected fees are held in fund 900, Government Impact Fees Accumulation Fund and are permitted to be used for capital projects for new facilities, vehicles, and rehabilitation and/or renovation of existing facilities, so long as the rehabilitation or renovation is needed to serve the new development that has paid the fee.

Fund 900			
Beginning Fund Cash Balance FY 2019-20 (07/01/2019)			852,828
Sources of Funds			
	Fees Collected	Interest Earned	
Administration Fees	\$ 62,600	\$ 9,439	
Police Fees	\$ 14,131	\$ 1,296	
Fire Fees	\$ 15,654	\$ 346	
Street Fees	\$ 70,626	\$ 3,259	
Storm Drain Fees	\$ -	\$ 187	
Parks Fees	\$ 48,250	\$ 3,642	
Subtotal General Fund	\$ 211,262	\$ 18,168	
Total Sources of Funds			\$ 229,430
Uses of Funds			
General Plan Update (Administration Fees)		\$ 16,177	
Security Improvements at City Facilities (Administration Fees)		\$ 35,588	
Total Use of Funds			\$ (51,765)
Ending Fund Cash Balance (06/30/2020)			\$ 1,030,493

Potential future funded projects are provided below. These are potential projects and may or may not be approved in the City’s current budget. Any expenditures from these funds would require Council authorization and approval prior to expenditure.

Purposely Continued on Next Page

Fund 900

Potential Future Projects		Total Funds Available	
Administration Fees	\$	-	
Council Chambers Improvements	\$	450,000	
Security Improvements and Upgrades	\$	95,000	
Total Potential Admin Projects	\$	545,000	\$ 510,486
Police Fees	\$	-	
Police Facility Improvements and Upgrades	\$	75,000	
Total Potential Police Projects	\$	75,000	\$ 77,183
Fire Fees			
PSPS Upgrades	\$	36,000	
Total Potential Fire Projects	\$	36,000	\$ 20,585
Street Fees			
ADA Transition Plan Improve	\$	5,657,072	
Total Potential Street Projects	\$	5,657,072	\$ 194,135
Storm Drain Fees			
Under Funded or Unfunded Storm Drain Projects	\$	5,225,100	
915-9933 Pipeline along Kern & Anchor SD-01A			
915-9934 Pipeline along Kern & Anchor SD-01B			
New Pipeline West of Main Along Hwy 1 SD-06A			
New Pipeline West of Main Along Hwy 1 SD-06B			
New Pipeline at Morro Bay Blvd and Quintana Road SD-04			
Total Potential Storm Drain Projects	\$	5,225,100	\$ 11,159
Parks Fees			
City Park Playground Equipment Upgrade	\$	150,000	
Total Potential Parks Projects	\$	150,000	\$ 216,945
Total Potential Future Projects	\$	11,688,172	\$ 1,030,493

Affordable Housing In-Lieu Fee

Affordable Housing In-Lieu Fees are collected from residential development projects when the construction of affordable housing units is impractical. The required in-lieu fee is to be paid to the City prior to the issuance of a building permit (where square footage is added) or a final tract map. The Affordable Housing In-Lieu Fee is \$0.35 per square foot.

The collected fees are held in the 941 fund and are restricted to be used solely for the affordable housing program activities, including projects such as the Housing Element or General Plan Update, or transfer to another public agency for providing affordable housing in the City.

Affordable Housing in-Lieu Fees

Fund 941		
Beginning Fund Cash Balance FY 2019-20 (07/01/2019)		\$ 299,029
Sources of Funds		
	Fees Collected	Interest Earned
	\$ 13,426	\$ 5,425
Total Sources of Funds		\$ 18,851
Uses of Funds		
	Housing Element of General Plan Update	\$ 62,740
Total Use of Funds		\$ (62,740)
Ending Fund Cash Balance (06/30/2020)		\$ 255,139
Potential Future Projects		
Housing Element Implementation		\$ 225,000
Home Share SLO (5 year total - pending appropriation)		\$ 25,000
Total Potential Projects		\$ 250,000

Sewer Impact Fee

Pursuant to Government Code, revenues derived from the City’s impact fees can only be used for the purpose for which the charges are collected. Wastewater impact fee recover costs for buying in to existing facilities and assets. As such, this share of each fee represents a reimbursement to the City’s existing customer base for previously-funded facilities and therefore, may potentially be used for any purpose. However, the City’s practice is conservative and uses these fees to exclusively fund capital improvements.

The collected fees are held in the 952 fund and are restricted to be used solely for wastewater capital improvements.

Sewer Impact Fees

Fund 952-5251-3950

Beginning Fund Cash Balance FY 2019-20 (07/01/2019)	\$0.00
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Sources of Funds

	Fees Collected	Interest Earned
	\$ 69,506	\$ 1,366
Total Sources of Funds	\$ 70,872	

Uses of Funds

Interfund Transfer to WRF Capital Project		\$ 70,872
Total Use of Funds	\$ 70,872	

Ending Fund Cash Balance (06/30/2020)	\$0.00
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Potential Future Projects

One Water Wastewater Collection Main Street & Atascadero Road (underfunded)	\$ 2,473,400
One Water Wastewater Collection LS1/Beachcomber (underfunded)	\$ 2,388,550
Total Potential Projects	\$ 4,861,950

Water Impact Fee

Pursuant to Government Code, revenues derived from the City’s impact fees can only be used for the purpose for which the charges are collected. Water impact fees are designed to recover the cost of existing water system facilities and assets as well as the cost of system upgrades and expansion needed to serve the City.

The collected fees are held in the 951 fund and are restricted to be used solely for water system facilities, assets and system upgrades and expansion.

Water Impact Fees

951-5240-3950

Beginning Fund Cash Balance FY 2019-20 (07/01/2019)	\$0.00
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Sources of Funds

	Fees Collected	Interest Earned
	\$ 69,152	\$ 1,359
Total Sources of Funds	\$ 70,511	

Uses of Funds

Interfund Transfer to WRF Capital Project		\$ 70,511
Total Use of Funds	\$ 70,511	

Ending Fund Cash Balance (06/30/2020)	\$0.00
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Potential Future Projects

OneWater Capital Improvements	\$ 500,000
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Total Potential Projects	\$ 500,000
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Trust & Agency

The Trust & Agency fund (fund 515) has historically been used by the city to hold funds with restricted purposes. There are three impact fees that remain in the Trust & Agency fund, traffic impact, sewer master plan impact and flood hazard plan impact. In addition, previous years balances exist for the Highway 41/Main Impact, Storm Drain Impact and Calvary Baptist Drain Impact. These funds are restricted to use of related projects and improvements.

Fund 515	
Beginning Fund Cash Balance FY 2019-20 (07/01/2019)	248,201
Sources of Funds	
	Fees Collected
Highway41/Main (2600)	\$ -
Traffic Impact/All Surces (2607)	\$ -
Storm Drain (2613)	\$ 1,846
Calvary Baptist Drain Impact (2616)	\$ -
Sewer Master Plan (2622)	\$ -
Flood Hazard Plan (2740)	\$ 219
Subtotal General Fund	<u>\$ 2,065</u>
Total Sources of Funds	\$ 250,266
Uses of Funds	
Highway41/Main (2600)	3,258.25
Ending Fund Cash Balance (06/30/2020)	\$ 247,008

**Fund 515 Trust & Agency
Cash Balance per Category
FY 2019-20**

	Bal 6/30/2020
Highway41/Main (2600)	\$ 41,984
Traffic Impact/All Surces (2607)	\$ 49,973
Storm Drain (2613)	\$ 6,054
Calvary Baptist Drain Impact (2616)	\$ 314
Sewer Master Plan (2622)	\$ 146,073
Flood Hazard Plan (2740)	\$ 2,610
Total Fund 515 Impact Fees	\$ 247,008

Fund 515

Potential Future Projects	Total Funds Available	
Highway 41/Main Impact Fee		
State Rt (SR) 1/SR 41 Interchange Improvement	\$ 620,000	
Total Potential Projects	\$ 620,000	\$ 41,984
Traffic Impact/All Sources		
State Rt (SR) 1/SR 41 Interchange Improvement	\$ 620,000	
Total Potential Projects	\$ 620,000	\$ 49,973
Storm Drain Impact		
Laurel Ave Easement Rehabilitation	\$ 97,000	
Total Potential Projects	\$ 97,000	\$ 6,054
Calvary Baptist Drain Impact		
Laurel Ave Easement Rehabilitation	\$ 97,000	
Total Potential Projects	\$ 97,000	\$ 314
Sewer Master Plan Impact		
OneWater Plan	\$ 691,150	
Total Potential Projects	\$ 691,150	\$ 146,073
Flood Hazard Plan Impact		
OneWater Plan	\$ 691,150	
Total Potential Projects	\$ 691,150	\$ 2,610
Total Potential Future Projects	\$ 2,816,300	\$ 247,008



AGENDA NO: A-6

MEETING DATE: January 12, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: December 21, 2020

FROM: Eric Endersby, Harbor Director

SUBJECT: Adoption of Resolution No. 01-21 Approving Amendment #1 to the Master Lease Agreement Between the City of Morro Bay and TLC Family Enterprises for Lease Site 87-88/87W-88W, Located at 833 Embarcadero

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 01-21, approving Amendment #1 to the Master Lease Agreement for Lease Site 87-88/87W-88W, as proposed.

ALTERNATIVES

Council may elect not to approve Resolution No. 01-21 for the Master Lease Agreement (MLA) as proposed, and direct staff accordingly.

FISCAL IMPACT

There is no fiscal impact to this action.

BACKGROUND

On December 11, 2018, the City Council approved a new 50-year MLA with TLC Family Enterprises (TLC) in exchange for a complete redevelopment of Lease Site 87-88/87W-88W. TLC's redevelopment proposal was vetted through a request for proposals process in 2017/2018.

The MLA contains certain "milestones" or timeline performance requirements TLC must meet to maintain the lease's validity. Prior to the COVID-19 pandemic, TLC had met all of their pertinent milestones, including receiving their Coastal Development permit from the Coastal Commission and their Precise Plan approval from the Planning Commission well ahead of their deadlines. In addition, TLC was ready to submit for their building permits by April 7 of 2020, their deadline for that action, as the COVID pandemic's social and economic impacts were taking full effect.

With staff concurrence, TLC held-off submitting for their building permits last spring largely to avoid having to pay the significant permit fees in economically uncertain times related to COVID, but also because of the widespread uncertainty of the business community overall.

On April 24, 2020, the issue of TLC's deadlines was brought to Council in closed session, where Council concurred with staff's COVID-related treatment of TLC, and requested an update in

Prepared By: EE Dept Review: EE
City Manager Review: SC City Attorney Review: jwp

approximately 60 days. On August 11, 2020, the issue was again brought before the Council in closed session for direction, resulting in the amendment to TLC's lease for consideration tonight that moves all TLC's remaining redevelopment deadlines back approximately 10 months each, in addition to requiring TLC to provide the City with written project progress checks approximately every three months.

DISCUSSION & CONCLUSION

Although the future of the COVID-19 pandemic is still not certain, TLC reports they are weathering the COVID economic storm, remaining fully invested and committed to the lease site redevelopment project, and moving their remaining project deadlines will take into account the added burden of the COVID pandemic's effects. If the amendment, included with this staff report in Attachment #2, is approved, the new deadlines in TLC's lease will be as-follows:

- File a complete application for building permits no later than ~~April 7, 2020~~ February 11, 2021
- Obtain building permits no later than ~~July 9, 2020~~ May 11, 2021
- Commence construction no later than ~~December 9, 2020~~ November 1, 2021 (this deadline was extended 11 months instead of 10 because of eelgrass survey timing requirements)
- Complete construction and obtain certificate of occupancy no later than ~~December 9, 2024~~ November 1, 2022 (this deadline extended 11 months for the same reason)

TLC's December, 2020 written project progress check is included with this staff report in Attachment #3.

ATTACHMENTS

1. Resolution No. 01-21
2. Amendment #1 to the Master Lease Agreement for Lease Site 87-88/87W-88W
3. TLC Family Enterprise's December, 2020 Lease Site Redevelopment Progress Check #1

RESOLUTION NO. 01-21

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING AMENDMENT #1 TO THE MASTER LEASE AGREEMENT
FOR LEASE SITE 87-88/87W-88W, LOCATED AT 833 EMBARCADERO,
BETWEEN THE CITY OF MORRO BAY AND TLC FAMILY ENTERPRISES**

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

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

WHEREAS, TLC Family Enterprises (Cherise Hansson and Travis Leage) have been the lessees of Lease Site 87-88/87W-88W since 2018, and are tenants in good standing; and

WHEREAS, TLC Family Enterprises was granted approval of a new Master Lease Agreement on December 11, 2018 for a proposed lease site redevelopment project consisting of a complete site demolition and redevelopment of mixed restaurant, retail and hotel use; and

WHEREAS, due to the social and economic effects of the COVID-19 pandemic it is now necessary to amend TLC's lease site redevelopment deadlines as stipulated in the lease to provide more time to complete the necessary redevelopment steps.

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

1. The attached Amendment #1 to the Master Lease Agreement for Lease Site 87-88/87W-88W is hereby approved.
2. The Mayor is hereby authorized to execute said Master Lease Agreement Amendment.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 12th day of January, 2021 on the following vote:

AYES:

NOES:

ABSENT:

John Headding, Mayor

ATTEST:

Dana Swanson, City Clerk

**AMENDMENT #1 TO THE LEASE AGREEMENT FOR
LEASE SITE 87-88/87W-88W,
LOCATED AT 833 EMBARCADERO**

This Amendment ("Amendment #1") is made and entered into as of this ____ day of _____, 2021, by and among the City of Morro Bay, a municipal corporation of the State of California, hereinafter called "City," and TLC Family Enterprises, a California corporation, hereinafter called "Tenant." (Collectively, City and Tenant are sometimes referred to herein as the "Parties.")

WHEREAS, this Amendment #1 is to that certain Lease, which was signed on behalf of the Parties and is effective as of December 11, 2018 (the "Master Lease"); and

WHEREAS, Tenant has received Precise Plan approval from the City of Morro Bay and Coastal Development Approval from the California Coastal Commission for a complete redevelopment of the site including new restaurant, retail and hotel use, and other public access improvements as-proposed; and

WHEREAS, due to the social and economic effects of the ongoing COVID-19 pandemic it is necessary to amend the Master Lease to provide more time for Tenant to redevelop the lease site as-stipulated in the Master Lease; and

WHEREAS, the Parties desire to amend the Master Lease so the redevelopment project can proceed as contemplated.

NOW THEREFORE, Tenant and City agree as-follows:

1. Section 13.02 of the Master Lease Agreement between Tenant and City is replaced in its entirety to read as follows:

Section 13.02 TENANT'S Obligation to Redevelop Site

CITY and TENANT agree TENANT will construct improvements to the Premises as outlined in Conditional Use Permit No. UP0-509 (CUP) consisting of complete demolition of existing improvements and new mixed-use retail, restaurant/bar, convenience food, transient occupancy (hotel) and slips/docks, and including improved vertical and lateral (Harborwalk) public access and outdoor children's play area (Project) and valued at a minimum of \$3,600,000. Failure to complete the Project and to comply with all conditions of the CUP, as evidenced by a final building permit inspection as required by CITY in its governmental capacity, in addition to providing proof of expenses as evidenced by copies of invoices by the proscribed timeline shall be a material default of the Lease Agreement and subject to any remedies outlined in Article 11 herein, including termination of the Lease.

TENANT acknowledges construction of the Project on the premises as outlined in the CUP requires, but may not be limited to, obtaining a permit from the California Coastal Commission, a City Precise Plan, and a City Building Permit. It is TENANT'S

obligation to fully investigate the issues and costs in obtaining those approvals. Failure to obtain any and all required permits and approvals for the Project shall not be a reason for failure to comply with this section. TENANT further acknowledges the CUP and construction of the Project may require repair or replacement of all of portions of the docks, existing buildings, revetments, access ways, sidewalks, drainage systems and other current improvements on the Premises to the standards of the City Engineer and TENANT agrees to meet those standards through review and revision of the final Building Plans prior to issuance of a Building Permit for the construction of improvements on the Premises.

TENANT further agrees to:

- A. In addition to complying with the bonding requirements set forth in Section 4.02, provide evidence of conditional or other financing necessary for completion of the Project, as-approved by the Harbor Director, Finance Director and City Attorney, no later than August 1, 2019.
- B. File a complete application for a Coastal Development permit from the California Coastal Commission for the Project no later than January 8, 2019.
- C. Obtain a Coastal Development Permit and other necessary permits for the Project no later than June 8, 2019.
- D. File a complete application for Precise Plan review by the Planning Commission for the Project no later than September 8, 2019.
- E. Obtain Precise Plan approval from the Planning Commission for the Project no later than January 8, 2020.

(NOTE: Items A. through E., above, were timely completed prior to Amendment #1 revisions to this Section 13.02.)

- F. File a complete application for construction drawings and plans to obtain a Building Permit for the Project no later than February 11, 2021.
- G. Obtain Building Permits for the Project no later than May 11, 2021.
- H. Commence construction of the Project no later than November 1, 2021. Commencement shall mean when the TENANT has incurred at least \$50,000 of hard construction costs for actual work satisfactorily completed for the Project on the site pursuant to the approved Building Permit.

I. Completion construction of all components of the Project no later than November 1, 2022. Completion shall mean when the Project is entitled to be issued a final Certificate of Occupancy.

J. Provide CITY with written Project progress checks (Progress Checks) approximately every three months, beginning with the month of December, 2020, and every three months thereafter. Progress Checks will include, but not be limited to, the following:

- i. Status and details of TENANT'S financing to begin and complete the Project.
- ii. Status of TENANT'S meeting the deadlines as stipulated in this section.
- iii. TENANT'S efforts and activities to date in advertising, marketing and soliciting subtenants for the completed Project.

During construction of the Project, TENANT shall take all measures to:

- A. Avoid any pollution of the atmosphere or littering of land or water by or originating in or about the Premises or caused by TENANT'S construction activities.
- B. Keep the noise level on the Premises to a minimum so that persons in the neighborhood will be able to comfortably enjoy business and facilities in the area.
- C. Prevent any pollutants, including but not limited to petroleum products, from entering Morro Bay waters.
- D. Avoid negative impacts on surrounding businesses.
- E. Prohibit storage of materials or equipment on public property and avoid parking or traffic delays or impairment without prior consent of CITY.
- F. Keep the construction site in a slightly, orderly, and safe manner at all times.

2. Except as expressly stated herein, all provisions of the Master Lease shall remain in full force and effect.
3. The effective date of this Amendment #1 is the date first written above.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment #1 as of the date written above.

CITY OF MORRO BAY

TLC Family Enterprises,
a California Corporation

By: _____
John Heading, Mayor

By: _____
Cherise Hansson, President

By: _____
Travis Leage, Secretary

APPROVED AS TO FORM:

Chris F. Neumeyer, City Attorney

ATTEST:

Dana Swanson, City Clerk

Under the Sea Gallery Lease Site
87/88, 87W/88W
833 Embarcadero Rd

TLC Family Enterprises Update

- i. Status and details of TENANT'S financing to begin and complete the Project.

- Community West bank letter of interest continues to be in good standing and moving forward with the loan process. We are in the vetting process with two additional banks and they have expressed interest in our project as well and have requested further information.
- Under the Sea Galleries cumulatively are out performing pre-pandemic totals.
- TLC no longer needs to leverage a previously stated investment or cash-in any assets to meet bank requirements for loan.
- Over \$300K spent in soft costs to date.

- ii. Status of TENANT'S meeting the deadlines as stipulated in this section.

- TLC met all goals pre-covid according to original timeline. An extension was granted for building permit submittal and construction date.
- We submitted for building permits Dec. 2020

- iii. TENANT'S efforts and activities to date in advertising, marketing and soliciting subtenants for the completed Project.

Soliciting subtenants

- Projected leasees are well-informed of new timeline and remain interested.
- Lease spaces have numerous interested businesses.
- Rentable spaces are designed pandemic-resistant with low overhead, fast-casual, take-out friendly, ability for outside dining and are in a desirable location. (Many full service restaurants are wanting to transition into these style storefronts. The successful mobile take-out service businesses are also very interested in upgrading to the fast-casual brick-and-mortar sites.) We will begin signing leases 1-2 months before breaking ground and will provide updates at that time if further marketing for rentable spaces is needed.

Development marketing

- Currently TLC is gaining knowledge on marketing strategies for the building as a whole and the hotel.
- We have had multiple articles written on the project and educate individuals on a daily basis in regards to the sites future revitalization.
- Social media is used to inform public with milestones met and will be updated more frequently as the opening day comes closer, November 2022.
- Hotel website address has been purchased and we will update city council closer to opening day.
- Cherise is a newly appointed board member with the Morro Bay Chamber of Commerce. She is learning new methods to benefit the economy of Morro Bay as a citizen and a business owner.
- Our goals for this preliminary period are to find most effective hotel marketing strategies and gain knowledge on best ways for all the property businesses to respond to and recuperate from a pandemic.

Thank you for your time, Cherise Hansson & Travis Leage



AGENDA NO: A-7

MEETING DATE: January 12, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: December 22, 2020

FROM: Eric Endersby, Harbor Director

SUBJECT: Adoption of Resolution No. 02-21 Authorizing a One-Year Exemption from Qualifying as a Commercial Fishing Vessel for Existing Commercial Slip Holders for the 2021 Calendar Year

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 02-21, authorizing a one-year exemption from qualifying as a commercial fishing vessel for existing City of Morro Bay commercial slip holders, as proposed.

ALTERNATIVES

No alternatives are being presented.

FISCAL IMPACT

There is direct no fiscal impact to this action, although if the exemption being proposed is not approved, some City commercial slip holders could be in jeopardy of losing their slips, which could negatively affect Harbor Department revenues. In this fiscal year, revenues budgeted and expected for commercial slip fees are \$140,000.

BACKGROUND

The City maintains 50 slips for use by qualified commercial fishing vessels. Vessels assigned a City slip must provide the Harbor Department proof of fishing effort by the end of each calendar year to keep their slip assignment for the upcoming year. Attached are Ordinance No. 588 and Resolution No. 23-91, the most recent qualification requirements. In short, every year vessel owners must provide a certain dollar amount of fish landing receipts depending on the size of their vessel, or proof of fishing effort, as defined.

Each vessel is allowed two exemptions from qualifying in any ten-year period, typically to allow for bad seasons, vessel trouble or health/personal reasons. The Harbor Department collects and tabulates the landing receipts each year, and tracks exemptions.

DISCUSSION & CONCLUSION

On rare occasions in the past, "blanket" exemptions from qualifying have been provided by the City Council for particularly disastrous fishing years. By any measure, 2020 has been a disastrous year

Prepared By: EE

Dept Review: EE

City Manager Review: _____

City Attorney Review: JWP

for commercial fishing across the gear and fish types due to the social and economic effects of the COVID-19 pandemic. The precipitous plunge of the local, regional, national and international market demand due to the stay-at-home orders and business closings and restrictions have caused severe hardship to our commercial fishing fleet, and many have been unable to fish simply because there is no demand.

Because of the pandemic, staff recommend adoption of Resolution No. 02-21, approving a blanket "COVID" exemption from qualifying for all the City's commercial fishing slip holders for the 2021 calendar year, which exemption will not count toward each vessel's two-in-ten-years exemption allowance.

ATTACHMENTS

1. Resolution No. 02-21
2. Ordinance No. 588 and Resolution No. 23-91

RESOLUTION NO. 02-21

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AUTHORIZING A ONE-YEAR EXEMPTION FROM QUALIFYING
AS A COMMERCIAL FISHING VESSEL FOR EXISTING
COMMERCIAL SLIP HOLDERS FOR THE 2021 CALENDAR YEAR**

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

WHEREAS, the City of Morro Bay requires all City commercial fishing slip holders to qualify as a commercial fishing vessel under Ordinance No. 588 and Resolution 23-91; and

WHEREAS, 2020 saw unprecedented poor market conditions for the commercial fishing industry due to the social and economic effects of the worldwide COVID-19 pandemic; and

WHEREAS, due to those market conditions many commercial fishers are in the position of having difficulty qualifying to retain their slip assignments for the 2021 calendar year.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Morro Bay, California hereby authorizes a special one-time exemption for all existing City commercial fishing slip holders from qualifying as a commercial fishing vessel in 2020 to retain their slips in 2021, which will not count against slip holders' allowed two exemptions in any ten-year period.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 12th day of January, 2021 on the following vote:

AYES:
NOES:
ABSENT:

John Heading, Mayor

ATTEST:

Dana Swanson, City Clerk

ORDINANCE NO. 588

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF MORRO BAY, CALIFORNIA
AMENDING SECTION 15.04.150 OF THE MORRO BAY MUNICIPAL CODE
RELATING TO COMMERCIAL FISHING VESSEL SLIP QUALIFICATIONS**

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, Section 15.04.150 currently refers to vessels' net tonnage as a qualifying measuring guide to be eligible for a Morro Bay commercial slip; and

WHEREAS, net documented tonnage of a vessel in most cases does not truly represent the fishing potential of the vessel for qualification.

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

SECTION 1: Section 15.04.150 of the Morro Bay Municipal Code is hereby amended to read as follows:

A. "Vessels of a commercial nature" means vessels for which the state of California, Department of Fish and Wildlife has issued a current commercial fishing license, and whose owner or operator holds a current commercial fishing license, and which, within the current calendar year, has been actively used for commercial fishing activities.

B. Such use shall be evidenced by one of the following: (i) for any vessel measuring 26 feet or less, gross earnings or fish sales totaling a minimum of \$5,000 per year must be provided, (ii) for any vessel measuring greater than 26 feet in length, gross earnings or fish sales totaling a minimum of \$10,000 per year must be provided, (iii) the vessel has fished at least ninety days in the calendar year.

C. Gross earnings or fish sales shall be evidenced by state of California, Department of Fish and Wildlife commercial fish receipts or by the official commercial fish receipts of other west coast states.

D. Proof of ninety days fishing shall be established as provided for in Resolution 23-91 as may be amended by the city council, except that use of float plans for qualification purposes is eliminated.

SECTION 2: This Ordinance shall take effect 30 days after its adoption. The City Clerk, or her duly appointed deputy, shall attest to the adoption of this Ordinance and shall cause this Ordinance to be published and posted in the manner required by law.

INTRODUCED at a regular meeting the of the City Council of Morro Bay, held on the 12th day of November, 2014 by motion of Mayor Irons seconded by Councilmember Christine Johnson.

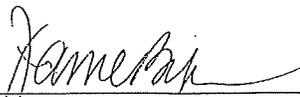
PASSED AND ADOPTED on the 9th day of December , 2014, by the following
vote:

AYES: Irons, Headding, Johnson, Makowetski, Smukler
NOES: None
ABSENT: None



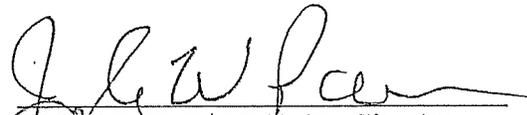
JAMIE L. IRONS, Mayor

ATTEST:



JAMIE BOUCHER, City Clerk

APPROVED AS TO FORM:



JOSEPH W. PANNONE, City Attorney

RESOLUTION NO. 23-91

RESOLUTION ESTABLISHING PROCEDURE TO QUALIFY AS A
COMMERCIAL VESSEL FOR THE PURPOSE OF
LEASING CITY DOCKING FACILITIES

T H E C I T Y C O U N C I L
City of Morro Bay, California

WHEREAS, Morro Bay Municipal Code Section 15.04.150 defines vessels of a commercial nature; and

WHEREAS, Morro Bay Municipal Code Section 15.32.010 establishes the policy that the City shall rent or lease all City facilities at docks, wharfs and piers primarily to those vessels of a commercial nature; and

WHEREAS, City Council wishes to rescind Resolution No. 90-85 of the City of Morro Bay.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay that Resolution No. 90-85 is rescinded in its entirety and replaced with the following. Any vessel attempting to qualify as a commercial vessel under the criteria of having fished ninety (90) days during the calendar year shall submit proof of having actually fished for ninety (90) calendar days in the following manner:

1. By fuel receipts clearly indicating the date of purchase and the owner's name and/or vessel's name and/or registration number of the vessel, or
2. By presenting Fish and Game tickets for the sale of fish which will be credited on the basis of one ticket for every two days' fishing credit, or
3. Any combination of the above proof of fishing statement, provided there is sufficient proof of separate incidents.

The Harbor Director, or his appointee, shall be responsible for evaluating the proof of fishing and making the determination as to whether or not this proof indicates that the vessel has been actively worked for ninety (90) days during the preceding calendar year.

A waiver from the requirement to qualify as a commercial vessel for a given calendar year may be granted by the Harbor Director upon filing of an official written request by the lessee. The Harbor Director shall evaluate the request and determine whether or not the waiver shall be approved. Not more than two (2) waivers shall be granted in any ten (10) year period.

Any person who wishes to appeal the decision of the Harbor Director regarding the waiver may do so to the Morro Bay Harbor Advisory Board by filing an official written statement with the Harbor Director not later than fifteen (15) days after the Harbor Director's determination. The Harbor Advisory Board shall review the appeal within thirty (30) days of the date of filing, and shall render a recommendation regarding the appeal within fifteen (15) days following close of the appeal hearing. The Harbor Director may administratively carry out the recommendation of the Harbor Advisory Board or may schedule the appeal for City Council consideration.

Any person who wishes to have the City Council review the hearing record of the Harbor Advisory Board recommendation regarding an appeal may do so by submitting a request to the Harbor Director within fifteen (15) days following receipt of the Harbor Advisory Board's findings.

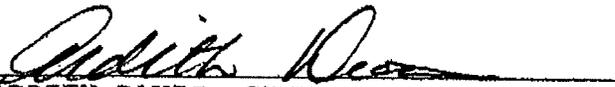
PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting held thereof on the 25th day of February, 1991, by the following vote:

AYES: Baker, Luna, Mullen, Wuriu, Sheetz

NOES: None

ABSENT: None


ROSE MARIE SHEETZ, MAYOR


ARDITH DAVIS, CITY CLERK

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AGENDA NO: A-8
MEETING DATE: January 12, 2021

Council Report

TO: City Council

DATE: January 5, 2021

FROM: John Heading, Mayor

SUBJECT: Appointment of Mayor Pro Tempore; Appointment of Representatives on Discretionary Boards, Council Liaison Assignments and Council Sub-Committees; Remove Completed/Disbanded Sub-Committee and Discretionary Appointments

RECOMMENDATION

Appoint Council Member Jeff Heller as Mayor Pro Tempore; appoint representatives to serve on the various County or Regional Discretionary Boards, Council Liaison Assignments and Sub-Committees for calendar year 2021 as shown on the attached appointment list; and remove discretionary assignments and sub-committees that are no longer needed.

DISCUSSION

Mayor Pro Tempore

The City Council Policies and Procedures Section 3.2 (Appointment of Mayor Pro Tempore) states:

“The appointment of the Mayor Pro Tempore shall be for a one-year term and shall be made at the first meeting in January. For appointment as Mayor Pro Tempore, a Council Member must be on the Council at least one year. Of those who have been on the Council for at least one year, the Council Member who has not yet held the position shall be appointed Mayor Pro Tempore. If there are two Council Members who have not yet held the position, then the Council Member receiving the highest number of votes in the most recent election shall be appointed Mayor Pro Tempore. If all have held the position, then the Council Member who has held it the least number of times shall be appointed Mayor Pro Tempore. If all Council Members have held it for the same number of years, then the Council Member for whom it has been the longest period of time since holding the position shall be appointed Mayor Pro Tempore.”

Based on the above policy, Council Member Heller shall be appointed as Mayor Pro Tempore for calendar year 2021.

Representatives to serve on County or Regional Discretionary Boards

The City Council Policies and Procedures Section 6.1 (“County or Regional Representation”) states:

Prepared By: <u>JHeading/DS</u>	Dept Review: _____
City Manager Review: <u>SC</u>	City Attorney Review: <u>CFN</u>

“Annually the Mayor shall make appointments to a variety of County and/or regional committees and boards. One Member of the Council shall serve as a voting representative and one member shall serve as alternate. To the best of their ability, Voting Delegates shall reflect the majority view of the Council as a whole, rather than their own personal opinions.”

Consistent with Council Policies and Procedures Section 6.1, the Mayor may seek input from City Council regarding appointments to County and/or Regional Boards, but ultimately, the Mayor is responsible for the appointment of these positions.

In reviewing the attached list of discretionary appointments, the Mayor identified the following County-wide Committees had been disbanded and recommend they be removed from the list of discretionary appointments:

- Economic Vitality Corporation
- CMC Citizens’ Advisory Committee

Council Liaison Assignments

The City Council Policies and Procedures Section 6.2.1 (“Council Liaison Assignments”) states:

“The City Council shall assign a Council liaison to each of the following advisory bodies: Recreation & Parks Commission, Harbor Advisory Board, Public Works Advisory Board, the Citizens Finance Advisory Committee, the Planning Commission and Tourism Business Improvement District Advisory Board. Council liaisons will also be appointed to the special purpose advisory bodies.

The purpose of the liaison assignment is to facilitate communication between the City Council and the advisory body. The liaison also helps to increase the Council’s familiarity with the membership, programs and issues of the advisory body. In fulfilling their liaison assignment, members should either attend advisory body meetings or watch the meeting broadcasts and maintain communication with the advisory body on a regular basis.

Council Members should be sensitive to the fact they are not participating members of the advisory body, but are there rather to create a linkage between the City Council and the advisory body. In interacting with advisory bodies, Council Members are to reflect the views of the Council as a body. Being an advisory body liaison bestows no special right with respect to advisory body business.”

Pursuant to Council Policies and Procedures Section 6.2.1, the City Council shall assign Council Liaisons to the Advisory Bodies. Attached for review and approval is a list of the proposed Council Liaison assignments for 2021.

Council Sub-Committees

The City Council Policies and Procedures Section 3.13 (“Council Sub-Committees”) states:

“From time to time it may be desirable for the City Council may vote to appoint a sub-committee of the whole to address a particular issue. That is especially the case if the issue requires additional work or research. Per the Brown Act, sub-committees must consist of less than a quorum of the body and serve for a limited purpose and time. Therefore, the City Council sub-committees may

consist of two members. Sub-committees shall report back to the full Council for discussion before any formal action can be taken on the pertinent issue. Establishing a subcommittee requires the body to define the purpose, parameters, and duration of the sub-committee. The City Clerk will keep the list of sub-committees and defined description as a record with Council liaison assignments for review annually.”

Due to work being completed or otherwise not needed at this time, it is recommended the following five sub-committees be disbanded:

- Aquarium
- Cannabis Regulations
- Vacation Rental Policy Update
- Vacation Rental Policy Community Input
- Harbor Lease Policy Review

ATTACHMENT

1. Proposed City Council Discretionary Appointments, Liaison Assignments and Council Sub-Committees for 2021.

The following committees have been disbanded and therefore it is recommended they be removed from the list of discretionary appointments.

ECONOMIC VITALITY CORPORATION

CMC CITIZENS' ADVISORY COMMITTEE

CITY COUNCIL LIAISON ASSIGNMENTS (2021)

PLANNING COMMISSION (meets 1st and 3rd Tuesday of every month; 6:00pm; Vets Hall)
Jeff Heller Liaison

HARBOR ADVISORY BOARD (meets the 1st Thursday of the month, except January, July and December; 5:30pm; Vets Hall)
Dawn Addis Liaison

RECREATION AND PARKS COMMISSION (meets the 3rd Thursday of the month in odd-numbered months; 6:00pm; Vets Hall)
Laurel Barton Liaison

PUBLIC WORKS ADVISORY BOARD (meets the 3rd Wednesday of the month except July, November and December; 5:30pm; Vets Hall)
Red Davis Liaison

MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT BOARD (meets the 3rd Thursday of the month except July, November and December; 9:00am; Vets Hall) AND SAN LUIS OBISPO COUNTY TOURISM MARKETING DISTRICT ADVISORY COMMITTEE (meets semi-annually on the first Thursday of May and December at Embassy Suites, 333 Madonna Rd., SLO)
Red Davis Liaison

CITIZENS OVERSIGHT / FINANCE COMMITTEE (meets the 3rd Tuesday of the month except March, July and August: 3:00pm; Vets Hall)
John Headding Liaison

CITY COUNCIL SUB-COMMITTEES (2021)

COUNCIL SUBCOMMITTEE ON EMPLOYEE GRIEVANCES (meets as needed)
John Headding Member
Dawn Addis Member

WATER RECLAMATION FACILITY / JPA SUB-COMMITTEE
John Headding Member
Jeff Heller Member

MORRO BAY POWER PLANT
John Headding Member
Dawn Addis Member

CHEVRON PROPERTY

Red Davis	Member
John Headding	Member

U.S. COAST GUARD

Jeff Heller	Member
Dawn Addis	Member

ESTERO BAY ALLIANCE OF CARE ("EBAC")

Laurel Barton	Member
Red Davis	Member

BOEM INTERAGENCY TASK FORCE MEMBER ON WIND ENERGY

John Headding	Member
Red Davis	Member

FIRST 5 SLO COUNTY – CHILD CARE LIAISON FOR WE ARE THE CARE INITIATIVE

Dawn Addis	Liaison
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Due to sub-committee work being completed, or otherwise not needed at this time, it is recommended the following five sub-committees be disbanded:

AQUARIUM

CANNABIS REGULATIONS

VACATION RENTAL POLICY UPDATE

VACATION RENTAL POLICY COMMUNITY INPUT

HARBOR LEASE POLICY REVIEW



AGENDA NO: A-9

MEETING DATE: January 12, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: January 4, 2021

FROM: Katie Lichtig, Interim Finance Director
Dana Swanson, City Clerk/Human Resources Manager

SUBJECT: Adoption of Resolution No. 03-21 Approving the City’s Amended Salary Schedule for FY 2020/21 ending 5% Salary Concessions and reinstating salaries for members of the Morro Bay Firefighters Association effective January 1, 2021

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 03-21, approving the City’s amended FY 2020/21 Salary Schedule effective January 1, 2021.

FISCAL IMPACT

There is no fiscal impact from ending the salary concession and reinstating the salaries for the members of the Morro Bay Firefighters Association because the Citywide salary concessions were not anticipated to continue past January 1, 2021 when the FY 2020/21 Budget was adopted in June 2020.

BACKGROUND/DISCUSSION

On June 23, 2020, the City Council, in conjunction with adoption of the City’s FY 2020/21 budget, adopted the FY 2020/21 salary schedule in accordance with California Code of Regulations (CCR), section 570.5. The salary schedule included salary concessions though December 31, 2020 from all full-time City employees except those employees who are members of the Morro Bay Firefighters Association (“MBFFA”), and the salary schedule also provides for reinstatement of salaries for all affected employees effective January 1, 2021.

The current Memorandum of Understanding between the City and the MBFFA (“MBFFA MOU 2017-2020”), expired on June 30, 2020. The City and MBFFA have participated in ongoing good faith meet and confer labor negotiations over the terms of a successor memorandum of understanding. Recognizing the significant fiscal impact of COVID-19, the MBFFA agreed to participate in the previously implemented City-wide temporary salary reductions while negotiations continued for a successor MOU. On September 24, 2020, the Council adopted Resolution No. 85-20, approving a Temporary Side Letter Agreement between the City and the MBFFA implementing the 5% salary reduction effective October 4, 2020 and continuing until a tentative agreement is reached on a successor MOU, impasse is declared by one of the parties, or one party gives notice to the other party of its cancellation of the agreement.

On December 23, 2020, the City received written notice the MBFFA was terminating its 5% salary

Prepared By: <u>DS</u>	Dept Review: _____
City Manager Review: _____	City Attorney Review: <u>MCH</u>

concession effective December 31, 2020. Such notice is consistent with the terms of the Side Letter Agreement approved by the City Council on September 24, 2020, so to implement this change, staff is presenting Resolution No. 03-21 approving the amended salary schedule effective as of January 1, 2021, ending 5% salary concessions and reinstating salaries for members of the MBFFA. The City continues to negotiate with the MBFFA for a longer-term contract.

CONCLUSION

Staff recommends that the City Council adopt Resolution No. 03-21 approving the amended FY 2020/21 Salary Schedule reinstating salary concessions for members of the MBFFA effective January 1, 2021.

ATTACHMENT

1. Resolution No. 85-20 approving a Temporary Side Letter Agreement with Morro Bay Firefighters Association
2. Resolution No. 03-21 Adopting the FY 20/21 Salary Schedule effective January 1, 2021

RESOLUTION NO. 85-20

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
APPROVING A TEMPORARY SIDE LETTER AGREEMENT BETWEEN
THE CITY OF MORRO BAY AND THE MORRO BAY FIRE FIGHTERS
ASSOCIATION, IAFF LOCAL 3725 REGARDING SUCCESSOR MOU NEGOTIATIONS
AND TEMPORARY SALARY REDUCTIONS**

**THE CITY COUNCIL
Morro Bay, California**

WHEREAS, the City of Morro Bay ("City") has, and continues to recognize, the Morro Bay Fire Fighters Association, IAFF Local 3725 ("MBFFA"), as the sole exclusive bargaining agent for the City's fire fighting employees, for all matters concerning wages, hours and working conditions; and

WHEREAS, the current Memorandum of Understanding between the City and MBFFA, which was duly approved by the City Council on September 26, 2017, expired on June 30, 2020; and

WHEREAS, the California Governor on March 4, 2020 proclaimed a State of Emergency to exist in California due to the COVID-19 pandemic; and

WHEREAS, the President of the United States on March 13, 2020 declared the outbreak of COVID-19 in the United States constituted a national emergency; and

WHEREAS, on March 13, 2020, the San Luis Obispo County Emergency Services Director issued a Proclamation of Local Emergency due to the spread of COVID-19 in the County of San Luis Obispo; and

WHEREAS, on March 14, 2020, the Morro Bay City Manager proclaimed a declaration of the existence of a local emergency within the City of Morro Bay due to the threat posed to the City from COVID-19, and that declaration was subsequently ratified by the City Council on March 19, 2020; and

WHEREAS, the City labor relations representatives and MBFFA representatives have participated in ongoing good faith meet and confer labor negotiations over the terms of a successor memorandum of understanding which have been protracted due to the impacts of both the COVID-19 pandemic and arguably the worst fire season in California history; and

WHEREAS, the City and MBFFA have agreed effective upon City Council approval a temporary Side Letter Agreement whereby the MBFFA agrees to participate in the previously implemented City-wide temporary salary reductions in light of the COVID-19 pandemic financial crisis while the labor negotiations for a successor MOU remain ongoing; and

WHEREAS, this Side Letter Agreement was ratified by the MBFFA on September 23, 2020; and

WHEREAS, this Side Letter Agreement is subject to City Council acceptance and approval, which is made a part hereof by this reference; and

WHEREAS, once approved by the City Council, the MBFFA Side Letter Agreement shall become a binding agreement between the City and MBFFA.

