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Th13a

CDP 3-19-0463 (MORRO BAY WATER RECLAMATION FACILITY)

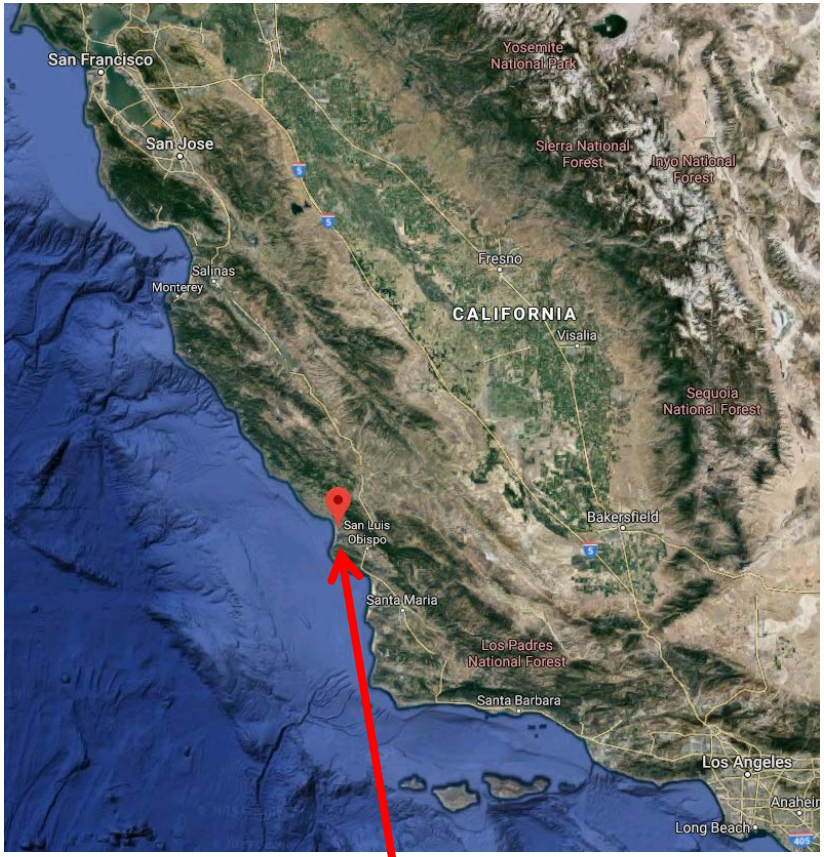
JULY 11, 2019

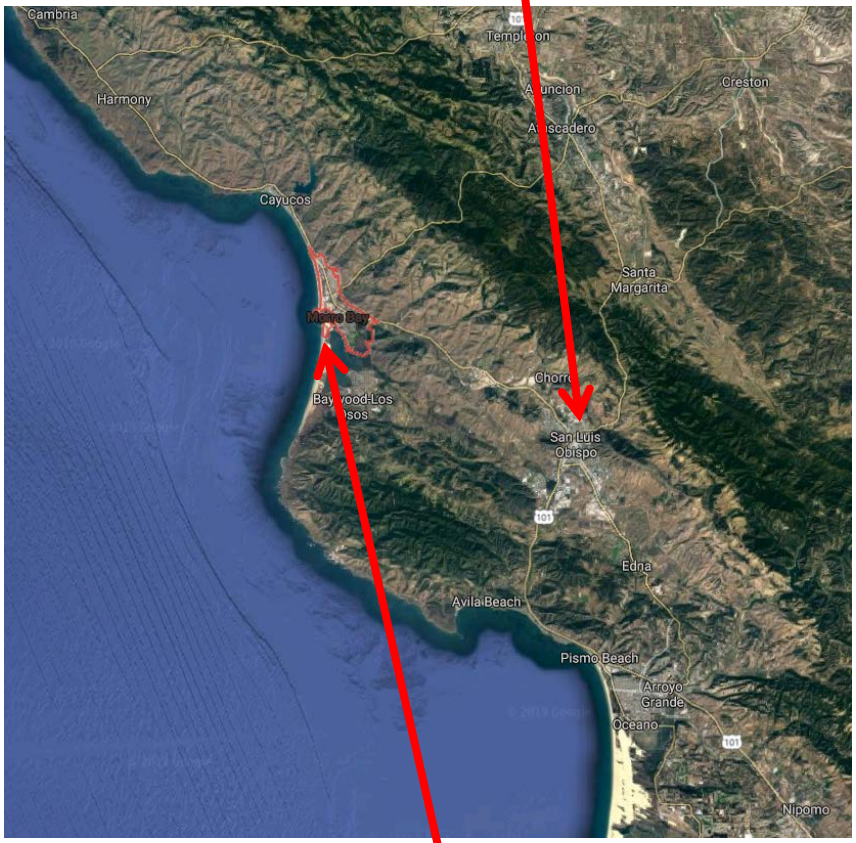
EXHIBITS

Table of Contents

Project Location

City of San Luis Obispo

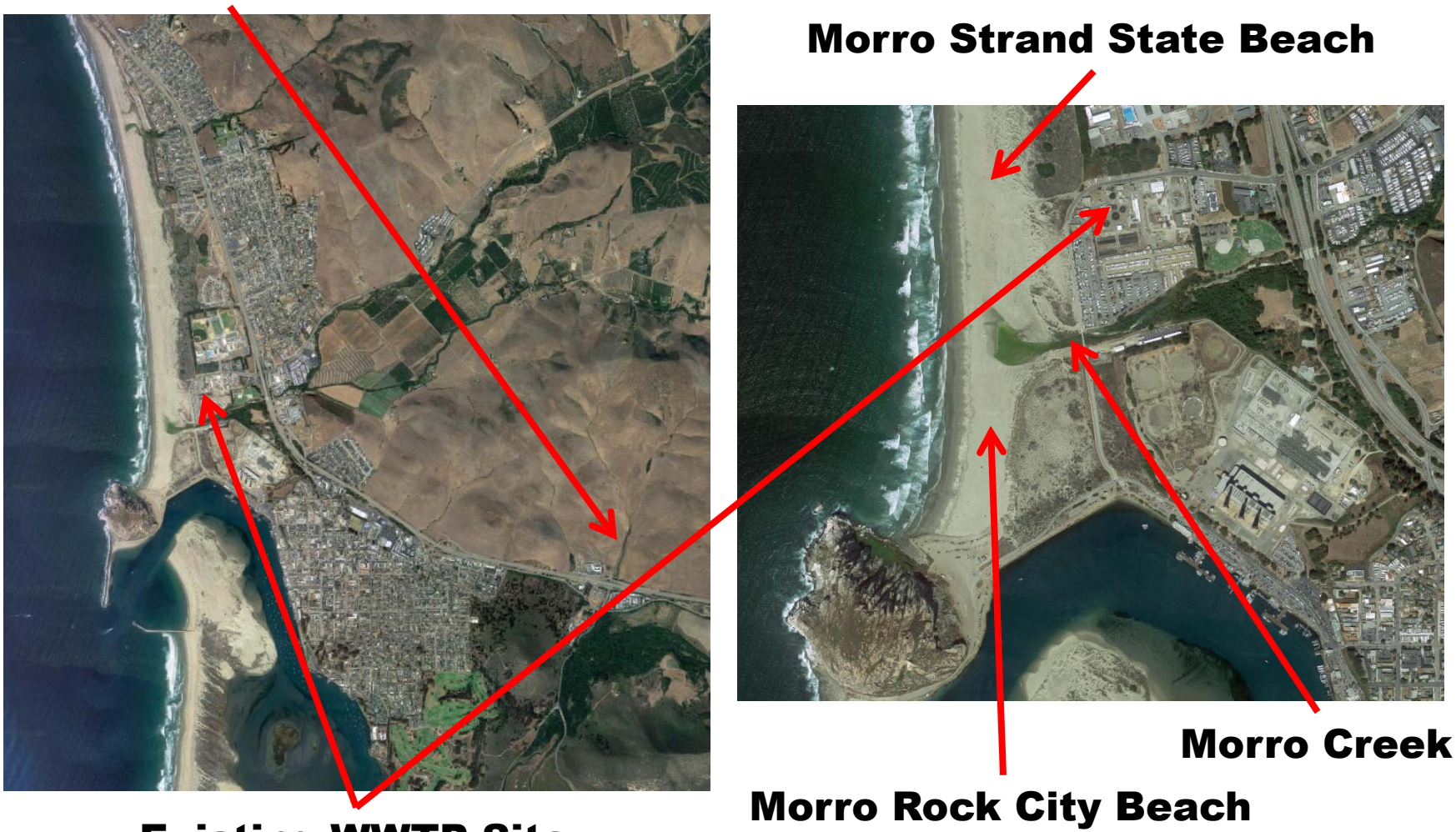




City of Morro Bay

City of Morro Bay

Project Location



WRF Project Location

Morro Bay Estuary

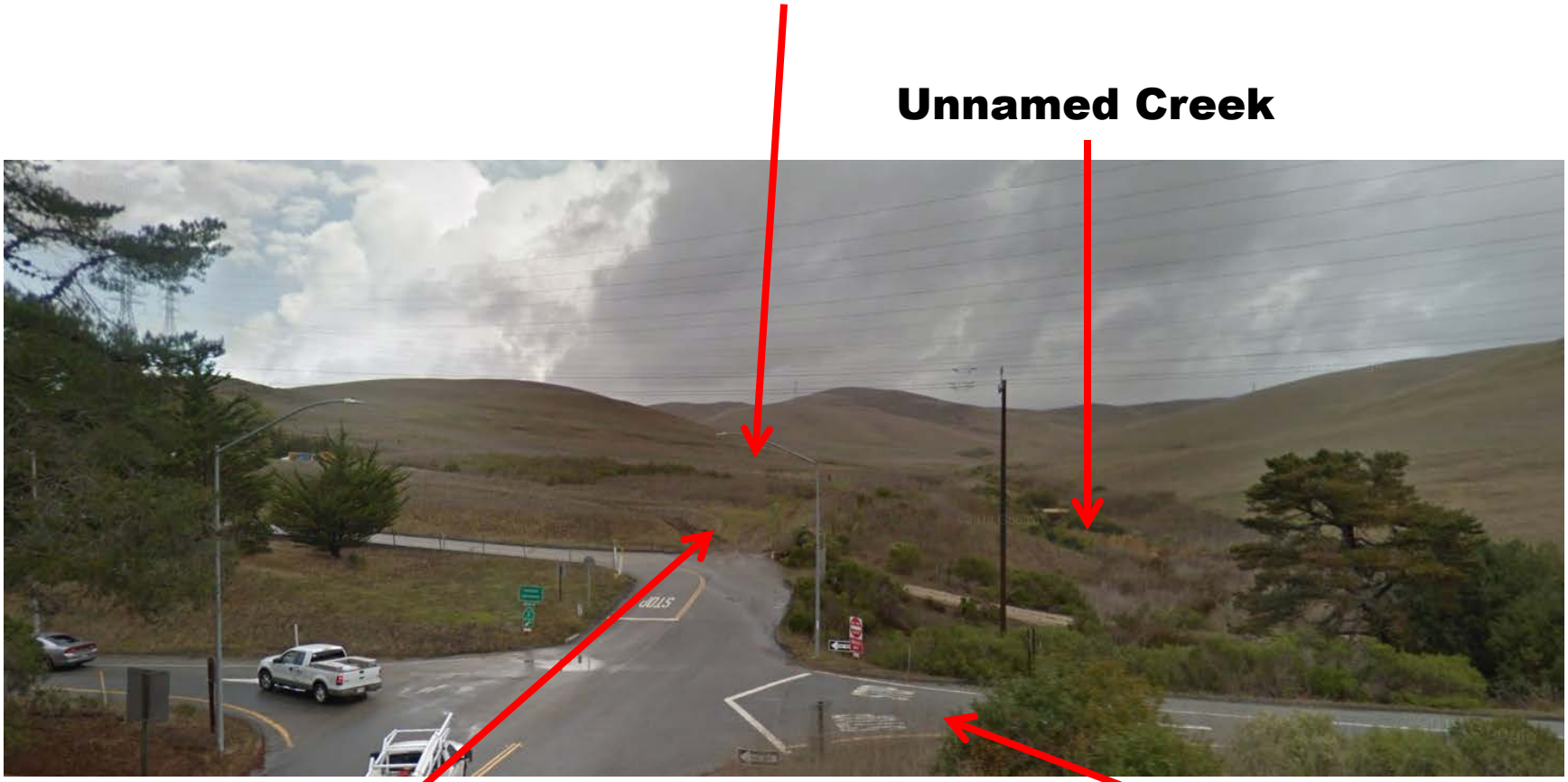
Morro Bay State Park

Existing WWTP and Shoreline Views from Atascadero Road

Existing WWTP **Morro Rock** **Morro Strand State Beach**

Proposed WRF Site

Facing North from Highway 1 Overpass at South Bay Boulevard

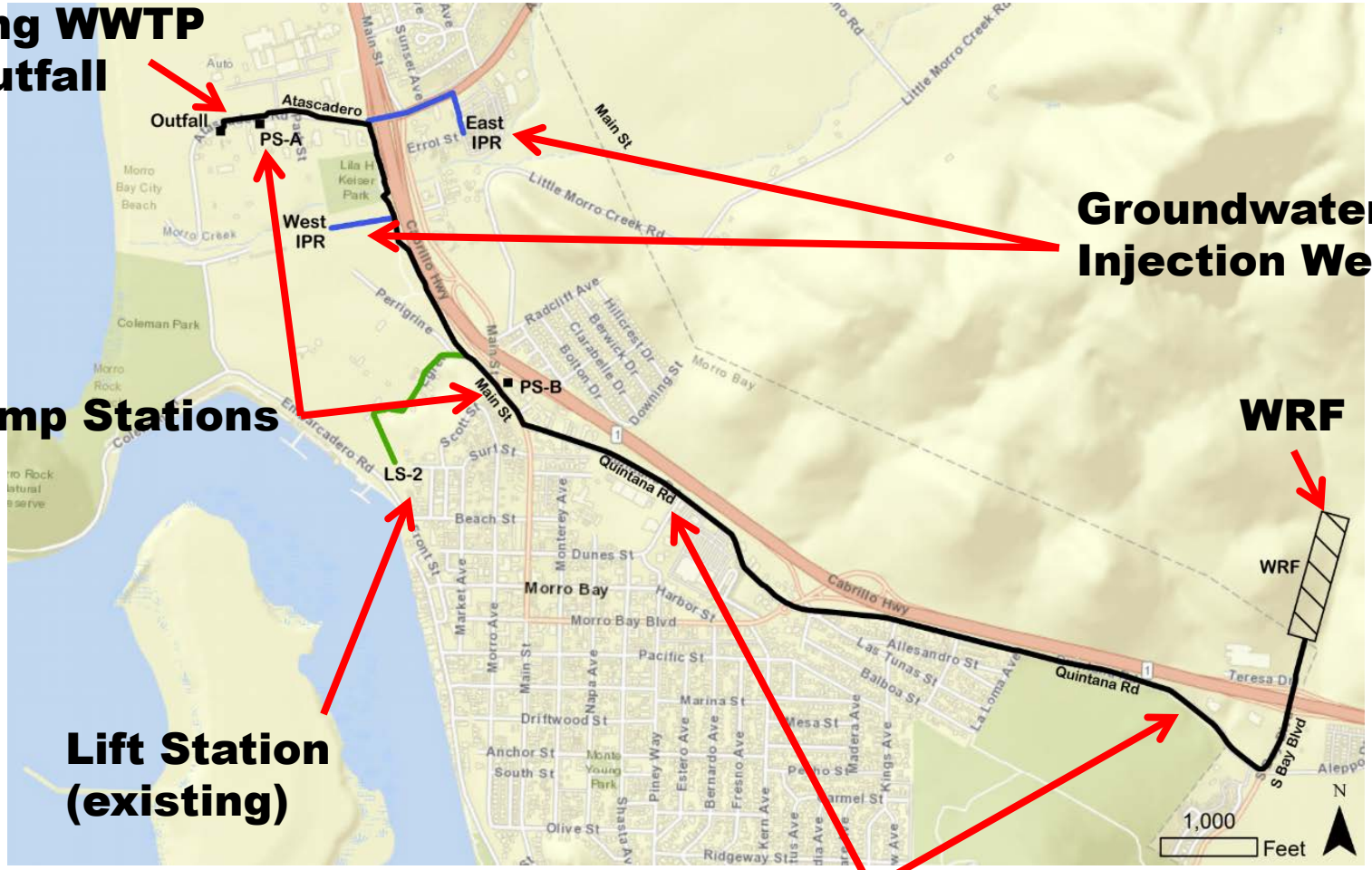


Proposed WRF Site

Facing North From Access Road