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

The City Council hereby approves the Temporary Side Letter Agreement between the City and MBFFA effective payroll beginning October 3, 2020, a copy of which is attached hereto as Exhibit 1.

PASSED AND ADOPTED, by the City Council of the City of Morro Bay, at a special meeting thereof held on the 24th day of September 2020, by the following vote:

AYES: Heading, Addis, Davis, Heller, McPherson
NOES: None
ABSENT: None
ABSTAIN: None



JOHN HEADING, Mayor

ATTEST:



DANA SWANSON, City Clerk

TEMPORARY SIDE LETTER AGREEMENT BETWEEN THE CITY OF MORRO BAY AND THE MORRO BAY FIREFIGHTERS ASSOCIATION, IAFF LOCAL 3725, REGARDING SUCCESSOR MOU NEGOTIATIONS AND TEMPORARY SALARY REDUCTIONS

WHEREAS, the City of Morro Bay (hereinafter the "City") has, and continues to, recognize the Morro Bay Firefighters Association, IAFF Local 3725 ("MBFFA"), as the sole exclusive bargaining agent for those City fire fighting employees, for all matters concerning wages, hours and working conditions; and

WHEREAS, the California Governor on March 4, 2020 proclaimed a State of Emergency to exist in California due to the COVID-19 pandemic; and

WHEREAS, the President of the United States on March 13, 2020 declared the outbreak of COVID-19 in the United States constituted a national emergency; and

WHEREAS, on March 13, 2020, the San Luis Obispo County Emergency Services Director issued a Proclamation of Local Emergency due to the spread of COVID-19 in the County of San Luis Obispo; and

WHEREAS, on March 14, 2020, the Morro Bay City Manager proclaimed a declaration of the existence of a local emergency within the City of Morro Bay due to the threat posed to the City from COVID-19, and that declaration was subsequently ratified by the City Council on March 19, 2020; and

WHEREAS, the current Memorandum of Understanding between the City and the MBFFA ("MBFFA MOU 2017-2020"), expired on June 30, 2020; and

WHEREAS, the City and MBFFA have participated in ongoing good faith meet and confer labor negotiations over the terms of a successor memorandum of understanding which have been protracted due to the impacts of both the COVID-19 pandemic and arguably the worst fire season in California history; and

WHEREAS, the MBFFA desires to participate in the previously implemented City-wide temporary salary reductions in light of the COVID-19 pandemic financial crisis while the labor negotiations for a successor memorandum of understanding remain ongoing; and

WHEREAS, the City and MBFFA have agreed effective upon City Council approval of this temporary Side Letter Agreement shall remain effect until a tentative agreement is reached on a successor MOU, impasse is declared by one of the parties, or one party gives notice of the other party of cancellation of this side letter, the base salary for each employee represented by the MBFFA shall be reduced in the amount of five percent (5%); and

WHEREAS, the City's labor relations representatives and MBFFA representatives desire to memorialize this agreement by means of this Side Letter Agreement, pursuant to both the Meyers-Milias-Brown Act ("MMBA") (Gov't Code Section 3500-3511) and the City's Employer-Employee Relations Resolution, Resolution No. 08-17; and

WHEREAS, this Side Letter Agreement was ratified by the MBFFA on September 23, 2020; and

ATTACHMENT NO. 1

WHEREAS, this Side Letter Agreement shall not be in full force and effect until adopted by resolution by the City Council of the City; and

WHEREAS, except as provided in this Side Letter Agreement, all provisions of the MBFFA MOU 2017-2020 shall remain subject to meet and confer negotiation as part of a successor memorandum of understanding.

NOW, THEREFORE, it is hereby agreed that effective upon City Council approval of this Side Letter Agreement and until a tentative agreement is reached on a successor MOU, impasse is declared by one of the parties, or one party gives notice to the other party of its cancellation of this agreement, the base salaries then in effect for all MBFFA represented employees shall be reduced by the amount of five percent (5%) per the following salary table/schedule:

FY 20/21MBFFA SALARY SCHEDULE

TITLE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
FIREFIGHTER	56,112	58,917	61,863	64,956	68,204
FIRE ENGINEER	61,344	64,412	67,632	71,014	74,564
FIRE CAPTAIN	70,516	74,041	77,744	81,631	85,712
FIRE MARSHAL	83,708	87,894	92,288	96,903	101,748

IT IS SO AGREED:

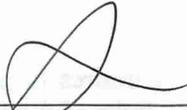
**MORRO BAY FIREFIGHTERS
ASS'N, IAFF LOCAL 3725**

 9/28/20
Michael Hoese

 9/28/20
Scott Subler

 9/28/20
Travis Hasch

CITY OF MORRO BAY

 9/29/2020
Scott Collins, City Manager

 10/5/2020
Dana Swanson, City Clerk / Human Resources Manager

 09/29/2020
Colin J. Tanner, Deputy City Attorney/Labor Negotiator

RESOLUTION NO. 03-21

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
APPROVING AN AMENDED FISCAL YEAR 2020-2021 SALARY SCHEDULE**

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

WHEREAS, the California Public Employees' Retirement System (CalPERS), requires that all CalPERS employers list their compensation levels on one document, approved and adopted by the governing body, in accordance with 2 California Code of Regulations (CCR), section 570.5, and meeting all of the following requirements thereof:

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
2. Identifies the position title for every employee position;
3. Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
4. Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
6. Indicates an effective date and date of any revisions;
7. Is retained by the employer and available for public inspection for not less than five years; and
8. Does not reference another document in lieu of disclosing the pay rate; and

WHEREAS, the Council approved a Temporary Side Letter Agreement between the City of Morro Bay and Morro Bay Firefighters Association ("MBFFA") on September 24, 2020 implementing a 5% salary reduction in light of the COVID-19 pandemic financial crisis while labor negotiations for a successor memorandum of understanding remain ongoing; and

WHEREAS, in accordance with the terms agreed to by both parties in the Temporary Side Letter Agreement, the MBFFA provided written notice of cancellation of the Temporary Side Letter Agreement effective December 31, 2020, thereby ending the 5% salary reductions for MBFFA members as of that date and re-instating the prior salaries for MBFFA members; and

WHEREAS, the Council now desires to amend its publicly available Salary Schedule for Fiscal Year 2020-21, attached as Exhibit A, to reflect the salaries for MBFFA members effective January 1, 2021; and

WHEREAS, the formal approval of the pay schedule requires that they are duly approved and adopted by the City Council.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Morro Bay does hereby approve the amended Salary Schedule attached hereto as Exhibit A effective January 1, 2021.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 12th day of January 2021, by the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

CITY OF MORRO BAY							
COMBINED SALARY SCHEDULE							
FISCAL YEAR 2020-21: Effective 1/1/21							
		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
TITLE	GROUP	Annual	Annual	Annual	Annual	Annual	Annual
ACCOUNT CLERK IN-TRAINING	S	32,460	34,083	35,787	37,577	39,455	
ACCOUNT CLERK I	S	39,243	41,205	43,265	45,429	47,700	
CONSOLIDATED MAINTENANCE WRK I	S	39,243	41,205	43,265	45,429	47,700	
OFFICE ASST. III	S	39,243	41,205	43,265	45,429	47,700	
OFFICE ASST. IV	S	42,428	44,549	46,777	49,116	51,571	
ACCOUNT CLERK II	S	44,079	46,283	48,597	51,027	53,578	
CONSOLIDATED MAINTENANCE WRK II	S	44,079	46,283	48,597	51,027	53,578	
PERMIT TECHNICIAN	S	45,143	47,400	49,770	52,259	54,872	
ACCOUNT CLERK III	S	47,210	49,571	52,049	54,651	57,384	
CONSOLIDATED MAINTENANCE WRK III	S	47,210	49,571	52,049	54,651	57,384	
ADMINISTRATIVE TECHNICIAN	S	48,044	50,446	52,969	55,617	58,398	
PERMIT TECHNICIAN - CERTIFIED	S	48,044	50,446	52,969	55,617	58,398	
SUPPORT SERVICES TECHNICIAN	S	48,044	50,446	52,969	55,617	58,398	
PROPERTY EVIDENCE CLERK	S	48,044	50,446	52,969	55,617	58,398	
MECHANIC	S	49,581	52,060	54,663	57,396	60,266	
RECREATION COORDINATOR	S	49,581	52,060	54,663	57,396	60,266	
HUMAN RESOURCES ANALYST I	C	54,690	57,425	60,296	63,311	66,476	
SUPPORT SERVICES COORDINATOR	C	54,690	57,425	60,296	63,311	66,476	
HARBOR PATROL OFFICER	S	54,777	57,516	60,392	63,411	66,582	
ENGINEERING TECHNICIAN III	S	56,158	58,966	61,914	65,010	68,260	
RECREATION SUPERVISOR	S	56,158	58,966	61,914	65,010	68,260	
UTILITY OPERATOR	S	56,245	59,057	62,010	65,111	68,366	
ASSISTANT PLANNER	S	56,508	59,333	62,300	65,415	68,686	
BUILDING INSPECTOR	S	58,765	61,703	64,788	68,028	71,429	
EXECUTIVE ASSISTANT/DEPUTY CLERK	C	58,765	61,703	64,788	68,028	71,429	
FIREFIGHTER	F	59,065	62,018	65,119	68,375	71,794	
UTILITY OPERATOR MC (MULTIPLE CERT)	S	60,182	63,191	66,351	69,668	73,152	
SENIOR ACCOUNTING TECHNICIAN	C	61,087	64,141	67,348	70,716	74,252	
POLICE SUPPORT SERVICES MANAGER	M	61,087	64,141	67,348	70,716	74,252	
HARBOR BUSINESS COORD	S	61,169	64,227	67,439	70,811	74,351	
POLICE OFFICER	P	65,152	68,410	71,830	75,422	79,193	83,152
HARBOR PATROL SUPERVISOR	S	64,523	67,749	71,137	74,693	78,428	
FIRE ENGINEER	F	64,573	67,802	71,192	74,751	78,489	
ENGINEERING TECHNICIAN IV	S	65,765	69,053	72,506	76,131	79,938	
ASSISTANT ENGINEER	S	65,765	69,053	72,506	76,131	79,938	
ASSOCIATE PLANNER	S	65,765	69,053	72,506	76,131	79,938	
BUILDING INSPECTOR/PLANS EXAMINER	S	65,765	69,053	72,506	76,131	79,938	
CONSOLIDATED MAINT FIELD SUPV	S	65,765	69,053	72,506	76,131	79,938	
HUMAN RESOURCES ANALYST II	C	65,765	69,053	72,506	76,131	79,938	
LEAD UTILITY OPERATOR	S	67,080	70,434	73,956	77,653	81,536	
MANAGEMENT ANALYST	M	67,153	70,511	74,036	77,738	81,625	
POLICE DETECTIVE	P	68,410	71,831	75,422	79,193	83,153	87,310
POLICE SCHOOL RESOURCE OFFICER	P	68,410	71,831	75,422	79,193	83,153	87,310
POLICE SENIOR OFFICER	P	68,410	71,831	75,422	79,193	83,153	87,310
FIRE CAPTAIN	F	74,227	77,938	81,835	85,927	90,223	
ASSOCIATE CIVIL ENGINEER	S	75,629	79,410	83,381	87,550	91,928	

CITY OF MORRO BAY							
COMBINED SALARY SCHEDULE							
FISCAL YEAR 2020-21: Effective 1/1/21							
		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
TITLE	GROUP	Annual	Annual	Annual	Annual	Annual	Annual
WASTEWATER SYSTEMS SUPV	S	75,629	79,410	83,381	87,550	91,928	
BUDGET/ACCOUNTING MANAGER	M	78,532	82,459	86,582	90,911	95,456	
CONSOLIDATED MAINTENANCE SUPT	M	78,532	82,459	86,582	90,911	95,456	
ENVIRONMENTAL PROGRAMS MANAGER	M	78,532	82,459	86,582	90,911	95,456	
INFORMATION SYSTEMS TECHNICIAN	M	78,532	82,459	86,582	90,911	95,456	
RECREATION SERVICES MANAGER	M	78,532	82,459	86,582	90,911	95,456	
SENIOR PLANNER	M	78,532	82,459	86,582	90,911	95,456	
TOURISM MANAGER	M	78,532	82,459	86,582	90,911	95,456	
POLICE SERGEANT	P	81,251	85,314	89,579	94,058	98,761	103,699
PLANNING MANAGER	M	86,387	90,706	95,242	100,004	105,004	
SENIOR CIVIL ENGINEER	M	86,387	90,706	95,242	100,004	105,004	
FIRE MARSHAL	F	88,114	92,520	97,146	102,003	107,103	
CITY CLERK/HR MANAGER	M	100,603	105,633	110,915	116,461	122,284	
CITY ENGINEER	M	101,808	106,898	112,243	117,855	123,748	
COMMUNITY DEVELOPMENT MANAGER	M	101,808	106,898	112,243	117,855	123,748	
UTILITY DIVISION MANAGER	M	101,808	106,898	112,243	117,855	123,748	
POLICE COMMANDER	M	114,300	120,015	126,016	132,317	138,932	
DEPUTY CITY MANAGER	E	124,785	131,024	137,575	144,454	151,677	
COMMUNITY DEVELOPMENT DIRECTOR	E	124,785	131,024	137,575	144,454	151,677	
FINANCE DIRECTOR	E	124,785	131,024	137,575	144,454	151,677	
PUBLIC WORKS DIRECTOR	E	129,439	135,911	142,706	149,842	157,334	
HARBOR DIRECTOR	E	131,853	138,446	145,368	152,636	160,268	sworn
FIRE CHIEF	E	131,853	138,446	145,368	152,636	160,268	sworn
POLICE CHIEF	E	131,853	138,446	145,368	152,636	160,268	sworn
CITY MANAGER	E	174,465	178,827	183,297	187,880	192,577	



AGENDA NO: B-1

MEETING DATE: January 12, 2021

Staff Report

TO: Honorable Mayor and City Council **DATE:** January 7, 2021

FROM: Eric Casares, PE – WRF Program Manager
Lydia Holmes, PE – Permitting Deputy (Carollo)
Rob Livick, PE/PLS – City Engineer

SUBJECT: Introduction and First Reading of Ordinance No. 642, Restating and Amending Morro Bay Municipal Code Chapter 13.12 to Update and Expand the City’s Sewer Use Ordinance

RECOMMENDATION

Council introduce for first reading by number and title only, with further reading waived, Ordinance No. 642, Restating and Amending Chapter 13.12 of the Morro Bay Municipal Code to Update and Expand the City’s Sewer Regulations.

FISCAL IMPACT

The Sewer Use Ordinance (SUO) gives the City the legal authority to implement and enforce the new [Enhanced Source Control Program \(ESCP\)](#) (Attachment 1). The annual operational costs for the ESCP for the first year and subsequent years is \$245,000 and \$161,000, respectively. These operational costs will be partially offset by inspection fees paid by permitted businesses. These fees were adopted by Council in the Master Fee Schedule and will be collected through the City’s “Business License” program. The remaining revenue for operational costs will come from user rates.

BACKGROUND

The City’s new Water Reclamation Facility (WRF) Project will include advanced treatment to produce purified water for Indirect Potable Reuse (IPR) via subsurface groundwater replenishment to augment the City’s water supply. Per Title 22 of the California Code of Regulations (22 CCR) §60320.206, potable water reuse systems must administer and maintain an industrial pretreatment program (IPP) and pollutant source control program. The combined effort is referred to as ESCP, which is attached to this staff report (Attachment 1). The purpose of an ESCP is both 1) to prevent interference and pass-through of pollutants at the wastewater treatment plant (WWTP), thus protecting the effluent, biosolids, and environment; and 2) to protect drinking water quality by controlling the discharge of constituents of concern (COC) to the WWTP and WRF.

An ESCP is a guidance document that is typically developed to supplement an existing IPP. The United States Environmental Protection Agency (USEPA) developed the National Pretreatment Program to protect water quality by controlling and limiting the discharge of pollutants by industry and other non-domestic wastewater sources into publicly owned treatment works (POTWs). By preventing the introduction of pollutants into the POTW, an IPP can improve opportunities to recycle and reclaim wastewaters and biosolids and prevent worker health and safety problems. The Code of Federal Regulations, Title 40, Part 403 (40 CFR 403) requires POTWs to implement an

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Prepared By: <u>RL/EC/LH</u>	Dept Review: <u>RL</u>
City Manager Review: <u>SC</u>	City Attorney Review: <u>JWP</u>

IPP if the design capacity is greater than 5.0 million gallons per day (mgd) or if other circumstances warrant one for smaller POTWs (such as the presence of industries that must be controlled or prior pollution incidents impacting the POTW). In California, the Regional Water Quality Control Board (RWQCB) is the designated Approval Authority for the National Pretreatment Program and is responsible for administering the program. If the RWQCB determines a POTW needs a formal IPP, then the program must contain the following six elements: 1) Legal Authority, 2) Procedures, 3) Funding, 4) Local Limits, 5) Enforcement Response Plan (ERP), and 6) a List of Significant Industrial Users (SIUs). For information purposes, a [link](#) to the draft ERP has been provided as Attachment 3. The ERP will be established administratively by the City Manager and Public Works Director for on-going implementation of the SUO.

Because of the City's small size (less than 1 mgd) and scarce industrial base, the City has not been required to establish an IPP in the past. Implementation of a formal program exceeds what is reasonably needed to protect the WWTP and WRF and would impose an unnecessary and substantial burden on the City. Short of obtaining formal RWQCB approval under the National Pretreatment Program, we have developed an ESCP that includes the relevant pretreatment program elements.

As part of the ESCP development, the SUO, contained in Chapter 13.12 of the Morro Bay Municipal Code (MBMC), has been updated to give the City legal authority to implement and enforce all elements of the ESCP. The SUO is included as Appendix B of the ESCP. Discharge prohibitions have been expanded and policies for IU permitting and monitoring requirements have been established in the updated SUO.

Major changes to the SUO include:

- Authorizes the City to issue wastewater discharge permits
- Provides monitoring, reporting and compliance requirements for industrial users
- Establishes the City's enforcement policies
- Establishes discharge limits for industrial users
- Incorporates the City's Fats, Oils and Grease program (FOG)

City staff and the WRF Program Manager conducted a workshop with City Council at the November 17, 2020 City Council meeting. The next step in adoption of changes to the SUO is this first reading and public hearing. Staff plans to bring the ordinance back to the City Council on January 26, 2021, for the second reading and adoption.

ATTACHMENTS

1. [Link to Enhanced Source Control Program \("ESCP"\)](#)
2. Ordinance No. 642 Amending Chapter 13.12 of the Morro Bay Municipal Code
3. [Link](#) to Draft Enforcement Response Plan ("ERP")

ORDINANCE NO. 642

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, RESTATING AND AMENDING CHAPTER 13.12 OF THE MORRO BAY MUNICIPAL CODE UPDATE AND EXPAND THE CITY'S SEWER REGULATIONS

WHEREAS, the City of Morro Bay (City) provides infrastructure and facilities for the collection and treatment of wastewater to promote the health and safety and convenience of its residents, businesses and visitors and for the safeguarding of water resources common to all (Sewer System); and

WHEREAS, the Environmental Protection Agency (EPA) established the National Pretreatment Program as a core part of the Clean Water Act's National Pollutant Discharge Elimination System (NPDES) regulations, which mandate stringent and continuous control of the quality of wastewater discharged to Publicly Owned Treatment Works (POTWs); and

WHEREAS, the City is constructing the new Morro Bay Water Reclamation Facility (WRF) which will produce purified water through indirect potable reuse to supplement the City's water supply; and

WHEREAS, the State Water Resources Control Board requires agencies implementing indirect potable reuse to administer an industrial pretreatment and pollutant source control program (enhanced source control program); and

WHEREAS, the City does not currently have and has not heretofore been required to have an industrial pretreatment program; and

WHEREAS, the City is developing an industrial pretreatment and enhanced source control program to prevent the introduction of pollutants into the Sewer System and the WRF, and hence to protect the quality of finished water and drinking water supply produced by the WRF.

THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA DOES HEREBY FIND AND ORDAIN AS FOLLOWS:

SECTION 1. Chapter 13.12 of the Morro Bay Municipal Code is hereby restated and amended, in its entirety, to read as set forth in Exhibit A, attached hereto and made a part hereof.

SECTION 2. This ordinance shall be in full force and effect thirty (30) days after its passage.

SECTION 3. The consideration, introduction and adoption of this ordinance are exempt from environmental analysis pursuant to 14 CCR § 15061(b)(3). A Notice of Exemption shall be filed within five days after the adoption of this ordinance.

SECTION 4. The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

INTRODUCED at a regular meeting of the City Council held on the 12th day of January 2021, by motion of Council Member _____ and seconded by Council Member _____.

PASSED AND ADOPTED on the ____ day of _____ 2020, by the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

APPROVED AS TO FORM:

CHRIS F. NEUMEYER, City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO)
CITY OF MORRO BAY)

I, Dana Swanson, CITY CLERK OF THE CITY OF MORRO BAY, DO HEREBY CERTIFY Ordinance No. 642 was duly adopted by the City Council of the City of Morro Bay at a regular meeting of the Council on the ___ day of _____, 2020; and it was so adopted by the following vote:

AYES:
NOES:
ABSENT:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this _____ day of _____, 2021.

City Clerk of the City of Morro Bay

**EXHIBIT A
TO
ORDINANCE NO. 642**

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**EXHIBIT A
TO
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Chapter 13.12 - SEWERS

Article I. General Provisions

13.12.100 – Purpose and policy.

This chapter sets forth uniform requirements for Users of the POTW for the City and enables the City to comply with all applicable State and Federal laws, including the Clean Water Act (33 U.S.C. section 1251 et seq.) and the General Pretreatment Regulations (Title 40 of the CFR Part 403). The objectives of this chapter are:

- A. To prevent the introduction of pollutants into the POTW that will interfere with its operation;
- B. To prevent the introduction of pollutants into the POTW that will pass through the POTW, inadequately treated, into receiving waters, or otherwise be incompatible with the POTW;
- C. To protect the quality of the finished water and drinking water supply produced by the City's WRF.
- D. To protect both POTW personnel who may be affected by wastewater and sludge in the course of their employment and the general public;
- E. To promote reuse and recycling of industrial wastewater and sludge from the POTW;
- F. To enable the City to comply with its NPDES permit conditions, sludge use and disposal requirements, and any other Federal or State laws to which the POTW is subject.
- G. This chapter shall apply to all Users of the POTW. The chapter authorizes the issuance of industrial wastewater discharge permits ; provides for monitoring, compliance, and enforcement activities; establishes administrative review procedures; requires User reporting;

13.12.110 – Administration.

Except as otherwise provided herein, the Utilities Division/Department Manager shall administer, implement, and enforce the provisions of this chapter and, pursuant to Sections 1.16.050 and 060 of the MBMC, shall be designated as a Code Enforcement Officer for purposes of enforcing this chapter. Any powers granted to or duties imposed upon the Utilities Division/Department Manager may be delegated by the Utilities Division/Department Manager, in writing, to so duly authorized City employee.

13.12.120 – Abbreviations.

The following abbreviations, when used in this chapter, shall have the following designated meanings:

- BOD – Five Day Biochemical Oxygen Demand
- BMPs – Best Management Practices
- BMR – Baseline Monitoring Report
- CFR – Code of Federal Regulations
- CIU – Categorical Industrial User
- COD – Chemical Oxygen Demand

- EPA – U.S. Environmental Protection Agency
- FOG – fats, oils, and grease
- FF – food facility
- gpd – gallons per day
- H&SC – Health and Safety Code
- IU – Industrial User
- MBMC Morro Bay Municipal Code
- mg/l – milligrams per liter
- NPDES – National Pollutant Discharge Elimination System
- NSCIU – Non-Significant Categorical Industrial User
- POTW – Publicly Owned Treatment Works
- RCRA – Resource Conservation and Recovery Act
- SIU – Significant Industrial User
- TSS – Total Suspended Solids
- U.S.C. – United States Code
- WRF – Water Recycling Facility

13.12.130 – Definitions.

Unless a provision explicitly states otherwise, the following terms and phrases, as used in this chapter, shall mean, as follows.

- A. **Act or “the Act.”** The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. section 1251 *et seq.*
- B. **Approval Authority.** California Regional Water Quality Control Board Central Coast Region, or any successor agency.
- C. **Authorized or Duly Authorized Representative of the User.**
 1. If the User is a corporation, then:
 - a. the president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation; or
 - b. the manager of one or more manufacturing, production, or operating facilities, provided the manager: (i) is authorized to make management decisions that govern the operation of the regulated facility, including having the explicit or implicit duty of making major capital investment recommendations, and to initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; (ii) can ensure the necessary systems are established or actions taken to gather complete and accurate information for industrial wastewater discharge permit requirements; and (iii) has been given authority to sign documents, in accordance with corporate procedures.
 2. If the User is a general or limited partnership, limited liability company or sole proprietorship, then a general partner, managing member or owner, respectively.
 3. If the User is a Federal, State, or local governmental facility, then a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or their designee.
 4. The individuals described in parts 1. through 3., above, may designate a Duly Authorized Representative if the authorization is in writing, the authorization specifies the individual or

position responsible for the overall operation of the facility from which the discharge originates or for having overall responsibility for environmental matters for the entity, and the written authorization is submitted to the City.

- D. **Best Management Practices or BMPs** means schedules of activities, prohibitions of activities, maintenance procedures, and other management methods to implement the prohibitions listed in subdivisions 13.12.050.A. and B of this chapter. BMPs include treatment requirements, operating procedures, and methods to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.
- E. **Biochemical Oxygen Demand or BOD.** The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures for five days at 20 degrees centigrade, usually expressed as a concentration (e.g., mg/L).
- F. **Categorical Pretreatment Standard or Categorical Standard.** Any regulation containing pollutant discharge limits promulgated by EPA in accordance with sections 307(b) and (c) of the Act (33 U.S.C. section 1317) that apply to a specific category of Users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.
- G. **Categorical Industrial User (CIU).** An Industrial User subject to a Categorical Pretreatment Standard or Categorical Standard.
- H. **Chemical Oxygen Demand or COD.** A measure of the oxygen required to oxidize all compounds, both organic and inorganic, in water.
- I. **Control Authority.** The City.
- J. **Daily Maximum.** The arithmetic average of all effluent samples for a pollutant collected during a calendar day.
- K. **Daily Maximum Limit.** The maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.
- L. **Environmental Protection Agency or EPA.** The U.S. Environmental Protection Agency or, where appropriate, the Regional Water Management Division Director, the Regional Administrator, or other duly authorized official of said agency.
- M. **Existing Food Facility or Existing FF.** Any Food Facility that has been in continuous operation since before the [date certain, which will be the effective date of this ordinance] under the same ownership or control.
- N. **Existing Source.** Any source of discharge that is not a "New Source."
- O. **FOG.** Fats, oils, and grease.
- P. **Food Facility FF.** Any facility defined in California Retail Food Code , H&SC Section 113789, and any commercial entity discharging into the City sewer system, operating in a permanently constructed structure such as a room, building, or place, or portion thereof, maintained, used, or operated for the purpose of storing, preparing, serving, or manufacturing, packaging, or otherwise handling food for sale to other entities, or for consumption by the public, its members or employees, and which has any process or device that uses or produces FOG, or grease vapors, steam, fumes, smoke or odors that are required to be removed by a mechanical exhaust ventilation system, as required in H&SC Section 114149. A limited food preparation establishment is not considered a Food Facility when engaged only in reheating, hot holding or assembly of ready to eat food products and as a result, there is no wastewater discharge containing a significant amount of FOG. A limited

food preparation establishment does not include any operation that changes the form, flavor, or consistency of food.

- Q. **Grab Sample.** A sample that is taken from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen minutes.
- R. **Grease Interceptor.** A multi-compartment device that is constructed in different sizes and is generally required to be located, according to the California Plumbing Code, underground between a FF and the connection to the sewer system. This device primarily uses gravity to separate FOG from the wastewater as it moves from one compartment to the next. This device must be cleaned, maintained, and have the FOG removed and disposed of in a proper manner at regular intervals to be effective.
- S. **Grease Removal Device.** Any grease interceptor, grease trap or other mechanism, device, or process, which attaches to, or is applied to, wastewater plumbing fixtures and lines, the purpose of which is to trap or collect or treat FOG prior to it being discharged into the sewer system. Grease Removal Device may also include any other proven method to reduce FOG subject to approval of the Utilities Division/Department Manager. A Grease Removal Device is a form of pretreatment and as such is subject to all regulations pertaining to the installation and maintenance of pretreatment systems as recognized in this Chapter and in the General Pretreatment Regulations (40 C.F.R.§403).
- T. **Grease Trap.** A grease control device that is used to serve individual fixtures and have limited effect and should only be used in those cases where the use of a grease interceptor or other grease removal device is determined to be impossible or impracticable.
- U. **Holding Tank.** Any container of wastewater, such as those from chemical toilets, vessels, boats, campers, or trailers, but excluding septic tanks.
- V. **Hot Spots.** Areas in sewer lines that have experienced Sanitary Sewer Overflows (SSOs) or that must be cleaned or maintained frequently to avoid blockages of the sewer system.
- W. **Indirect Discharge or Discharge.** The introduction of pollutants into the POTW from any nondomestic source.
- X. **Instantaneous Limit.** The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.
- Y. **Interference.** A discharge that, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal; and therefore, is a cause of a violation of the City's NPDES permit or of the prevention of sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder, or any more stringent State or local regulations, including, but not limited to, section 405 of the Act; the Solid Waste Disposal Act, including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any State regulations contained in any State sludge management plan prepared pursuant to Subtitle D of the Solid Waste Disposal Act; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research, and Sanctuaries Act.
- Z. **Local Limit.** Specific discharge limits developed and enforced by the City upon industrial or commercial facilities to implement the general and specific discharge prohibitions listed in subdivisions 13.12.050.A. and B of this chapter.
- AA. **Medical Waste.** Isolation wastes, infectious agents, human blood and blood products, pathological wastes, sharps, body parts, contaminated bedding, surgical wastes, potentially contaminated laboratory wastes, and dialysis wastes.

- BB. **Monthly Average.** The sum of all “daily discharges” measured during a calendar month divided by the number of “daily discharges” measured during that month.
- CC. **Monthly Average Limit.** The highest allowable average of “daily discharges” over a calendar month, calculated as the sum of all “daily discharges” measured during a calendar month divided by the number of “daily discharges” measured during that month.
- DD. **Narrative Standard or Narrative Limit.** Any statement of prohibition or condition on a discharge established in this chapter that is not a local limit. Narrative standards include, but are not limited to, prohibited discharge standards and BMPs.
- EE. **New Food Facility or New FF.** Any Food Facility that starts operations after [date certain, which would be the effective date of this ordinance] regardless whether in a newly constructed building, a remodeled building or using an existing building or space.
- FF. **New Source.**
1. Any building, structure, facility, or installation from which there is (or may be) a discharge of pollutants, the construction of which commenced after the publication of proposed Pretreatment Standards under Subdivision 307(c) of the Act that will be applicable to such source if such Standards are thereafter promulgated in accordance with that section, provided that:
 - a. The building, structure, facility, or installation is constructed at a site at which no other source is located; or
 - b. The building, structure, facility, or installation totally replaces the process or production equipment that causes the discharge of pollutants at an Existing Source; or
 - c. The production or wastewater generating processes of the building, structure, facility, or installation are substantially independent of an Existing Source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the Existing Source, should be considered.
 2. Construction on a site at which an Existing Source is located results in a modification rather than a New Source if the construction does not create a new building, structure, facility, or installation meeting the criteria of 1.b. or c., above, but otherwise alters, replaces, or adds to existing process or production equipment.
 3. Construction of a New Source as defined under this paragraph has commenced if the owner or operator has:
 - a. Begun, or caused to begin, as part of a continuous onsite construction program
 - (i) any placement, assembly, or installation of facilities or equipment; or
 - (ii) significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or
 - b. Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.
- GG. **Noncontact Cooling Water.** Water used for cooling that does not come into direct contact with any raw material, intermediate product, waste product, or finished product.

- HH. **Oil Interceptor.** A device for retaining oil by gravity-differential separation from waste effluent, and of a design and capacity approved by the Utilities Division/Department Manager.
- II. **Pass Through.** A discharge which exits the POTW into waters of the United States in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the City's NPDES permit, including an increase in the magnitude or duration of a violation.
- JJ. **Person.** Any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity, or any other legal entity; or their legal representatives, agents, or assigns. This definition includes all Federal, State, and local governmental entities.
- KK. **pH.** A measure of the acidity or alkalinity of a solution, expressed in standard units.
- LL. **Pollutant.** Dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, Medical Wastes, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD, COD, toxicity, or odor).
- MM. **Pretreatment.** The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable Pretreatment Standard.
- NN. **Pretreatment Requirements.** Any substantive or procedural requirement related to pretreatment imposed on a User, other than a Pretreatment Standard.
- OO. **Pretreatment Standards, National Pretreatment Standards, or Standards.** Pretreatment Standards shall mean prohibited discharge standards, categorical Pretreatment Standards, and Local Limits.
- PP. **Prohibited Discharge Standards or Prohibited Discharges.** Absolute prohibitions against the discharge of certain substances; these prohibitions appear in 13.12.200 of this chapter.
- QQ. **Publicly Owned Treatment Works or POTW.** A treatment works, as defined by Section 212 of the Act (33 U.S.C. section 1292), which is owned by the City. This definition includes any devices or systems used in the collection, storage, treatment, recycling, and reclamation of sewage or industrial wastes of a liquid nature and any conveyances, which convey wastewater to a treatment plant.
- RR. **Sanitary Sewer Overflow or SSO.** An overflow from the sanitary sewer system of domestic wastewater, as well as industrial and commercial wastewater.
- SS. **Septic Tank.** Any container used for holding and treating waste in a septic system.
- TT. **Sewage.** Human excrement and gray water, including, but not limited to, commercial, governmental or household showers and dishwashing operations.
- UU. **Significant Industrial User (SIU).** Except as provided in parts 3. and 4. of this definition, a Significant Industrial User is:
1. An Industrial User subject to categorical Pretreatment Standards; or
 2. An Industrial User that:
 - a. Discharges an average of 25,000 gpd or more of process wastewater to the POTW (excluding sanitary, noncontact cooling and boiler blowdown wastewater);

- b. Contributes a process wastestream, which makes up five percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or
 - c. Is designated as such by the City on the basis that it has a reasonable potential for adversely affecting the POTW's operation or for violating any Pretreatment Standard or Requirement.
- 3. The City may determine that an Industrial User subject to categorical Pretreatment Standards is a Non-Significant Categorical Industrial User rather than a Significant Industrial User on a finding that the Industrial User never discharges more than 100 gallons per day (gpd) of total categorical wastewater (excluding sanitary, non-contact cooling and boiler blowdown wastewater, unless specifically included in the Pretreatment Standard) and the following conditions are met:
 - a. The Industrial User, prior to City's finding, has consistently complied with all applicable categorical Pretreatment Standards and Requirements;
 - b. The Industrial User annually submits the certification statement required by Subdivision 13.12.695.B. of this chapter together with any additional information necessary to support the certification statement; and
 - c. The Industrial User never discharges any untreated concentrated wastewater.
- 4. Upon a finding that a User meeting the criteria in 2., above has no reasonable potential for adversely affecting the POTW's operation or for violating any Pretreatment Standard or Requirement, the City may at any time, on its own initiative or in response to a petition received from an Industrial User, and in accordance with procedures in 40 CFR 403.8(f)(6), determine that such User should not be considered a Significant Industrial User.
- VV. **Slug Load or Slug Discharge.** Any discharge at a flow rate or concentration, which could cause a violation of the prohibited discharge standards in Section 13.12.200 of this chapter. A Slug Discharge is any Discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch Discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, Local Limits or Permit conditions.
- WW. **Storm Water.** Any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.
- XX. **Total Suspended Solids or Suspended Solids.** The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and that is removable by laboratory filtering.
- YY. **Twenty-five Percent Rule.** A requirement for grease interceptors to be maintained such that the combined FOG and solids accumulation does not exceed 25 percent of the design hydraulic depth of the grease interceptor.
- ZZ. **User or Industrial User.** A source of indirect discharge.
- AAA. **Utilities Division/Department Manager.** The person designated by the City to supervise the operation of the POTW, and who is charged with certain duties and responsibilities by this chapter. The term also means a duly authorized representative, as designated in writing by the Utilities Division/Department Manager.
- BBB. **Wastewater.** Liquid and water-carried industrial wastes and sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are contributed to the POTW.
- CCC. **Wastewater Treatment Plant or Treatment Plant.** That portion of the POTW which is designed to provide treatment of municipal sewage and industrial waste.

Article II. General Sewer Use Requirements

13.12.200 – Prohibited discharge standards.

- A. General Prohibitions. No User shall introduce or cause to be introduced into the POTW any pollutant or wastewater which causes Pass Through or Interference. These general prohibitions apply to all Users of the POTW whether or not they are subject to categorical Pretreatment Standards or any other National, State, or local Pretreatment Standards or Requirements.
- B. Specific Prohibitions. No User shall introduce or cause to be introduced into the POTW the following pollutants, substances, or wastewater:
 - 1. Solid or viscous substances in amounts which will cause obstruction of the flow in the POTW resulting in Interference but in no case solids greater than one-half inch or one and two-seven hundredths centimeters in any dimension;
 - 2. Pollutants, including oxygen-demanding pollutants (BOD, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause Interference with the POTW;
 - 3. Petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin, in amounts that will cause Interference or Pass Through;
 - 4. Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems;
 - 5. Trucked or hauled pollutants except at discharge points designated by the Utilities Division/Department Manager in accordance with this chapter.
 - 6. Septic tank cleanings or any raw or chemically treated sewage from septic tanks.
 - 7. Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the sewers for maintenance or repair;
 - 8. Wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the treatment plant's effluent, thereby violating the City's NPDES permit;
 - 9. Wastewater containing any radioactive wastes or isotopes except in compliance with applicable State or Federal regulations;
 - 10. Storm Water, surface water, ground water, artesian well water, roof runoff, subsurface drainage, swimming pool drainage, condensate, deionized water, Noncontact Cooling Water, and unpolluted wastewater, unless specifically authorized by the Utilities Division/Department Manager;
 - 11. Sludges, screenings, or other residues from the pretreatment of industrial wastes;
 - 12. Medical Wastes, except as specifically authorized by the Utilities Division/Department Manager in an industrial wastewater discharge permit;
 - 13. Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail toxicity test;
 - 14. Detergents, surface-active agents, or other substances which that might cause excessive foaming in the POTW;
 - 15. Pollutants, substances, or wastewater prohibited by this Section shall not be processed or stored in such a manner that they could be discharged to the POTW.
 - 16. Any gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid, or gas.
- C. Narrative and Numerical Limits.

1. Pollutants which create a fire or explosive hazard in the POTW, including, but not limited to, wastestreams with a closed-cup flashpoint of less than 140 degrees F (60 degrees C) using the test methods specified in 40 CFR 261.21;
2. Wastewater having a pH less than 5.5 or more than 9.0, or otherwise causing corrosive structural damage to the POTW or equipment;
3. Wastewater having a temperature greater than 150 degrees F (66 degrees C), or which will inhibit biological activity in the treatment plant resulting in Interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C);
4. Fats, oils, or greases of animal or vegetable origin in concentrations greater than 100 mg/L;
5. Total petroleum hydrocarbons in concentrations greater than 100 mg/L;
6. Wastewater causing two readings on an explosion hazard meter at the point of discharge into the POTW, or at any point in the POTW, of more than 10 percent or any single reading over five percent of the Lower Explosive Limit of the meter.
7. Wastewater exceeding the five-day biochemical oxygen demand of 300 mg/L shall be subject to the requirements of Section 13.12.300 of this chapter.
8. Wastewater exceeding the total suspended solids of 350 mg/L shall be subject to the requirements of Section 13.12.300 of this chapter.
9. Discharges having an average daily flow greater than two percent of the average daily flow of the City shall be subject to the requirements of Section 13.12.300 of this chapter.
10. Wastewater exceeding the following concentrations:
 - a. Ammonia-N, 50 mg/L
 - b. Boron, 8 mg/L
 - c. Copper, 1 mg/L
 - d. 1,4-Dioxane, 0.0013 mg/L
 - e. Mercury, 0.2 mg/L
 - f. N-Nitrosodimethylamine (NDMA), 0.000065 mg/L
 - g. Sodium, 900 mg/L
 - h. Strontium, 1.55 mg/L
 - i. Total Dissolved Solids (TDS), 8,500 mg/L

13.12.210 – National categorical pretreatment standards.

Users must comply with the categorical Pretreatment Standards found at 40 CFR Chapter I, Subchapter N, Parts 405–471.

- A. When wastewater subject to a categorical Pretreatment Standard is mixed with wastewater not regulated by the same Standard, the Utilities Division/Department Manager shall impose an alternate limit in accordance with 40 CFR 403.6(e) (combined wastestream formula).

13.12.220 – Best management practices.

The Utilities Division/Department Manager may develop BMPs in industrial wastewater discharge permits, to implement the requirements of this chapter.

13.12.230 – RESERVED

13.12.240 – City’s right of revision.

The City reserves the right to establish, by ordinance, by resolution or in each industrial wastewater discharge permit, more stringent Standards or Requirements on discharges to the POTW consistent with the purpose of this chapter, when the Utilities Division/Department Manager determines that necessary for public safety.

13.12.250 – Dilution.

No User shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable Pretreatment Standard or Requirement. The Utilities Division/Department Manager may impose mass limitations on Users who are using dilution to meet applicable Pretreatment Standards or Requirements, or in other cases when the imposition of mass limitations is appropriate.

13.12.260 – Dental amalgam wastes.

No person shall discharge or cause to be discharged, any mercury or amalgam waste into the sewer system. All dental dischargers that place or remove amalgam must operate and maintain an amalgam separator that complies with ANSI/ADA Specifications 108 (2009) with Technical Addendum (2011) or ISO 11143 Dentistry-Amalgam Separators. The dental discharger shall comply with the most recent Best Management Practices for Dental Amalgam Waste as recommended by the American Dental Association, and specified in 40 CFR 441 (Effluent Limitations Guidelines and Standards for the Dental Category) June 14, 2017.

Article III. Pretreatment of Wastewater

13.12.300 – Pretreatment facilities.

Users shall provide wastewater treatment as necessary to comply with this chapter and shall achieve compliance with all categorical Pretreatment Standards, Local Limits, and the prohibitions set out in Section 13.12.200 of this chapter within the time limitations specified by EPA, the State, or the Utilities Division/Department Manager, whichever is more stringent. Any facilities necessary for compliance shall be provided, operated, and maintained at the User’s expense. Detailed plans describing such facilities and operating procedures shall be submitted to the Utilities Division/Department Manager for review, and shall be acceptable to the Utilities Division/Department Manager before such facilities are constructed. The review of such plans and operating procedures shall in no way relieve the User from the responsibility of modifying such facilities as necessary to produce a discharge acceptable to the City under the provisions of this chapter.

- A. The admission into the public sewers of any waters or wastes having characteristics exceeding the narrative limits established in Section 13.12.200 of this chapter shall be subject to the review and approval by the Utilities Division/Department Manager.
- B. Where necessary in the opinion of the Utilities Division/Department Manager, the owner shall provide, at his expense, such preliminary treatment as may be necessary to:
 1. Reduce the biochemical oxygen demand to 300 mg/L and the suspended solids to 350 mg/L;
or

2. Reduce objectionable characteristics or constituents to within the maximum limits provided for in Section 13.12.200 of this chapter; or
 3. Control the quantities and rates of discharge of such waters or wastes. Plans, specifications, and any other pertinent information relating to proposed preliminary treatment facilities shall be submitted for the approval of the Utilities Division/Department Manager and of the Water Pollution Control Board of the state, and no construction of such facilities shall be commenced until said approvals are obtained in writing.
- C. Where preliminary treatment facilities are provided for any wastewater, they shall be maintained continuously in satisfactory and effective operation, by the owner at his expense.

13.12.310 – Additional pretreatment measures.

- A. Whenever deemed necessary, the Utilities Division/Department Manager may require Users to restrict their discharge during peak flow periods, designate that certain wastewater be discharged only into specific sewers, relocate and/or consolidate points of discharge, separate sewage wastestreams from industrial wastestreams, and such other conditions as may be necessary to protect the POTW and determine the User's compliance with the requirements of this chapter.
- B. The Utilities Division/Department Manager may require any person discharging into the POTW to install and maintain, on their property and at their expense, a suitable storage and flow-control facility to ensure equalization of flow. An industrial wastewater discharge permit may be issued solely for flow equalization.
- C. Users with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.

13.12.320 – Control utility hole installation.

When required by the Utilities Division/Department Manager, the owner of any property served by a building sewer carrying industrial wastes shall install a suitable control utility hole in the building sewer to facilitate observation, sampling and measurements of the wastes. Such utility hole, when required, shall be accessible and safely located, and shall be constructed in accordance with plans approved by the Utilities Division/Department Manager. The utility hole shall be installed by the owner at his expense, and shall be maintained by him so as to be safe and accessible at all times.

13.12.330 – Grease, oil, and sand interceptors.

- A. Grease, oil and sand interceptors shall be provided when, in the opinion of the Utilities Division/Department Manager, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand, and other harmful ingredients; except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by the Utilities Division/Department Manager, and shall be located as to be readily and easily accessible for cleaning and inspection.
- B. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be of substantial construction, watertight, and equipped with easily removable covers which, when bolted in place, shall be gastight and watertight.
- C. Where installed, all grease, oil and sand interceptors shall be maintained by the owner, at his expense, in continuously efficient operation at all times.

- D. Wastewater discharge permits may be issued to users of grease, oil, and sand interceptors. Permits shall establish minimum requirements for the design, maintenance and performance of the equipment. Permits may include other information as described in Section VII of this chapter.
- E. The discharge of waste to a grease, oil, and sand interceptor is subject to all sections of this chapter.
- F. Purchase and installation of the interceptor shall be at the User's expense. No exceptions shall be made to the requirements of this section due to expense, size of the installation or difficulties in locating the interceptor within the site boundary.

13.12.340 – Accidental discharge/slug discharge control plans.

The Utilities Division/Department Manager shall evaluate whether each SIU needs an accidental discharge/slug discharge control plan or other action to control Slug Discharges. The Utilities Division/Department Manager may require any User to develop, submit for approval, and implement such a plan or take such other action that may be necessary to control Slug Discharges. Alternatively, the Utilities Division/Department Manager may develop such a plan for any User. An accidental discharge/slug discharge control plan shall address, at a minimum, the following:

- A. Description of discharge practices, including nonroutine batch discharges;
- B. Description of stored chemicals;
- C. Procedures for immediately notifying the Utilities Division/Department Manager of any accidental or Slug Discharge, as required by Section 13.12.630 of this chapter; and
- D. Procedures to prevent adverse impact from any accidental or Slug Discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants, including solvents, and/or measures and equipment for emergency response.

Article IV. – Industrial Wastewater Discharge Permits

13.12.400 – Wastewater discharge permit categories.

Industrial wastewater discharge permits shall be issued under the following categories as determined by the Utilities Division/Department Manager after review of the permit application as described in Section 13.12.440 of this chapter. The Utilities Division/Department Manager may determine, upon review of the permit application, that no permit is required for certain small industries and commercial Users.

- A. **General industrial/commercial User permits (Class "G" dischargers).** General industrial/commercial User permits may be issued to certain small industries and some commercial Users whose industrial discharges do not significantly impact the POTW, degrade wastewater quality or contaminate sludge. Industries that have the potential to discharge a non-domestic or process waste stream, but at the present time discharge only sanitary waste, may also be included in this group.
- B. **Significant Industrial User (SIU) permits (Class "S" dischargers).** SIU permits shall be issued to those industries which are determined by the Utilities Division/Department Manager to be Significant Industrial Users (SIUs) as defined in Subdivision 13.12.130.UU of this chapter. The

Utilities Division/Department Manager may require other Users to obtain an SIU permit as necessary to carry out the purposes of this chapter.

- C. **Food Facility (FF) permits (Class "F" dischargers).** All food facilities will be classified as Class "F" dischargers.

13.12.410 – Industrial wastewater discharge permit requirement.

- A. No Significant Industrial User shall discharge wastewater into the POTW without first obtaining an industrial wastewater discharge permit from the Utilities Division/Department Manager, except that a Significant Industrial User that has filed a timely application pursuant to Section 13.12.420 of this chapter may continue to discharge for the time period specified therein.
- B. The Utilities Division/Department Manager may require other Users to obtain industrial wastewater discharge permits as necessary to carry out the purposes of this chapter.
- C. Obtaining an industrial wastewater discharge permit does not relieve a permittee of its obligation to comply with all Federal and State Pretreatment Standards or Requirements or with any other requirements of Federal, State, and local law.

13.12.420 – Industrial wastewater discharge permitting: existing connections.

Any User required to obtain an industrial wastewater discharge permit who was discharging wastewater into the POTW prior to [date certain, which would be the effective date of the ordinance] and who wishes to continue such discharges in the future, shall, within 60 days after [see previous note], apply to the Utilities Division/Department Manager for an industrial wastewater discharge permit in accordance with Section 13.12.440 of this chapter, and shall not cause or allow discharges to the POTW to continue after 180 days after the [see previous note], except in accordance with an industrial wastewater discharge permit issued by the Utilities Division/Department Manager.

13.12.430 – Industrial wastewater discharge permitting: new connections.

Any User required to obtain an industrial wastewater discharge permit who proposes to begin or recommence discharging into the POTW must obtain such permit prior to the beginning or recommencing of such discharge. An application for this industrial wastewater discharge permit, in accordance with Section 13.12.440 of this chapter, must be filed at least 60 days prior to the date upon which any discharge will begin or recommence.

13.12.440 – Industrial wastewater discharge permit application contents.

- A. All Users required to obtain an industrial wastewater discharge permit must submit a permit application. The Utilities Division/Department Manager may require Users to submit all or some of the following information as part of a permit application:
 - 1. Identifying Information.
 - a. The name and address of the facility, including the name of the operator and owner.
 - b. Contact information, description of activities, facilities, and plant production processes on the premises;
 - 2. Environmental Permits. A list of any environmental control permits held by or for the facility.
 - 3. Description of Operations.
 - a. A brief description of the nature, average rate of production (including each product produced by type, amount, processes, and rate of production), and standard industrial classifications of the operation(s) carried out by such User. This description should

- include a schematic process diagram, which indicates points of discharge to the POTW from the regulated processes.
- b. Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the POTW;
 - c. Number and type of employees, hours of operation, and proposed or actual hours of operation;
 - d. Type and amount of raw materials processed (average and maximum per day);
 - e. Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge;
4. Time and duration of discharges;
 5. The location for monitoring all wastes covered by the permit;
 6. Flow Measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula set out in Subdivision 13.12.210.A. of this chapter.
 7. Measurement of Pollutants.
 - a. The Categorical Pretreatment Standards applicable to each regulated process and any new categorically regulated processes for Existing Sources.
 - b. The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the Standard or by the Utilities Division/Department Manager, of regulated pollutants in the discharge from each regulated process.
 - c. Instantaneous, Daily Maximum, and long-term average concentrations, or mass, where required, shall be reported.
 - d. The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in Section 13.12.670 of this chapter. Where the Standard requires compliance with any BMPs or pollution prevention alternative, the User shall submit documentation as required by the Utilities Division/Department Manager or the applicable Standards to determine compliance with the Standard.
 - e. Sampling must be performed in accordance with procedures set out in Section 13.12.680 of this chapter.
 8. Any other information as may be deemed necessary by the Utilities Division/Department Manager to evaluate the permit application.
- B. Incomplete or inaccurate applications will not be processed and will be returned to the User for revision.

13.12.450 – Application signatories and certifications.

- A. All wastewater discharge permit applications, User reports and certification statements must be signed by an Authorized Representative of the User and contain the certification statement in Subdivision 13.12.695.A of this chapter.
- B. If the designation of an Authorized Representative is no longer accurate because a different individual or position has responsibility for the overall operation of the facility or overall responsibility for environmental matters for the company, a new written authorization satisfying the requirements of this Section must be submitted to the Utilities

Division/Department Manager prior to or together with any reports to be signed by an Authorized Representative.

- C. A facility determined to be a Non-Significant Categorical Industrial User by the Utilities Division/Department Manager pursuant to Subdivision 13.12.130.UU.3. of this chapter must annually submit the signed certification statement in Subdivision 13.12.695.B. of this chapter

13.12.460 – Industrial wastewater discharge permit decisions.

The Utilities Division/Department Manager will evaluate the data furnished by the User and may require additional information. Within 60 days of receipt of a complete permit application, the Utilities Division/Department Manager will determine whether to issue an industrial wastewater discharge permit. The Utilities Division/Department Manager may deny any application for an industrial wastewater discharge permit.

Article V. – Industrial Wastewater Discharge Permit Issuance

13.12.500 – Industrial wastewater discharge permit duration.

An industrial wastewater discharge permit shall be issued for a specified time period, not to exceed five years from the effective date of the permit. An industrial wastewater discharge permit may be issued for a period less than five years, at the discretion of the Utilities Division/Department Manager. Each industrial wastewater discharge permit will indicate a specific date upon which it will expire.

13.12.510 – Industrial wastewater discharge permit contents.

An industrial wastewater discharge permit shall include such conditions as are deemed reasonably necessary by the Utilities Division/Department Manager to prevent Pass Through or Interference, protect the quality of the water body receiving the treatment plant's effluent, protect worker health and safety, facilitate sludge management and disposal, and protect against damage to the POTW and any drinking water supplies produced by WRF.

- A. Industrial wastewater discharge permits must contain:
 - 1. A statement that indicates the wastewater discharge permit issuance date, expiration date and effective date.
 - 2. A statement that the wastewater discharge permit is nontransferable without prior notification to the City in accordance with Section 13.12.540 of this chapter, and provisions for furnishing the new owner or operator with a copy of the existing wastewater discharge permit;
 - 3. Effluent limits, including Best Management Practices, based on applicable Pretreatment Standards;
 - 4. Self-monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include an identification of pollutants (or best management practice) to be monitored, sampling location, sampling frequency, and sample type based on Federal, State, and local law.
 - 5. A statement of applicable civil and criminal penalties for violation of Pretreatment Standards and Requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable Federal, State, or local law.

6. Requirements to control Slug Discharge, if determined by the Utilities Division/Department Manager to be necessary.
- B. Industrial wastewater discharge permits may contain, but need not be limited to, the following conditions:
1. Limits on the average and/or maximum rate of discharge, time of discharge, and/or requirements for flow regulation and equalization;
 2. Requirements for the installation of pretreatment technology, pollution control, or construction of appropriate containment devices, designed to reduce, eliminate, or prevent the introduction of pollutants into the treatment works;
 3. Requirements for the development and implementation of spill control plans or other special conditions including management practices necessary to adequately prevent accidental, unanticipated, or nonroutine discharges;
 4. Development and implementation of waste minimization plans to reduce the amount of pollutants discharged to the POTW;
 5. Requirements for installation and maintenance of inspection and sampling facilities and equipment, including flow measurement devices;
 6. A statement that compliance with the industrial wastewater discharge permit does not relieve the permittee of responsibility for compliance with all applicable Federal and State Pretreatment Standards, including those which become effective during the term of the industrial wastewater discharge permit; and
 7. Other conditions as deemed appropriate by the Utilities Division/Department Manager to ensure compliance with this chapter, and State and Federal laws, rules, and regulations.

13.12.520 – Permit issuance and appeals process.

- A. The User may petition the Utilities Division/Department Manager to reconsider the terms of an industrial wastewater discharge permit within 15 working days of notice of its issuance.
1. Failure to submit a timely petition for review shall be deemed to be a waiver of the administrative appeal.
 2. In its petition, the appealing party must indicate the industrial wastewater discharge permit provisions objected to, the reasons for this objection, and the alternative condition, if any, it seeks to place in the industrial wastewater discharge permit.
 3. The effectiveness of the industrial wastewater discharge permit shall not be stayed pending the appeal.
 4. If the Utilities Division/Department Manager fails to act within 60 days, a request for reconsideration shall be deemed to be denied. Decisions not to reconsider an industrial wastewater discharge permit, not to issue an industrial wastewater discharge permit, or not to modify an industrial wastewater discharge permit shall be considered final administrative actions for purposes of judicial review.
 5. Aggrieved parties seeking judicial review of the final administrative industrial wastewater discharge permit decision must do so by filing a complaint with the Superior Court of San Luis Obispo County.

13.12.530 – Permit modification.

- A. The Utilities Division/Department Manager may modify an industrial wastewater discharge permit for good cause, including, but not limited to, the following reasons:

1. To incorporate any new or revised Federal, State, or local Pretreatment Standards or Requirements;
2. To address significant alterations or additions to the User's operation, processes, or wastewater volume or character since the time of the industrial wastewater discharge permit issuance;
3. A change in the POTW that requires either a temporary or permanent reduction or elimination of the authorized discharge;
4. Information indicating that the permitted discharge poses a threat to the City's POTW, City personnel, or the receiving waters;
5. Violation of any terms or conditions of the industrial wastewater discharge permit;
6. Misrepresentations or failure to fully disclose all relevant facts in the wastewater discharge permit application or in any required reporting;
7. To correct typographical or other errors in the industrial wastewater discharge permit; or
8. To reflect a transfer of the facility ownership or operation to a new owner or operator where requested in accordance with Section 13.12.540 of this chapter.

13.12.540 – Industrial wastewater discharge permit transfer.

Industrial wastewater discharge permits may be transferred to a new owner or operator only if the permittee gives at least 60-days' advance notice to the Utilities Division/Department Manager and the Utilities Division/Department Manager approves the industrial wastewater discharge permit transfer. The notice to the Utilities Division/Department Manager must include a written certification by the new owner or operator which:

- A. States that the new owner and/or operator has no immediate intent to change the facility's operations and processes;
- B. Identifies the specific date on which the transfer is to occur; and
- C. Acknowledges full responsibility for complying with the existing industrial wastewater discharge permit.

Failure to provide advance notice of a transfer renders the industrial wastewater discharge permit void as of the date of facility transfer.

13.12.550 – Industrial wastewater discharge permit revocation or suspension.

The Utilities Division/Department Manager may revoke or suspend an industrial wastewater discharge permit for good cause, including, but not limited to, the following reasons:

- A. Failure to notify the Utilities Division/Department Manager of significant changes to the wastewater prior to the changed discharge;
- B. Failure to provide prior notification to the Utilities Division/Department Manager of changed conditions pursuant to 13.12.620 of this chapter;
- C. Misrepresentation or failure to fully disclose all relevant facts in the wastewater discharge permit application;
- D. Falsifying self-monitoring reports and certification statements;
- E. Tampering with monitoring equipment;
- F. Refusing to allow the Utilities Division/Department Manager timely access to the facility premises and records;
- G. Failure to meet effluent limitations;
- H. Failure to pay fines;

- I. Failure to pay sewer charges;
- J. Failure to meet compliance schedules;
- K. Failure to complete a wastewater survey or the wastewater discharge permit application;
- L. Failure to provide advance notice of the transfer of business ownership of a permitted facility; or
- M. Violation of any Pretreatment Standard or Requirement, or any terms of the wastewater discharge permit or this chapter.

Industrial wastewater discharge permits shall be voidable upon cessation of operations or transfer of business ownership. All industrial wastewater discharge permits issued to a User are void upon the issuance of a new industrial wastewater discharge permit to that User.

13.12.560 – Industrial wastewater discharge permit reissuance

A User with an expiring industrial wastewater discharge permit shall apply for industrial wastewater discharge permit reissuance by submitting a complete permit application, in accordance with 13.12.210 of this chapter, a minimum of 30 days prior to the expiration of the User’s existing industrial wastewater discharge permit.

Article VI. – Reporting Requirements

13.12.600 – Reporting requirements for Industrial Users subject to categorical pretreatment standards.

A. Baseline Monitoring Reports.

1. Within either 180 days after the effective date of a categorical Pretreatment Standard, or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, Categorical Industrial Users scheduled to discharge to the POTW shall submit to the Utilities Division/Department Manager a report which contains the information listed in Paragraph 2, below. At least 90 days prior to commencement of their discharge, New Sources, and sources that become Categorical Industrial Users subsequent to the promulgation of an applicable categorical Standard, shall submit to the Utilities Division/Department Manager a report which contains the information listed in Paragraph 2, below. A New Source shall report the method of pretreatment it intends to use to meet applicable categorical Standards. A New Source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.
2. Users described above shall submit the information set forth below.
 - a. All information required in Subdivisions 13.12.440.A.1.a., A.2., A.3.a., and A.6. of this chapter.
 - b. Measurement of pollutants.
 - i. The User shall provide the information required in Subdivision 13.12.440.A.7. a. through d. of this chapter.
 - ii. The User shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph.
 - iii. Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula in 40 CFR 403.6(e) to

evaluate compliance with the Pretreatment Standards. Where an alternate concentration or mass limit has been calculated in accordance with 40 CFR 403.6(e) this adjusted limit along with supporting data shall be submitted to the Control Authority;

- iv. Sampling and analysis shall be performed in accordance with Section 13.12.670 of this chapter;
 - v. The Utilities Division/Department Manager may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;
 - vi. The baseline report shall indicate the time, date and place of sampling and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant Discharges to the POTW.
- c. Compliance Certification. A statement, reviewed by the User's Authorized Representative as defined in Subdivision 13.12.130.C. of this chapter and certified by a qualified professional, indicating whether Pretreatment Standards are being met on a consistent basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the Pretreatment Standards and Requirements.
 - d. Compliance Schedule. If additional pretreatment and/or O&M will be required to meet the Pretreatment Standards, the shortest schedule by which the User will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable Pretreatment Standard. A compliance schedule pursuant to this Section must meet the requirements set out in Subdivision 13.12.600.B. of this chapter.
 - e. Signature and Report Certification. All baseline monitoring reports must be certified in accordance with Subdivision 13.12.695.A. of this chapter and signed by an Authorized Representative as defined in Subdivision 13.12.130.C. of this chapter.

B. Compliance Schedule Progress Reports

The following conditions shall apply to the compliance schedule required by Subdivision 13.12.600.A.2.d. of this chapter:

1. The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the User to meet the applicable Pretreatment Standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation);
2. No increment referred to above shall exceed nine months;
3. The User shall submit a progress report to the Utilities Division/Department Manager no later than 14 days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the User to return to the established schedule; and
4. In no event shall more than nine months elapse between such progress reports to the Utilities Division/Department Manager.

C. Reports on Compliance with Categorical Pretreatment Standard Deadline

Within 90 days following the date for final compliance with applicable categorical Pretreatment Standards, or in the case of a New Source following commencement of the introduction of wastewater into the POTW, any User subject to such Pretreatment Standards and Requirements shall submit to the Utilities Division/Department Manager a report containing the information described in Subdivisions 13.12.440.A.6. and A.7. and 13.12.600.A.2.b. of this chapter. For Users subject to categorical Pretreatment Standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the User's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with Subdivision 13.12.695.A. of this chapter. All sampling will be done in conformance with Section 13.12.680 of this chapter.

13.12.610 – Periodic Compliance Reports for Significant Industrial Users

- A. All Significant Industrial Users (categorical or noncategorical) must, at a frequency determined by the Utilities Division/Department Manager submit no less than twice per year (June and December [or on dates specified]) reports indicating the nature, concentration of pollutants in the discharge which are limited by Pretreatment Standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the Pretreatment Standard requires compliance with all BMPs or pollution prevention alternative, the User must submit documentation required by the Utilities Division/Department Manager or the Pretreatment Standard necessary to determine the compliance status of the User.
- B. All periodic compliance reports must be signed and certified in accordance with Subdivision 13.12.695.A. of this chapter.
- C. All wastewater samples must be representative of the User's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a User to keep its monitoring facility in good working order shall not be grounds for the User to claim that sample results are unrepresentative of its discharge.
- D. If a User subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the Utilities Division/Department Manager, using the procedures prescribed in Section 13.12.680. of this chapter, the results of this monitoring shall be included in the report.

13.12.620 – Reports of changed conditions.

Each User must notify the Utilities Division/Department Manager of any significant changes to the User's operations or system which might alter the nature, quality, or volume of its wastewater at least 60 days before the change.

- A. The Utilities Division/Department Manager may require the User to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under Section 13.12.440 of this chapter.
- B. The Utilities Division/Department Manager may issue an industrial wastewater discharge permit under Section 13.12.560 of this chapter or modify an existing wastewater discharge permit under Sections 13.12.520 and 13.12.530 of this chapter in response to changed conditions or anticipated changed conditions.

13.12.630 – Reports of potential problems.

- A. In the case of any discharge, including, but not limited to, accidental discharges, discharges of a nonroutine, episodic nature, a noncustomary batch discharge, a Slug Discharge or Slug Load, that might cause potential problems for the POTW, the User shall immediately telephone and notify the Utilities Division/Department Manager of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the User.
- B. Within five days following such discharge, the User shall, unless waived by the Utilities Division/Department Manager, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the User to prevent similar future occurrences. Such notification shall not relieve the User of any expense, loss, damage, or other liability which might be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; nor shall such notification relieve the User of any fines, penalties, or other liability which may be imposed pursuant to this chapter.
- C. A notice shall be permanently posted on the User's bulletin board or other prominent place advising employees who to call in the event of a discharge described in part A., above. Employers shall ensure that all employees, who could cause such a discharge to occur, are advised of the emergency notification procedure.
- D. Significant Industrial Users are required to notify the Utilities Division/Department Manager immediately of any changes at its facility affecting the potential for a Slug Discharge.

13.12.640 – Reports from unpermitted Users, general industrial/commercial users, or food facilities.

All Users not required to obtain an industrial wastewater discharge permit, or those operating under general discharge permits or food facility permits described in Subdivisions 13.12.400 A and C, respectively, shall provide appropriate reports to the Utilities Division/Department Manager as the Utilities Division/Department Manager may require.

13.12.650 – Notice of violation/repeat sampling and reporting.

If sampling performed by a User indicates a violation, then the User must notify the Utilities Division/Department Manager within 24 hours of becoming aware of the violation. The User shall also repeat the sampling and analysis and submit the results of the repeat analysis to the Utilities Division/Department Manager within 30 days after becoming aware of the violation. Resampling by the Industrial User is not required if the City performs sampling at the User's facility at least once a month, or if the City performs sampling at the User between the time when the initial sampling was conducted and the time when the User or the City receives the results of this sampling, or if the City has performed the sampling and analysis in lieu of the Industrial User.

13.12.660 – Notification of the discharge of hazardous waste.

- A. Any User who commences the discharge of hazardous waste shall notify the POTW, the EPA Regional Waste Management Division Director, and State hazardous waste authorities, in writing, of any discharge into the POTW of a substance which, if otherwise disposed of, would be a hazardous waste under 40 CFR Part 261. Such notification must include the name of the hazardous waste as set forth in 40 CFR Part 261, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). If the User discharges more than 100 kilograms of such waste per calendar month to the POTW, then the notification also shall contain the

following information to the extent such information is known and readily available to the User: an identification of the hazardous constituents contained in the wastes, an estimation of the mass and concentration of such constituents in the wastestream discharged during that calendar month, and an estimation of the mass of constituents in the wastestream expected to be discharged during the following 12 months. All notifications must take place no later than 180 days after the discharge commences. Any notification under this paragraph need be submitted only once for each hazardous waste discharged. However, notifications of changed conditions must be submitted under 13.12.620 of this chapter. The notification requirement in this Section does not apply to pollutants already reported by Users subject to categorical Pretreatment Standards under the self-monitoring requirements of Subdivisions 13.12.600.A. and C. and 13.12.610 of this chapter.

- B. Dischargers are exempt from the requirements of paragraph A., above, during a calendar month in which they discharge no more than fifteen kilograms of hazardous wastes, unless the wastes are acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e). Discharge of more than 15 kilograms of nonacute hazardous wastes in a calendar month, or of any quantity of acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e), requires a one-time notification.
- C. Subsequent consecutive periods of 30 days during which the User discharges more than such quantities of any hazardous waste do not require additional notification.
- D. In the case of any new regulations under Section 3001 of RCRA identifying additional characteristics of hazardous waste or listing any additional substance as a hazardous waste, the User must notify the Utilities Division/Department Manager, the EPA Regional Waste Management Waste Division Director, and State hazardous waste authorities of the discharge of such substance within 90 days after the effective date of such regulations.
- E. In the case of any notification made under this Section, the User shall certify it has a program in place to reduce the volume and toxicity of hazardous wastes generated to the degree it has determined to be economically practical.
- F. This provision does not create a right to discharge any substance not otherwise permitted to be discharged by this chapter, a permit issued thereunder, or any applicable Federal or State law.

13.12.670– Analytical requirements.

All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical Pretreatment Standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the EPA determines the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, then sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the Utilities Division/Department Manager or other parties approved by EPA.

13.12.680 – Sample collection.

Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period.

- A. Except as indicated in Subdivisions B. and C., below, the User must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional

composite sampling or grab sampling is authorized by the Utilities Division/Department Manager. Where time-proportional composite sampling or grab sampling is authorized by the City, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the City, as appropriate. In addition, grab samples may be required to show compliance with Instantaneous Limits.

- B. Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.
- C. For sampling required in support of baseline monitoring and 90-day compliance reports required in Subdivisions 13.12.600.A. and C. of this chapter, a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Utilities Division/Department Manager may authorize a lower minimum. For the reports required by Section 13.12.610 of this chapter, the Industrial User is required to collect the number of grab samples necessary to assess and assure compliance by with applicable Pretreatment Standards and Requirements.

13.12.685 – Date of receipt of reports.

Written reports will be deemed to have been submitted on the date postmarked. For reports, which are not mailed, postage prepaid, into a mail facility serviced by the United States Postal Service, the date of receipt of the report shall govern.

13.12.690 – Recordkeeping.

Users subject to the reporting requirements of this chapter shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this chapter, any additional records of information obtained pursuant to monitoring activities undertaken by the User independent of such requirements, and documentation associated with Best Management Practices established under Section 13.12.220 of this chapter. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three years. This period shall be automatically extended for the duration of any litigation concerning the User or the City, or where the User has been specifically notified of a longer retention period by the Utilities Division/Department Manager.

13.12.695 – Certification statements.

- A. Certification of Permit Applications, User Reports and Initial Monitoring Waiver— The following certification statement is required to be signed and submitted by Users submitting permit applications in accordance with Section 13.12.220 of this chapter; Users submitting baseline monitoring reports under Subdivision 13.12.600.A.2. e. of this chapter, Users submitting reports on compliance with the categorical Pretreatment Standard deadlines under Subdivision 13.12.600.C. of this chapter; and Users submitting periodic compliance reports required by

Subdivisions 13.12.610.A. and B. of this chapter The following certification statement must be signed by an Authorized Representative as defined in Subdivision 13.12.130.C. of this chapter:

I certify, under penalty of law, this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

- B. Annual Certification for Non-Significant Categorical Industrial Users—A facility determined to be a Non-Significant Categorical Industrial User by the Utilities Division/Department Manager pursuant to Subdivisions 13.12.130.UU.3 and 13.12.440.C. of this chapter. must annually submit the following certification statement signed in accordance with the signatory requirements in Subdivision 13.12.130.C. of this chapter This certification must accompany an alternative report required by the Utilities Division/Department Manager:

Based on my inquiry of the person or persons directly responsible for managing compliance with the categorical Pretreatment Standards under 40 CFR ____, I certify, to the best of my knowledge and belief that during the period from _____, _____ to _____, _____ [months, days, year]:

(a) The facility described as _____ [facility name] met the definition of a Non-Significant Categorical Industrial User as described in 13.12.130.UU.3 of the Morro Bay Municipal Code;

(b) The facility complied with all applicable Pretreatment Standards and requirements during this reporting period; and

(c) the facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

This compliance certification is based on the following information.

Article VII. – Fats, Oils, & Grease (FOG) Control Program

13.12.700 – Title.

This Article shall be referred to as the “City of Morro Bay FOG Control Program” or “FOG Control Program.”

13.12.710 – Purpose of the FOG ordinance.

The purpose of the FOG Control Program Ordinance is to reduce Sanitary Sewer Overflows (SSOs) and blockages, and to protect public health and the environment by minimizing public

exposure to unsanitary conditions. By controlling the discharge of fats, oils, and grease to the wastewater collection system, excessive buildup in sewer lines can be lessened, thereby increasing the system's operating efficiency and reducing the number of sewer line blockages and overflows.

13.12.720 – General FOG discharge prohibitions.

No FF shall discharge or cause to be discharged into the sewer system FOG that may accumulate and/or cause or contribute to blockages in the sewer system or at the sewer lateral, which connects the FF to the sewer system.

13.12.730– Specific FOG prohibitions.

The following specific prohibitions shall apply to all FF:

- A. Discharge of any FOG-containing wastewater that is not connected to a grease removal device is prohibited.
- B. Non-grease laden sources such as, but not limited to, hand-wash sinks, toilets, urinals, and stormwater, shall not be connected to a grease removal device.
- C. No dishwasher shall be connected to a grease trap.
- D. Discharge of wastewater with temperatures in excess of 140° F (60°C) into any grease trap is prohibited.
- E. Direct disposal of any waste cooking oil into any drain or cleanout that is connected to the sewer system is prohibited.
- F. Introduction of any additive into a grease removal device or directly into the sewer system for the purpose of emulsifying FOG, biologically/chemically treating FOG for grease remediation, or as a supplement to any grease removal device maintenance is prohibited, unless specifically authorized in writing by the Utilities Division/Department Manager.
- G. Discharge of any waste which has been removed from a grease removal device into the sewer system is prohibited.

13.12.740 – FOG wastewater discharge permit required.

All FFs shall obtain a FOG Wastewater Discharge Permit. Nothing in the permit is intended to relieve the FF of any local, state, or federal regulation. Any denial of a permit may be appealed under Section 13.12.520 of this chapter.

13.12.745 – FOG permit application requirements.

FOG Wastewater Discharge Permit Applications shall include the following information:

- A. Name, address, telephone number, description of the FF and service activities.
- B. Name of any and all principals/owners of the FF.
- C. Name and address of property owner or lessor and the property manager where the FF is located.
- D. Specifications of all grease removal devices.
- E. Operational statement of FF.
- F. Any other information as may be specified in the application form.

13.12.750 – FOG wastewater discharge permit conditions.

- A. FOG Wastewater Discharge Permits must contain the following:
 - 1. A statement that indicates the wastewater discharge permit duration.
 - 2. A statement that the wastewater discharge permit is nontransferable.

3. A statement of applicable civil and criminal penalties for violation of permit and FOG ordinance.
- B. FOG Wastewater Discharge Permits may contain the following conditions or limits if found necessary to meet the intent of the FOG Control Program Ordinance by the Utilities Division/Department Manager:
1. Limits on discharge of FOG and other pollutants.
 2. Requirements to install, operate, and maintain adequate pretreatment devices including grease removal devices.
 3. Requirements for proper operation and maintenance of all pretreatment devices.
 4. Grease removal device maintenance frequency and schedule.
 5. Requirements for implementing, maintaining, and reporting on the status of BMPs.
 6. Requirements for maintaining and submitting logs and records, including waste hauling records and manifests and to have such records available for inspection.
 7. Requirements to self-monitor.
 8. Additional requirements as may be determined to be reasonably appropriate by the Utilities Division/Department Manager or as specified by other Regulatory Agencies to protect the collection system.
 9. Other terms and conditions, which may be reasonably applicable to ensure compliance with the FOG Control Program.

13.12.755 – FOG wastewater discharge permit modifications.

FOG Wastewater Discharge Permit modifications are subject to Section 13.12.530 of this chapter consistent with the terms, requirements, and policies in this section.

13.12.760 – FOG best management practices.

All FFs shall implement BMPs in an effort to minimize the discharge of FOG to the sewer system, including, but not limited to, the following, as applicable:

- A. Installation of Drain Screens. Drain screens shall be installed on all drainage pipes in food preparation areas.
- B. Disposal of Waste Cooking Oil and Grease. FFs shall dispose of waste cooking oil in accordance with state and local law.
- C. Segregation and Collection of Waste Cooking Oil. All waste cooking oil shall be collected and stored properly in recycling receptacles such as barrels or drums. Such recycling receptacles shall be maintained properly to insure that they do not leak. Licensed waste haulers or an approved recycling facility must be used to dispose of waste cooking oil in accordance with applicable state and local law.
- D. Disposal of Food Waste. All food waste should be disposed of directly into the trash or garbage in accordance with applicable state and local law and not into sinks and shall be disposed of in a manner that will ensure against leakage in the trash container or anywhere else.
- E. Employee Training. Employees of each FF shall be trained by ownership/management periodically as specified in the FOG wastewater discharge permit on the following subjects:
 1. Dry-wiping pots, pans, dishware and work areas before washing to remove grease.
 2. Properly disposing food waste and solids in plastic bags prior to disposal in trash bins or containers to prevent leaking and odors.

3. The location and use of absorption products to clean under fryer baskets and other locations where grease may be spilled or dripped.
 4. Properly disposing grease or oils from cooking equipment into a proper grease receptacle without spilling.
 5. Training shall be documented along with employee signatures. Training records shall be available for review at any time by authorized representatives of the City.
- E. Maintenance of Mechanical Exhaust Ventilation Filters. Filters shall be cleaned as frequently as necessary to be maintained in good operating condition. The wastewater generated from cleaning exhaust filters shall be disposed of properly.
- F. Kitchen Signage. Best management and waste minimization practices shall be posted conspicuously in the food preparation and dishwashing areas at all times.

13.12.765 – FOG pretreatment required for new and existing FFs.

Each owner of a FF is required to install, operate, and maintain an approved type and adequately sized grease interceptor necessary to maintain compliance with the objectives of this section, subject only to the variance and waiver provisions and other exceptions of this section. The grease interceptor shall be adequate to separate and remove FOG contained in wastewater discharges from FFs prior to discharge to the sewer system. Fixtures, equipment, and drain lines located in the food preparation and cleanup areas of FFs that are sources of FOG discharges shall be connected to the grease interceptor.

- A. New FFs, those that are not existing on [date certain, which will be the effective date of this ordinance] shall include grease interceptors prior to commencing discharges of wastewater to the sewer system.
- B. Each FFs existing as of [date certain, which will be the effective date of this ordinance] shall include grease interceptors in any of the following circumstances:
 1. When the FF changes ownership;
 2. When any change in operation results in or has the potential to result in the increase of the amount of FOG generated and/or discharged by FF in an amount that alone or collectively causes or creates a potential SSO to occur;
 3. When it is determined by the Utilities Division/Department Manager the FF caused or contributed to grease-related blockages in the sewer system, has sewer laterals connected to hot spots, or has been determined to contribute significant FOG to the sewer system, based on inspection and sampling;
 4. During a remodel;
 5. Any other time the Utilities Division/Department Manager reasonably determines that installation of a grease interceptor is necessary to avoid an adverse impact to the sewer system.
- C. Any owner of an FF existing on [date certain, which will be the effective date of this ordinance] that receives a notice from the Utilities Division/Department Manager to install a grease interceptor must install the interceptor within 90 days, unless a shorter or longer period is reasonably required by the Utilities Division/Department Manager.

13.12.770 – Variance of grease interceptor requirement.

Notwithstanding any other provision in this section, an owner of an FF existing on [date certain, which will be the effective date of this ordinance] may obtain a variance, at the Utilities Division/Department Manager's discretion, from the grease interceptor requirement to allow

alternative pretreatment technology that is equally effective in controlling the FOG discharge in lieu of a grease interceptor.

13.12.775 – Cost recovery for FOG.

All costs incurred for cleaning the sewer line to remove FOG buildup caused or contributed to by an FF shall be reimbursed to the City by the owner of the FF. Factors for determining responsible parties for cost recovery charges, include FFs that are discharging into the affected sewer line, the presence of grease removal devices or alternative pretreatment in the FF, proper maintenance of grease removal devices by the owner or operator of the FF, implementation of BMPs, and any waivers or variances granted.

13.12.780 – Grease interceptor requirements.

The owner of any FF that is required to include FOG pretreatment shall install operate and maintain an approved type and properly sized grease interceptor, or other grease removal device authorized under an approved variance, necessary to maintain compliance with the purpose of the FOG Control Program Ordinance.

- A. Approved grease interceptor sizing and installation shall conform to the latest approved edition of the California Uniform Plumbing Code.
- B. Grease interceptors shall be constructed in accordance with the design approved by the Utilities Division/Department Manager and shall have a minimum of two compartments with fittings designed for grease retention.
- C. Grease interceptors shall be installed at a location where it shall be at all times easily accessible for inspection, cleaning and removal of accumulated grease.
 1. Grease interceptors may not be installed in any part of the building where food is handled.
 2. If a location is not available on the property of the FF, a street encroachment permit may be requested to authorize installation of a grease interceptor in a public access area such as the street or sidewalk area.
 3. There will be no obstruction from landscaping or parked vehicles, with the exception of parked vehicles in a public access area as granted through a street encroachment permit.
- D. Access utility holes, with a minimum diameter of 24 inches, shall be provided over each grease interceptor chamber and sanitary tee. The utility holes shall also have readily removable covers to facilitate inspection, grease removal and wastewater sampling activities.
- E. The original design of the grease interceptor shall not be modified unless the manufacturer recommends the modification in writing.
 1. Any modification will be at the FFs expense.
 2. The City is not liable for any non-compliance as a result of any modification.
- F. The Utilities Division/Department Manager may require other pretreatment measures or modifications to improve the effectiveness of the grease interceptor.
- G. Connections to the grease interceptor shall be approved by the Utilities Division/Department Manager, and the Utilities Division/Department Manager may require connections to be removed.

13.12.785 – Grease interceptor maintenance requirements.

Grease interceptors shall be maintained in efficient operating condition by periodic complete removal of all contents of the devices including wastewater, accumulated FOG, floating materials, sludge and solids.

- A. No FOG that has accumulated in a grease interceptor shall be allowed to pass into any sewer lateral, sewer system, storm drain, or public right of way during maintenance activities.
- B. When any FF is located in an area that is considered to be a hot spot, the owner will be required to submit data and information necessary to establish a maintenance frequency for their grease interceptor.
- C. The maintenance frequency for all FFs with a grease interceptor shall be determined in one of the following methods:
 - 1. Grease interceptors shall be fully pumped out and cleaned at a frequency such that the combined FOG and solids accumulation does not exceed the Twenty-five Percent Rule. Regardless, the interval between cleaning shall not exceed six months.
 - 2. If the grease interceptor contains, at any time, FOG and solids accumulation that exceeds the Twenty-five Percent Rule, the FF shall be required to have the grease interceptor serviced immediately so that all FOG, sludge and other materials are completely removed from the interceptor. If necessary, the FF may be required to increase the maintenance frequency of the grease interceptor from its current frequency.
- D. Wastewater, accumulated FOG, floating materials, sludge, solids, and other materials removed from the grease interceptor shall be disposed offsite properly by licensed waste haulers or recyclers in accordance with federal, state, and/or local regulations.

13.12.790 – Grease trap requirements.

Grease traps may be authorized by the Utilities Division/Department Manager through a variance under Section 13.12.530 of this chapter with the following conditions:

- A. Grease traps shall be installed in waste lines leading from drains, sinks and other fixtures or equipment where grease may be introduced into the sewer system in quantities that can cause blockage.
- B. Grease traps shall be properly sized and installed in accordance with the latest approved edition of the California Uniform Plumbing Code.
- C. The original design of the grease trap shall not be modified unless the manufacturer recommends the modification in writing.
 - 1. Any modification will be at the FF's expense.
 - 2. The City is not liable for any non-compliance as a result of any modification.
- D. Grease traps shall be maintained in efficient operating conditions by removing accumulated grease. The interval between cleaning will be established by the Utilities Division/Department Manager, but shall not exceed two weeks. Baffles shall be removed and cleaned during the maintenance process, when applicable.
- E. Grease traps shall be kept free of all food residues and any FOG waste removed during the cleaning and scraping process.

- F. Grease traps shall be inspected periodically to check for leaking seams and pipes and for effective operation of the baffles and flow regulating devices.
- G. Grease traps and their baffles shall be maintained free of all caked on FOG and waste.
- H. Dishwashers and food waste disposal units shall not be connected to or discharged into any grease trap.
- I. The temperature of any water entering a grease trap shall not exceed 140° F (60° C).
- J. All wastes shall be properly disposed of in accordance with applicable local and state laws.

13.12.795 – FOG record keeping requirements.

Each owner of an FF shall keep all records, including manifests, receipts and invoices of all cleaning and maintenance of grease removal devices. All records shall be made available to authorized representatives of the City upon request. In addition to the above mentioned documents, records include logbooks of maintenance activity, BMPs and employee training, sampling data, spill reports, line cleaning reports, and any other information deemed appropriate by the Utilities Division/Department Manager to ensure compliance with the FOG Control Program and this section.

Article VIII. – Compliance Monitoring

13.12.800 – Right of entry: inspection and sampling.

The Utilities Division/Department Manager shall have the right to enter the premises of any User to determine whether the User is complying with all requirements of this chapter and any industrial wastewater discharge permit or order issued hereunder. Users shall allow the Utilities Division/Department Manager ready access to all parts of the premises for the purposes of inspection, sampling, records examination and copying, and the performance of any additional duties.

- A. Where a User has security measures in force which require proper identification and clearance before entry into its premises, the User shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, the Utilities Division/Department Manager shall be permitted to enter without delay for the purposes of performing specific responsibilities.
- B. The Utilities Division/Department Manager shall have the right to set up on the User's property, or require installation of, such devices as are necessary to conduct sampling and/or metering of the User's operations.
- C. The Utilities Division/Department Manager may require the User to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the User at its own expense. All devices used to measure wastewater flow and quality shall be calibrated at a frequency established by the Utilities Division/Department Manager, but no less than the frequency recommended by the manufacturer.
- D. Any temporary or permanent obstruction to safe and easy access to the facility to be inspected and/or sampled shall be promptly removed by the User at the written or verbal request of the Utilities Division/Department Manager and shall not be replaced. The costs of clearing such access shall be borne by the User.
- E. Unreasonable delays in allowing the Utilities Division/Department Manager access to the User's premises shall be a violation of this chapter.

Article IX – Confidential Information

13.12.900 – Confidential information.

Information and data on a User obtained from reports, surveys, wastewater discharge permit applications, industrial wastewater discharge permits, and monitoring programs, and from the Utilities Division/Department Manager's inspection and sampling activities, shall be available to the public without restriction, unless the User specifically requests, and is able to demonstrate to the satisfaction of the Utilities Division/Department Manager, the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets under applicable State law. Any such request must be asserted at the time of submission of the information or data. When requested and demonstrated by the User furnishing a report such information should be held confidential, unless otherwise required by court order or applicable State law, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other effluent data, as defined at 40 CFR 2.302 shall not be recognized as confidential information and shall be available to the public without restriction.

Article X. – Remedies for Noncompliance

13.12.1000 – Violation.

- A. Unless otherwise specified in this chapter, any violation of any provision of this chapter or any permit or order issued hereunder shall be punishable pursuant to Section 1.16.010 and 1.16.020 of this code.
- B. A violation of any permit or order issued pursuant to this chapter shall be deemed a violation of this code.
- C. Each day, or part thereof, a violation continues shall be regarded as a new and separate offense.

13.12.1015 – Notification of violation.

If the Utilities Division/Department Manager finds a User has violated, or continues to violate, any provision of this chapter, an industrial wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, then the Utilities Division/Department Manager may serve upon that User a written Notice of Violation. Within 10 days after the receipt of such notice, an explanation of the violation and a plan for the satisfactory correction and prevention thereof, to include specific required actions, shall be submitted by the User to the Utilities Division/Department Manager. Submission of such a plan in no way relieves the User of liability for any violations occurring before or after receipt of the Notice of Violation. Nothing in this Section shall limit the authority of the Utilities Division/Department Manager to take any action, including emergency actions or any other enforcement action, without first issuing a Notice of Violation.

13.12.1020 – Consent orders.

The Utilities Division/Department Manager may enter into a consent orders, an assurances of compliance, or any other similar document establishing an agreement with any User responsible for noncompliance. Such document shall include specific action to be taken by the User to correct the noncompliance within a time period specified by the document and all penalties, fines and other costs to be

paid by the User. Such documents shall have the same force and effect as the administrative orders issued pursuant to Sections 13.12.1030 or 13.12.1035 of this chapter and shall be judicially enforceable.

13.12.1025 – Show cause hearing.

The Utilities Division/Department Manager may order a User, which has violated, or continues to violate, any provision of this chapter, an industrial wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, to appear before the Utilities Division/Department Manager and show cause why the proposed enforcement action should not be taken. Notice shall be served on the User specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request the User show cause why the proposed enforcement action should not be taken. The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least 15 days prior to the hearing. Such notice may be served on any Authorized Representative of the User, as designated pursuant Subdivision 13.12.460.A. of this chapter. A show cause hearing shall not be a bar against, or prerequisite for, taking any action against the User pursuant to this chapter or any Federal, State or local law, rule or regulation.

13.12.1030 – Compliance orders.

If the Utilities Division/Department Manager finds a User has violated, or continues to violate, any provision of this chapter, an industrial wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, then the Utilities Division/Department Manager may issue an order to the User responsible for the discharge directing the User comply within a specified time. If the User does not come into compliance within the time provided, then sewer service may be discontinued, unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self-monitoring and management practices designed to minimize the amount of pollutants discharged to the sewer. A compliance order may not extend the deadline for compliance established for a Pretreatment Standard or Requirement, nor does a compliance order relieve the User of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the User.

13.12.1035 – Cease and desist orders.

If the Utilities Division/Department Manager finds (i) a User has violated, or continues to violate, any provision of this chapter, an industrial wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, or (ii) the User's past violations are likely to recur, then the Utilities Division/Department Manager may issue an order to the User directing it to cease and desist all such violations and directing the User to:

- A. Immediately comply with all requirements; and
- B. Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge.

Issuance of a cease and desist order shall not be a bar against, or a prerequisite for, taking any other action against the User.

13.12.1040 – Administrative citations and fines.

Notwithstanding Chapter 1.03 of this code and in addition to the process described therein, the following provisions shall apply to any violation of this chapter:

- A. If the Utilities Division/Department Manager finds a User has violated, or continues to violate, any provision of this chapter, an industrial wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, then the Utilities Division/Department Manager may fine such User in an amount not to exceed those established in the table below:

Number of offense(s) in one-year period	Amount of Administrative Penalty
First	\$ 1,500.00
Second	\$ 2,500.00
Third and subsequent	\$ 3,500.00

Such fines shall be assessed on a per-violation, per-day, or portion thereof, basis. In the case of monthly or other long-term average discharge limits, fines shall be assessed for each day, or portion thereof, during the period of violation.

- B. Unpaid charges, fines, and penalties shall, after 30 calendar days, be assessed an additional penalty of 10 percent of the unpaid balance, and interest shall accrue thereafter at a rate of one percent per month. A lien against the User’s real property may be sought for unpaid charges, fines, and penalties.

13.12.1045 – Emergency suspensions.

The Utilities Division/Department Manager may immediately suspend a User’s discharge, after informal notice to the User, whenever, as reasonably determined by the Utilities Division/Department Manager, such suspension is necessary to stop an actual or threatened discharge, or cause an imminent or substantial endangerment to the health or welfare of persons. The Utilities Division/Department Manager may also immediately suspend a User’s discharge, after notice and opportunity to respond, that, as reasonably determined by the Utilities Division/Department Manager, threatens to interfere with the operation of the POTW, or which presents, or may present, an endangerment to the environment.

- A. Any User notified of a suspension of its discharge shall immediately stop or eliminate its contribution. In the event of a User’s failure to immediately comply voluntarily with the suspension order, the Utilities Division/Department Manager may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the POTW, its receiving stream, or endangerment to any individuals. The Utilities Division/Department Manager may allow the User to recommence its discharge when the User has demonstrated to the reasonable satisfaction of the Utilities Division/Department Manager the period of endangerment has passed, unless the termination proceedings in Section 13.12.1050 of this chapter are initiated against the User.
- B. A User that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit, to the Utilities Division/Department Manager, as least five working days prior to the date of any show cause or termination hearing under Sections 13.12.1025 or 13.12.1050 of this chapter, a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence.

Nothing in this Section shall be interpreted as requiring a hearing prior to any Emergency Suspension under this Section.

13.12.1050 – Termination of discharge.

In addition to the provisions in Section 13.12.550 of this chapter, any User who violates the following conditions is subject to discharge termination:

- A. Violation of industrial wastewater discharge permit conditions;
- B. Failure to accurately report the wastewater constituents and characteristics of its discharge;
- C. Failure to report significant changes in operations or wastewater volume, constituents, and characteristics prior to discharge;
- D. Refusal of reasonable access to the User's premises for the purpose of inspection, monitoring, or sampling; or
- E. Violation of the Pretreatment Standards set forth in Subdivision 13.12.130.OO. of this chapter.

Such User will be notified of the proposed termination of its discharge and be offered an opportunity to show cause under 13.12.1025 of this chapter why the proposed action should not be taken. Exercise of this option by the Utilities Division/Department Manager shall not be a bar to, or a prerequisite for, taking any other action against the User.

13.12.1060 – Injunctive relief.

If the Utilities Division/Department Manager finds a User has violated, or continues to violate, any provision of this chapter, an industrial wastewater discharge permit, or order issued hereunder, or any other Pretreatment Standard or Requirement, then the Utilities Division/Department Manager may petition, through the City's Attorney, with the City Council's consent and in the name of the City, the Superior Court of the County of San Luis Obispo for the issuance of a temporary or permanent injunction, as appropriate, which restrains or compels the specific performance of the industrial wastewater discharge permit, order, or other requirement imposed by this chapter on activities of the User. The Utilities Division/Department Manager may, with the City Council's consent, also seek such other action as is appropriate for legal and equitable relief, including a requirement for the User to conduct environmental remediation. A petition for injunctive relief shall not be a bar against, or a prerequisite for, taking any other action against a User.

3.12.1070 – Remedies nonexclusive.

Enforcement of pretreatment violations will generally be in accordance with the City's enforcement response plan. However, the Utilities Division/Department Manager may take other action against any User when the circumstances warrant. Further, the Utilities Division/Department Manager is empowered to take more than one enforcement action against any noncompliant User.

13.12.1080 - Right to terminate water service.

If any User of the City sewer system fails to meet the requirements set forth in this chapter, then the Utilities Division/Department Manager shall have the authority to terminate water service or use alternate actions to protect the sewer system, including the wastewater treatment facilities, employees and surrounding environment from hazardous discharges, upon 48-hours' written notice, unless imminent public safety requires more immediate action, as reasonably determined by the Utilities Division/Department Manager.

13.12.1090 - Liability for damages for violation.

Any person violating a provision of this chapter or permit issued hereunder shall be liable for all injuries, deaths, real or personal property damage and expenses incurred, including but not limited to, city staff time, including administrative overhead, reasonable attorney's fees and court costs, and fines levied on the city by any regulatory agency arising from any and all actions taken by the City, any other governmental entity or that person related to the correction of such violation.

Article XI. – Construction Requirements, Permits, and Fees

13.12.1100 - Connection permit for annexed territory.

Before a permit shall be issued for a sewer connection in any area now outside the City limits which shall hereafter be annexed to the City, the owner or applicant shall pay to the City for such privilege a sum in accordance with the Master Fee Schedule.

13.12.1105 - Annexed territory connection—Computation of cost.

The sum shall be the equivalent of the cost to similar properties then within the City which have paid for the facilities so to be used.

13.12.1110 - Annexed territory connection—Existing bonds excepted.

The sum shall not include any amounts for which bonds of the City are then outstanding and to which the property shall become subject upon annexation.

13.12.1115 - Main extensions to new customers other than subdivisions.

Mains will be extended to serve new customers under the following terms and conditions:

- A. No main extension will be made by the City except on an approved dedicated street, alley or recorded easement;
- B. Prior to construction of the main, every applicant for sewer service shall enter into a written form agreement for such extension and shall deposit with the department of public works an amount equal to ten percent of the estimated cost of the extension, including engineering and administration. The estimated cost shall be based on the actual size of facilities required to meet the service demands from that extension, except that six inch pipe shall be the minimum size considered for general use. If the sewer department desires to install facilities greater than are needed to meet said service demands, then the cost of the excess size of facilities shall be borne by the City. The engineering department shall then proceed with plans and specifications and shall solicit and open bids for the proposed work. On the basis of the approved bid, plus engineering and administration costs, the department of public works shall inform the applicant as to the cost of the proposed extension. Upon receipt by the City of an amount which, with the original deposit, is equal to the cost of the work, the engineering department shall proceed with the construction of the extension;
- C. In the event that the applicant or applicants fail to deposit the required funds within 60 days after determination of the cost, the extension will not be made and no refund on the ten percent deposit will be made, except that where actual costs are less than the amount of such deposit, the City may refund the unused amount.

13.12.1120 - Calculation of sewer main extension charges.

Immediately upon completion of the sewer extension, the Utilities Division/Department Manager shall prorate the entire cost thereof against all lots or property that may ultimately be benefited by direct connection to said sewer extension in proportion to the frontage thereof, or if the lots be irregular in shape, then in such manner as may, in the opinion of the Utilities Division/Department Manager, provide an equitable distribution of costs. In no case shall any applicant pay an amount less than the prorated cost of the extension for the length of his frontage as determined in this section. The sewer main extension charges shall be in addition to the specified service connection charges.

13.12.1125 - Refunds.

- A. The original applicant or applicants shall, up to ten years from the date of signing the form agreement, be entitled to a refund for each connection made to the extension, based on the prorated cost as determined in Section 16.56.080 for each lot or parcel. The engineering department may make extensions to the facilities constructed under this subsection without obligation to applicant and refunds will not be made for services connected to said additional extensions.
- B. No interest shall be paid on or accrue on such deposits for sewer main extensions. Refunds of the deposit shall be made only if, as and when sewer main extension charges are collected from other consumers requiring service from this sewer main extension.

13.12.1130 - Main extensions to subdivisions.

Where sewer main extensions are required for subdivisions, it will be the responsibility of the owner or subdivider to pay the cost for complete installation of all sewer facilities required within the subdivision and for extension of sewer transmission mains from the subdivision to the nearest existing main of adequate capacity for the area to be served. Such transmission main shall be subject to all the requirements as set forth in standard improvement specifications and drawings of the City, and to any and all modifications and supplements thereto. Upon official acceptance by the City, the City shall assume full ownership, maintenance and control of such mains.

13.12.1135 - Refunds to subdividers.

- A. Upon completion of any sewer transmission main to a subdivision as outlined in Section 13.12.1130 of this chapter, the subdivider may submit to the Utilities Division/Department Manager a certified statement showing the actual cost of such extension. If said extension is larger than six inches in diameter, then the Utilities Division/Department Manager shall adjust the actual cost to the equivalent of a six-inch-diameter main. He shall then prorate the cost for a six-inch main against all lots or parcels which in the future may be served by direct connection to said main. Any and all connections to said main shall be subject to the charges specified in Section 13.12.110 of this chapter. The City may make extensions to facilities constructed under this regulation without obligation, and refunds will not be made for services connected to said additional extension.
- B. The subdivider or owner shall, for a period of ten years from the date of official acceptance of the subdivision, be eligible for a refund on each connection made to the main extension, as provided herein.
- C. No interest shall be paid on or accrue on any funds subject to such refund. Refunds shall be made only if, as, and when sewer connection charges are collected by the City.

13.12.1140 - Use of existing sewer.

Before a permit is issued for a sewer connection in any areas within the City, which property shall use any then-existing sewerage facilities of the City for which such property shall not have made full payment of its share of the cost thereof, the owner or applicant shall pay a sewer availability charge in accordance with the Master Fee Schedule.

A sewer availability charge is a sum of money required to be paid by any person to buy into the municipal sewer system.

13.12.1145 - Discharge of storm water, unpolluted drainage and industrial cooling waters.

Stormwater and all unpolluted drainage shall be discharged to such sewers as are specifically designated as combined sewers or storm sewers, or to a natural outlet approved by the Utilities Division/Department Manager. Unpolluted industrial cooling or unpolluted process waters may be discharged, upon approval of the Utilities Division/Department Manager, to a storm sewer, combined sewer or natural outlet.

13.12.1150 - Federal and state requirements.

Federal and/or state discharge requirements will apply in any case where they are more stringent than those in this chapter.

13.12.1155 - Sewer charges.

All Users other than single and multiple family residences, trailer parks, motels, business establishments, schools, churches, fraternal and nonprofit organizations using more than 1,500 cubic feet per month of sewage, shall be charged on the basis of cubic feet of sewage treated for the installation. Such quantities of sewage shall be determined by the Utilities Division/Department Manager, based upon the flow of sewage through a measuring device. Any occupant so charged who may disagree with the Utilities Division/Department Manager's determination may, at the occupant's own expense, install private measuring devices in accordance with the specifications approved by the Utilities Division/Department Manager.

13.12.1160 - Sewer use charges.

All sewer Users including but not limited to single-family and multiple-family residences; trailer parks; motels; business establishments; schools; churches; public utility and industrial facilities; district, county, state and federal facilities; fraternal and nonprofit organizations shall pay a sewer use charge in order to provide funds to supplement the general taxes in financing construction, maintenance and operation of sewage collection, transport and treatment facilities in and for the City.

13.12.1165 - Collections.

Sewer use charges shall be in addition to the water charges and shall be included in the customer's bimonthly utility bill. Such charges shall be based upon rates in accordance with the Master Fee Schedule.

13.12.1170 - Collection of past due accounts.

Nothing contained in this chapter shall limit the right of the City to proceed against any customer for any delinquencies due under Title 13 of this code. Nothing contained in this chapter shall prevent the city from availing itself of any other legal remedy by which the City might collect such charges, fees, or penalties.

13.12.1175 - Discharging sewage onto City lands.

It is unlawful for any person to dump or discharge raw or chemically treated sewage from any source onto the surface of any lands within the City.

13.12.1180 - Designated sewage dumping places.

Raw or chemically treated sewage from holding tanks and sources other than septic tanks may be discharged or dumped within the City only at the places owned and/or operated by the City and designated by the Utilities Division/Department Manager or at such privately owned facilities for which a current operating permit has been issued as provided in this chapter.

13.12.1185 - Discharge fees.

Each person dumping or discharging raw or chemically treated sewage from sources other than septic tanks into the facilities of the City shall pay the following fees:

- A. House trailers or campers — See Master Fee Schedule;
- B. Tank trucks or other commercial carriers — For each vehicle, see Master Fee Schedule for charge for each 1,000-gallon capacity or fraction thereof, regardless of the actual amount discharged.

13.12.1190 - Commercial facilities.

It is unlawful for any person to discharge or dump raw or chemically treated sewage from commercial tank trucks or from other commercial sources into any privately-owned or privately-operated facility. Each person discharging or dumping such commercial source shall do so only into the City sewer system with the prior approval of the Utilities Division/Department Manager.

13.12.1192 - Private facility—Operation.

No owner or operator of any facility for the reception of raw or chemically treated sewage shall permit any raw or chemically treated sewage to be dumped into such facility until an operating permit for such facility has been obtained from the Utilities Division/Department Manager as provided for in this chapter and conspicuously posted near such facility. Upon application to the Utilities Division/Department Manager, the Utilities Division/Department Manager shall issue, in accordance with the Master Fee Schedule, an operating permit to the owner of any such privately owned facility upon certification to the Utilities Division/Department Manager by the building official that such facilities have been constructed in conformance with the approved plans and specifications of the City. Such operating permit shall be conditional upon continued operation of such facilities in compliance with the rules, regulations and directives of the Utilities Division/Department Manager relating to such operation, including maintenance and cleaning of such facilities. The owner or operator of such facilities shall keep a log of discharger's name, driver's license number, vehicle type and license number, date and time of discharge. The owner or operator of the facility shall not permit commercial use of the discharge facility. Any officials of the City shall have the right of entry into buildings or premises regulated by this chapter in accordance with the provisions of Section 1.08.010 of this code.



AGENDA NO: C-1

MEETING DATE: January 12, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: January 7, 2021

FROM: Scott Collins, City Manager

SUBJECT: City Council Goals and Objectives Update and Proposed Delay to the 2021 – 2022 Goal Setting Process

RECOMMENDATION

Staff recommends the City Council receive the staff update on the City Goals progress and consider staff proposal to temporarily delay initiation of the City Goal setting process for 2021 – 2022 in order to account for the budgetary and staffing impacts and uncertainties related to the COVID-19 pandemic.

ALTERNATIVES

None.

FISCAL IMPACT

There will be no immediate fiscal impact related to the recommendation.

BACKGROUND

City of Morro Bay Strategic Framework Policy and Community Outreach

In 2018, City Council revised the Strategic Framework Policy (Attachment 1), which sets out the process for how the City adopts its strategic goals and objectives. According to the Policy, every two years, following a general election, City Council is to review (and amend if appropriate) its high-level City goals. The goals are intended to set the direction for the City for the next several years.

In order to ensure City goals relate back to the community’s needs and desires, the Policy further dictates the City conduct outreach to the public to seek input in a variety of methods. Those methods include online survey(s), emails to City Council, community forums and City advisory boards/commissions. In previous years, the City has used an online engagement tool (Polco) whereby members of the community can complete simple surveys about how they feel the City is doing and what it should focus on in the upcoming years. In addition, the City hosted community forums to collect public input.

Following the Community Forum, City Council typically works with staff to create a focused set of goals for the next two years and select action items for the City to pursue during that period and inform budget decisions.

Prepared By: SC

Dept Review: _____

City Manager Review: SC

City Attorney Review: CFN

Progress on Current City Council Goals and Objectives

Current City Council Goals

The City goals and related action items for calendar years 2019 and 2020 were formally adopted by City Council in May 2019. The City adopted four major goals that reflect the concerns and desires of the community, and are as follows:

- 1) Achieve Economic and Fiscal Sustainability
- 2) Improve Infrastructure and Public Spaces
- 3) Complete Updates to the City's Significant Land Use Plans and Address Affordable Housing Issues
- 4) Improve Communication and Engagement with the Community

Each of the goals have several corresponding action items which, if implemented, would help bring the Council goals into reality. In establishing the 2019 and 2020 Goals, City Council was particularly interested in establishing an achievable work plan and stated the Council Members' desire to receive regular updates as to the status of the action items. The spreadsheet provided as Attachment 2 serves as a template to review progress toward each of the action items. For each action item, there are columns for proposed return dates to Council for further consideration/action and status updates. Council approved a total of 26 action items for 2019 and 2020. City Council Members also expressed support for a commitment to not adding new goals/action items after the goals have been adopted, without first removing or delaying an already approved goal/action item (policy adopted through recent revisions to the City Council policy handbook).

Progress on Current Goals and Action Items (for 2019 - 2020)

City progress on completing action items has slowed as a result of the organization shifting focus to addressing the public health and economic impacts related to the COVID-19 pandemic. The City continues to monitor and respond to the pandemic and has taken comprehensive actions to assist community members and local businesses, while sustaining the process of stabilizing the City's financial recovery. Those efforts will continue for some time and will impede, in some respects, the City's ability to achieve its stated goals. Despite that, City staff has made progress on action items, and remains committed to doing so. The attached spreadsheet demonstrates completed action items (highlighted in green), items with significant progress completed (yellow highlighted items), and other items that require more work and will be addressed in 2020 or beyond (no highlight).

The following 2019 - 2020 action items have been completed:

- *"Bring forward a comprehensive set of revenue enhancement options for City Council consideration."* Council reviewed multiple revenue options in 2019, conducted community engagement throughout 2020 and placed a sales tax measure on the November 2020 ballot (Measure E). Measure E was approved by the voters and goes into effect in April 2021. Council has also asked staff for more information about other options, such as sale of surplus City real estate and the pilot RV camping program.
- *"In support of achieving economic development goals and limiting City costs in that pursuit, contract with an outside agency to fulfill economic development Ombudsmen duties on behalf of the City."* City Council approved a contract with the Chamber of Commerce to provide these services to the City in FY2020/21 through the annual budget process.
- *"Review opportunity to include vacation rentals and recreational vehicle parks into Tourism Business Improvement District (TBID)."* City Council reviewed options in August 2019 and directed staff to move forward with bringing vacation rentals into the TBID by early 2020.

- *“Revise the partnership policy, and related policies, in conjunction with the fee study update.”* City Council approved a revised partnership policy agreement in late 2019.
- *“Review option to revise cannabis ordinance to allow for adult-use (recreational) cannabis retailing in Morro Bay.”* City Council approved allowing adult-use cannabis on June 9, 2020, and requested staff review of other cannabis opportunities.
- *“Complete a detailed review of the CalPERS pension liability, other post-employment benefits and health liability and determine specific actions to minimize financial impact to the City.”* City Council provided direction to staff for a refined analysis on PERS liability paydown for certain tiers. Council then approved actions to pay down liabilities for tier-two employees in early 2020.
- *“Include local labor on major City capital improvement projects (CIP), with the WRF being the initial project.”* City Council directed staff to include local hire provisions into the conveyance and injection wells systems construction contracts. In May 2020, Council approved language for bid documents related to local labor for those project components.
- *“Revise the short-term vacation rental policy.”* City Council approved the Vacation Rental Ordinance in October 2020. Staff submitted Coastal Development Permit application to Coastal Commission in December 2020 and anticipate Coastal review in Spring/Summer 2021.

Significant progress has been made on the following 2019 - 2020 action items:

- *“Complete and implement the fee study and cost allocation plan.”* City Council approved the new fee structure in late 2019, with a few remaining fees that require their review (development impact fees). Those remaining fees will be brought forward to Council in winter/spring 2021.
- *“Establish Waterfront Lease Site policies and implementation plan.”* City Council approved the final policy and provided direction to staff on June 23, 2020. Staff will report out on contracting options for lease management services in Spring/Summer 2021.
- *“WRF Implementation, which includes completing design of the facility, pipeline conveyance and injection system, permitting the project, securing financing for entire project and beginning construction.”* WIFIA line of credit for \$61 million was approved by the City, construction is underway on WRF facility site, Council approved a contract for Conveyance/pipeline component of project, and the WRF team continues working with State staff on the SRF Loan/Grant. Studies also continue on injection wells.
- *“Implement approved Capital Improvement Projects, including OneWater Projects.”* City Council approved contracts for design work on three OneWater projects in early 2020. Design work has been initiated.
- *“Complete the General Plan/Local Coastal Plan rewrite.”* Planning Commission is nearing completion of review of "Plan Morro Bay" the City's update to its GP/LCP. Staff is preparing to bring the environmental review to Planning Commission in early 2021. City Council will likely review the plan in spring 2021.
- *“Complete the zoning code update.”* Staff will bring this back to the Planning Commission in spring/summer 2021. Following Planning Commission review, City Council will review.
- *“Work with San Luis Obispo County and cities therein on a regional partnership and solutions to housing issues.”* The City joined the Regional Compact with the County and other cities in the County. City staff will present updates on housing related issues to City Council throughout the year. The City completed the Housing Element prior to the end of calendar year 2020 and is coordinating implementation activities regionally.

- “Review and make improvements, where feasible, to the planning permit process.” Chamber completed a survey of key stakeholders in fall of 2020. Staff presented the survey results and related recommendations to Council on a process to review the planning and building function in November 2020. Council approved the recommendations to continue this effort.
- “Complete and bring to Council a Parking Management Plan to address parking issues in the downtown and waterfront areas.” City Council to review parking data analysis and parking management options (as developed by the City’s parking consultant) and provide initial direction in Spring 2021.

Many other action items have had some work completed and staff continues to work diligently on completion of them. The following is a quick snapshot of those items:

- Market Street Plaza redevelopment.
- Continued work with federal agencies and elected representatives on offshore wind development.
- Outreach on opportunity sites in Morro Bay.
- Assist in development of a business incubator/co-working space in Morro Bay.
- Pursue grants for Boatyard feasibility study.
- Bring hi-speed internet to Morro Bay.
- Pursue grant funding for an emergency warming shelter in Morro Bay.
- Coordination with non-profits and community groups.

In addition to the action items discussed above, City Council has requested several other items not specific to City goals to come back for future discussion. These items were approved for review by Council through the “Future Agenda” section of previous Council meetings. The items staff intends to return to Council for consideration in 2021 are as follows:

- Consideration of revision to the “safe and sane” fireworks ordinance
- Review the City’s noise ordinance
- Review requirements of California Senate Bill 1383, related to recycling, greenwaste and trash regulations
- Review the City’s events policies
- Review City Council compensation and local campaign contributions.
- Provide report on the City’s process for determining the need/appropriateness for 4-way traffic stops.
- Provide report on the City’s street sweeping options.

DISCUSSION

The original plan was to initiate the community outreach process for reviewing the City Goals in early 2021 in accordance with the City policy. Staff typically initiates outreach to the community and advisory boards in January and February, and then host a community forum(s) in March. From there, City Council would meet to determine the City goals and action items for 2021 and 2022, at the outset of the FY 2021/2022 Budget process to help inform budget decisions. In a typical year, that approach would be advisable and certainly achievable for the organization. However, these are far from typical times and uncertainties remain high due to the pandemic. City resources are unavailable to deploy for goal setting and action items, as they have been diverted to the public health and financial challenges surrounding the fight to beat back COVID-19. We anticipate another constrained budget year for the upcoming fiscal year (FY 2021/2022) as the City seeks to replenish its General Fund

Emergency Reserve which has been decimated by the pandemic. Further, several of the City's advisory boards/commissions will have close to a majority of new members beginning in February, and perhaps won't be up to speed on City needs and goals to provide informed input this early in their tenure. So, with the City's existing resources diverted to the pandemic effort, budget constraints and in the position of rebuilding reserves, and advisory boards not properly positioned to provide comprehensive input related to goals, staff is recommending the goal setting process be delayed until closer to midyear.

Recommended Process Timing

Based upon the impacts of COVID-19 described above, staff recommends tentatively scheduling the goals outreach process to begin in May 2021 and continue through June. ("Tentatively" is the operative word, as conditions could worsen further which may warrant a more prolonged delay in the process). Staff would use the same methods of outreach in the past to garner community input, including surveying and gathering input from City Boards and Commissions. Staff would then summarize that input into a report for City Council in advance of the community forum to be held in July. The forum is another opportunity for the public to engage in the process and also an opportunity for the Council to deliberate as a body about the public input and formulate together their goals for the next 18 months (through the end of 2022). As in years past, staff recommends the forum be facilitated by a professional third party to allow full Council and staff participation in the process.

CONCLUSION

Updating the City Council goals is an important process to ensure that City goals link back to the current needs and desires of the community. The City has encouraged participation from community members in a variety of ways. Given the special circumstances related to the COVID-19 pandemic, staff is recommending the goal setting process be delayed several months to allow the organization to stabilize the budget and focus staff resources on the pandemic response. Picking up the goals process near the midyear will help bring all the various points of public input together as Council begins its process of identifying priority goals and works with City staff to develop a two-year work plan to systematically achieve them through allocation of budget and staff resources.

Based on Council direction received, staff will bring forward a 2021 Meeting Schedule for approval at the January 26, 2021 Meeting.

ATTACHMENTS

1. Resolution No. 83-18 - Strategic Framework Policy
2. 2019 – 2020 Goals and Action Items Spreadsheet

RESOLUTION NO. 83-18

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MORRO BAY, CALIFORNIA,
RESCINDING RESOLUTION NO. 72-15 AND
ESTABLISHING THE STRATEGIC PLANNING FRAMEWORK POLICY**

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

WHEREAS, at the August 11, 2015, City of Morro Bay regular City Council meeting, the Council unanimously approved the Strategic Planning and Budgeting Framework concept presented and directed staff to develop a Strategic Planning Framework policy to be adopted at a future meeting; and

WHEREAS, in accordance with City Council direction, staff prepared a Strategic Planning Framework procedure, which was adopted by City Council via Resolution No. 72-15; and

WHEREAS, it is recommended that City Council revise the Strategic Planning Framework, to include a component for community outreach, to ensure broad public engagement in the development of the City's goals and objectives.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Morro Bay, hereby rescinds Resolution No. 72-15 and establishes the Strategic Planning Framework Policy as defined in the attached Exhibit A.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 9th day of October 2018, by the following vote:

AYES: Irons, Davis, Headding, Makowetski, McPherson
NOES: None
ABSENT: None



JAMIE L. IRONS, Mayor

ATTEST:



DANA SWANSON, City Clerk



WHITE PAPER

Strategic Planning Framework

Revised October 9, 2018

I. PURPOSE

The purpose of this paper is to describe the City of Morro Bay Strategic Planning framework. This framework, to be adopted by the City Council, provides direction on annual, biennial and quadrennial planning and budgeting tasks and processes the City will follow.

II. OVERVIEW

The City has many plans, including a General Plan (GP), Local Coastal Plan (LCP), Economic Development Strategic Plan (EDSP - under development in 2015/16), Parking Management Plan and other particular plans. Those plans are essential to provide long-term guidance for the City. And, in particular, the GP/LCP provides strategic direction not only in land-use but in many other areas.

However, the City also needs a regular process to set more general goals, and to identify specific, measurable objectives to reach those goals. This process must also ensure those objectives are considered in the annual budgeting process.

This Strategic Planning Framework does that. In general, the City Council will set / refine broad goals every four years. Every two years the Council will identify specific objectives associated with each goal for staff to complete. Every year during the budget process, those objectives will be budgeted against.

In addition to this Strategic Planning Framework, the City is developing fresh Vision, Values and Mission statements that should inform all of our planning efforts, and goal / objective setting in particular.

III. DEFINITIONS

The following definitions are important to understand the City's Strategic Planning Process:

- **City Mission Statement** – The Mission Statement is a Council-approved statement that describes the basic / essential tasks the City must provide, and a statement toward the purpose of executing these tasks. The mission statement is focused on the purpose of the City Government, not the broader community. The City mission statement might begin something like: "The City of Morro Bay provides Public Safety, Recreation, and other key municipal services in order to"
- **Community Vision and Values Statements.** Community vision and values are also Council-approved, semi-permanent statements, developed with significant community

input, that describe what we want our community to be (Vision) and what ideals our community considers of essential importance (values).

- **City Core Tasks.** Core tasks are functions that we should always be doing well and they should be addressed in our City mission statement. A core task might be: “Maintain City Infrastructure”, or “Provide Public Safety”.
- **City Goals.** Goals are broad projects we want to accomplish over a long-term (4-6 year) period, usually because they are big enough and broad enough they can't be accomplished in a year or two. An example of a goal is: “Improve Streets”.
- **City Objectives.** Biennial objectives are specific, discreet, medium-term (1-2 year) projects that support a more general goal, are feasible and achievable if appropriately resourced, and can be directly budgeted against. An example of an Objective related to the Goal “Improve Streets” could be: “Repave 10% of streets in FY16/17 and FY 17/18”.

IV. PROCESS

Following is a written description of the City's Strategic Planning Framework depicted below in figure 1.

- The process begins in December of each election year with the seating of a new Council.
- The new Council begins a planning process to set biennial budget objectives for the upcoming two budget years.
- Following elections, the City will advertise in December upcoming community outreach and engagement opportunities.
- This objective-setting planning process normally occurs in January and February with two-year objectives set by the last Council meeting in February.
- In years following an election, in January through mid-February, staff will provide numerous opportunities for the community to engage in the process and to provide input in a number of ways, including community forum(s).
- In years following an election, City Council will host a public retreat in late-February/early March to review community input gathered through the outreach opportunities and develop goals (following Presidential elections as described below) and objectives (following a non-Presidential election). Council will formally adopt the goals/objectives typically by late March/early April.
- Council-approved objectives are then used by staff and Council to develop the annual budget in March – May of each year.
- Every four years (Presidential election years) the new Council also reviews and updates the City's Goals. The City should work to ensure goals are items in which real improvement is needed and achievable. Generally, goals should not be “maintain,” but should be “improve.” Any new Council could, of course, resolve to deviate from this Strategic Planning Framework and modify City goals outside of the specified four-year window. However, for organizational efficiency and community stability, the City should strive to keep goals for at least four years, using biennial objective setting and annual budgeting to affect change and adjust priorities.



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Revised October 9, 2018

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- **City Mission Statement** – The Mission Statement is a Council-approved statement that describes the basic / essential tasks the City must provide, and a statement toward the purpose of executing these tasks. The mission statement is focused on the purpose of the City Government, not the broader community. The City mission statement might begin something like: "The City of Morro Bay provides Public Safety, Recreation, and other key municipal services in order to"
- **Community Vision and Values Statements.** Community vision and values are also Council-approved, semi-permanent statements, developed with significant community

input, that describe what we want our community to be (Vision) and what ideals our community considers of essential importance (values).

- **City Core Tasks.** Core tasks are functions that we should always be doing well and they should be addressed in our City mission statement. A core task might be: “Maintain City Infrastructure”, or “Provide Public Safety”.
- **City Goals.** Goals are broad projects we want to accomplish over a long-term (4-6 year) period, usually because they are big enough and broad enough they can't be accomplished in a year or two. An example of a goal is: “Improve Streets”.
- **City Objectives.** Biennial objectives are specific, discreet, medium-term (1-2 year) projects that support a more general goal, are feasible and achievable if appropriately resourced, and can be directly budgeted against. An example of an Objective related to the Goal “Improve Streets” could be: “Repave 10% of streets in FY16/17 and FY 17/18”.

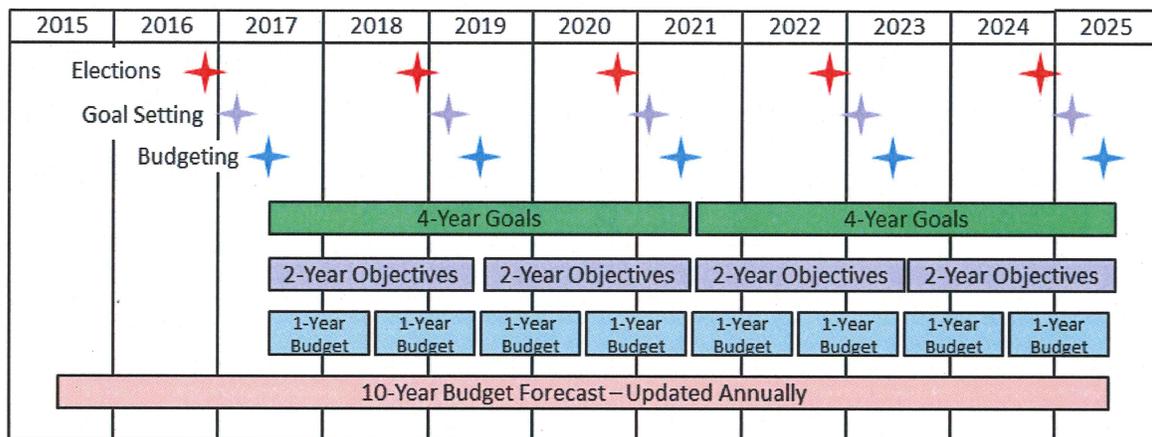
IV. PROCESS

Following is a written description of the City's Strategic Planning Framework depicted below in figure 1.

- The process begins in December of each election year with the seating of a new Council.
- The new Council begins a planning process to set biennial budget objectives for the upcoming two budget years.
- Following elections, the City will advertise in December upcoming community outreach and engagement opportunities.
- This objective-setting planning process normally occurs in January and February with two-year objectives set by the last Council meeting in February.
- In years following an election, in January through mid-February, staff will provide numerous opportunities for the community to engage in the process and to provide input in a number of ways, including community forum(s).
- In years following an election, City Council will host a public retreat in late-February/early March to review community input gathered through the outreach opportunities and develop goals (following Presidential elections as described below) and objectives (following a non-Presidential election). Council will formally adopt the goals/objectives typically by late March/early April.
- Council-approved objectives are then used by staff and Council to develop the annual budget in March – May of each year.
- Every four years (Presidential election years) the new Council also reviews and updates the City's Goals. The City should work to ensure goals are items in which real improvement is needed and achievable. Generally, goals should not be “maintain,” but should be “improve.” Any new Council could, of course, resolve to deviate from this Strategic Planning Framework and modify City goals outside of the specified four-year window. However, for organizational efficiency and community stability, the City should strive to keep goals for at least four years, using biennial objective setting and annual budgeting to affect change and adjust priorities.

- On a semi-annual basis, normally in the fall of each year, staff updates the Council on the status of the two-year budget objectives in an Annual Goals Update report and special Council Meeting.
- In March – May each year, the staff and Council develop a 1-year budget for the upcoming fiscal year: July 1 to June 30 of the following year. The two 1-year budgets every 2-year goal/objective period provide the Council ample opportunity to reallocate resources to achieve, or “weight” specific City Goals and Objectives.
- This entire process is underpinned and informed by a continuing 10-year budget forecast process that is updated annually in Jan – Feb. Every other year the 10-year forecast is updated by an external professional consultant. In the off years it is updated internally by staff.

**Transition Plan for the Morro Bay
Strategic Planning and Budgeting Framework**



- ★ Elections – Nov of even years, new Council seated in early January
- ★ Biennial Planning – Every other year in Jan and Feb Council updates 2-year objectives. every 4th year Council also updates 4-year goals.
- ★ Annual Budgeting – Every year in May and Jun Council updates approves a 1-year budget.

Overview. Beginning in December 2016 the City of Morro Bay executes a 4-2-1 Strategic Planning and Budgeting process.

- Following each election, the new council meets in Jan / Feb to establish 2-year objectives supporting each existing City Goal.
- Every four years this process begins in December and includes renewal of the City’s goals.
- The staff then uses the new objectives to inform creation of the City’s annual budget.
- The entire process is underpinned by a 10-year budget forecast that is professionally (externally) updated every other year and internally updated every year.

Figure 1 – Strategic Planning and Budgeting Framework

V. SUMMARY

This Strategic Planning and Budgeting Framework is intended to complement the City’s broader and more specific plans, including the General Plan, Local Coastal Plan, Economic Development Strategic Plan and other land-use and issue-specific plans.

The above mentioned plans coupled with this Goals and Objectives process should serve, taken as a whole, as the City's strategic plan. Following full implementation of the ongoing GP/LCP rewrites in 2017, and 10-year Economic Development Strategic Plan in 2016, the City could consider if an additional, formal, 10-year strategic plan is required.

City Council Goals and Action Items for 2019 and 2020

These are the City Council Goals and priority action items for 2019 and 2020, constituting the main work plan for the City.

Goal #1: Achieve Financial Sustainability and Economic Sustainability					
Item #	Action Items	Departments Involved	Lead Department	Anticipated Council Date/Completion	Current Status
1)	Complete and implement the fee study and cost allocation plan.	All	Finance	City Council approved the new fee schedule in late 2019, with the Development Impact Fees left for Council review in Winter/Spring 2021.	Rate increases for majority of fees have gone into effect, as of January 1, 2020. Other fees being phased in over several years. Staff completing development impact fees review, and will seek input from Chamber/Government Affairs Committee.
2)	Review option to revise cannabis ordinance to allow for adult-use (recreational) cannabis retailing in Morro Bay.	City Manager, Police, Fire and Finance	Planning, City Attorney	City Council approved allowing adult-use cannabis on June 9, 2020, and requested staff review of other cannabis opportunities.	One retailer opened business in October 2020, and second retailer currently has building under construction, with goal to open in Spring 2021.
3)	Redevelop the Market Street Plaza lot for visitor serving accommodations, with significant community benefit to include public improvements to the Centennial Plaza.	City Attorney, Finance	Planning, City Manager	City Council will review proposals if they are submitted.	Some interest in developing the property, but no progress to report at this time.
4)	Review and make improvements, where feasible, to the planning permit process.	City Manager, Public Works, Fire, Harbor	Chamber, Planning	City Council to review a resolution in Spring 2021 (which includes goals and metrics for the planning process) and receive regular updates on progress.	Chamber completed a survey of key stakeholders in fall of 2020. Staff presented recommendations on a process to review the planning and building function in November 2020.
5)	Bring forward a comprehensive set of revenue enhancement options for City Council consideration.	All	City Manager, Finance	Measure E will go into effect April 2021. Council requested information regarding surplus City property. Staff will present information to Council in February 2021 regarding properties, as well as information on the RV camping pilot program.	City Council placed Measure E (1 cent sales tax measure) on the November 2020 Ballot. Community approved Measure E. Council requested information regarding other revenue sources in response to the pandemic's impact on City finances.
6)	Conduct outreach on the current opportunity sites within Morro Bay, including, but not limited to the decommissioned power plant.	Planning, City Manager, Harbor, Tourism	Chamber	Staff will provide updates to City Council.	On-going effort by the City and Chamber.
7)	In support of achieving economic development goals and limiting City costs in that pursuit, contract with an outside agency to fulfill economic development Ombudsmen duties on behalf of the City.	Planning, Tourism, Harbor	City Manager	City Council to receive quarterly updates from the Chamber.	City Council approved contract with Chamber to provide this service to the City.
8)	Continue to pursue locating a new aquarium in the water front area, in partnership with Cal Poly and Central Coast Aquarium.	City Manager, Planning, Tourism	Harbor	No updates planned at this time.	Project is on hold indefinitely as Central Coast Aquarium restructures following closure of their Avila Beach Aquarium due to the COVID-19 pandemic.
9)	Establish Waterfront Lease site policies and implementation plan.	Harbor, Planning, City Manager, Finance	Harbor	City Council approved final policy and provided direction to staff on June 23, 2020. Staff will report out on contracting options in Spring/Summer 2021.	Staff in process of reviewing contracting out options for lease management services.
10)	Continue to pursue offshore windfarm development, with a short-term focus on ensuring the Federal Government approves a windfarm lease site near Morro Bay.	City Manager, Planning, City Attorney	Harbor	Staff will provide updates to City Council.	City Council approved Community Benefits Agreement with Castle Wind in 2018. Staff and Council sub-committee working with State and Federal representatives. With new Presidential Administration in 2021, anticipate greater movement on offshore wind development.
11)	Review opportunity to include vacation rentals and recreational vehicle parks into Tourism Business Improvement District (TBID).	City Manager	Tourism	No further Council action required.	Council approved bringing VRs into the TBID. Goes into effect in mid-January 2020.
12)	Facilitate coordination and development of a business incubator/co-working space in Morro Bay.	City Manager, Planning	Ombudsmen	Staff will provide updates to City Council.	Chamber and staff will review opportunities in 2020 for business incubation/co-worker space.

City Council Goals and Action Items for 2019 and 2020

13)	Complete a detailed review of the CalPERS pension liability, other post employment benefits and health liability and determine specific actions to minimize financial impact to the City.	Finance	City Manager	City Council approved actions in early 2020. Staff will present information to Council regarding potential increases in Spring/Summer 2021.	Council reviewed detailed report in August 2019 and directed staff to bring back refined analysis for liability paydown options. Council reviewed and approved actions in early 2020.
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Goal #2: Improve Public Infrastructure

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
1)	WRF Implementation, which includes completing design of the facility, pipeline conveyance and injection system, permitting the project, securing financing for entire project and beginning construction.	Public Works, Planning, City Attorney	WRF Program Manager, City Manager	Next steps for Council: Review SRF loan information, likely in Spring 2021.	WIFIA line of credit approved, construction underway on WRF facility site, City approved contract for Conveyance/pipeline component of project, and continuing working with State staff on the SRF Loan/Grant. Studies continue on injection wells.
2)	Include local labor on major City capital improvement projects (CIP), with the WRF being the initial project.	City Attorney, Public Works, Finance	WRF Program Manager, City Manager	City Council approved language to add to bidding documents at their May 26, 2020 meeting.	City Council directed staff to include local hire provisions in contracts for conveyance and injection well system components of the WRF project.
3)	Complete and bring to Council a Parking Management Plan to address parking issues in the downtown and water front areas.	City Manager, Finance, Harbor, Planning, Public Works	City Manager	City Council to review parking data analysis and parking management options and provide initial direction in Spring 2021.	City contracted with firm to conduct initial parking study. Parking counts completed, and contractor completed analysis. Outreach to community will begin in early 2021.
4)	Harbor Advisory Board to pursue grants for an RFP for marine services facility (boatyard) feasibility study and bring forward information to City Council for next steps.	City Manager	Harbor	City Council to review options sometime in 2020/2021.	Staff reviewing options for feasibility study (no responses to RFP in 2018), and looking at funding opportunities.
5)	Pursue a public-private partnership to increase business and residential access to hi-speed internet in Morro Bay.	All	City Manager	City Council to review options in 2020/2021.	Staff reviewing options.
6)	Implement approved Capital Improvement Projects, including OneWater Projects.	Public Works, City Manager	Harbor	City Council to review construction bids in 2021, following completion of design work.	City Council approved contracts for design work on 3 OneWater projects in early 2020. Design work initiated.

Goal #3: Improve Communication and Community Engagement

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
1)	Work to develop stronger coordination, and processes, with community groups in support of advancing mutually beneficial initiatives and goals.	All	City Manager	Staff to provide updates to City Council. Will bring new partnership agreements for Council review in 2021.	Will be an on-going effort. Next step includes outreach to volunteer groups in Morro Bay.
2)	Revise the partnership policy, and related policies, in conjunction with the fee study update.	Finance	City Manager, Recreation, Tourism	Staff will bring new partnership agreements to Council for review in 2020/2021.	Council approved a revised Partnership Policy in late 2019.

Goal #4: Complete Updates to the City Major Land Use Plans and Address Affordable Housing Issues

Item #	Action Items	Departments Involved	Lead Department	Anticipated Council date/Completion	Current Status
1)	Complete the General Plan/Local Coastal Plan rewrite.	City Manager	Planning	Staff likely to bring draft plans to City Council in Spring 2021.	Planning Commission nearing completion of review of "Plan Morro Bay" the City's update to its GP/LCP. Staff is preparing to bring the environmental review to Planning Commission in early 2021.

City Council Goals and Action Items for 2019 and 2020

2)	Complete the Zoning Code update.	City Manager, Public Works	Planning	Staff likely to bring draft plans to City Council in Spring/Summer 2021, following Planning Commission review.	Planning Commission will begin review of Zoning Code in Spring 2021.
3)	Revise the vacation rental policy.	City Manager, Finance, Public Works, City Attorney	Planning	Staff will provide regular updates to City Council on the progress of the Coastal Development Permit and implementation of the new ordinance.	City Council approved the Vacation Rental Ordinance in October 2021. Staff submitted Coastal Development Permit application to Coastal Commission in December 2020, and anticipate Coastal review in Spring/Summer 2021.
4)	Work with San Luis Obispo County and cities therein on a regional partnership and solutions to housing issues.	Planning, Public Works, Finance	City Manager	Council approved Regional Housing Compact. Staff will provide updates to City Council in 2021.	Staff coordinating with County of SLO staff on housing and infrastructure planning. The City completed the Housing Element, and is coordinating implementation regionally.
5)	Pursue grant funding to develop an emergency warming shelter in Morro Bay.	Public Works, Recreation, Finance	City Manager	Staff will provide an update to City Council on the new funding opportunity once information is made available by the County.	City did not receive State funding (HEAP Grant). Coordinating with County on a new funding opportunity.

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AGENDA NO: C-2

MEETING DATE: January 12, 2020

Staff Report

TO: Honorable Mayor and City Council **DATE:** January 7, 2020

FROM: Eric Casares, PE – WRF Program Manager (Carollo)
Rob Livick, PE/PLS – City Engineer

SUBJECT: Consideration of Proposal and Approval of Contract with Cogstone Resource Management, Inc. (Cogstone) for Archeological and Paleontological Monitoring Services for the Water Reclamation Facility (WRF) Lift Stations and Offsite Pipelines Construction

RECOMMENDATION

Staff recommends the City Council:

1. Review the report and proposal; and
2. Review the recommendation from staff to award a contract to Cogstone for Archeological and Paleontological Monitoring Services for the WRF Lift Stations and Offsite Pipelines Construction; and
3. Recommend the City Council authorize the City Manager to execute an agreement in the not to exceed amount of \$264,918.

FISCAL IMPACT

Cogstone proposes to complete all work under the Archeological and Paleontological Monitoring Services contract on a time and materials basis with a budget per task order that will not be exceeded without receiving written authorization from the City.

The latest quarterly budget reconciliation presented to the City Council at the end of Q1 FY 2020/2021 as part of the WRF Quarterly Report (September 2020) included a total project budget of \$138,682,000. The budget includes a total of \$550,000 for archeological/paleontological and Native American monitoring. Therefore, awarding a contract to Cogstone in the amount of \$264,918 will not impact the overall WRF Project budget or the rates paid by water and wastewater customers.

BACKGROUND

On October 8, 2020, the City released a request for proposals/qualifications (RFP/RFQ) for Archeological and Paleontological Monitoring Services. The RFP/RFQ is [linked](#) to this report (Attachment 1). For this phase of the WRF Project, archeological and paleontological monitoring services are required during construction of the lift stations and offsite pipelines at specific areas as outlined in the Project Programmatic Agreement (PA) (<https://morrobaywrf.com/wp-content/uploads/FINAL%20%20Morro%20Bay%20Wastewater%20PA.pdf>) the City negotiated with the State Historic Preservation Office (SHPO) in November 2019. Since the City is receiving construction funds from the Environmental Protection Agency’s (EPA’s) Water Infrastructure Finance and Innovation Act (WIFIA) Program and State Water Resources Control Board (SWRCB) Clean

Prepared By: EC

Dept Review: RL

City Manager Review: SC

City Attorney Review: JWP

Water State Revolving Fund (CWSRF) Program, Section 106 consultation with SHPO was required.

The Final Environmental Impact Report (FEIR) (Environmental Sciences Associates, 2018) (https://morrobaywrf.com/wp-content/uploads/Morro-Bay-Water-Reclamation-Final-EIR-Jun2018_rv1.pdf) initially identified a number of mitigation measures for impacts to cultural resources that were determined to be significant and unavoidable in accordance with the California Environmental Quality Act (CEQA). The details of these mitigation measures were further refined in the PA, which requires the development of a monitoring plan for each phase of the WRF Project before construction can begin. Per the PA, the phases of the WRF Project include:

- Phase 1 – WRF
- Phase 2 – Lift Stations and Offsite Pipelines (i.e., Conveyance Facilities)
- Phase 3 – Injection Wells (i.e., Recycled Water Facilities)

The Phase 2 Monitoring Plan (Far Western, 2020) was completed and approved by SHPO in fall 2020 and provides the archeological and paleontological monitoring requirements for culturally sensitive areas along the pipeline route. While only specific areas identified in Section V of the Phase 2 Monitoring Plan will be monitored by the archaeological and paleontological monitor, the entire alignment will be monitored by the Native American monitors.

The Phase 2 Monitoring Plan serves as the basis for the scope in the RFP/RFQ, which includes the following elements:

- Archeological and Paleontological monitoring services during construction
 - Monitoring shall be limited to those areas specially identified in the Phase 2 Monitoring Plan
- Native American monitoring services during construction along the entire pipeline alignment
- Construction Worker Cultural and Paleontological Resources Sensitivity Training, which includes, but is not limited to:
 - Coordination with Native American representatives and organizations
 - Proper procedures in the event of archeological resources discovery or human remains
 - Safety precautions to be taken when working with cultural resource monitors
 - Recognition of the types of paleontological resources potentially encountered during construction
- Performing surveys, collecting data, and preparing reports
- Coordination on the efforts of the Native American subconsultants during monitoring activities
- Continual on-call availability throughout construction

Rather than contracting separately with the archaeological and paleontological monitor and Native American monitors, City staff decided to perform only a single procurement and assign the Native American monitors to the archaeological and paleontological monitor as subconsultants. Through the development of the FEIR, Section 106 consultation, and monitoring plan development, the City and the Project Archeologist, Far Western, have been consulting with the following tribes:

- *yak tityu tityu* – Northern Chumash Tribe
- Salinan Tribe of Monterey and San Luis Obispo Counties
- Northern Chumash Tribal Council

All three of these tribes have expressed an interest in participating in this phase of the project. As such, the RFP/RFQ required all proposers to include these tribes as members of their teams. Native American monitoring activities for these tribes will be shared equally during the project duration. Coordinating the activities of the Native American monitors and ensuring equal distribution of efforts of the three tribes on this phase of the project is one of the key work elements for Cogstone.

SELECTION PROCESS

On October 20, 2020, the City received a total of four (4) proposals from Cogstone, ECORP Consulting Inc., Albion Environmental, and PaleoWest. Cogstone's proposal is included as an attachment to this report (Attachment 2).

The proposals were evaluated based on the following criteria:

- Understanding of the scope of work (e.g. completeness of proposal; demonstrated grasp of work to be completed under this contract; expressed understanding of the project scope, objectives, and complexity);
- Past performance and related experience of firm (e.g. previous experience in performing similar projects, results of reference checks, administrative information);
- Expertise of technical and professional team members assigned to the project;
- Proposed project approach (e.g. conceptual and technical approach in preparing the plan, including assurance of the consultant's ability to provide deliverables in a timely fashion and with high quality);
- Recent experience in successfully performing similar services;
- Cost effectiveness of proposed project approach; and
- Ability to conform to City contract requirements.

Cogstone was selected unanimously based on their qualifications, experience working with the assigned Native American tribes, and their cost effectiveness by the selection committee, which consisted of Eric Casares (WRF Program Manager), Rob Livick (City Engineer), and Joe Mueller (City Utilities Manager/Acting Public Works Director).

Cogstone is currently working with Filanc/Black & Veatch for archeological and paleontological monitoring at the WRF site. That work will end by January 15, 2021; and, therefore, there will not be a legal conflict of interest with the City hiring Cogstone for this portion of the WRF project because it will not financially impact Filanc/Black&Veatch.

CONCLUSION

Staff recommends award of the contract for Archeological and Paleontological Monitoring Services for the Lift Station and Offsite Pipelines to Cogstone based on the solicitation and review process that has taken place since October 2020.

ATTACHMENTS

1. Archeological and Paleontological Monitoring Services RFP/RFQ – [Link](#)
2. Cogstone's Proposal
3. Draft Agreement including the proposed scope and budget from Cogstone

**COGSTONE RESPONSE FOR THE REQUEST FOR PROPOSAL (RFP) FOR THE
WATER RECLAMATION FACILITY LIFT STATION AND OFFSITE PIPELINES
CONSTRUCTION PROJECT**



SUBMITTED TO:

**CITY OF MORRO BAY
ATTN: ROB LIVICK, PE/PLS; CITY ENGINEER**

SUBMITTED BY:



**COGSTONE RESOURCE MANAGEMENT, INC.
1518 W. TAFT AVENUE, ORANGE, CA 92865**

OCTOBER 30, 2020



PALEONTOLOGY - ARCHAEOLOGY - HISTORY



Cogstone 5170

October 30, 2020

City of Morro Bay
Attention: Rob Livick, PE/PLS; City Engineer
595 Harbor Street
Morro Bay, CA 93442

RE: Request for Proposals (RFP) for Archaeological and Paleontological Monitoring Services for the Water Reclamation Facility Lift Stations and Offsite Pipelines Construction Project, City of Morro Bay, San Luis Obispo County, California.

Dear Mr. Livick:

Cogstone Resource Management, Inc. (Cogstone) is pleased to submit our response for the RFP for Archaeological and Paleontological Monitoring Services for the Water Reclamation Facility (WRF) Lift Stations and Offsite Pipelines Construction Project (Project) located in the City of Morro Bay (City), San Luis Obispo County, California. Cogstone will support the City by providing archaeological and paleontological resources monitoring in areas specially identified in the Phase 2 Monitoring Plan for the Project. Cogstone will also coordinate the Native American monitoring services during construction along the entire pipeline alignment. In addition, Cogstone will provide Construction Worker Cultural and Paleontological Resources Sensitivity Training and on-call archaeological and paleontological resources monitoring for the duration of the Project, as needed. Cogstone will provide an archaeologist who is cross-trained in paleontology in order to provide substantial cost-savings to the City.

Selecting our firm will provide you with diverse professional expertise, exemplified in our highly qualified personnel. All key personnel proposed to work on this Project within this response will be available for all required tasks throughout the duration of the contract. Cogstone has a strong history of providing similar services for water facility projects in the City and throughout California. Cogstone is currently conducting archaeological and paleontological monitoring for the Morro Bay Water Facility Project as a subconsultant to Filanc Black & Veatch Joint Venture. Cogstone's key staff have extensive experience working with Native American tribes in the area through working on the Morro Bay Water Facility Project as well as other projects. In addition, Cogstone is listed on the San Luis Obispo County's list of qualified environmental consultants for archaeology and paleontology.

The enclosed response illustrates the qualifications, history of outstanding service, and technical capabilities to ensure the best value to the City. Desiree Martinez will serve as the City's main point of contact.

Sincerely,

Desiree Martinez, President | (714) 974-8300 t | (626) 722-1938 c | dmartinez@cogstone.com

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Federal Certifications WOSB, EDWOSB, SDB
State Certifications DBE, WBE, SBE, UDBE

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QUALIFICATIONS

FIRM CAPABILITIES

Cogstone Resource Management, Inc. (Cogstone) is a California corporation formed in April 2001, specializing in archaeology, paleontology, and history. Cogstone's headquarters are in Orange, California with three additional offices in Morro Bay, Riverside, Sacramento, San Diego, and Arizona. Cogstone is a certified SDB, WOSB, EDWOB firm by the U.S. Small Business Administration and the General Services Administration. Cogstone's team of qualified professionals focus on practical solutions to project issues and, as a small business with less than 50 employees, excels at being responsive. Cogstone has developed a reputation for timely, thorough, and cost-effective work products. Cogstone's team of qualified professionals focus on practical solutions to project issues and as a small business, Cogstone excels at being responsive.

Cogstone assists clients in meeting project compliance requirements for federal, state, and local regulations, including California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and Section 106 of the National Historic Preservation Act (NHPA), among others. Cogstone's key staff is comprised of qualified paleontologists as well as archaeologists and architectural historians who meet or exceed the qualifications required by the Secretary of the Interior's *Standards and Guidelines for Archaeology and Historic Preservation*, offer timely, thorough, and cost-effective solutions for compliance needs.

Services include archaeological and paleontological resources monitoring, record searches, field assessments, GIS mapping, mitigation planning, and compliance reporting. Associated documents include Cultural and Paleontological Resources Monitoring Compliance Reports, Cultural Resources Assessment Reports, Archaeological Survey Reports, Historic Resources Evaluation Reports, and Paleontological Evaluation Reports. Core staff contributes an array of specializations to the company's cumulative expertise: faunal analysis, human osteological analysis, fossil identification, lithic and other prehistoric artifact analyses, historical artifact analysis, forensics, archaeobotany, geotechnical analyses, and paleopathology, among other specialized studies and subdisciplines. In addition, the company maintains strong relationships with local museums, universities, state information centers, and California tribes, further contributing to our efficacy as both scientists and preservationists.

RELEVANT PROJECT EXAMPLES

MORRO BAY WATER FACILITY PROJECT, CITY OF MORRO BAY, SAN LUIS OBISPO COUNTY, CA.



The City of Morro Bay has proposed to construct a new water reclamation facility and other project components include pipelines, lift stations, injection wells, and decommissioning of the existing wastewater treatment plant. Federal funding for the project requires compliance with Section 106 of the National Historic Preservation Act (NHPA), along with the California Environmental Quality Act (CEQA). The US Environmental Protection Agency (EPA) is the federal lead and the City is the state lead agency, with permitting by the

California Coastal Commission (CCC), California Department of Transportation (Caltrans), and the State Water Resources Control Board. Cogstone is currently conducting Worker Environmental Awareness Program (WEAP) trainings for all construction personnel, cultural and paleontological resources monitoring, and will complete a Cultural Resources Monitoring Compliance Report upon completion of construction. Sub to Filanc Black & Veatch Joint Venture. 2020-present

DEEP SOIL MIXING PILOT PROJECT, COMMUNITY OF PACIFIC PALISADES, LOS ANGELES COUNTY, CA.

As part of an on-call contract with the Los Angeles Bureau of Engineering (LABOE), Cogstone prepared a Cultural and Paleontological Resources Monitoring Plan and provided cultural and paleontological resources monitoring as well as managed Native American monitoring during ground-disturbing activities. Native American monitoring was provided by Gabrielino Tongva. A total of eight boreholes were drilled for the Project. Holes were expanded in size from six-inch to five-foot in diameter and drilled from a depth of 40 feet and 90 feet to a depth of approximately 97 feet. The City of Los Angeles was the lead agency under the California



Environmental Quality Act (CEQA). Monitoring for the Project was conducted in compliance with the Contingency Plan and the conditions for the Coastal Development Permit (CDP) from the California Coastal Commission (CCC). No cultural or paleontological resources were identified. A final Cultural and Paleontological Resources Monitoring Report was prepared and determined no further work was necessary. Sub to ICF. 2020

CULVER BOULEVARD REALIGNMENT AND STORMWATER TREATMENT PROJECT, CULVER CITY, LOS ANGELES COUNTY, CA.

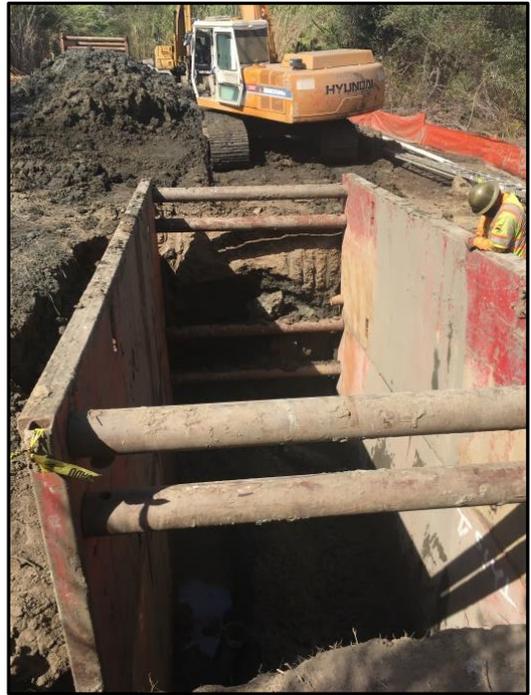


Cogstone prepared a Cultural and Paleontological Resources Management Plan in compliance with the mitigation measures in the Final Mitigated Negative Declaration approved by the City of Culver City, Los Angeles County, Cultural and Paleontological Resources Services for the Culver Boulevard Realignment and Stormwater Treatment Project. The plan was also developed in consultation with the Gabrieleño Band of Mission Indians – Kizh Nation. The plan summarizes the organization and responsibilities of the monitors, the responsibilities of the construction contractor and the

Inadvertent Discovery Plan to be implemented should cultural or paleontological resources be encountered during the project. The City of Culver City is the project proponent and is the lead agency under CEQA. Cogstone is currently providing cultural and paleontological resources monitoring during construction and will provide a final compliance report upon completion of ground-disturbing activities. Sub to Michael Baker. 2020-present

OC-44 PIPELINE REHABILITATION PROJECT, CITY OF NEWPORT BEACH, ORANGE COUNTY, CA.

Cogstone conducted cultural resources monitoring during the proposed rehabilitation of 1,700 feet of an existing water pipeline. The process required the excavation of three access pits, as opposed to excavating a new line or re-opening the existing line, thus limiting the potential to adversely affect cultural resources within the Area of Potential Effects (APE). The APE included areas where the three access pits were excavated, areas cleared of vegetation prior to excavation, as well as temporary roads needed to access the pits. Monitoring was initiated following a Cultural Resource Assessment of the APE in 2014 by Cogstone pursuant to the involvement of land managed by the United States Army Corps of Engineers (Section 404 of the Clean Water Act), California Department of Fish and Wildlife, and California Coastal Commission (CCC). Although no cultural resources were identified within the APE, cultural resources and Native American monitoring were required as was stipulated in the Conditions of Approval by the CCC, as detailed in the Archaeological Construction Monitoring Treatment Plan for the project. Mesa Consolidated Water District was the lead agency for the project. No cultural resources were identified during excavation. All mitigation measures were implemented, and no further mitigation was required. Sub to Michael Baker. 2019



TEAM MEMBERS

Cogstone is a California corporation with over 19 years of experience necessary to provide the cultural and paleontological resources services. Our key personnel have over 35 years of experience in cultural resources management. They are well-equipped to address a wide variety of situations with practical solutions. All work will be coordinated from Cogstone's Morro Bay office and headquarters in Orange. Individual experience on relevant projects is detailed in each Key Staff's resume (Appendix A).

Desiree Martinez, M.A., RPA

Project QA/QC

Ms. Martinez is a Registered Professional Archaeologist (RPA) with over 20 years of experience in archaeological fieldwork, research, and curation. She has expertise in the planning, implementation, and completion of all phases of archaeological work and has participated in archaeological investigations as a principal investigator, crew member, and tribal monitor. She meets national standards in archaeology set by the Secretary of Interior's *Standards and Guidelines for Archaeology and Historic Preservation*. Her experience also includes compliance with CEQA, NEPA, NHPA Sec. 106, NAGPRA, SB 18, AB 52, and California General Order 131-D exemption. Ms. Martinez has extensive experience consulting with Native American leaders and community members in a variety of contexts.

Alison Bryson-Deveraux, M.A.

Task Manager & Principal Investigator for Archaeology

Ms. Bryson-Deveraux is an archaeologist with 17 years of experience in cultural resources management. She has supervised large monitoring projects throughout California, with a focus on the Central Coast. She has served as a crew chief, lead archeologist, as well as the client and Native American liaison on a variety of archaeological field projects. She meets the qualifications required by the Secretary of the Interior's *Standards and Guidelines for Archaeology and Historic Preservation* and her expertise includes surveying, excavation, site recordation, and monitoring. Ms. Bryson-Deveraux has spent considerable time on local water treatment and reclamation projects, oil field remediation projects as well as projects related to early California mining where she monitored, analyzed, and documented both prehistoric and historic resources found on site. Ms. Bryson-Deveraux is versed in both native and pioneer settlement patterns, including historic era camping/habitation areas found within early California mining and oilfield sites, and prehistoric coastal occupation sites.

Ms. Bryson-Deveraux has extensive experience working closely with the native groups within California, especially those of the Northern Chumash and Salinan tribes of the Central Coast. She has worked with the yak tiʷu tiʷu yak tiʷini band of Northern Chumash, the Northern Chumash Tribal Council, and the Salinan Tribe of San Luis Obispo and Monterey Counties for nearly all of her career, and has a good rapport and professional relationship with each tribe.

Additionally, Ms. Bryson-Deveraux was the lead archaeologist on the Cambria Community Services District (CCSD) Desalinization Plant, an archaeological monitor for the Cayucos Sanitary District Wastewater Treatment Plant, and most recently, was the lead archeologist on the Morro Bay Water Treatment Facility, where she had a good working partnership with both the contracted construction firms and the City of Morro Bay representatives.

Kim Scott, M.S.

Principal Investigator for Paleontology

Ms. Scott has 22 years of experience in California as a paleontologist and sedimentary geologist. Scott has worked extensively in the field surveying, monitoring, and salvaging fossils on hundreds of projects. In addition, she has special skills in jacketing large fossils, fossil preparation (cleaning and stabilization) and in the preparation of stratigraphic sections and other documentation for fossil localities. She frequently authors paleontological assessments, paleontological mitigation plans, and monitoring compliance reports to all agency requirements. She authors and conducts crew sensitivity training, serves as company safety officer, and has authored both the company safety and paleontology manuals. She is a Member of the Society of Vertebrate Paleontology and the Geological Society of America.

COST PROPOSAL

For a detailed cost estimate, please see Appendix C.

COGSTONE 2020 FULL FEE SCHEDULE

LABOR CLASSIFICATION	HOURLY RATE	OT*	OTx2*
TECHNICAL EDITOR	\$65.00	EXEMPT	EXEMPT
TECHNICIAN/MONITOR	\$65.00	\$97.50	\$130.00
NIGHT MONITOR	\$78.00	\$117.00	\$156.00
ARCHITECTURAL HISTORIAN	\$80.00	\$120.00	\$160.00
SUPERVISOR/GIS	\$80.00	\$120.00	\$160.00
FIELD DIRECTOR	\$95.00	\$142.50	\$190.00
SOI MONITOR**	\$80.00	\$120.00	\$160.00
SOI NIGHT MONITOR**	\$105.00	\$157.50	\$210.00
PRINCIPAL INVESTIGATOR I	\$105.00	EXEMPT	EXEMPT
PRINCIPAL INVESTIGATOR II	\$115.00	EXEMPT	EXEMPT
PRINCIPAL INVESTIGATOR III	\$145.00	EXEMPT	EXEMPT

OTHER DIRECT COSTS	UNIT
MILEAGE	CURRENT IRS RATE
TRIMBLE	\$50/DAY
EXPENDABLE SUPPLIES	ACTUAL COST
OUTSIDE SERVICES	ACTUAL COST

DISCIPLINES AVAILABLE:

- ARCHAEOLOGY
- PALEONTOLOGY
- ARCHITECTURAL HISTORY
- GIS
- GEOARCHAEOLOGY
- FAUNAL IDENTIFICATION AND ANALYSIS
- HUMAN SKELETAL IDENTIFICATION AND ANALYSIS
- FOSSIL IDENTIFICATION AND ANALYSIS
- PALEOBOTANICAL IDENTIFICATION AND ANALYSIS
- CERAMIC IDENTIFICATION AND ANALYSIS
- LITHIC IDENTIFICATION AND ANALYSIS

* HOURS 9-12 PER DAY IS OVERTIME (x1.5), HOURS OVER 12 PER DAY IS DOUBLE OVERTIME (x2)

** SOI MONITOR MEETS THE GUIDELINES SET FORTH BY THE SECRETARY OF THE INTERIOR’S (SOI) STANDARDS AND GUIDELINES FOR ARCHAEOLOGY AND HISTORIC PRESERVATION (36 CFR PART 61).

SUBCONSULTANT BILLING RATES

The hourly rate for routine tribal monitoring activities shall be provided by the *yak tityu tityu* (Northern Chumash Tribe), the Salinan Tribe of Monterey and San Luis Obispo Counties, and the Northern Chumash Tribal Council at a rate of \$100 per hour.

WORK PROGRAM

PROJECT UNDERSTANDING

Cogstone will provide archeological and paleontological resources monitoring services for the City of Morro Bay's (City) proposed Water Reclamation Facility (WRF) Lift Stations and Offsite Pipelines Construction Project (Project) located on South Bay Boulevard north of Highway 1. The Project involves the construction of two new lift stations, approximately 3.5 miles of pipelines, and wells to inject the purified water into the groundwater aquifer, which can be extracted for reuse through the City's existing infrastructure. The existing Morro Bay-Cayucos wastewater treatment plant was constructed in 1954 and does not currently meet the federal Clean Water Act (CWA) standards for full secondary treatment. archeological and paleontological monitoring services are required during the construction of the WRF lift station and offsite pipelines at specific areas outlined in the Environmental Impact Report (EIR) and the Project's Programmatic Agreement (PA) with the California State Historic Preservation Office (SHPO).

Cogstone will be available, as needed, for a minimum of three (3) meetings with the City staff and the Construction Manager (Carollo Engineers, Inc.) and will provide coordination between the City, the Contractor, and the Native American subconsultants during the Project.

Cogstone will provide a Construction Worker Cultural and Paleontological Resources Sensitivity Training (Sensitivity Training) in coordination with the Native American representatives prior to any ground disturbance for the Project. The Sensitivity Training will include the proper procedures to follow in the event of an unanticipated archaeological resources or human remains discovery, safety precautions to be taken when working with cultural resource monitors, and show examples of potential paleontological resources that may be encountered during the Project. Cogstone will provide construction personnel with pamphlets that include examples of local archaeological artifacts, midden soils, and brief descriptions of their cultural and legal significance. The pamphlet will also include examples of paleontological resources.

Cogstone will support the project by providing an archaeologist who is cross-trained in paleontology to conduct monitoring in the areas outlined in the Project's PA with SHPO. Cultural site CA-SLO-16 is excluded from this scope per the RFP and as outlined in the Phase 2 Monitoring Plan. A total of 40 8-hour working days is estimated to complete this task. Cogstone will continue to respond to any unanticipated archaeological and/or paleontological discoveries on an on-call basis during the Project.

Cogstone will also subcontract Native American monitoring for the project using three Tribes: *yak tityu tityu* (Northern Chumash Tribe), Salinan Tribe of Monterey and San Luis Obispo Counties, and the Northern Chumash Tribal Council. We assume only one Native American monitor from one Tribe will be present each day and that the monitoring will rotate between the Tribes on a weekly basis or other time frame determined in consultation with the Tribes and the City. Native American monitoring will be conducted during construction along the entire pipeline alignment.

Cogstone will prepare weekly status reports which will be submitted to the City which will detail all monitoring activities and any discoveries. The weekly report will include both archaeological and Native American daily monitoring logs, photos, and other information as appropriate. Following the completion of construction, Cogstone will prepare an Archaeological Resources Monitoring Report for the City's review within 30 days from the completion of monitoring activities. Cogstone will respond to the City's comments then provide the final report to the City and the Central Coast Information Center at the University of California, Santa Barbara.

QUALITY ASSURANCE/QUALITY CONTROL PLAN

Cogstone recognizes the importance of implementing a strong Quality Assurance/Quality Control (QA/QC) program to ensure that we provide technically valid, high quality analytical data and written deliverables throughout the course of the Project. To ensure the submission of high-quality products and services for projects, we subject every aspect of each deliverable to strict QA/QC requirements. The primary means of building quality into every phase of the Project is done using this formalized program. Our reputations are built upon a foundation of high-quality service, data and work products, as well as responsiveness to our client's needs.

Our systematic and iterative approach to QA/QC ensures integration of the quality program throughout the complete spectrum of consulting services, rather than simply addressing problems as they arise. It is our attention to quality and the continuous upgrading of our QA/QC program and processes to meet changing government regulations and increasing client expectations that enable us to focus on getting the job done right the first time. This attention to quality provides the highest value of service, minimizes overall project costs, and ensures that data and documentation is scientifically defensible and meets regulatory requirements.

Finally, we believe in regular, frank, and frequent communication to help us produce high-quality deliverables. Key personnel will actively seek suggestions, confirmation, and other input from the City, the Contractor, and Native American representatives. At the same time, we strongly encourage the City to contact us anytime with questions, comments, or constructive criticism.

PHASE 1 – PRE-CONSTRUCTION ACTIVITIES

TASK 1.1 – PROJECT TEAM COORDINATION

Cogstone will provide coordination between the City, the WRF Program Management Team, the Construction Manager, Native American representatives, and the Contractor. We anticipate that a minimum of three (3) meetings with City staff, the Construction Manager, and the Contractor will be required. Additional coordination will include scheduling and management of the Native American subconsultants. We assume the City will provide Cogstone with a copy of the Phase 2 Monitoring Plan prior to beginning work on the Project.

TASK 1.2 - CONSTRUCTION WORKER CULTURAL AND PALEONTOLOGICAL RESOURCES SENSITIVITY TRAINING

Cogstone will provide a Sensitivity Training in coordination with the Native American representatives prior to any ground disturbance for the Project. The Sensitivity Training will include the proper procedures to follow in the event of an unanticipated archaeological resources or human remains discovery, safety precautions to be taken when working with cultural resource monitors, and show examples of potential paleontological resources that may be encountered during the Project. Cogstone will provide construction personnel with pamphlets that include examples of local archaeological artifacts, midden soils, and brief descriptions of their cultural and legal significance. The pamphlet will also include examples of paleontological resources. The construction crew will be provided with contact information for Cogstone personnel and the Native American representatives. Sensitivity Training will be provided for all new construction personnel as needed. The Construction Manager will inform Cogstone when any additional personnel will require training.

PHASE 2 – CONSTRUCTION MONITORING AND MITIGATION SITE MONITORING AND REGULATORY REPORTING

TASK 2.1 MITIGATION MONITORING DURING CONSTRUCTION

Cogstone's approach to construction monitoring ensures that inadvertent discoveries of archaeological and paleontological resources are dealt with efficiently and with minimal impact to resources and the Project's schedule. Cogstone will provide an archaeologist who is cross-trained in paleontology to conduct cultural and paleontological resources monitoring for the Project. All monitoring will be conducted in compliance with CEQA.

In the interest of ensuring safety, Job Information Sheets (JIS) are drafted for each project which provide monitors with details about the project, archaeological and paleontological resources that may be encountered, safety issues, and project contact information. Monitors are encouraged to discuss this information further with the acting foreman or construction crew members present if anything is unclear.

Monitoring will be conducted only in the areas outlined within the Project's EIR and PA with SHPO. Cultural site CA-SLO-16 is excluded from monitoring per the RFP and as outlined in the Phase 2 Monitoring Plan. Monitoring in site CA-SLO-16 will be performed by a separate archaeological firm directly contracted through the City. A total of 40 8-hour working days is estimated to complete this task.

Methods

The monitor will work closely with construction crews to visually inspect and evaluate sediments immediately upon exposure for evidence of fossils and ancient or historic site use which may include artifacts, human habitation refuse, and human skeletal remains. The monitors will have the authority to halt construction, if necessary, to investigate any potentially significant archaeological or paleontological resources deposits within 50 feet of the discovery site in order to determine if the resource is a fossil or a unique archaeological resource or historical resource as defined in Public Resources Code Section 21083.2 and/or 14 C.C.R. Section 15064.5. UTM coordinates will be taken of the find as well as photographs. Should significant, intact cultural features be identified, Cogstone will notify the City and provide recommendations regarding how to address such features in consultation with the City, the Contractor, and Native American representatives.

If human skeletal remains are found at the project site, work shall be suspended, the area protected, and the County Coroner's Office shall be notified. If the remains are determined by the Coroner to be Native American, within 24 hours the Coroner will notify the Native American Heritage Commission (NAHC) which will notify a Most Likely Descendant (MLD).

Daily Log

A daily log will be maintained by the monitor describing the sediments observed throughout the day's ground-disturbing activities, document the locations of each excavation, and note the presence or absence of cultural and paleontological resources. Daily logs will be submitted in a weekly status report that will describe the monitoring activities and any discoveries. Photos will be accompanied with a detailed photo log describing each photo. The photo log will include the mapped location of each photo. The daily monitoring logs will be compiled into a weekly status report and submitted to the City each week (see **Task 2.4**). In addition, each daily log will be provided to the Construction Manager in order to be shared with all the interested Native American representatives involved with the Project.

Testing, Evaluation, and Data Recovery

Decisions about testing and data recovery will be made in consultation with the City, the Native American representatives (cultural resources only), and the Contractor. In the event that significant archaeological and paleontological resources are encountered, field personnel will follow the protocol established in the Phase 2 Monitoring Plan in order to evaluate, avoid, preserve and/or recover the resources as quickly and efficiently as is feasible with as little delay as possible in the work schedule. The City and appropriate local/state agencies will be notified of the discovery and proper site-recording

documentation will be filed in accord with the CEQA's compliance requirements. Each artifact or fossil will be accompanied by a field tag, photo documentation, and locational information and the resources will be stabilized in the field, whenever possible. All artifacts and fossils recovered will be identified by qualified experts (whether in-house or by one of Cogstone's specialist consultants with relevant analysis expertise) and curated in the appropriate facility before its deposit in the designated repository. We assume the City will provide Cogstone with a copy of the Phase 2 Monitoring Plan prior to the commencement of work on this Project.

TASK 2.2 – COORDINATION WITH TRIBAL MONITORS

Cogstone will subcontract Native American monitoring for the project using three Tribes: *yak tityu tityu* (Northern Chumash Tribe), Salinan Tribe of Monterey and San Luis Obispo Counties, and the Northern Chumash Tribal Council. The Native American representatives will be present during the Sensitivity Training in order to provide their comments and concerns prior to any ground disturbance for the Project. Each tribe will conduct monitoring on a rotating basis, which will be agreed upon in consultation with the City and the Native American representatives prior to the commencement of work on the Project. Native American monitoring will be conducted during construction along the entire pipeline alignment.

The Native American monitor will fill out a daily log each day, which will be provided to the Construction Manager so that the daily logs can be shared with all the interested Native American representatives involved with the Project. Each daily log will include the monitor's name and tribal affiliation. The daily logs will be included in the weekly status report and the Archaeological Resources Monitoring Report (see **Task 2.4**). We assume only one Native American monitor from one Tribe will be present each day and that the monitoring will rotate between the Tribes on a weekly basis or other time frame determined in consultation with the Tribes and the City.

TASK 2.3 - ON-CALL CULTURAL RESOURCES MONITORING

Cogstone will continue to provide a monitor on an on-call basis as described in **Task 2.1** to respond to any unanticipated archaeological and/or paleontological discoveries during the remainder of the Project.

TASK 2.4 - REPORTING

Cogstone will provide the City with weekly status reports which will detail the monitoring activities and any discoveries. The weekly status report will include both archaeological and Native American daily monitoring logs as well as photos, maps, and other information as appropriate.

Should no archaeological resources be identified during the Project, Cogstone's key staff will prepare an Archaeological Resources Monitoring Report which will present the results of the monitoring efforts. The report will be submitted to the City for review within 30 days from the completion of monitoring activities. Cogstone will respond to the City's comments and prepare the final report. The final report and associated shapefiles to the Central Coast Information Center at the University of California, Santa Barbara (CCIC).

Should significant resources be identified, a larger monitoring compliance report will be required. The larger report will present the results of the monitoring efforts, describe the resources encountered and provide a preliminary evaluation of National Register of Historic Places (NRHP)/California Register of Historical Resources (CRHR) eligibility, using the context, themes, and research questions developed for this specific project. Appendices to the larger compliance report will contain the prepared DPR 523 site or isolate forms for discovered or relocated cultural resources, and any other maps or material collected for this project but not included in the body of the report. All reports will be prepared in compliance with CEQA. The report will be provided to the City in electronic format upon completion of the Project in a neatly organized and easily accessible format. Cogstone will also submit a final copy of the report including any DPR 523 forms and associated shapefiles to the CCIC.

PROPOSED SCHEDULE

Task Number	Work Performed	Schedule	Assigned Personnel	Estimated Hours
1.1	Task Management and Communication	As needed.	Desiree Martinez, Kim Scott, Alison Bryson-Deveraux	18
	Meetings (assumes three in-person meetings)	Upon request.	Alison Bryson-Deveraux	12
1.2	Prepare Sensitivity Training and Pamphlet	Within 1 week from Notice to Proceed (NTP)	Kim Scott, Alison Bryson-Deveraux	8
	Provide In-Person Sensitivity Training (assumes three trainings)	First training will be provided at the pre-construction meeting or first day of monitoring. Additional trainings will be provided upon the Construction Manager's request.	Alison Bryson-Deveraux, Technician (TBD)	12
2.1	Archaeological and Paleontological Monitoring	Cogstone requires a minimum of one week of notice prior to construction starting on the Project. A total of 40 8-hour days of monitoring is estimated for this task. Monitoring efforts will be coordinated with the Construction Manager and the Contractor, as appropriate. Supervision is included.	Technician (TBD)	320
			Kim Scott, Alison Bryson-Deveraux, Sandy Duarte and/or Kelly Vreeland	44
	Weekly Status Reports	Will be provided every Monday following the previous week of monitoring.	Kim Scott, Alison Bryson-Deveraux, Sandy Duarte and/or Kelly Vreeland	32
2.2	Native American Monitoring	Cogstone requires a minimum of one week of notice prior to construction starting on the Project. A total of 50 weeks or 250 8-hour days of monitoring is estimated for this task. Cogstone will coordinate monitoring efforts will be coordinated with the Native American representatives, Construction Manager, and the Contractor, as appropriate.	Native American Monitors	2,000
			Desiree Martinez, Alison Bryson-Deveraux, Sandy Duarte	66
	Weekly Status Reports	Will be provided every Monday following the previous week of monitoring.	Alison Bryson-Deveraux, Sandy Duarte	62
2.3	On-Call Cultural Resources Monitoring	As needed for the Project. We have assumed 5 responses to inadvertent finds, Lab Analysis of 50 artifacts and/or 5 fossils, 5 DPR 523 forms, and additional Task Management, Supervision, and Reporting time.	Desiree Martinez, Kim Scott, Alison Bryson-Deveraux, Sandy Duarte and/or Kelly Vreeland, Technician (TBD), Debbie Webster	182

Archaeological/Paleontological Monitoring Services
for the WRF Lift Stations and Offsite Pipelines Construction Project

Task Number	Work Performed	Schedule	Assigned Personnel	Estimated Hours
2.4	Draft Archaeological Resources Monitoring Report	Draft report will be submitted to the City within 30 days following the completion of monitoring.	Desiree Martinez, Kim Scott, Alison Bryson-Deveraux, Sandy Duarte and/or Kelly Vreeland, Logan Freeberg, Debbie Webster	48
	Response to One Round of Comments and Final Report	Within two (2) weeks following receipt of comments.	Desiree Martinez, Kim Scott, Alison Bryson-Deveraux, Sandy Duarte and/or Kelly Vreeland	11
	Administrative Record	Within two (2) weeks following the City's acceptance of the final report.	Logan Freeberg	2

SUBMITTAL FORMS

Submittal forms are included in Appendix B.

APPENDIX A. QUALIFICATIONS

EDUCATION

1999 M.A., Anthropology (Archaeology), Harvard University, Cambridge
1995 B.A., Anthropology, University of Pennsylvania, Philadelphia

SUMMARY QUALIFICATIONS

Ms. Martinez is a Registered Professional Archaeologist (RPA) with over 20 years of experience in archaeological fieldwork, research, and curation. She has expertise in the planning, implementation, and completion of all phases of archaeological work and has participated in archaeological investigations as a principal investigator, crew member, and tribal monitor. She meets national standards in archaeology set by the Secretary of Interior's *Standards and Guidelines for Archaeology and Historic Preservation*. Her experience also includes compliance with CEQA, NEPA, NHPA Sec. 106, NAGPRA, SB 18, AB 52, and California General Order 131-D exemption. Ms. Martinez has extensive experience consulting with Native American leaders and community members in a variety of contexts.

SELECTED PROJECTS

Southern California Edison (SCE) Environmental Clearance On-Call Program, Statewide, CA. Cogstone is sub-contracted to provide on-call cultural resource monitoring services for various SCE projects throughout California. Cogstone conducted archaeological monitoring, GIS mapping, and prepared technical reports for over 57 task orders. Sub to Cardno. Task Manager. 2019-ongoing

Pacific Gas and Electric (PG&E) Master Services Agreement, Statewide, CA. Cogstone is sub-contracted to provide on-call cultural resource monitoring services for various PG&E projects throughout California. Cogstone conducted archaeological monitoring reports for over 14 task orders. Sub to Cardno. Task Manager. 2019-ongoing

Morro Bay Water Facility, City of Morro Bay, San Luis Obispo County, CA. The City of Morro Bay has proposed to construct a new water reclamation facility. Federal funding for the project requires compliance with Section 106 of the National Historic Preservation Act (NHPA), along with the California Environmental Quality Act (CEQA). The US Environmental Protection Agency (EPA) is the federal lead and the City is the state lead agency, with permitting by the California Coastal Commission (CCC), California Department of Transportation (Caltrans), and the State Water Resources Control Board. Cogstone is currently conducting Worker Environmental Awareness Program (WEAP) trainings for all construction personnel, cultural and paleontological resources monitoring, and will complete a Cultural Resources Monitoring Compliance Report upon completion of construction. Sub to Filanc Black & Veatch Joint Venture. QA/QC. 2020-present

Deep Soil Mixing Pilot Project, Community of Pacific Palisades, Los Angeles County, CA. As part of an on-call contract with the Los Angeles Bureau of Engineering (LABOE), Cogstone provided cultural and paleontological resources monitoring as well as managed Native American monitoring during ground-disturbing activities. The City of Los Angeles was the lead agency under the California Environmental Quality Act (CEQA). Monitoring for the Project was conducted in compliance with the Contingency Plan conditions for the Coastal Development Permit (CDP) from the California Coastal Commission (CCC). No cultural or paleontological resources were identified. No further work was necessary. Sub to ICF. Task Manager. 2020

OC-44 Pipeline Rehabilitation Project, City of Newport Beach, Orange County, CA. Cogstone conducted cultural resources monitoring during ground-disturbing activities following a Cultural Resource Assessment of the APE in 2014 by Cogstone pursuant to the involvement of land managed by the United States Army Corps of Engineers (Section 404 of the Clean Water Act), California Department of Fish and Wildlife, and California Coastal Commission (CCC). Although no cultural resources were identified within the APE, cultural resources and Native American monitoring were required as was stipulated in the Conditions of Approval by the CCC. Sub to Michael Baker. Task Manager. 2019-2020

EDUCATION

2017 M.A., Historic Preservation, Prescott College

2007 B.A., Anthropology (Concentration in Archaeology), University of California, Santa Barbara

TRAINING AND CERTIFICATIONS

40-Hour HAZWOPPER Certification (renewed annually), Smith Driver Training, Overhead Powerline Safety (OPL) Certification, American Red Cross First Aid/CPR (Pediatric and Adult; renewed annually), American Red Cross Blood Borne Pathogen Certification

SUMMARY QUALIFICATIONS

Ms. Bryson-Deveraux is an archaeologist with over 17 years of experience throughout the state of California, with a heavy focus on the Central Coast. She meets the qualifications required by the Secretary of the Interior's *Standards and Guidelines for Archaeology and Historic Preservation* and her expertise includes surveying, excavation, site recordation, and monitoring. Ms. Bryson-Deveraux has spent considerable time on local water treatment and reclamation projects, oil field remediation projects as well as projects related to early California mining where she monitored, analyzed, and documented both prehistoric and historic resources found on site.

SELECTED PROJECTS

Morro Bay Water Reclamation Facility (WRF) Project, City of Morro Bay, San Luis Obispo County, CA.

The City of Morro Bay has proposed to construct a new water reclamation facility. Federal funding for the project requires compliance with Section 106 of the National Historic Preservation Act (NHPA), along with the California Environmental Quality Act (CEQA). The US Environmental Protection Agency (EPA) is the federal lead and the City is the state lead agency, with permitting by the California Coastal Commission (CCC), California Department of Transportation (Caltrans), and the State Water Resources Control Board. Cogstone is currently conducting Worker Environmental Awareness Program (WEAP) trainings for all construction personnel, cultural and paleontological resources monitoring, and will complete a Cultural Resources Monitoring Compliance Report upon completion of construction. Sub to Filanc Black & Veatch Joint Venture. Sub to Filanc Black & Veatch JV. Lead Archaeologist. 2020-ongoing

Pacific Gas & Electric Company (PG&E) Contracted Archaeologist, Statewide CA. Transcon Environmental and GANDA have conducted Cultural Resources Constraints Reports (CRCR), surveys, and monitoring in association with the Non-Project Managed Environmental Support program and Vegetation Management program as mandated by State and Federal agencies. Archaeologist. 2014-ongoing

Chevron Guadalupe Remediation Project, San Luis Obispo County, CA. The project intended to remediate impacts of past oil field operations and restoring habitat within the Guadalupe-Nipomo Dunes Complex, a National Natural Landmark. Gibson and Associates (2008-2012) and Applied Earthworks (2019) conducted archaeological monitoring during large-scale construction activities, as well as all associated surveys, excavation, curation, repatriation, site recordation, and report compilation. Lead Archaeologist. 2008-2012; 2019

Cayucos Wastewater Treatment Plant, San Luis Obispo County, CA. The Cayucos Sanitary District proposed to construct a Water Resource Recovery Facility and related conveyance infrastructure in the Toro Creek Valley. The proposed facility included infrastructure, pipelines, and appurtenances for influent, effluent, recycled water and processed discharge water. Applied Earthworks conducted monitoring for all ground-disturbing construction activities. Archaeologist. 2018

Breitbart Energy Project, Orcutt Hill area of Santa Barbara County, CA. Heritage Discoveries conducted surveys, site mapping, excavations, historical site research, and report compilation for numerous previously undocumented historic oil field campsites. Crew Chief/Lead Archaeologist. 2012

EDUCATION

2013 M.S., Biology with paleontology emphasis, California State University San Bernardino
2000 B.S., Geology with paleontology emphasis, University of California, Los Angeles

TRAINING AND CERTIFICATIONS

Certified 40-hour OSHA HAZWOPER Trained and certified in geomorphology techniques, National Park Service, National Center for Preservation Technology and Training

SUMMARY QUALIFICATIONS

Ms. Scott has 22 years of experience in California as a paleontologist and sedimentary geologist. Scott has worked extensively in the field surveying, monitoring, and salvaging fossils on hundreds of projects. In addition, she has special skills in jacketing large fossils, fossil preparation (cleaning and stabilization) and in the preparation of stratigraphic sections and other documentation for fossil localities. She frequently authors paleontological assessments, paleontological mitigation plans, and monitoring compliance reports to all agency requirements. She authors and conducts crew sensitivity training, serves as company safety officer, and has authored both the company safety and paleontology manuals. She is a Member of the Society of Vertebrate Paleontology and the Geological Society of America.

SELECTED EXPERIENCE

I-405 from SR-73 to I-605 Improvements Project, Caltrans District 12, Orange and Los Angeles Counties, CA. The project is to improve 16-miles of Interstate 405 (I-405) by adding General Purpose lanes and a tolled Express Lane in each direction as well as other improvements to ramps and bridges. Cogstone prepared a Paleontological Mitigation and Monitoring Plan (PMMP) and is currently supervising paleontological monitoring. Sub to OC405 Partners Joint Venture. Principal Investigator for Paleontology. 2017-*present*

Morro Bay Water Facility, City of Morro Bay, San Luis Obispo County, CA. The City of Morro Bay has proposed to construct a new water reclamation facility. Federal funding for the project requires compliance with Section 106 of the National Historic Preservation Act (NHPA), along with the California Environmental Quality Act (CEQA). The US Environmental Protection Agency (EPA) is the federal lead and the City is the state lead agency, with permitting by the California Coastal Commission (CCC), California Department of Transportation (Caltrans), and the State Water Resources Control Board. Cogstone is currently conducting Worker Environmental Awareness Program (WEAP) trainings for all construction personnel, cultural and paleontological resources monitoring, and will complete a Cultural Resources Monitoring Compliance Report upon completion of construction. Sub to Filanc Black & Veatch Joint Venture. Principal Investigator for Paleontology. 2020-*present*

Long Beach Municipal Urban Stormwater Treatment (MUST) Project, Los Angeles County, CA. In 2017, Cogstone prepared a cultural and paleontological resources assessment for the proposed construction of a stormwater facility. The project intended to improve the water quality of existing urban runoff to the Los Angeles River, and ultimately to the Long Beach Harbor. Services included pedestrian surveys, records searches, background research, built environment assessment, Native American consultation, and reporting. In 2020, Cogstone produced a Paleontological Resources Management Plan to propose effective mitigation of potential impacts to paleontological resources resulting from proposed construction of MUST and its associated Wetlands project. Sub to Michael Baker. Principal Investigator for Paleontology. 2017; 2020

Gates Canyon Stormwater Capture Project, unincorporated area of Calabasas, Los Angeles County, CA. Cogstone conducted cultural and paleontological resources monitoring for 31 days during proposed improvements to Gates Canyon Park that will allow the capture and storage of stormwater runoff from an adjacent 105-acre residential area. Monitoring complied with program mitigation measures and as defined by the County of Los Angeles, Department of Public Works (LACDPW), Project Management Division II. LACDPW was the project proponent and acted as the lead agency under CEQA. Sub to Aspen Environmental. Principal Investigator for Paleontology. 2019

APPENDIX B. SUBMITTAL FORMS

Archaeological/Paleontological Monitoring Services
for the WRF Lift Stations and Offsite Pipelines Construction Project

REFERENCES

Number of years engaged in providing the services included within the scope of the consultant services under the present business name: 19.

Describe fully the last three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the consultant services. Attach additional pages if required. The City reserve the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Customer Name	Los Angeles Bureau of Engineering (LABOE)
Contact Individual	Billy Ho, Environmental Specialist III
Telephone & FAX number	(213) 485-5745 FAX (213)847-0706
Street Address	1149 S. Broadway, Suite 600
City, State, Zip Code	Los Angeles, CA 90015
Description of services provided including contract amount, when provided and project outcome	Deep Soil Mixing Pilot Project - Cultural and Paleontological Resources Monitoring and Compliance - Contract Amount: \$30,755.06 - Billed Amount: \$19,634.97 - Dates: 11/2019-05/2019 - Completed under budget and all mitigation measures were met, no further cultural resources work required

Reference No. 2

Customer Name	Michael Baker International
Contact Individual	Alan Ashimine, Senior Associate - Environmental Services
Telephone & FAX number	(949) 855-5710 FAX (949) 330-4130
Street Address	5 Hutton Centre Drive, Suite 500
City, State, Zip Code	Santa Ana, CA 92707
Description of services provided including contract amount, when provided and project outcome	OC-44 Pipeline Rehabilitation - Cultural Resources Monitoring and Compliance - Contract Amount: \$22,445.00 - Billed Amount: \$16,840.06 - Dates: 11/2019-02/2020 - Completed under budget and all mitigation measures were met, no further cultural resources work required

Reference No. 3

Customer Name	BRG Consulting
Contact Individual	Christina Willis, Vice President
Telephone & FAX number	(619) 298-7127 x102 FAX (619) 298-0146
Street Address	304 Ivy Street
City, State, Zip Code	San Diego, CA 92101
Description of services provided including contract amount, when provided and project outcome	Indian Health Clinic, Torres Martinez Desert Cahuilla Indian Reservation - Presence/Absence Subsurface Testing (2016-2017), Cultural Resources Monitoring (2018-2020) and Compliance - Billed Amount (to date): \$92,113.70 - 12/2016-present - Upon completion of monitoring, a monitoring compliance report will be submitted and no further cultural work required

Archaeological/Paleontological Monitoring Services
for the WRF Lift Stations and Offsite Pipelines Construction Project

PROPOSAL SUBMITTAL FORM: Subconsultant LISTING

Describe briefly the work scope of each sub-consultant. Attach additional pages if required.

Subconsultant

Company Name	<i>yak tityu tityu</i> - Northern Chumash Tribe
Contact Individual	Mona Tucker
Telephone & FAX number	(805) 748-2121
Street Address	660 Camino Del Rey
City, State, Zip Code	Arroyo Grande, CA 93420
Description of services to be provided.	Native American Monitoring Services

Subconsultant

Company Name	Salinan Tribe of Monterey and San Luis Obispo Counties
Contact Individual	Patti Dunton
Telephone & FAX number	(805) 464-2650
Street Address	7070 Morro Road #A
City, State, Zip Code	Atascadero, CA
Description of services to be provided	Native American Monitoring Services

Subconsultant

Company Name	Northern Chumash Tribal Council
Contact Individual	Fred Collins
Telephone & FAX number	(805) 801-0347
Street Address	P.O. Box 6533
City, State, Zip Code	Los Osos, CA 93412
Description of services to be provided	Native American Monitoring Services

POLICY NUMBER: 6809N1990502047

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

- c. With respect to the independent acts or omissions of such person or organization; or
- d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.
- f. This insurance does not apply to the rendering of or failure to render any "professional services".
- g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

- h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

COMMERCIAL GENERAL LIABILITY

3. The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After you have signed that written contract;
- b. While that part of the written contract is in effect; and
- c. Before the end of the policy period.

COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO COVERAGE PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| A. BLANKET ADDITIONAL INSURED | H. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT – INCREASED LIMIT |
| B. EMPLOYEE HIRED AUTO | I. WAIVER OF DEDUCTIBLE – GLASS |
| C. EMPLOYEES AS INSURED | J. PERSONAL PROPERTY |
| D. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS | K. AIRBAGS |
| E. TRAILERS – INCREASED LOAD CAPACITY | L. AUTO LOAN LEASE GAP |
| F. HIRED AUTO PHYSICAL DAMAGE | M. BLANKET WAIVER OF SUBROGATION |
| G. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT | |

A. BLANKET ADDITIONAL INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

B. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating a covered "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while

performing duties related to the conduct of your business.

2. The following replaces Paragraph **b.** in **B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

C. EMPLOYEES AS INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

COMMERCIAL AUTO

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

D. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph **A.2.a.(2)** of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4)** of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

E. TRAILERS – INCREASED LOAD CAPACITY

The following replaces Paragraph **C.1.** of **SECTION I – COVERED AUTOS**:

1. "Trailers" with a load capacity of 3,000 pounds or less designed primarily for travel on public roads.

F. HIRED AUTO PHYSICAL DAMAGE

The following is added to Paragraph **A.4., Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Hired Auto Physical Damage Coverage

If hired "autos" are covered "autos" for Covered Autos Liability Coverage but not covered "autos" for Physical Damage Coverage, and this policy also provides Physical Damage Coverage for an owned "auto", then the Physical Damage Coverage is extended to "autos" that you hire, rent or borrow subject to the following:

(1) The most we will pay for "loss" to any one "auto" that you hire, rent or borrow is the lesser of:

- (a) \$50,000;
- (b) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (c) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

(2) An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

(3) If a repair or replacement results in better than like kind or quality, we will not pay for the amount of betterment.

(4) A deductible equal to the highest Physical Damage deductible applicable to any owned covered "auto".

(5) This Coverage Extension does not apply to:

- (a) Any "auto" that is hired, rented or borrowed with a driver; or
- (b) Any "auto" that is hired, rented or borrowed from your "employee".

G. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph **A.4.a., Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

H. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT – INCREASED LIMIT

Paragraph **C.1.b.** of **SECTION III – PHYSICAL DAMAGE COVERAGE** is deleted.

I. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph **D., Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

J. PERSONAL PROPERTY

The following is added to Paragraph **A.4., Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Personal Property Coverage

We will pay up to \$400 for "loss" to wearing apparel and other personal property which is:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage only applies in the event of a total theft of your covered "auto".

No deductibles apply to Personal Property coverage.

COMMERCIAL AUTO

K. AIRBAGS

The following is added to Paragraph **B.3., Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion **3.a.** does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs **A.1.b.** and **A.1.c.**, but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. AUTO LOAN LEASE GAP

The following is added to Paragraph **A.4., Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Auto Loan Lease Gap Coverage for Private Passenger Type Vehicles

In the event of a total "loss" to a covered "auto" of the private passenger type shown in the Schedule or Declarations for which Physical Damage Coverage is provided, we will pay any unpaid amount due on the lease or loan for such covered "auto" less the following:

- (1) The amount paid under the Physical Damage Coverage Section of the policy for that "auto"; and

(2) Any:

- (a) Overdue lease or loan payments at the time of the "loss";
- (b) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
- (c) Security deposits not returned by the lessor;
- (d) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
- (e) Carry-over balances from previous loans or leases.

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph **A.5., Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

Archaeological/Paleontological Monitoring Services
for the WRF Lift Stations and Offsite Pipelines Construction Project



**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY**

ENDORSEMENT WC 00 03 13 (00) - 001

POLICY NUMBER: **UB-9N199295-20-47-G**

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

SCHEDULE

DESIGNATED PERSON:

DESIGNATED ORGANIZATION:

**ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED
BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS
WAIVER.**

DATE OF ISSUE: 07-17-20

ST ASSIGN:

PAGE 1 OF 1

APPENDIX C. BILLING RATES & COST PROPOSAL



PALEONTOLOGY - ARCHAEOLOGY - HISTORY

COGSTONE 2020 FULL FEE SCHEDULE



LABOR CLASSIFICATION	HOURLY RATE	OT*	OTx2*
TECHNICAL EDITOR	\$65.00	EXEMPT	EXEMPT
TECHNICIAN/MONITOR	\$65.00	\$97.50	\$130.00
NIGHT MONITOR	\$78.00	\$117.00	\$156.00
ARCHITECTURAL HISTORIAN	\$80.00	\$120.00	\$160.00
SUPERVISOR/GIS	\$80.00	\$120.00	\$160.00
FIELD DIRECTOR	\$95.00	\$142.50	\$190.00
SOI MONITOR**	\$80.00	\$120.00	\$160.00
SOI NIGHT MONITOR**	\$105.00	\$157.50	\$210.00
PRINCIPAL INVESTIGATOR I	\$105.00	EXEMPT	EXEMPT
PRINCIPAL INVESTIGATOR II	\$115.00	EXEMPT	EXEMPT
PRINCIPAL INVESTIGATOR III	\$145.00	EXEMPT	EXEMPT

OTHER DIRECT COSTS	UNIT
MILEAGE	CURRENT IRS RATE
TRIMBLE	\$50/DAY
EXPENDABLE SUPPLIES	ACTUAL COST
OUTSIDE SERVICES	ACTUAL COST

DISCIPLINES AVAILABLE:

- ARCHAEOLOGY
- PALEONTOLOGY
- ARCHITECTURAL HISTORY
- GIS
- GEOARCHAEOLOGY
- FAUNAL IDENTIFICATION AND ANALYSIS
- HUMAN SKELETAL IDENTIFICATION AND ANALYSIS
- FOSSIL IDENTIFICATION AND ANALYSIS
- PALEOBOTANICAL IDENTIFICATION AND ANALYSIS
- CERAMIC IDENTIFICATION AND ANALYSIS
- LITHIC IDENTIFICATION AND ANALYSIS

* HOURS 9-12 PER DAY IS OVERTIME (x1.5), HOURS OVER 12 PER DAY IS DOUBLE OVERTIME (x2)

** SOI MONITOR MEETS THE GUIDELINES SET FORTH BY THE SECRETARY OF THE INTERIOR'S (SOI) STANDARDS AND GUIDELINES FOR ARCHAEOLOGY AND HISTORIC PRESERVATION (36 CFR PART 61).

SUBCONSULTANT RATES

The hourly rate for routine tribal monitoring activities shall be provided by the *yak tityu tityu* (Northern Chumash Tribe), the Salinan Tribe of Monterey and San Luis Obispo Counties, and the Northern Chumash Tribal Council at a rate of \$100 per hour.

ESTIMATED LABOR HOURS & COSTS													
Water Reclamation Facility Lift Station and Offsite Pipelines Construction (Cogstone 5170)	Title	QA/QC	Principal Investigator for Paleontology	Task Manager & Principal Investigator for Archaeology	Supervisor	GIS	Native American Monitor	A/P Monitor	Technical Editor	TOTAL LABOR HOURS	TOTAL LABOR COSTS	TOTAL OTHER DIRECT COSTS	GRAND TOTAL
Hourly Rates		\$145.00	\$115.00	\$105.00	\$80.00	\$80.00	\$100.00	\$65.00	\$65.00				
SCOPE OF WORK													
Task 1.1 Project Team Coordination													
A. Task Management and Communication		4.00	2.00	12.00						18.00	\$ 2,070.00	\$ -	\$ 2,070.00
B. Meetings (assumes three in-person meetings)				12.00						12.00	\$ 1,260.00	\$ 57.50	\$ 1,317.50
Task 1.1 Project Team Coordination Subtotal		4.00	2.00	24.00	0.00	0.00	0.00	0.00	0.00	30.00	\$ 3,330.00	\$ 57.50	\$ 3,387.50
Task 1.2. Construction Worker Cultural and Paleontological Sensitivity Training													
A. Prepare Sensitivity Training and Pamphlet			4.00	4.00	2.00					10.00	\$ 1,040.00	\$ -	\$ 1,040.00
B. Provide In-Person Sensitivity Training (max. three trainings)				4.00				8.00		12.00	\$ 940.00	\$ 118.40	\$ 1,058.40
Task 1.2. Construction Worker Cultural and Paleontological Sensitivity Training Subtotal		0.00	4.00	8.00	2.00	0.00	0.00	8.00	0.00	22.00	\$ 1,980.00	\$ 118.40	\$ 2,098.40
Task 2.1. Mitigation Monitoring During Construction													
A. Monitoring (8 weeks or 40 8-hour days)								320.00		320.00	\$ 20,800.00	\$ -	\$ 20,800.00
B. Supervision			4.00	8.00	20.00					32.00	\$ 2,900.00	\$ -	\$ 2,900.00
C. Weekly Status Reports (max. 8 weeks; includes Native American logs)			2.00	2.00	8.00					12.00	\$ 1,080.00	\$ -	\$ 1,080.00
Task 2.1. Mitigation Monitoring During Construction Subtotal		0.00	6.00	10.00	28.00	0.00	0.00	320.00	0.00	364.00	\$ 24,780.00	\$ -	\$ 24,780.00
Task 2.2. Coordination with Tribal Monitors													
A. Task Management and Communication		16.00		50.00						66.00	\$ 7,570.00	\$ -	\$ 7,570.00
B. Native American Monitoring (50 weeks or 250 8-hour days)							2,000.00			2,000.00	\$ 200,000.00	\$ -	\$ 200,000.00
C. Weekly Status Reports (max. 42 weeks; Native American logs only)				20.00	42.00					62.00	\$ 5,460.00	\$ -	\$ 5,460.00
Task 2.2. Coordination with Tribal Monitors Subtotal		16.00	0.00	70.00	42.00	0.00	2,000.00	0.00	0.00	2,128.00	\$ 213,030.00	\$ -	\$ 213,030.00
Task 2.3. On-Call Cultural Resources Monitoring													
A. Task Management and Communication		2.00		6.00						8.00	\$ 920.00	\$ -	\$ 920.00
B. Monitoring (max. 5 responses to inadvertent finds)			8.00	16.00	10.00			40.00		74.00	\$ 6,000.00	\$ 57.50	\$ 6,057.50
C. Lab Analysis (max. 50 artifacts and/or 5 fossils)			4.00	4.00	16.00					24.00	\$ 2,160.00	\$ 100.00	\$ 2,260.00
D. DPR 523 forms (max. 5 archaeological sites)				6.00	20.00	10.00				36.00	\$ 3,030.00	\$ -	\$ 3,030.00
E. Additional Reporting Time to Document Inadvertent Finds			6.00	8.00	20.00	4.00			2.00	40.00	\$ 3,580.00	\$ -	\$ 3,580.00
Task 2.3. On-Call Cultural Resources Monitoring Subtotal		2.00	18.00	40.00	66.00	14.00	0.00	40.00	2.00	182.00	\$ 15,690.00	\$ 157.50	\$ 15,847.50
Task 2.4. Reporting													
A. Draft Archaeological Resources Monitoring Report		4.00	8.00	8.00	20.00	6.00			2.00	48.00	\$ 4,550.00	\$ -	\$ 4,550.00
B. Response to One Round of Comments and Final Report		1.00	2.00	2.00	6.00					11.00	\$ 1,065.00	\$ -	\$ 1,065.00
C. Administrative Record						2.00				2.00	\$ 160.00	\$ -	\$ 160.00
Task 2.4. Reporting Subtotal		5.00	10.00	10.00	26.00	8.00	0.00	0.00	2.00	61.00	\$ 5,775.00	\$ -	\$ 5,775.00
GRAND TOTAL FOR ALL TASKS		27.00	40.00	162.00	164.00	22.00	2,000.00	368.00	4.00	2,787.00	\$ 264,585.00	\$ 333.40	\$ 264,918.40

Other Direct Costs Itemized	UNITS	RATE	TOTAL
1 .1B Mileage	100.00	\$ 0.575	\$ 57.50
1 .2B Mileage	32.00	\$ 0.575	\$ 18.40
1 .2B Copies of Sensitivity Training Pamphlet (at cost)	1.00	\$ 100.000	\$ 100.00
2 .3B Mileage	100.00	\$ 0.575	\$ 57.50
2 .3C Supplies (Bags, Tags, Burlap, Plaster; at cost)	1.00	\$ 100.000	\$ 100.00
Other Direct Total			\$333.40

Assumptions

1. We assume a minimum of three in-person meetings will be required for the Project. If additional meetings are required, they will be billed as time and materials.
2. We assume that three in-person presentations of the Sensitivity Training will be required for the Project. If additional trainings are required, they will be billed as time and materials.
3. You have estimated that a total of 40 8-hour days of archaeological and paleontological resources monitoring will be required for the Project. Should additional monitoring be required, a change order will be requested.
4. Native American monitoring will be required for the entire pipeline alignment and is estimated to require 50 weeks or 250 8-hour days of monitoring. Should additional monitoring be required, a change order will be requested.
5. Task 2.3 includes responses to five inadvertent finds and includes lab analysis for a maximum of 50 artifacts and/or 5 fossils. Curation costs are not included and will require a change order.
6. We assume a maximum of 5 archaeological sites will require recording or updating on DPR 523 forms.
7. Large finds or finds meeting CEQA significance will require a change order.
8. One round of responses to comments and final report is included.
9. Change in scope will require a change order.

CITY OF MORRO BAY

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made, by and between, the City of Morro Bay, a municipal corporation (“City”) and Cogstone Resource Management, Inc. a California corporation (“Consultant”).

1. TERM

This Agreement shall be deemed to commence on January 12, 2021, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2022, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform Tasks 1-2, as described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks within 420 days after commencement.

3. PERFORMANCE

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

4. CITY MANAGEMENT

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

5. PAYMENT

(a) City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, and based upon actual time spent on the above tasks. That amount shall not exceed Two Hundred and Sixty-Four Thousand, Nine Hundred Eighteen Dollars and Forty Cents (\$261,918.40) for the total term of this Agreement, unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the City Manager (subject to the limitations established for such administrative approvals), and Consultant at the time City's written authorization is given to Consultant for the performance of said services. Any additional work in excess of this amount shall be approved by the City Council.

(c) Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days after receipt of each invoice as to all non-disputed fees. If City disputes any of Consultant's fees, then it shall give written notice to Consultant within fifteen (15) days after receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

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

(b) In the event this Agreement is terminated pursuant to this Section, City shall pay to Consultant the actual value of the work performed up to the time of termination. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to City pursuant to Section 5.

7. DEFAULT OF CONSULTANT

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

(b) If the City Manager of his/her delegate determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, then he/she shall cause to be served upon Consultant a written notice of the default. Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City

shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

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

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

9. INDEMNIFICATION

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

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and

against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including reasonable attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant.

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

10. INSURANCE

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

11. INDEPENDENT CONSULTANT

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

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

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant shall at all times observe and comply with applicable legal requirements in effect at the time the drawings and specifications are prepared. City, and its

officers and employees, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

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

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

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

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

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

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

16. NOTICES

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

To City: City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442
Attention: Scott Collins
City Manager

To Consultant: Desiree Martinez
Cogstone Resource Management, Inc.
1518 W. Taft Avenue
Orange, CA 92865

17. ASSIGNMENT

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

18. LICENSES

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

19. GOVERNING LAW

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

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AUTHORITY TO EXECUTE THIS AGREEMENT

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

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

CITY OF MORRO BAY

CONSULTANT (2 signatures required)

By: _____
Scott Collins, City Manager

By: _____
Desiree Martinez,
Its President

Dated: January ____, 2021

Dated: January ____, 2021

Attest:

Dana Swanson, City Clerk

By: _____
_____,
Its _____

Approved As To Form:

Chris Neumeyer, City Attorney

EXHIBIT B
INSURANCE REQUIREMENTS

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

Consultant shall provide the following types and amounts of insurance:

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

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

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

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

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured’s liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Consultant, subcontractors or others involved in the Work. The scope of coverage provided is subject to approval of City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designated to protect against acts, errors or omissions of Consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$2,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

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

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

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

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City's option.
8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self-insurance available to City.
9. Consultant agrees to ensure that subcontractors, and any other party involved with the Scope of Services who is brought onto or involved in the Scope of Services by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the Scope of Services will be submitted to City for review.
10. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any Consultant, Subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of the Scope of Services to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to City. At the time City shall review options with Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
11. City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, City will negotiate additional compensation proportional to the increase benefit to City.
12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
13. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirements in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

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

PHASE 1 – PRE-CONSTRUCTION ACTIVITIES

TASK 1.1 – PROJECT TEAM COORDINATION

Cogstone will provide coordination between the City, the WRF Program Management Team, the Construction Manager, Native American representatives, and the Contractor. We anticipate that a minimum of three (3) meetings with City staff, the Construction Manager, and the Contractor will be required. Additional coordination will include scheduling and management of the Native American subconsultants. We assume the City will provide Cogstone with a copy of the Phase 2 Monitoring Plan prior to beginning work on the Project.

TASK 1.2 - CONSTRUCTION WORKER CULTURAL AND PALEONTOLOGICAL RESOURCES SENSITIVITY TRAINING

Cogstone will provide a Sensitivity Training in coordination with the Native American representatives prior to any ground disturbance for the Project. The Sensitivity Training will include the proper procedures to follow in the event of an unanticipated archaeological resources or human remains discovery, safety precautions to be taken when working with cultural resource monitors, and show examples of potential paleontological resources that may be encountered during the Project. Cogstone will provide construction personnel with pamphlets that include examples of local archaeological artifacts, midden soils, and brief descriptions of their cultural and legal significance. The pamphlet will also include examples of paleontological resources. The construction crew will be provided with contact information for Cogstone personnel and the Native American representatives. Sensitivity Training will be provided for all new construction personnel as needed. The Construction Manager will inform Cogstone when any additional personnel will require training.

PHASE 2 – CONSTRUCTION MONITORING AND MITIGATION SITE MONITORING AND REGULATORY REPORTING

TASK 2.1 MITIGATION MONITORING DURING CONSTRUCTION

Cogstone's approach to construction monitoring ensures that inadvertent discoveries of archaeological and paleontological resources are dealt with efficiently and with minimal impact to resources and the Project's schedule. Cogstone will provide an archaeologist who is cross-trained in paleontology to conduct cultural and paleontological resources monitoring for the Project. All monitoring will be conducted in compliance with CEQA.

In the interest of ensuring safety, Job Information Sheets (JIS) are drafted for each project which provide monitors with details about the project, archaeological and paleontological resources that may be encountered, safety issues, and project contact information. Monitors are encouraged to discuss this information further with the acting foreman or construction crew members present if anything is unclear.

Monitoring will be conducted only in the areas outlined within the Project's EIR and PA with SHPO. Cultural site CA-SLO-16 is excluded from monitoring per the RFP and as outlined in the Phase 2 Monitoring Plan. Monitoring in site CA-SLO-16 will be performed by a separate archaeological firm directly contracted through the City. A total of 40 8-hour working days is estimated to complete this task.

Methods

The monitor will work closely with construction crews to visually inspect and evaluate sediments immediately upon exposure for evidence of fossils and ancient or historic site use which may include artifacts, human habitation refuse, and human skeletal remains. The monitors will have the authority to halt construction, if necessary, to investigate any potentially significant archaeological or paleontological resources deposits within 50 feet of the discovery site in order to determine if the resource is a fossil or a unique archaeological resource or historical resource as defined in Public Resources Code Section 21083.2 and/or 14 C.C.R. Section 15064.5. UTM coordinates will be taken of the find as well as photographs. Should significant, intact cultural features be identified, Cogstone will notify the City and provide recommendations regarding how to address such features in consultation with the City, the Contractor, and Native American representatives.

If human skeletal remains are found at the project site, work shall be suspended, the area protected, and the County Coroner's Office shall be notified. If the remains are determined by the Coroner to be Native American, within 24 hours the Coroner will notify the Native American Heritage Commission (NAHC) which will notify a Most Likely Descendant (MLD).

Daily Log

A daily log will be maintained by the monitor describing the sediments observed throughout the day's ground-disturbing activities, document the locations of each excavation, and note the presence or absence of cultural and paleontological resources. Daily logs will be submitted in a weekly status report that will describe the monitoring activities and any discoveries. Photos will be accompanied with a detailed photo log describing each photo. The photo log will include the mapped location of each photo. The daily monitoring logs will be compiled into a weekly status report and submitted to the City each week (see **Task 2.4**). In addition, each daily log will be provided to the Construction Manager in order to be shared with all the interested Native American representatives involved with the Project.

Testing, Evaluation, and Data Recovery

Decisions about testing and data recovery will be made in consultation with the City, the Native American representatives (cultural resources only), and the Contractor. In the event that significant archaeological and paleontological resources are encountered, field personnel will follow the protocol established in the Phase 2 Monitoring Plan in order to evaluate, avoid, preserve and/or recover the resources as quickly and efficiently as is feasible with as little delay as possible in the work schedule. The City and appropriate local/state agencies will be notified of the discovery and proper site-recording

documentation will be filed in accord with the CEQA's compliance requirements. Each artifact or fossil will be accompanied by a field tag, photo documentation, and locational information and the resources will be stabilized in the field, whenever possible. All artifacts and fossils recovered will be identified by qualified experts (whether in-house or by one of Cogstone's specialist consultants with relevant analysis expertise) and curated in the appropriate facility before its deposit in the designated repository. We assume the City will provide Cogstone with a copy of the Phase 2 Monitoring Plan prior to the commencement of work on this Project.

TASK 2.2 – COORDINATION WITH TRIBAL MONITORS

Cogstone will subcontract Native American monitoring for the project using three Tribes: *yak tityu tityu* (Northern Chumash Tribe), Salinan Tribe of Monterey and San Luis Obispo Counties, and the Northern Chumash Tribal Council. The Native American representatives will be present during the Sensitivity Training in order to provide their comments and concerns prior to any ground disturbance for the Project. Each tribe will conduct monitoring on a rotating basis, which will be agreed upon in consultation with the City and the Native American representatives prior to the commencement of work on the Project. Native American monitoring will be conducted during construction along the entire pipeline alignment.

The Native American monitor will fill out a daily log each day, which will be provided to the Construction Manager so that the daily logs can be shared with all the interested Native American representatives involved with the Project. Each daily log will include the monitor's name and tribal affiliation. The daily logs will be included in the weekly status report and the Archaeological Resources Monitoring Report (see **Task 2.4**). We assume only one Native American monitor from one Tribe will be present each day and that the monitoring will rotate between the Tribes on a weekly basis or other time frame determined in consultation with the Tribes and the City.

TASK 2.3 - ON-CALL CULTURAL RESOURCES MONITORING

Cogstone will continue to provide a monitor on an on-call basis as described in **Task 2.1** to respond to any unanticipated archaeological and/or paleontological discoveries during the remainder of the Project.

TASK 2.4 - REPORTING

Cogstone will provide the City with weekly status reports which will detail the monitoring activities and any discoveries. The weekly status report will include both archaeological and Native American daily monitoring logs as well as photos, maps, and other information as appropriate.

Should no archaeological resources be identified during the Project, Cogstone's key staff will prepare an Archaeological Resources Monitoring Report which will present the results of the monitoring efforts. The report will be submitted to the City for review within 30 days from the completion of monitoring activities. Cogstone will respond to the City's comments and prepare the final report. The final report and associated shapefiles to the Central Coast Information Center at the University of California, Santa Barbara (CCIC).

Should significant resources be identified, a larger monitoring compliance report will be required. The larger report will present the results of the monitoring efforts, describe the resources encountered and provide a preliminary evaluation of National Register of Historic Places (NRHP)/California Register of Historical Resources (CRHR) eligibility, using the context, themes, and research questions developed for this specific project. Appendices to the larger compliance report will contain the prepared DPR 523 site or isolate forms for discovered or relocated cultural resources, and any other maps or material collected for this project but not included in the body of the report. All reports will be prepared in compliance with CEQA. The report will be provided to the City in electronic format upon completion of the Project in a neatly organized and easily accessible format. Cogstone will also submit a final copy of the report including any DPR 523 forms and associated shapefiles to the CCIC.

ESTIMATED LABOR HOURS & COSTS													
Water Reclamation Facility Lift Station and Offsite Pipelines Construction (Cogstone 5170)	Title	QA/QC	Principal Investigator for Paleontology	Task Manager & Principal Investigator for Archaeology	Supervisor	GIS	Native American Monitor	A/P Monitor	Technical Editor				
Hourly Rates		\$145.00	\$115.00	\$105.00	\$80.00	\$80.00	\$100.00	\$65.00	\$65.00				
		Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	TOTAL LABOR HOURS	TOTAL LABOR COSTS	TOTAL OTHER DIRECT COSTS	GRAND TOTAL
SCOPE OF WORK													
Task 1.1 Project Team Coordination													
A. Task Management and Communication		4.00	2.00	12.00						18.00	\$ 2,070.00	\$ -	\$ 2,070.00
B. Meetings (assumes three in-person meetings)				12.00						12.00	\$ 1,260.00	\$ 57.50	\$ 1,317.50
Task 1.1 Project Team Coordination Subtotal		4.00	2.00	24.00	0.00	0.00	0.00	0.00	0.00	30.00	\$ 3,330.00	\$ 57.50	\$ 3,387.50
Task 1.2. Construction Worker Cultural and Paleontological Sensitivity Training													
A. Prepare Sensitivity Training and Pamphlet			4.00	4.00	2.00					10.00	\$ 1,040.00	\$ -	\$ 1,040.00
B. Provide In-Person Sensitivity Training (max. three trainings)				4.00				8.00		12.00	\$ 940.00	\$ 118.40	\$ 1,058.40
Task 1.2. Construction Worker Cultural and Paleontological Sensitivity Training Subtotal		0.00	4.00	8.00	2.00	0.00	0.00	8.00	0.00	22.00	\$ 1,980.00	\$ 118.40	\$ 2,098.40
Task 2.1. Mitigation Monitoring During Construction													
A. Monitoring (8 weeks or 40 8-hour days)								320.00		320.00	\$ 20,800.00	\$ -	\$ 20,800.00
B. Supervision			4.00	8.00	20.00					32.00	\$ 2,900.00	\$ -	\$ 2,900.00
C. Weekly Status Reports (max. 8 weeks; includes Native American logs)			2.00	2.00	8.00					12.00	\$ 1,080.00	\$ -	\$ 1,080.00
Task 2.1. Mitigation Monitoring During Construction Subtotal		0.00	6.00	10.00	28.00	0.00	0.00	320.00	0.00	364.00	\$ 24,780.00	\$ -	\$ 24,780.00
Task 2.2. Coordination with Tribal Monitors													
A. Task Management and Communication		16.00		50.00						66.00	\$ 7,570.00	\$ -	\$ 7,570.00
B. Native American Monitoring (50 weeks or 250 8-hour days)							2,000.00			2,000.00	\$ 200,000.00	\$ -	\$ 200,000.00
C. Weekly Status Reports (max. 42 weeks; Native American logs only)				20.00	42.00					62.00	\$ 5,460.00	\$ -	\$ 5,460.00
Task 2.2. Coordination with Tribal Monitors Subtotal		16.00	0.00	70.00	42.00	0.00	2,000.00	0.00	0.00	2,128.00	\$ 213,030.00	\$ -	\$ 213,030.00
Task 2.3. On-Call Cultural Resources Monitoring													
A. Task Management and Communication		2.00		6.00						8.00	\$ 920.00	\$ -	\$ 920.00
B. Monitoring (max. 5 responses to inadvertent finds)			8.00	16.00	10.00			40.00		74.00	\$ 6,000.00	\$ 57.50	\$ 6,057.50
C. Lab Analysis (max. 50 artifacts and/or 5 fossils)			4.00	4.00	16.00					24.00	\$ 2,160.00	\$ 100.00	\$ 2,260.00
D. DPR 523 forms (max. 5 archaeological sites)				6.00	20.00	10.00				36.00	\$ 3,030.00	\$ -	\$ 3,030.00
E. Additional Reporting Time to Document Inadvertent Finds			6.00	8.00	20.00	4.00			2.00	40.00	\$ 3,580.00	\$ -	\$ 3,580.00
Task 2.3. On-Call Cultural Resources Monitoring Subtotal		2.00	18.00	40.00	66.00	14.00	0.00	40.00	2.00	182.00	\$ 15,690.00	\$ 157.50	\$ 15,847.50
Task 2.4. Reporting													
A. Draft Archaeological Resources Monitoring Report		4.00	8.00	8.00	20.00	6.00			2.00	48.00	\$ 4,550.00	\$ -	\$ 4,550.00
B. Response to One Round of Comments and Final Report		1.00	2.00	2.00	6.00					11.00	\$ 1,065.00	\$ -	\$ 1,065.00
C. Administrative Record						2.00				2.00	\$ 160.00	\$ -	\$ 160.00
Task 2.4. Reporting Subtotal		5.00	10.00	10.00	26.00	8.00	0.00	0.00	2.00	61.00	\$ 5,775.00	\$ -	\$ 5,775.00
GRAND TOTAL FOR ALL TASKS		27.00	40.00	162.00	164.00	22.00	2,000.00	368.00	4.00	2,787.00	\$ 264,585.00	\$ 333.40	\$ 264,918.40

Other Direct Costs Itemized	UNITS	RATE	TOTAL
1 .1B Mileage	100.00	\$ 0.575	\$ 57.50
1 .2B Mileage	32.00	\$ 0.575	\$ 18.40
1 .2B Copies of Sensitivity Training Pamphlet (at cost)	1.00	\$ 100.000	\$ 100.00
2 .3B Mileage	100.00	\$ 0.575	\$ 57.50
2 .3C Supplies (Bags, Tags, Burlap, Plaster; at cost)	1.00	\$ 100.000	\$ 100.00
Other Direct Total			\$333.40

Assumptions

1. We assume a minimum of three in-person meetings will be required for the Project. If additional meetings are required, they will be billed as time and materials.
2. We assume that three in-person presentations of the Sensitivity Training will be required for the Project. If additional trainings are required, they will be billed as time and materials.
3. You have estimated that a total of 40 8-hour days of archaeological and paleontological resources monitoring will be required for the Project. Should additional monitoring be required, a change order will be requested.
4. Native American monitoring will be required for the entire pipeline alignment and is estimated to require 50 weeks or 250 8-hour days of monitoring. Should additional monitoring be required, a change order will be requested.
5. Task 2.3 includes responses to five inadvertent finds and includes lab analysis for a maximum of 50 artifacts and/or 5 fossils. Curation costs are not included and will require a change order.
6. We assume a maximum of 5 archaeological sites will require recording or updating on DPR 523 forms.
7. Large finds or finds meeting CEQA significance will require a change order.
8. One round of responses to comments and final report is included.
9. Change in scope will require a change order.

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AGENDA NO: C-3

MEETING DATE: January 12, 2020

Staff Report

TO: Honorable Mayor and City Council

DATE: January 7, 2020

FROM: Rob Livick, PE/PLS – City Engineer

SUBJECT: Consideration of Proposal and Approval of Contract with Kevin Merk Associates, LLC (KMA) for Biological Monitoring Services for the Water Reclamation Facility (WRF) Lift Stations and Offsite Pipelines Construction

RECOMMENDATION

Staff recommends the City Council:

1. Review the report and proposal; and
2. Review the recommendation from staff to award a contract to KMA for Biological Monitoring Services for the WRF Lift Stations and Offsite Pipelines Construction; and
3. Recommend the City Council authorize the City Manager to execute an agreement in the not to exceed amount of \$71,310.

FISCAL IMPACT

KMA proposes to complete all work under the Biological Monitoring Services contract on a time and materials basis with a budget per task order that will not be exceeded without receiving written authorization from the City.

The latest quarterly budget reconciliation presented to the City Council at the end of Q1 FY 2020/2021 as part of the WRF Quarterly Report (September 2020) included a total project budget of \$138,682,000. The budget includes a total of \$100,000 for biological monitoring. Therefore, awarding a contract to KMA in the amount of \$71,310 will not impact the overall WRF Project budget or the rates paid by water and wastewater customers.

BACKGROUND

On October 8, 2020, the City released a request for proposals/qualifications (RFP/RFQ) for Biological Monitoring Services. The RFP/RFQ is [linked](#) to this report (Attachment 1). The Final Environmental Impact Report (FEIR) (Environmental Sciences Associates, 2018) and the United States Fish and Wildlife Service (USFWS) Biological Opinion outline potential habitats for both the tidewater goby (*Eucyclogobius newberryi*) (Goby) and the California red-legged frog (*rana draytonii*) (CRLF) for this component of the WRF project. Both the FEIR Special Status Wildlife mitigation measures and the Biological Opinion require biological monitoring and environmental awareness training and education during construction.

Several of the mitigation measures in the FEIR are not applicable to this component of the WRF project. The final design of the Conveyance Facilities Project excluded potential habitat for the Mono shoulderband snail (*Hetminthoglypta walkeriana*) and the American Badger. Mitigation measure BIO-

Prepared By: RL

Dept Review: RL

City Manager Review: SC

City Attorney Review: JWP

3 and BIO-4 from the FEIR are, therefore, not applicable to this component of the WRF project. Work elements related to mitigation measures BIO-3 and BIO-4 were not required by the RFP/RFQ and were not included in the proposers' scopes of work.

The FEIR and Biological Opinion serve as the basis for the scope in the RFP/RFQ, which includes the following elements:

- Coordination with the City, Construction Manager, and contractor.
- Performing pre-construction surveys, collecting data, and preparing summary reports. The survey activities include:
 - Stormwater Pollution Prevention Plan (SWPPP) concurrence with biological monitoring best management practices (BMPs)
 - Review and inspection of staging areas, access routes, and temporary placement areas
- Biological monitoring services during construction and associated monitoring reports.
- Delineation of special status species habitats.
- Environmental awareness training and education, which includes, but is not limited to:
 - CRLF, Goby, and other wildlife and plant species that may be encountered during construction
 - Special status species habitat that may be encountered during construction
 - Federal and State regulation overview
 - Spoils stockpile placement and spill prevention
 - Designated fueling and washout areas
 - Best Management Practices

SELECTION PROCESS

On October 20, 2020, the City received a total of ten (10) proposals: KMA, Althouse and Meade, Inc., Analytical Environmental Services, JBD Environmental Consulting, ECORP Consulting, Inc., Endemic Environmental Services, GPA Consulting, Rincon Consultants, Inc., SWCA Environmental Consultants, and Padre Associates, Inc. KMA's proposal is included as an attachment to this report (Attachment 2).

The Biological Opinion requires the use of a USFWS-approved biologist for pre-construction surveys, relocation of CRLFs identified, and routine monitoring for construction activities. The inclusion of a biologist, as a key member of the team, whom had previously been approved by the USFWS for the CRLF was a key metric used to evaluate the proposals. In addition, the proposals were evaluated based on the following criteria:

- Understanding of the scope of work (e.g. completeness of proposal; demonstrated grasp of work to be completed under this contract; expressed understanding of the project scope, objectives, and complexity);
- Past performance and related experience of firm (e.g. previous experience in performing similar projects, results of reference checks, administrative information);
- Expertise of technical and professional team members assigned to the project;
- Proposed project approach (e.g. conceptual and technical approach in preparing the plan, including assurance of the consultant's ability to provide deliverables in a timely fashion and with high quality);
- Recent experience in successfully performing similar services;
- Cost effectiveness of proposed project approach; and
- Ability to conform to City contract requirements.

KMA was selected unanimously based on their qualifications, experience working with the specific species noted in the Biological Opinion, understanding of the project, and their cost effectiveness by

the selection committee, which consisted of Eric Casares (WRF Program Manager), Rob Livick (City Engineer), and Joe Mueller (City Utilities Manager/Acting Public Works Director).

KMA has been the WRF Project Biologist for a number of years and was instrumental in preparation of the FEIR, preparation of the FEIR Addendum, negotiation of the Biological Opinion, and monitoring and biological training for construction of the WRF. KMA is currently performing similar services for the WRF to those outlined in the RFP/RFQ as a subconsultant to the WRF Program Manager (i.e., Carollo Engineers).

CONCLUSION

Staff recommends award of the contract for Biological Monitoring Services for the Lift Station and Offsite Pipelines to KMA based on the solicitation and review process that has taken place since October 2020.

ATTACHMENTS

1. Biological Monitoring Services RFP/RFQ - [Link](#)
2. KMA's Proposal
3. Draft Agreement including the proposed scope and budget from KMA



October 30, 2020

Rob Livick, PE/PL
City Engineer, Public Works Department
City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442

Subject: Proposal to Provide Biological Monitoring Services for Construction of the Water Reclamation Facility Lift Stations and Offsite Pipelines, City of Morro Bay, San Luis Obispo County, California

Dear Mr. Livick:

This proposal is in response to the City of Morro Bay's (City) Request for Proposal dated October 8, 2020 and Addendum Number 1 issued on October 21, 2020 for biological monitoring services in support of the Water Reclamation Facility Conveyance Facilities Project (project). Kevin Merk Associates (KMA) is honored to have helped the City with this project and reaching their goals of building a resilient and sustainable community. We are equally grateful to have the opportunity to propose on the conveyance element and hope to continue working with the City on this very important project.

As you know, KMA has been involved with the planning, permitting and construction of the Morro Bay Water Reclamation Facility project (MBWRF) providing biological resources expertise. In addition to the technical siting studies completed for the project, we assisted ESA during preparation of the project Environmental Impact Report (EIR). KMA has also assisted the project team during the regulatory agency consultation phase, which included work with the California Coastal Commission for issuance of the Coastal Development Permit, the U.S. Environmental Protection Agency for funding, and the the U.S. Fish and Wildlife Service (USFWS) to acquire the Biological Opinion (BO) for incidental take authorization of federal listed species. We have also interfaced with the U.S. Army Corps of Engineers, the Regional Water Quality Control Board and California Department of Fish and Wildlife (CDFW) to ensure compliance with all applicable laws and regulations pertaining to natural resources. KMA biologists have surveyed the project area multiple times and know the precise locations of all regulated features and potential special status species habitat. As such, we are ready to hit the ground running and require minimal preparation time.

Since the start of facility construction in March 2020, we have conducted all required preconstruction surveys, prepared environmental awareness training materials and provided the training to all construction personnel, and monitored construction activities to ensure compliance with the mitigation measures developed in the EIR and other acquired permit conditions. Given the project started with the Covid 19 restrictions, we worked diligently to maintain biological monitoring support and keep the contractor moving in a forward direction. We continue to support the team with the review of project plans and developing construction approaches that comply with

project approvals. We are also developing the Riparian Enhancement Plan as required in the Coastal Development Permit, and requirements with CDFW and USFWS. Throughout the course of the project, KMA has maintained a high level of professionalism with construction personnel, and we would continue to provide the City effective biological monitoring services for this next phase of the project. In addition, our established relationships with the project team and involved regulatory agencies, make us well-suited to assist the City with the next phase of the project.

KMA Qualifications

KMA is an environmental consulting firm founded in 2011 with the majority of our work in coastal counties from Santa Cruz to Malibu. We provide a range of biological resources and planning services to help clients navigate complex regulatory processes. While focused on natural resources consulting, permitting, biological monitoring and regulatory compliance, we also provide environmental planning services for California Environmental Quality Act (CEQA) and National Environment Policy Act (NEPA) compliance. Our team members have many years of experience and have worked the majority their professional careers in Central California, and in the Morro Bay area in particular. We are well-versed in the reporting requirements of various state and federal agencies, and regularly interface with agencies such as the USFWS, CDFW, and California Coastal Commission.

The KMA team will be led by Kevin Merk, who will act as the Principal Biological Monitor. Kevin will be supported by KMA Senior Biologists Susan Christopher, Matthew Beyers and Cindy Cleveland. We have also included our long-time associate, Dwayne Oberhoff of Ecological Assets Management, on our team should any Morro shoulderband snail (*Helminthoglypta walkeriana*; MSS) issues arise during the course of construction. While we realize the conveyance alignment and lift stations will be constructed in mostly developed areas, we have included Mr. Oberhoff in case a USFWS-approved MSS biologist is needed to review any construction modifications that may result in work in close proximity to potentially suitable MSS habitat. Please note that all KMA team members have already been approved by the USFWS to work on the project pursuant to requirements of the BO.

KMA biologists would continue to work with the City's team to oversee compliance with all biological mitigation measures in the EIR and conditions of the BO and CDP. We will provide the team with status reports on the work effort and results of preconstruction surveys and monitoring consistent with what has been done for the facility. We have met the Construction Manager for the conveyance element and reviewed important biological resources issues to help the team interface with the contractor. Our team is committed to help the City ensure compliance with all mitigation measures developed in the EIR and those identified in regulatory agency permits. We will work diligently to resolve problems, if encountered, by creative thinking and regular communication and positive interaction amongst the construction team. It is important to note that we have state of the art graphic and map production capabilities, and will utilize ARC GIS software for maps and graphics to be included in reports. Our qualifications and relevant experience presented in the following sections of this proposal demonstrate our ability to help the City complete this very important project in an efficient and cost effective manner. Complete resumes for the KMA team are provided as attachments. We also must highlight we have a local office in Los Osos, and are geographically positioned to be at the site in a moment's notice and are not charging expenses for travel or field equipment.

Representative Project Experience

The KMA team has many years of experience working on linear infrastructure projects throughout Central California, and are experts with the biological resources in the Morro Bay region and those on the project alignment. We have conducted all the biological surveys for the project and know where all special status resources are located, and all mitigation and protection measures in place that constitute the biological compliance program. The following provides a short list of other representative construction monitoring projects we have completed, including linear pipeline and transportation projects, that have had similar resource issues.

Morro Bay Water Reclamation Facility, Facility Construction at South Bay Boulevard

Carollo Engineers: Eric Casares, Project Manager

Dates of work performed: March 2020 to present

KMA has worked with the City and John Rickenbach Consulting to plan, permit and conduct the CEQA analysis for the project. For the construction phase, KMA has assisted Carollo Engineers and the Design Build entity, Filanc Black and Veatch, to construct the facility element. This included extensive regulatory agency coordination prior to the start of construction along with preconstruction surveys, environmental awareness program development and training, and monitoring of initial habitat disturbance. The installation of wildlife exclusion fence around the site perimeter was also overseen by KMA biologists. The team of biologists developed for this project were all approved by USFWS under the Biological Opinion (BO) 08EVEN00-2020-TA-0014 issued to USEPA to allow capture and relocation of federal listed species such as the California red-legged frog.

Templeton Community Services District East Side Force Main and Lift Stations Project

Templeton CSD: Bettina Mayer, District Engineer

Dates of work performed: 2018-2019

KMA assisted the Templeton CSD on a linear pipeline and lift station construction project that traversed urban and natural areas in northern San Luis Obispo County. Mitigation measures developed in the project's CEQA document and in the Streambed Alteration Agreement acquired from the CDFW required qualified biologists conduct preconstruction surveys of all work areas, provide environmental awareness training for construction personnel, and monitor construction activities in special status species habitat. The pipeline construction utilized open trench, jack and bore and directional drilling techniques in the vicinity of several drainage features including the Salinas River and Toad Creek. Biologists were required to monitor all work in the vicinity of drainages and extensive bird nesting surveys were required due to all the large oak trees present in the creek crossings as well as other urban areas along the alignment.

Highway 46 Improvement Project, Caltrans District 5

Papich Construction: Jason Papich, President

Dates of work performed: 2012-2018

KMA provided biological monitoring and compliance services for the Highway 46 Improvement project over multiple years to help the Caltrans construction team comply with numerous permit and CEQA mitigation measures. This included conducting preconstruction surveys for nesting

birds, American badger and San Joaquin kit fox, preparing environmental awareness training materials and providing trainings to construction personnel, and monitoring all initial habitat disturbance as well as work in drainages and special status species habitat. Monthly and annual compliance reporting consistent with project permits such as the BO 1-8-03-F-59 issued by the USFWS were also required. Due to the presence of the state threatened Swainson's hawk, extensive coordination with CDFW was required, and KMA biologists conducted surveys for this species throughout the alignment, monitored all construction activities within 1,200 feet of identified nest sites, and provided regular interface with CDFW personnel.

Union Valley Parkway Project, City of Santa Maria, Caltrans Local Assistance Program

John Madonna Construction: John Madonna, Chief Executive Officer

Dates of work performed: 2005 – 2010

While this project was completed 10 years ago, it had extensive agency consultation and permitting requirements before the project was approved for construction, similar to the MBWRF project. Due to the presence of federal-listed species such as the California red-legged frog and tiger salamander, a high level of regulatory agency involvement occurred, which required a rigorous biological monitoring and reporting effort. Kevin Merk led the biological monitoring team that conducted preconstruction surveys, provided worker awareness training and monitored all surface disturbance along the linear project site. Wildlife exclusion fencing was effectively used along the perimeter of the work site to ensure special status animals such as the California red-legged frog did not access the site during the construction phase. Similar to the MBWRF project, Mr. Merk's monitoring team was approved by all regulatory agencies including the USFWS under BO 1-8-08-F-39.

Client References For Recent Projects

The successful completion of projects provides the basis of our success. Most of our clientele are repeat customers, many of which we have had the pleasure of serving for many years. We also have an excellent rapport with regulatory agency staff that can speak to our professionalism and ability to complete complex projects. Please feel free to contact the following individuals regarding our professional expertise and past work experiences.

County of San Luis Obispo Public Works

Contact: Keith Miller
Environmental Division Manager
County Government Center, Room 207
San Luis Obispo, CA 93408
klmiller@co.slo.ca.us
(805) 781-5714

John Madonna Construction, Inc.

Contact: John Madonna
Chief Executive Officer
P.O. Box 5310
San Luis Obispo, CA 93403
john@jmadonna.com
(805) 543-7751

Papich Construction, Inc.

Contact: Jason Papich
President
398 Sunrise Terrace
Arroyo Grande, CA 93420
jpapich@papichconstruction.com
(805) 473-3016

California Coastal Commission

Contact: Dr. Jonna Engel
Coastal Ecologist
89 S. California Street, Suite 200
Ventura, CA
jengel@coastal.ca.gov
(805) 585-1821

SCOPE OF WORK

As relayed above, KMA has provided biological services for the project and are well-versed with the issues associated with project construction. If selected for the conveyance phase, we would continue to work seamlessly with the Program Management Team and selected contractor to help complete the project. Similar to the facility phase, the out-of-town contractor needed extra help from KMA to educate them about the sensitive biological resources present in the project area, and all the mitigation measures and permit conditions applied to the project. KMA will strive to establish a good working relationship with the contractor to make the conveyance and lift station construction phase a success. The below tasks follow those identified in the RFP and subsequent addendum and provides further information regarding our proposed work effort.

Phase 1 – Preconstruction Activities

Task 1.1 – Project Team Coordination. KMA would coordinate with the City and WRF Program Management Team, including the construction manager from Carollo Engineers and contractor superintendent, throughout the course of the project. Similar to our ongoing work at the facility, KMA would be very involved during project initiation to help contractor personnel understand the limits of special status species habitat or regulatory jurisdictional areas around creeks, and then scale back our involvement to regular meetings and monitoring spot checks once initial habitat disturbance is complete. We would be available for phone calls and email correspondence once work is occurring in contained, disturbed areas. For developing this scope of work, we have assumed at least three (3) four (4) hour meetings with the project team would occur. While the three separate meetings were identified under this task, regular project team coordination is expected to occur throughout the monitoring effort as KMA biologists regularly check in with project personnel when onsite.

Task 1.2 – Biological Monitoring Plan. Given the majority of the conveyance and lift station footprint is within developed, urban areas, not all components of the project will require monitoring. To help focus the monitoring effort, the Biological Monitoring Plan would be developed to identify all monitoring activities that would be performed at specific locations for the duration of the project. It will detail the methods and locations where preconstruction surveys for nesting birds and California red-legged frogs would occur, and where delineating the extent of regulatory agency jurisdiction is required at wetlands and creeks in the project alignment. The Plan would provide regulatory agency and KMA contact information and define the communication protocols to be used by the contractor and Program Management Team during the course of the work effort.

Task 1.3 – Construction Mobilization Review. To ensure compliance with mitigation measures included in the EIR (MM BIO-2, BIO-5 and BIO-8), KMA would review the contractor’s mobilization plan to make sure all equipment storage areas, concrete washout areas, refueling locations and stockpile areas avoid special status species habitats and adhere to required setbacks from drainages, riparian areas and wetland features. While this task would be performed in conjunction with Task 1.6 below, it is expected to be a dynamic process working with the contractor and any of their subcontractors that show up onsite at different times. As the case with many construction projects, a concrete or electrical subcontractor may start work later in the project and without proper guidance may not realize that important material staging requirements are in place. This task would also be relevant during the course of construction due to nesting birds and mobile

species such as the California red-legged frog that may restrict work in select areas of the site on a seasonal basis.

Task 1.4 – SWPPP Concurrence Review. While KMA would not be the Storm Water Pollution Prevention Plan (SWPPP) compliance inspector/manager, we would review key elements of the SWPPP to make sure areas of special status species habitat are properly protected during construction. We would help the contractor during the course of the project to make sure their Best Management Practices (BMPs) remain functional around creeks, drainages, wetlands and other regulated biological resources. We would inspect these features during the regular monitoring visits and report areas of concern to the construction team’s point of contact immediately and work to remedy the issue area as soon as possible.

Task 1.5 – Environmental Awareness Training and Education. KMA has already developed education training materials for the facility project and worked with the project team to create a hard hat sticker to be distributed to construction personnel once they have been trained. The training was developed for California red-legged frog, pond turtle, and nesting birds, and will be easily modified to include biological resources that may be encountered on this next phase of the project. It is envisioned that we would have an initial kick-off training at the start of the project, and then remain available on an as-needed basis (likely during regular monitoring visits) to provide additional trainings to subcontractors and new personnel as they start work on the site. KMA also trained the site superintendent for the facility site to allow them to provide additional trainings to ensure all personnel receive the training prior to them starting to work onsite. It is envisioned that this same approach would occur for the conveyance element, and the project superintendent would be trained to review the education materials to new employees, have them sign an affidavit confirming their training, and then provide a hard hat sticker to easily recognize that they have received the required training. KMA will maintain the sign in sheets and include them in the regular monitoring reports for the team, as well as the annual reports to be submitted to regulatory agencies.

Task 1.6 – Preconstruction Surveys. Preconstruction surveys of the work area will be conducted consistent with the biological mitigation measures in the EIR and conditions of the Biological Opinion. This will include surveys for nesting birds and the California red-legged frog. Nesting bird surveys would occur for work initiating during the nest season (February 15th through August 31st). While it is anticipated that work will occur throughout the nesting season, construction activities that have already commenced are not likely to be affected by a pair of birds that decide to nest in close proximity to work after it has already started. KMA biologists would conduct initial surveys of the work areas as they progress, and it is expected that work would occur at more than one location at a given time. We would continue to monitor nesting activity of birds along the project alignment during the appropriate time of year and work with the project team to ensure project activities can continue should a nest site be located in an area prior to the start of work. The goal will be to think creatively if a nest site is located along the alignment so the contractor can proceed with work in other areas or in proximity to the active nest while adhering to the required setbacks.

For the California red-legged frog , preconstruction surveys would occur within 48 hours of work at select areas of the alignment including the Morro Creek pipe bridge and along Drainage 1 (aka Willow Camp Creek) at the bike path crossing and adjacent to lift station 2. Additional surveys would be conducted at Drainage 2A and 2B crossings along Quintana Road as well as along the segment of Drainage 3 running adjacent to South Bay Boulevard, even though work will occur in the

roadway. This would ensure any work that will occur over or adjacent to potential habitat would proceed according to their defined schedule. As appropriate, we would work with the contractor to install exclusion barriers such as the ERCTEC fencing used at the facility site to keep the California red-legged frog from moving into the work area and causing a stop work issue.

Phase 2 – During Construction Activities

Task 2.1 – Wetland Delineation During Construction. KMA conducted the wetland delineation for the entire conveyance alignment and we know the precise location of all wetland and riparian areas in the project area. The wetland delineation data were provided to the project team and all jurisdictional areas at crossing sites are shown on project plans. We have also met with the conveyance construction manager to review the wetland areas, proposed jack and bore pits, and potential modifications to the alignment along the bike path to help with potential modifications that may be needed. In accordance with EIR mitigation measures, we would work with construction personnel to delineate the extent of riparian and wetland habitat for avoidance, and the top of creek banks in proximity of work to avoid impacts to jurisdictional areas and aquatic habitat for species that may be present seasonally. We would work together with project personnel including the contractor's representatives to ensure all regulatory agency jurisdictional areas are identified in the field and adequately protected with BMPs and flagging. As part of the Morro Creek pipe bridge, select trimming of riparian habitat will be required along with trimming and removal of some ornamental vegetation and limits of disturbance will be adequately documented using photographs and GPS data for inclusion in compliance reports.

Task 2.2 – Monitoring During Construction. As stated above, not all of the project alignment will require a biologist be present during construction. Our knowledge of the area will help focus biological monitoring to select areas of the alignment where biological resources and special status species habitats are present. Biological monitoring will be required on a daily basis for work around jurisdictional drainage features. This includes work on the pipe bridge at Morro Creek and the jack and bore to be completed at Drainage 1 at the bike path. For the crossings of Drainages 2A and 2B it is envisioned that spot check monitoring would be done to document work occurring around and under these jurisdictional drainages, and to help construction personnel if conditions require installation of exclusion fence or other BMPs. Should CDFW permitting have additional monitoring requirements, we would work with the City to ensure a sufficient level is completed for the project. Monitoring of active bird nests may also be required along the alignment since trees and shrubs throughout the project area could be used by a wide variety of birds protected under California Fish and Game Code as well as the Migratory Bird Treaty Act.

A biologist is required to be present at the work site during initial site disturbance where vegetation is present (i.e., outside the roadway alignments). The BO requires a Service or USFWS-approved biologist be present at the work site until all California red-legged frogs have been relocated out of harm's way, workers have been instructed, and disturbance of habitat has been completed. After this time, the USFWS-approved biological monitor will document onsite compliance with all minimization measures. Biological monitoring will be scaled back once the habitat disturbance is complete to document compliance with all conditions in the BO and mitigation measures in the project EIR. Please note that the KMA team has already been approved by the USFWS to monitor the project, including the capture and relocation of federal listed species that may be encountered. We have also included an MSS biologist on the team in case project modifications are needed that encroach into sandy soils.

For work commencing during the rainy season, the USFWS-approved biologist will be required to survey the work area and inspect under construction equipment and materials in areas in close proximity to suitable habitat. If a frog is located in the work area, it will be captured and relocated to an USFWS-approved location, which is anticipated to be in the Morro Creek watershed. The biologist will be required to identify the location during preconstruction surveys and have that area approved by the USFWS prior to the start of work.

KMA biologists would also work with the project team to evaluate trees proposed for protecting in place versus those to be removed or excessively trimmed. While KMA biologists would not install the protection fencing for trees located in proximity to work, we would help construction personnel identify the dripline and critical root zones to ensure trees to be saved are adequately protected during construction. For this task it was assumed that upwards of 40 days would be required for biological monitoring, and it would include both KMA Principal and Senior Biologists to ensure the project runs smoothly and efficiently.

Task 2.3 – Relocation of California Red-legged Frogs During Construction. Conditions are provided in the BO that detail the preconstruction survey, monitoring and capture/relocation protocols. Consistent with the BO, KMA biologists have already received necessary USFWS approvals. It is envisioned that KMA biologists would capture and relocate any California red-legged frogs observed in disturbance area during preconstruction surveys and monitoring initial habitat disturbance activities consistent the BO requirements. Capture and relocation efforts would most likely occur during preconstruction surveys detailed under Task 1.6 and monitoring during construction detailed under Task 2.2. For cost development, we have included an additional 16 hours of KMA biologist time should a frog show up onsite outside the time frames allocated to preconstruction surveys and biological monitoring.

Task 2.4 – Reporting During Construction. KMA biologists keep detailed field notes documenting observations made during preconstruction surveys and biological monitoring work. We would compile the field notes into weekly summary reports along with representative site photographs and maps identifying important features that would be saved to the Program Managers intranet site. All reporting would be completed consistent with mitigation measures from the project EIR and conditions in the BO, and any other regulatory conditions placed on the project. We will also make sure any reports prepared during the course of the construction monitoring effort are appropriate to share with all involved regulatory agencies including the USFWS, USEPA, CDFW and Coastal Commission. For developing a cost for this task, we have assumed that weekly monitoring summary reports will be prepared over a one year period and that separate reports would be prepared to document the preconstruction surveys. Preconstruction survey report preparation has been included under Task 1.6. This is consistent with work completed to date for biological monitoring efforts at the facility site. In addition, the project team agreed that monthly monitoring reports were sufficient to document biological monitoring and compliance work at the facility site, and KMA will work with the project team to provide whatever level of reporting frequency that helps the contractor complete the project as quickly and efficiently as possible while maintaining strict adherence to project mitigation measures and the regulatory authorizations received to date.

COST AND INSURANCE

KMA will provide the above-described services in accordance with the project scope of work, on a time and materials basis consistent with terms of the contract attached to the RFP. We are committed to help the City complete this project, and would use our current billing rates established for the Facility project. This equates to a roughly 10% reduction from our current rate structure as shown on our attached January 2020 Fee Schedule. Using the assumptions identified above, we would provide biological monitoring services for the conveyance and lift station construction project for a not-to-exceed amount of **\$71,310**. Our cost for the work effort is detailed in the attached cost estimate spreadsheet providing a breakdown of our proposed cost by task. Given the dynamic nature of a large construction project with many moving parts, we recommend including a contingency amount to cover unforeseen circumstances. The contingency fund would require your authorization prior to use.

Insurance Coverage

The contractual provisions provided by the City of Morro Bay for this project have been reviewed, and confirmed that we do not have any conflicting interests. KMA maintains the City's insurance requirements as shown on the attached insurance certificate listing our current coverage. The required insurance certificate would be provided prior to starting work on this project. This certificate will be maintained in full force and effect for the duration of the contract and will be in an amount and format satisfactory to the City.

Contractual and Indemnification Requirements

KMA would agree to the City's contract language, and would defend, indemnify, and hold harmless the City, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities or other losses that may be asserted by any person or entity, and that arise out of or are made in connection with the acts or omissions relating to the performance of any duty, obligation, or work hereunder. KMA agrees to all indemnification requirements associated with this project.

We pride ourselves on our flexibility, and are happy to meet with City to discuss the proposal, cost estimate and project in more detail. Our costs and assumptions used to attain the final fee are negotiable to meet the needs of the City. Additional work, not included herein, would be completed only after reviewing the tasks with the City and upon written City authorization. This offer for professional services will remain in effect for a period of 60 days from the closing date for proposal acceptance. Please direct all questions to:

Kevin Merk
P.O. Box 318
San Luis Obispo, CA 93406
kmerk@kevinmerkassociates.com
(805) 748-5837



Thank you for the opportunity to submit our qualifications and proposal to assist the City of Morro Bay on this very important regional project. Our team will be available to answer specific questions during the course of the selection process.

Sincerely,
KEVIN MERK ASSOCIATES, LLC



Kevin B. Merk
Principal Biologist

*Attachments: Cost Estimate Spreadsheet
Insurance Certificate
Subconsultant Listing Form
References Form
Statement of Past Contract Disqualifications
RFP Addendum Number 1 Acknowledgement
Team Resumes
KMA Fee Schedule*

Budgetary Cost Estimate - Biological Monitoring Services for Morro Bay WRF - Conveyance and Lift Station Phase

Task	Cost	Hours	Principal Biologist	Senior Biologist	GIS/Graphics	Admin Assist
			\$135/hr	\$115/hr	\$95/hr	\$65/hr
Task 1.1 - Project Team Coordination	\$4,015	35	12	12	10	1
Task 1.2 - Biological Monitoring Plan	\$2,905	25	8	12	4	1
Task 1.3 - Construction Mobilization Review	\$1,565	13	6	6		1
Task 1.4 - SWPPP Concurrence Review	\$2,065	17	8	8		1
Task 1.5 - Environmental Awareness Training	\$2,445	21	8	8	4	1
Task 1.6 - Preconstruction Surveys and Report	\$6,095	51	16	32	2	1
Task 2.1 - Wetland Delineation During Construction	\$2,000	16	8	8		
Task 2.2 - Monitoring During Construction (assumes 40 days)	\$39,200	320	120	200		
Task 2.3 - Relocation of California Red-legged Frogs During Const.	\$2,000	16	8	8		
Task 2.4 - Reporting During Construction (assumes 1 year of const.)	\$9,020	76	24	48		4
Expenses (vehicle, field equip., report production, etc.)	\$0					
Total Budget Estimate	\$71,310	590	218	342	20	10

*Please note that our subconsultant, EAM, would be available as-needed should Morro shoulderband snail issues arise. Their billing rate would be \$125/hour.



Kevin Merk Associates, LLC



CERTIFICATE OF LIABILITY INSURANCE

OP ID: BN

DATE (MM/DD/YYYY)

09/11/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Stockdale Ins (Bakersfield) LICENSE #0C26131 PO Box 10269 Bakersfield, CA 93389-0269 Andy Naworski		CONTACT NAME: PHONE (A/C, No, Ext): 661-843-1546		FAX (A/C, No): 661-327-3490	
		E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: KEVIN-3			
		INSURER(S) AFFORDING COVERAGE			NAIC #
INSURED Kevin Merk Associates LLC P.O. Box 318 San Luis Obispo, CA 93406		INSURER A : Hartford Insurance Co.		30104	
		INSURER B : CNA		20443	
		INSURER C : Mercury Insurance Group		11908	
		INSURER D : State Compensation Ins Fund		35076	
		INSURER E :			
		INSURER F :			

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			51 SBA AM2582	04/11/2020	04/11/2021	EACH OCCURRENCE	\$ 2,000,000
	<input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 2,000,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 2,000,000
							GENERAL AGGREGATE	\$ 4,000,000
							PRODUCTS - COMPI/OP AGG	\$ 4,000,000
								\$
C	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			BA040000031877	01/31/2020	01/31/2021	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (PER ACCIDENT)	\$
								\$
								\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
								\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	9052416-2020	04/13/2020	04/13/2021	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
B	Professional			EEH288349109	04/11/2020	04/11/2021	Per Occ	1,000,000
							Aggregate	2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

INSURED ***PROOF OF INSURANCE*** ***PROOF OF INSURANCE*** ***PROOF OF INSURANCE***	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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PROPOSAL SUBMITTAL FORM: SUB-Consultant LISTING

Describe briefly the work scope of each sub-consultant. Attach additional pages if required.

Subconsultant

Company Name	<i>Ecological Assets Management</i>
Contact Individual	<i>Dwayne Oberhoff</i>
Telephone & FAX number	<i>805.440.6137</i>
Street Address	<i>P.O. Box 6840</i>
City, State, Zip Code	<i>Los Osos, CA 93412</i>
Description of services to be provided.	<i>Morro shoulderband snail permitted biologist available in case project changes & encroaches potential habitat</i>

Subconsultant

Company Name	
Contact Individual	
Telephone & FAX number	
Street Address	
City, State, Zip Code	
Description of services to be provided	

Subconsultant

Company Name	
Contact Individual	
Telephone & FAX number	
Street Address	
City, State, Zip Code	
Description of services to be provided	

REFERENCES

Number of years engaged in providing the services included within the scope of the consultant services under the present business name: >9.5.

Describe fully the last three contracts performed by your firm that demonstrate your ability to provide the services included with the scope of the consultant services. Attach additional pages if required. The City reserve the right to contact each of the references listed for additional information regarding your firm's qualifications.

Reference No. 1

Customer Name	County of San Luis Obispo, Public Works
Contact Individual	Keith Miller, Environmental Division
Telephone & FAX number	805-781-5714
Street Address	County Government Center, Room 207
City, State, Zip Code	San Luis Obispo, CA 93408
Description of services provided including contract amount, when provided and project outcome	Los Osos Wastewater Project - Habitat Management Services. \$675,552 for 10yrs Successful Compliance with CDP. Ongoing.

Reference No. 2

Customer Name	Papich Construction, Inc.
Contact Individual	Jason Papich
Telephone & FAX number	805-473-3016
Street Address	398 Sunrise Terrace
City, State, Zip Code	Arroyo Grande, CA 93420
Description of services provided including contract amount, when provided and project outcome	Biological Monitoring for Hwy 46 Improvements. \$191,785. 2012-2018. Compliance with USFWS, CDFW, USACE, RWQCB Permits

Reference No. 3

Customer Name	John Madonna Construction, Inc.
Contact Individual	John Madonna, CEO
Telephone & FAX number	805-543-7751
Street Address	P.O. Box 5310
City, State, Zip Code	San Luis Obispo, CA 93403
Description of services provided including contract amount, when provided and project outcome	Biological surveys, Planning, regulatory compliance for Froom Ranch project 2012-present. \$150,000. Approval for mixed use project.

b. And replace with the following table:

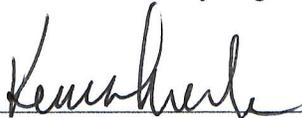
Issue RFP	October 08, 2020
Receive Proposals	October 30, 2020
Finalist Interviews – As needed	Tentative: Week of November 09, 2020
Complete proposal evaluation, negotiate terms and finalize staff recommendation	November 27, 2020
Award Contract	December 08, 2020
Execute Contract	December 31, 2020
Start Work	February 08, 2021
Substantial Completion (Field Operations Completed)	January 19, 2022



Rob Livick, PE, City Engineer

21 October 2020

Date



Acknowledgement of Addendum No. 1

10/28/2020

Date



Kevin Merk Associates, LLC

KEVIN B. MERK

Principal Biologist

Kevin Merk is the founding principal of Kevin Merk Associates, LLC. With nearly 30 years of environmental consulting experience, Kevin has directed, managed, and conducted hundreds of natural resource and environmental studies, and provided regulatory compliance monitoring for projects throughout California. Mr. Merk has a diverse background in the biological sciences with expertise in plant taxonomy, quantitative vegetation analysis, habitat classification and evaluation procedures, surveys for special status species, habitat restoration, and biotechnical erosion control. His work experience includes general biological and species-specific surveys, U.S. Army Corps of Engineers and California Coastal Commission wetland delineations, as well as environmental permit acquisition and subsequent regulatory compliance monitoring. He has also prepared, implemented and monitored habitat mitigation and restoration plans for a variety of habitat types including grassland, wetland, riparian, coastal dune, coastal scrub, maritime chaparral, and oak woodland. Mr. Merk is a well-versed regulatory specialist that provides a balance between rigorous scientific documentation, environmental regulatory requirements and project development goals and objectives.

TECHNICAL CAPABILITIES

- Mr. Merk has an in-depth knowledge of the California flora and protocols for surveying rare, threatened and endangered plant species.
- He has conducted floristic surveys and mapped vegetation communities for private, state and local government clients including California State Parks, California State University System, Fort Ord Reuse Authority, Monterey County, San Luis Obispo County, Santa Barbara County, as well as Cities of Arroyo Grande, Paso Robles, and Scotts Valley.
- Mr. Merk is also a well-versed wildlife biologist, and has conducted surveys for the California tiger salamander, Santa Cruz long-toed salamander, California red-legged frog, western spadefoot toad, legless lizard, horned lizard, burrowing owl, southwest willow flycatcher, least Bells' vireo, raptors such as Swainson's hawk, various nesting birds, American badger and San Joaquin kit fox.
- Mr. Merk has conducted multi-parameter wetland delineations throughout the state including within the Coastal Zone, and is an expert in environmental regulation compliance (e.g., Endangered Species Acts, Clean Water Act, Coastal Act, California Department of Fish and Game Code, Porter-Cologne Water Quality Act).

EDUCATION, CERTIFICATIONS, REGISTRATIONS

B.A. Biology (Plant Sciences), University of California, Santa Cruz

40 Hour OSHA HAZWOPER Training and 8 eight-hour annual refresher courses

Hydrogeomorphic Approach to Functional Assessment of Riverine Waters/Wetlands in the South Coast Region of Santa Barbara County

Biology and Handling Trainings for California red-legged frog, California tiger salamander, and Santa Cruz long-toed salamander

U.S. Army Corps of Engineers Wetland Delineation Training

California Native Plant Society

California Botanical Society

California Invasive Plant Council

Society for Ecological Restoration

Wildlife Society, Western Chapter

American Public Works Association

EMPLOYMENT HISTORY

Kevin Merk Associates, LLC (2011 through present)

Rincon Consultants, Inc. (2000-2011)

Zander Associates (1995 through 2000)

University of California, Santa Cruz Natural Resource Assessment Group (1992-1995)

REPRESENTATIVE PROJECT EXPERIENCE

Regulatory Compliance and Construction Monitoring

- Highway 46 East Improvement Project, Designated Biologist, conducted preconstruction clearance and den surveys for **American badger and San Joaquin kit fox (SJKF)**, preconstruction **bird surveys** and monitored nesting activities of **Swainson's hawk**, prepared worker environmental training program and monitor construction through various phases of project, Caltrans District 5, San Luis Obispo County, Papich Construction.
- Salinas Road Interchange, Designated Biologist, conducted nesting bird surveys, **California red-legged frog (CRLF) and California tiger salamander (CTS)** capture and relocation program (over 10,000 life stages of CRLF were successfully captured and relocated from disturbance area), Caltrans District 5, Monterey County.
- Union Valley Parkway, Senior Biologist/Environmental Compliance Manager, conducted initial baseline **rare plant** surveys, **CTS/CRLF** surveys, prepared EIR/EIS, prepared BA for Section 7 Biological Opinion, conducted clearance surveys for **nesting birds**, completed capture and relocation program prior to construction utilizing drift fence – pit fall traps for **CRLF and CTS**; placed and monitored cover boards and conducted raking surveys to capture and relocate **coast horned** and **legless lizards**, and monitored **raptor and songbird** nests during road construction; Caltrans-Santa Maria Local Assistance Program.
- Rancho Larios Bridge and Infrastructure Project, conducted wetland delineation in support of Clean Water Act permitting, prepared BA for Section 7 consultation process for **CRLF and CTS**, conducted pre-construction clearance surveys and monitored construction activities, San Benito County.
- Silicon Valley Boulevard Bridge, prepared biological documents including habitat mitigation plan; conducted rare plant and animal surveys (**CRLF, American badger, nesting bird, and bat**) and monitored construction activities along the Coyote Creek corridor in support of bridge construction, Santa Clara County.
- City of Santa Maria River Mining Project, Biological Monitor responsible for pre-mining clearance surveys for **coast horned lizard** and **nesting birds**, worker education program, compliance monitoring and annual SMARA and CDFW reporting for sand and gravel mining operation, Santa Maria River, Santa Barbara County.
- Santa Ynez River Bridge Bike Path, Environmental Monitor, conducted preconstruction clearance surveys for **nesting birds** and **bats**, monitored Highway 1 bridge construction activities over Santa Ynez River in Lompoc, Santa Barbara County.
- Biddle Ranch Agricultural Cluster Subdivision, County of San Luis Obispo's designated Environmental Monitor responsible for environmental compliance oversight during construction; conducted **nesting bird** surveys prior to vegetation removal and surface disturbance; monitored active nests to determine when young had fledged; **CRLF** protocol surveys and **CTS** habitat assessment conducted a 4,500 acre ranch.
- Chevron Estero Marine Terminal Source Removal Project, County of San Luis Obispo's designated Environmental Monitor overseeing environmental compliance during groundwater remediation and site decommissioning activities; conducted surveys for **CRLF/western pond turtle/two striped garter snake**, and **nesting birds**.



Kevin Merk Associates, LLC

Susan V. Christopher, Ph.D.

Senior Biologist

Dr. Christopher is a Wildlife Biologist and Botanist with more than 26 years of experience in environmental compliance and natural resources management in central California. She is an expert in the ecology of central coast amphibians and reptiles, and holds a federal 10(a)(1)(A) recovery permit for the California tiger salamander and California red-legged frog; and, a state Memorandum of Understanding for California tiger salamander. Her doctorate focused on the effects of non-native predators on the California red-legged frog, and conducted focused field research on the ecology of the California red-legged frog for more than ten years, including drift fence/pitfall trapping to study juvenile emigration, radio-tracking of adult movements and habitat use, habitat selection for breeding and larval rearing, water quality effects, mark-recapture studies of population demography, and landscape occupancy patterns over drought and El Nino cycles. Over the course of her professional consulting career, Dr. Christopher has provided a wide range of services including project permitting and compliance monitoring.

TECHNICAL CAPABILITIES

- Reports on the ecology and status of sensitive species, biological resources assessments and inventories, impact evaluation and mitigation measures, CEQA and NEPA documents, and habitat mitigation and monitoring plans;
- Consultations with the U.S. Fish and Wildlife Service and National Marine Fisheries Service;
- Permits for development in wetlands and drainages (401, 404, and Streambed Alteration Agreements) and jurisdictional determination/wetland delineation reports;
- Protocol and pre-construction biological surveys, species relocations, construction monitoring, and compliance reports;
- Water quality monitoring and trend analysis;
- Botanical inventories, plant community mapping, and habitat evaluations; and
- Instructor for university courses in biology and environmental sciences, California red-legged frog training workshops, biological technical expert at public meetings, and worker environmental training sessions.

EDUCATION, CERTIFICATIONS, REGISTRATIONS

Ph.D., Biological Sciences, Department of Ecology, Evolution and Marine Biology, University of California, Santa Barbara, 2004

B.A., *magna cum laude* with Honors, Biological Sciences, Concentration in Wildlife and Natural Resources Management, Department of Biological Sciences, University of North Carolina, 1991

Managing Habitats for the California Red-legged Frog

San Joaquin Kit Fox Ecology and Identification

Biology and Conservation of the Santa Cruz Long-toed Salamander

Rare Plants of Eastern San Luis Obispo County

Blunt-nosed Leopard Lizard Survey Techniques and Identification

Bat Identification and Ecology

Vernal Pool Branchiopods in the Western US - Identification, Taxonomy and Ecology

Central Coast Chapter of the Wildlife Society

Society for the Study of Amphibians and Reptiles

EMPLOYMENT HISTORY

Kevin Merk Associates, LLC, Senior Biologist (2011 – present)
Los Padres National Forest, Wildlife Biologist (2010 – 2014)
Rincon Consultants, Inc., Senior Biologist/Project Manager (2006 – 2010)
Vandenberg Air Force Base Natural Resources, Biological Scientist (2006)
California Department of Parks and Recreation, Aquatic Species Project Manager (2005 – 2006)
Santa Barbara Museum of Natural History, Research Associate (1998 – 2004)
University of California, Santa Barbara, Postgraduate Researcher II (1994 – 2004)

REPRESENTATIVE PROJECT EXPERIENCE

- Salinas Road Interchange, Designated Biologist, conducted pre-construction surveys and construction monitoring for CRLF, CTS and Santa Cruz long-toed salamander, Monterey County.
- Flood Control Vegetation Removal at Meadow, Tally Ho, and Arroyo Grande Creeks, Designated Biologist, conducted pre-construction surveys and construction monitoring for CRLF, steelhead and southwestern pond turtle, San Luis Obispo County (6 years).
- Union Valley Parkway Extension, Designated Biologist, planned and oversaw construction of temporary exclusion fencing and pitfall trap array for CRLF and California tiger salamander (CTS), conducted pitfall trapping, pre-construction aquatic surveys, cover board/object surveys, burrow scoping, construction monitoring, and species relocations, Santa Maria, Santa Barbara County (more than 2 years).
- Riparian Vegetation Removal at Pismo Creek for Pipeline Testing, construction monitoring for CRLF, Southern California Gas Company, San Luis Obispo County.
- Orcutt Trunk Sewer, conducted construction monitoring for CRLF, Santa Barbara County.
- South Bay Boulevard Bridge Replacement, conducted preconstruction surveys and relocations of CRLF, Morro Bay, San Luis Obispo County.
- Space Launch Complex 6, Designated Biologist, conducted pre-launch and post-launch monitoring for CRLF, tidewater goby, and water quality, Vandenberg Air Force Base (multi-year monitoring project).
- Bank Stabilization at Gaviota State Park, Designated Biologist, conducted surveys and relocation of CRLF, Santa Barbara County.
- Pre-construction Nesting Bird Surveys for Off-highway Vehicle Trail Maintenance, conducted nesting bird surveys and flagged areas for avoidance during construction, Pozo Area of the Santa Lucia Ranger District, Los Padres National Forest.
- California Red-legged Frog Protocol Surveys for the Black Walnut Verizon Cell Tower Construction, conducted night eye-shine surveys, See Canyon Creek, San Luis Obispo County.
- Pismo Lake Ecological Reserve Herpetological Inventory, conducted herpetological inventory for California State Parks and Natural Resource Conservation District, Pismo Beach, San Luis Obispo County.
- Vandenberg Air force Base Breeding Bird Surveys, conducted nesting bird surveys throughout the Base in support of Migratory Bird Treat Act compliance, Santa Barbara County.
- Sensitive Amphibian Survey of Arroyo Grande Creek Prior to Seismic Upgrades of Lopez Dam, Arroyo Grande, San Luis Obispo County.
- Taxiway H Extension Project, Biological Assessment for Southern California Steelhead and 13 species including CRLF, tidewater goby and tidewater goby critical habitat, Santa Barbara Airport, Santa Barbara County (in progress).



Kevin Merk Associates, LLC

Cindy Cleveland

Wildlife Biologist

Cindy Cleveland is an expert field biologist with over 20 years of experience working in California with an emphasis in the coastal watersheds of the Central Coast. Her experience ranges from focused species driven studies and research to impact analysis and construction monitoring. Ms. Cleveland has many years working in aquatic ecosystems with surveys for steelhead, tidewater goby, and the California red-legged frog. She is also a regulatory compliance expert and has worked with construction personnel in the field during the development of a wide variety (i.e., linear transportation and pipeline to residential development) of projects. As a consulting biologist, Cindy has assisted federal, state and local agencies providing technical expertise with challenging projects throughout her career. She has been approved by U.S. Fish and Wildlife Service to survey, handle and monitor special status species such as the steelhead trout and California red-legged frog throughout their range.

TECHNICAL CAPABILITIES

- Focused surveys for special status species, both plants and animals with expertise with birds, fish and herpetofauna;
- Preparation of environmental compliance documents for CEQA and NEPA (i.e., Biological Resource Assessments, EIR biological resource sections, Natural Environmental Studies, Wetland Delineations, etc.);
- Permit applications for authorizing impacts to natural drainage features through California Fish and Game Code Section 1600 et seq., U.S. Army Corps of Engineers Clean Water Act Section 404 permits, and Regional Water Quality Control Board Clean Water Act Section 401 Water Quality Certifications;
- U.S. Fish and Wildlife Service Section 7 Consultations and Section 10 Incidental Take Authorization, including preparation of Habitat Conservation Plans;
- Environmental compliance monitoring and environmental awareness training for construction projects.

EDUCATION, CERTIFICATES, REGISTRATIONS, MEMBERSHIPS

University of California at Santa Barbara M.A., Biology, *summa cum laude*;
Graduate Academic Fellowship, University of California at Santa Barbara;
University of California at San Diego B.A., Biology/Anthropology, *cum laude*;
The Wildlife Society, Central Coast Chapter;
California Native Plant Society;
Association of Environmental Professionals.

EMPLOYMENT HISTORY

Kevin Merk Associates, LLC (2012 to present)
Fish and Wildlife Biologist for U.S. Forest Service Enterprise Teams (January 2009 to present)
Independent Consulting Biologist (September 2002 to present)

REPRESENTATIVE PROJECT EXPERIENCE

- Cambria Community Services District Waterline and System Improvements project – conducted initial presence/absence surveys for special status plants and animals, prepared reports, and assisted with regulatory agency permitting. Once project was approved, conducted pre-activity clearance surveys for nesting birds, California red-legged frog, steelhead and tidewater goby. San Luis Obispo County.
- USFS Biological Assessments/Evaluations for mining, logging, and range projects on California, Oregon, Idaho, and Montana National Forests.
- Arroyo Grande Creek Floodplain Management project - Monitored and surveyed Arroyo Grande Creek for California red-legged frogs, steelhead trout, and nesting birds for creek flood control projects. Prepared environmental education program, provided environmental awareness training and monitored vegetation removal and construction activities. Arroyo Grande, CA.
- James Way Open Space Development Project – conducted California red-legged frog Habitat Assessment, rare plant and nesting bird surveys. Arroyo Grande, CA.
- Viborg Residential Development Project – Prepared Biological Resources Assessment for California red-legged frogs and San Joaquin kit fox. Paso Robles, CA.
- Central Coast Salmon Enhancement Pismo Creek Steelhead Trout Population Censusing – conducted annual snorkeling surveys for steelhead and other species throughout the length of Pismo Creek in San Luis Obispo County.
- Conoco Oil Pipeline Remediation Project– conducted annual surveys for nesting birds, California red-legged frogs and horned lizards and prepared reports over a five year period. San Luis Obispo County.
- Viborg Mining project – pre-activity nesting bird surveys and monitoring of initial vegetation disturbance. Templeton, CA.
- San Juan Bautista Infrastructure Improvements Program -Prepared Biological Assessment covering San Joaquin kit fox, California tiger salamander, and California red-legged frog.
- Moss Landing Harbor District Redevelopment Project – Prepared Essential Fish Habitat Report, and Incidental Harassment Authorization Report that covered western snowy plover, brown pelican, California least tern, Pacific harbor seal, California sea lion, southern sea otter, and tidewater gobies.
- Guadalupe-Nipomo Dunes Preserve - Surveyed fauna including legless and horned lizards, birds and aquatic amphibians for an inventory project. Santa Barbara County, CA.
- Invasive Species Monitoring Program for the Guadalupe-Nipomo Dunes - included pre-construction bird surveys for habitat restoration work in Guadalupe, California.
- North Fork Burnt River Environmental Impact Statement (EIS) for sixty mining claims in eastern Oregon that perform suction dredging, placer, and lode mining. Included field surveys of mining operations.
- Los Padres National Forest – Fisheries and survey crew lead on seasonal surveys of special-status species including steelhead trout, California red-legged frog, and Least Bell's Vireo.
- Highway 58 Emergency Rehabilitation Project - Worked with a team of biologists and fire specialist on the Highway 58 Fire as a burned area emergency rehabilitation biologist.
- Wildlife Researcher for San Diego Zoological Society - behaviorist for the Post-Occupancy Evaluation (POE) of the gorilla tropics exhibit.



Kevin Merk Associates, LLC

MATTHEW BEYERS

Senior Biologist/Botanist

Matthew has over ten years of work experience in the natural resources field, including research with the California Department of Food and Agriculture's Plant Pest Diagnostics Center. With academic training in botany, Matt's professional experience has included work with wildlife experts throughout California. His expertise ranges from plant taxonomy, plant ecology and botanical surveys to wetland delineations, habitat restoration, and special status wildlife surveys. He has worked on development projects providing initial biological analysis to support the environmental review process that segues into environmental permitting for impacts to regulated resources such as waters of the United States and state of California. He has conducted surveys for birds, small mammal, and herpetofauna for large-scale solar farms and linear projects, and has been approved by the U.S. Fish and Wildlife Service to work with federal-listed species such as the California red-legged frog as a component of regulatory compliance monitoring for construction projects.

TECHNICAL CAPABILITIES

- Biological resources assessments and impact analysis;
- Rare plant surveys and habitat/vegetation classification and mapping;
- Protocol-level surveys for special status animal species such as blunt nose leopard lizard, San Joaquin kit fox, various small mammals such as giant kangaroo rat, and Swainson's hawk;
- Preparation of technical reports such as wetland delineations and associated permit application preparation for impacts to Clean Water Act and California Fish and Game Code jurisdictional areas;
- Environmental compliance (construction and mitigation) monitoring for projects with permits from California Department of Fish and Wildlife, U.S. Fish and Wildlife Service, NOAA Marine Fisheries, U.S. Army Corps of Engineers, California Coastal Commission, and Regional Water Quality Control Board; and
- Environmental awareness training for linear and large-scale development projects.

EDUCATION, CERTIFICATIONS, REGISTRATIONS, MEMBERSHIPS

San Francisco State University – Bachelor of Science in Plant Biology.

Sacramento City College – Concentration in Field Ecology.

California Botanical Society

California Native Plant Society

California Wildlife Society

OSHA 40-hour HAZWOPER

Association of Environmental Professionals

EMPLOYMENT HISTORY

Kevin Merk Associates, LLC (2016 – present)

Sage Institute, Inc. (2016 – 2019)

Althouse and Meade, Inc. (2015 – 2016)

Hines Growers, Inc. (2013-2015)

California Department of Food and Agriculture, Plant Diagnostic Center (2007-2012)

REPRESENTATIVE PROJECT EXPERIENCE

- San Miguel Ranch Vineyard Development - Completed San Joaquin kit fox habitat assessment and the Department of Fish and Wildlife's SJKF Habitat Evaluation forms followed by San Joaquin kit fox Northern Range Surveys..
- Shandon Ranch Vineyard Development - Completed Biological Resource Assessment including impact analysis and San Joaquin kit fox habitat evaluation for large-scale vineyard project in north San Luis Obispo County.
- California Flats Solar Project - Assisted with San Joaquin kit fox surveys, wetland delineation, mitigation plan and subsequent construction monitoring in the Cholame Valley of San Luis Obispo County
- Topaz Solar Farm Project – Conducted surveys for San Joaquin kit fox (spotlight and radio telemetry), California tiger salamander, spadefoot toad, Swainson's hawk and burrowing owl. Implemented habitat restoration program and conducted mitigation monitoring for impacts to jurisdictional drainage features. California Valley, San Luis Obispo County
- Highway 41 Widening and Turn Lane project – Conducted pre-activity clearance surveys for special status plants and wildlife including nesting birds; provided environmental awareness training and monitored construction activities in compliance with environmental permits. Atascadero, San Luis Obispo County.
- Plains All American Pipeline Project – Conducted botanical surveys and mapped vegetation along a 120 mile pipeline corridor spanning San Luis Obispo, Santa Barbara, and Kern Counties. Conducted blunt nose leopard lizard and raptor surveys and also tagged and mapped oak trees in support of environmental review process.
- Camp San Luis Obispo California Red-legged Frog Habitat Enhancement Project – Assisted with surveys for California red-legged frogs and eradication of bullfrogs during implementation of a program designed to enhance red-legged frog habitat.
- Santa Maria River Mining Project – Conducted clearance surveys for horned lizards and nesting birds prior to mining activities. Also assisted with habitat restoration planting and monitoring/reporting activities in the Santa Maria River.
- Morro Bay Water Reclamation Facility - Surveys for rare plants and animals (CRLF) and regulatory compliance monitoring for project development, Morro Bay, CA
- Cat Canyon Oil Fields Project, conducted rare plant surveys, oak tree surveys and nesting bird surveys for linear pipeline construction project, Santa Barbara County, CA
- Grand Avenue Bridge Replacement – Conducted rare plant and animal surveys (California red-legged frog, nesting birds and roosting bats) in support of new bridge crossing over Meadow Creek. Monitored active bird nests prior to and during construction. Grover Beach, CA
- Santa Maria Integrated Waste Project – Assisting with implementation of the oak tree mitigation program, including acorn collection, overseeing planting, and tagging/mapping trees for the construction of a new landfill, Santa Barbara County.
- Los Osos Wastewater Project – Conducted clearance surveys for rare invertebrate (Morro shoulderband snail) and nesting birds prior to and during habitat restoration activities that included vegetation removal and spraying herbicides in San Luis Obispo County.
- Moapa Reservation Conservation Project – Conducted desert tortoise surveys and assisted with health assessments that included tracking, locating and handling tortoises for blood samples, Clark County, Nevada.
- Various construction projects - Created environmental educational brochures and handouts and provided environmental awareness training sessions, Kern, Monterey, San Luis Obispo, and Santa Barbara Counties.

Dwayne Oberhoff

Project Manager & Senior Biologist for Ecological Assets Management, LLC

EDUCATION

M.S. in Biology, California Polytechnic State University, San Luis Obispo, California, 2006

B.S. in Ecology and Systematic Biology with a conc. in Wildlife Biology, California Polytechnic State University, San Luis Obispo, California, 1998

PERMITS CURRENTLY HELD

Recovery Permit for Morro Shoulderband Snail, #TE180579-2, expires February 6, 2023

EXPERIENCE

Mr. Oberhoff has over 20 years of biology related experience in San Luis Obispo County and is currently a project manager and senior biologist for Ecological Assets Management, LLC located in Los Osos, California.

Mr. Oberhoff has conducted focused surveys, habitat assessments and compliance monitoring for Morro shoulderband snail (MSS) in Los Osos and Morro Bay since 2002. Mr. Oberhoff has held a valid MSS recovery permit for MSS for more than 15 years.

Mr. Oberhoff has acted as the project manager and lead biologist on numerous MSS-related projects, including the lead field environmental Oberhoff was involved in the 2005 focused MSS surveys and relocation



efforts at both the Broderson and Mid-town sites in Los Osos.

Since 2002 Mr. Oberhoff has worked with both public and private clients and has surveyed many different areas of Los Osos and Morro Bay for MSS. This includes recently acting as the lead biologist on multiple separate habitat conservation plans in Los Osos, which included conducting focused surveys, relocation of MSS, and compliance monitoring and reporting. Mr. Oberhoff has also worked closely with the United States Fish and Wildlife on MSS issues and research activities.





KEVIN MERK ASSOCIATES, LLC

Standard Fee Schedule for Environmental Services

The following sets forth the billing rates for our personnel.

<u>Professional and Technical Personnel</u>	<u>Rate</u>
Principal	\$ 150/hour
Senior Associate.....	\$ 125/hour
Biologist	\$ 105/hour
Graphics, GIS Technician.....	\$ 95/hour
Word Processor/Administrative Assistant.....	\$ 65/hour

Expert witness services consisting of depositions and in-court testimony will be charged at a rate of \$300/hour.

<u>Representative Equipment</u>	<u>Unit Rate</u>
Sound Level Meter.....	\$100/day
Hypsometer	\$ 50/day
Wind Meter	\$ 25/day
Temperature-pH-Conductivity Meter.....	\$ 25/day
GPS (sub-meter precision).....	\$150/day
Infrared/Wildlife Camera	\$ 50/day

Photocopying and Printing

Photocopies will be charged at a rate of \$0.10/copy for single-sided copies and \$0.20 for double-sided copies. Colored copies will be charged at a rate of \$1.00/copy for single-sided and \$2.00/copy for double-sided or 11x17" copies.

Reimbursable Expenses

Expenses associated with completing a project are termed Reimbursable Expenses. These expenses do not include the hourly billing rates described above. Reimbursable expenses include, but are not limited to the following.

1. Direct costs associated with the execution of a project are billed at cost plus 15% to cover General and Administrative services. Direct costs include, but are not limited to, subcontractor services, authorized travel expenses, permit charges and filing fees, printing and graphic charges, performance bonds, sample handling and shipment, equipment rental other than covered by the above charges, etc.
2. Vehicle use in company-owned two wheel drive vehicles will be billed at a day rate of \$75/day and \$100/day for 4x4 vehicles plus \$0.75/mile over 50 miles per day. Rental vehicles will be billed at cost plus 15%. For transportation in employee owned automobiles, a rate of \$0.75/mile will be charged.

January 2020

CITY OF MORRO BAY

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made, by and between, the City of Morro Bay, a municipal corporation (“City”) and Kevin Merk Associates, LLC, a California limited liability company (“Consultant”).

1. TERM

This Agreement shall be deemed to commence on January 12, 2021, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2022, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform Tasks 1-2, as described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks within 420 days after commencement.

3. PERFORMANCE

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

4. CITY MANAGEMENT

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

5. PAYMENT

(a) City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, and based upon actual time spent on the above tasks. That amount shall not exceed Seventy-One Thousand, Three Hundred and Ten Dollars and No Cents (\$71,310.00) for the total term of this Agreement, unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the City Manager (subject to the limitations established for such administrative approvals), and Consultant at the time City's written authorization is given to Consultant for the performance of said services. Any additional work in excess of this amount shall be approved by the City Council.

(c) Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days after receipt of each invoice as to all non-disputed fees. If City disputes any of Consultant's fees, then it shall give written notice to Consultant within fifteen (15) days after receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

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

(b) In the event this Agreement is terminated pursuant to this Section, City shall pay to Consultant the actual value of the work performed up to the time of termination. Upon termination of the Agreement pursuant to this Section, Consultant will submit an invoice to City pursuant to Section 5.

7. DEFAULT OF CONSULTANT

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

(b) If the City Manager of his/her delegate determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, then he/she shall cause to be served upon Consultant a written notice of the default. Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City

shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

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

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

9. INDEMNIFICATION

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

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and

against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including reasonable attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant.

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

10. INSURANCE

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

11. INDEPENDENT CONSULTANT

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

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

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant shall at all times observe and comply with applicable legal requirements in effect at the time the drawings and specifications are prepared. City, and its

officers and employees, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

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

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

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

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

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

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

16. NOTICES

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

To City: City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442
Attention: Scott Collins
City Manager

To Consultant: Kevin Merk
Kevin Merk Associates, LLC.
P.O. Box 3189
San Luis Obispo, CA 93406

17. ASSIGNMENT

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

18. LICENSES

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

19. GOVERNING LAW

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

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AUTHORITY TO EXECUTE THIS AGREEMENT

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

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

CITY OF MORRO BAY

CONSULTANT (2 signatures required)

By: _____
Scott Collins, City Manager

By: _____
Kevin Merk,
Its Managing Member

Dated: January ___, 2021

Dated: January ___, 2021

Attest:

Dana Swanson, City Clerk

Approved As To Form:

Chris Neumeyer, City Attorney

EXHIBIT B
INSURANCE REQUIREMENTS

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

Consultant shall provide the following types and amounts of insurance:

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

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

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

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

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured’s liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Consultant, subcontractors or others involved in the Work. The scope of coverage provided is subject to approval of City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designated to protect against acts, errors or omissions of Consultant and “Covered Professional Services” as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$2,000,000 per claim and in the aggregate. The policy must “pay on behalf of” the insured and must include a provision establishing the insurer’s duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

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

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

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

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City's option.
8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self-insurance available to City.
9. Consultant agrees to ensure that subcontractors, and any other party involved with the Scope of Services who is brought onto or involved in the Scope of Services by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the Scope of Services will be submitted to City for review.
10. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any Consultant, Subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of the Scope of Services to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to City. At the time City shall review options with Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
11. City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, City will negotiate additional compensation proportional to the increase benefit to City.
12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
13. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirements in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

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

SCOPE OF WORK

As relayed above, KMA has provided biological services for the project and are well-versed with the issues associated with project construction. If selected for the conveyance phase, we would continue to work seamlessly with the Program Management Team and selected contractor to help complete the project. Similar to the facility phase, the out-of-town contractor needed extra help from KMA to educate them about the sensitive biological resources present in the project area, and all the mitigation measures and permit conditions applied to the project. KMA will strive to establish a good working relationship with the contractor to make the conveyance and lift station construction phase a success. The below tasks follow those identified in the RFP and subsequent addendum and provides further information regarding our proposed work effort.

Phase 1 – Preconstruction Activities

Task 1.1 – Project Team Coordination. KMA would coordinate with the City and WRF Program Management Team, including the construction manager from Carollo Engineers and contractor superintendent, throughout the course of the project. Similar to our ongoing work at the facility, KMA would be very involved during project initiation to help contractor personnel understand the limits of special status species habitat or regulatory jurisdictional areas around creeks, and then scale back our involvement to regular meetings and monitoring spot checks once initial habitat disturbance is complete. We would be available for phone calls and email correspondence once work is occurring in contained, disturbed areas. For developing this scope of work, we have assumed at least three (3) four (4) hour meetings with the project team would occur. While the three separate meetings were identified under this task, regular project team coordination is expected to occur throughout the monitoring effort as KMA biologists regularly check in with project personnel when onsite.

Task 1.2 – Biological Monitoring Plan. Given the majority of the conveyance and lift station footprint is within developed, urban areas, not all components of the project will require monitoring. To help focus the monitoring effort, the Biological Monitoring Plan would be developed to identify all monitoring activities that would be performed at specific locations for the duration of the project. It will detail the methods and locations where preconstruction surveys for nesting birds and California red-legged frogs would occur, and where delineating the extent of regulatory agency jurisdiction is required at wetlands and creeks in the project alignment. The Plan would provide regulatory agency and KMA contact information and define the communication protocols to be used by the contractor and Program Management Team during the course of the work effort.

Task 1.3 – Construction Mobilization Review. To ensure compliance with mitigation measures included in the EIR (MM BIO-2, BIO-5 and BIO-8), KMA would review the contractor’s mobilization plan to make sure all equipment storage areas, concrete washout areas, refueling locations and stockpile areas avoid special status species habitats and adhere to required setbacks from drainages, riparian areas and wetland features. While this task would be performed in conjunction with Task 1.6 below, it is expected to be a dynamic process working with the contractor and any of their subcontractors that show up onsite at different times. As the case with many construction projects, a concrete or electrical subcontractor may start work later in the project and without proper guidance may not realize that important material staging requirements are in place. This task would also be relevant during the course of construction due to nesting birds and mobile

species such as the California red-legged frog that may restrict work in select areas of the site on a seasonal basis.

Task 1.4 – SWPPP Concurrence Review. While KMA would not be the Storm Water Pollution Prevention Plan (SWPPP) compliance inspector/manager, we would review key elements of the SWPPP to make sure areas of special status species habitat are properly protected during construction. We would help the contractor during the course of the project to make sure their Best Management Practices (BMPs) remain functional around creeks, drainages, wetlands and other regulated biological resources. We would inspect these features during the regular monitoring visits and report areas of concern to the construction team’s point of contact immediately and work to remedy the issue area as soon as possible.

Task 1.5 – Environmental Awareness Training and Education. KMA has already developed education training materials for the facility project and worked with the project team to create a hard hat sticker to be distributed to construction personnel once they have been trained. The training was developed for California red-legged frog, pond turtle, and nesting birds, and will be easily modified to include biological resources that may be encountered on this next phase of the project. It is envisioned that we would have an initial kick-off training at the start of the project, and then remain available on an as-needed basis (likely during regular monitoring visits) to provide additional trainings to subcontractors and new personnel as they start work on the site. KMA also trained the site superintendent for the facility site to allow them to provide additional trainings to ensure all personnel receive the training prior to them starting to work onsite. It is envisioned that this same approach would occur for the conveyance element, and the project superintendent would be trained to review the education materials to new employees, have them sign an affidavit confirming their training, and then provide a hard hat sticker to easily recognize that they have received the required training. KMA will maintain the sign in sheets and include them in the regular monitoring reports for the team, as well as the annual reports to be submitted to regulatory agencies.

Task 1.6 – Preconstruction Surveys. Preconstruction surveys of the work area will be conducted consistent with the biological mitigation measures in the EIR and conditions of the Biological Opinion. This will include surveys for nesting birds and the California red-legged frog. Nesting bird surveys would occur for work initiating during the nest season (February 15th through August 31st). While it is anticipated that work will occur throughout the nesting season, construction activities that have already commenced are not likely to be affected by a pair of birds that decide to nest in close proximity to work after it has already started. KMA biologists would conduct initial surveys of the work areas as they progress, and it is expected that work would occur at more than one location at a given time. We would continue to monitor nesting activity of birds along the project alignment during the appropriate time of year and work with the project team to ensure project activities can continue should a nest site be located in an area prior to the start of work. The goal will be to think creatively if a nest site is located along the alignment so the contractor can proceed with work in other areas or in proximity to the active nest while adhering to the required setbacks.

For the California red-legged frog , preconstruction surveys would occur within 48 hours of work at select areas of the alignment including the Morro Creek pipe bridge and along Drainage 1 (aka Willow Camp Creek) at the bike path crossing and adjacent to lift station 2. Additional surveys would be conducted at Drainage 2A and 2B crossings along Quintana Road as well as along the segment of Drainage 3 running adjacent to South Bay Boulevard, even though work will occur in the

roadway. This would ensure any work that will occur over or adjacent to potential habitat would proceed according to their defined schedule. As appropriate, we would work with the contractor to install exclusion barriers such as the ERCTEC fencing used at the facility site to keep the California red-legged frog from moving into the work area and causing a stop work issue.

Phase 2 – During Construction Activities

Task 2.1 – Wetland Delineation During Construction. KMA conducted the wetland delineation for the entire conveyance alignment and we know the precise location of all wetland and riparian areas in the project area. The wetland delineation data were provided to the project team and all jurisdictional areas at crossing sites are shown on project plans. We have also met with the conveyance construction manager to review the wetland areas, proposed jack and bore pits, and potential modifications to the alignment along the bike path to help with potential modifications that may be needed. In accordance with EIR mitigation measures, we would work with construction personnel to delineate the extent of riparian and wetland habitat for avoidance, and the top of creek banks in proximity of work to avoid impacts to jurisdictional areas and aquatic habitat for species that may be present seasonally. We would work together with project personnel including the contractor's representatives to ensure all regulatory agency jurisdictional areas are identified in the field and adequately protected with BMPs and flagging. As part of the Morro Creek pipe bridge, select trimming of riparian habitat will be required along with trimming and removal of some ornamental vegetation and limits of disturbance will be adequately documented using photographs and GPS data for inclusion in compliance reports.

Task 2.2 – Monitoring During Construction. As stated above, not all of the project alignment will require a biologist be present during construction. Our knowledge of the area will help focus biological monitoring to select areas of the alignment where biological resources and special status species habitats are present. Biological monitoring will be required on a daily basis for work around jurisdictional drainage features. This includes work on the pipe bridge at Morro Creek and the jack and bore to be completed at Drainage 1 at the bike path. For the crossings of Drainages 2A and 2B it is envisioned that spot check monitoring would be done to document work occurring around and under these jurisdictional drainages, and to help construction personnel if conditions require installation of exclusion fence or other BMPs. Should CDFW permitting have additional monitoring requirements, we would work with the City to ensure a sufficient level is completed for the project. Monitoring of active bird nests may also be required along the alignment since trees and shrubs throughout the project area could be used by a wide variety of birds protected under California Fish and Game Code as well as the Migratory Bird Treaty Act.

A biologist is required to be present at the work site during initial site disturbance where vegetation is present (i.e., outside the roadway alignments). The BO requires a Service or USFWS-approved biologist be present at the work site until all California red-legged frogs have been relocated out of harm's way, workers have been instructed, and disturbance of habitat has been completed. After this time, the USFWS-approved biological monitor will document onsite compliance with all minimization measures. Biological monitoring will be scaled back once the habitat disturbance is complete to document compliance with all conditions in the BO and mitigation measures in the project EIR. Please note that the KMA team has already been approved by the USFWS to monitor the project, including the capture and relocation of federal listed species that may be encountered. We have also included an MSS biologist on the team in case project modifications are needed that encroach into sandy soils.

For work commencing during the rainy season, the USFWS-approved biologist will be required to survey the work area and inspect under construction equipment and materials in areas in close proximity to suitable habitat. If a frog is located in the work area, it will be captured and relocated to an USFWS-approved location, which is anticipated to be in the Morro Creek watershed. The biologist will be required to identify the location during preconstruction surveys and have that area approved by the USFWS prior to the start of work.

KMA biologists would also work with the project team to evaluate trees proposed for protecting in place versus those to be removed or excessively trimmed. While KMA biologists would not install the protection fencing for trees located in proximity to work, we would help construction personnel identify the dripline and critical root zones to ensure trees to be saved are adequately protected during construction. For this task it was assumed that upwards of 40 days would be required for biological monitoring, and it would include both KMA Principal and Senior Biologists to ensure the project runs smoothly and efficiently.

Task 2.3 – Relocation of California Red-legged Frogs During Construction. Conditions are provided in the BO that detail the preconstruction survey, monitoring and capture/relocation protocols. Consistent with the BO, KMA biologists have already received necessary USFWS approvals. It is envisioned that KMA biologists would capture and relocate any California red-legged frogs observed in disturbance area during preconstruction surveys and monitoring initial habitat disturbance activities consistent the BO requirements. Capture and relocation efforts would most likely occur during preconstruction surveys detailed under Task 1.6 and monitoring during construction detailed under Task 2.2. For cost development, we have included an additional 16 hours of KMA biologist time should a frog show up onsite outside the time frames allocated to preconstruction surveys and biological monitoring.

Task 2.4 – Reporting During Construction. KMA biologists keep detailed field notes documenting observations made during preconstruction surveys and biological monitoring work. We would compile the field notes into weekly summary reports along with representative site photographs and maps identifying important features that would be saved to the Program Managers intranet site. All reporting would be completed consistent with mitigation measures from the project EIR and conditions in the BO, and any other regulatory conditions placed on the project. We will also make sure any reports prepared during the course of the construction monitoring effort are appropriate to share with all involved regulatory agencies including the USFWS, USEPA, CDFW and Coastal Commission. For developing a cost for this task, we have assumed that weekly monitoring summary reports will be prepared over a one year period and that separate reports would be prepared to document the preconstruction surveys. Preconstruction survey report preparation has been included under Task 1.6. This is consistent with work completed to date for biological monitoring efforts at the facility site. In addition, the project team agreed that monthly monitoring reports were sufficient to document biological monitoring and compliance work at the facility site, and KMA will work with the project team to provide whatever level of reporting frequency that helps the contractor complete the project as quickly and efficiently as possible while maintaining strict adherence to project mitigation measures and the regulatory authorizations received to date.

Budgetary Cost Estimate - Biological Monitoring Services for Morro Bay WRF - Conveyance and Lift Station Phase

Task	Cost	Hours	Principal Biologist	Senior Biologist	GIS/Graphics	Admin Assist
			\$135/hr	\$115/hr	\$95/hr	\$65/hr
Task 1.1 - Project Team Coordination	\$4,015	35	12	12	10	1
Task 1.2 - Biological Monitoring Plan	\$2,905	25	8	12	4	1
Task 1.3 - Construction Mobilization Review	\$1,565	13	6	6		1
Task 1.4 - SWPPP Concurrence Review	\$2,065	17	8	8		1
Task 1.5 - Environmental Awareness Training	\$2,445	21	8	8	4	1
Task 1.6 - Preconstruction Surveys and Report	\$6,095	51	16	32	2	1
Task 2.1 - Wetland Delineation During Construction	\$2,000	16	8	8		
Task 2.2 - Monitoring During Construction (assumes 40 days)	\$39,200	320	120	200		
Task 2.3 - Relocation of California Red-legged Frogs During Const.	\$2,000	16	8	8		
Task 2.4 - Reporting During Construction (assumes 1 year of const.)	\$9,020	76	24	48		4
Expenses (vehicle, field equip., report production, etc.)	\$0					
Total Budget Estimate	\$71,310	590	218	342	20	10

*Please note that our subconsultant, EAM, would be available as-needed should Morro shoulderband snail issues arise. Their billing rate would be \$125/hour.



Kevin Merk Associates, LLC