Proposed WRF Located Roughly Here

Proposed Offsite Improvements



Morro Bay New Water Reclamation Facility

Project Description

Project Location

The City of Morro Bay (City) is a small seaside town with strong historical roots in the fishing industry located along the central coast of California in San Luis Obispo County (County). The City was incorporated in 1964 and is a thriving destination for visitors, offering natural beauty, outdoor recreation, a working waterfront, a creative community, and a welcoming atmosphere. The City is located at the crossroads of Highway 1 and Highway 41, approximately 12 miles north of the city of San Luis Obispo, and approximately six (6) miles south of the unincorporated community of Cayucos (Figure 1). The City covers roughly five (5) square miles, and consists of varied topography ranging from steep mountain terrain to coastal beaches. The service area for the City is shown in Figure 2.

Portions of the proposed project are located within the City limits, while the remainder is within an unincorporated area of the County. The proposed Water Reclamation Facility (WRF) site is located in an unincorporated portion of the County adjacent to the City, while the remaining proposed infrastructure is located in the City itself. The WRF would be constructed on an approximately 10- to 15-acre area within a 396-acre parcel that is located along Highway 1, north of the northern terminus of South Bay Boulevard (Figure 3). The City is currently in the process of purchasing a portion of a 27.6-acre portion of the larger property, and will applying to the Local Agency Formation Commission (LAFCo) to annex the WRF site. The remainder of the 396-acre parcel will be part of the City's LAFCo application for potential inclusion in the City's Sphere of Influence (Figure 3). The Sphere of Influence request was stipulated in the terms of a Memorandum of Understanding (MOU) between the City and Tri-W Enterprises, Inc. (Tri-W) in October 2016. Tri-W is the current owner of the property in question.

The collection system modifications include two lift stations: one adjacent to the existing WWTP and one located at the corner of Highway 1 and Main Street on a City-owned parcel. In addition to the two lift stations, multiple pipelines running along an alignment between the existing WWTP and WRF site are also included (Figure 4). The alignment shown in Figure 5 includes: two forcemain pipelines to convey raw wastewater from the existing WWTP to the WRF site, a waste discharge pipeline to convey brine or peak wet weather flows to the ocean outfall, and a treated water forcemain pipeline to convey purified water to one of two groundwater injection locations.

The existing Morro Bay-Cayucos Wastewater Treatment Plant (WWTP), which is jointly owned and operated by the City and the Cayucos Sanitary District (CSD), was built in 1954, and is located at 160 Atascadero Road in the City. The existing WWTP will be decommissioned once the City's new facility and a similar facility being built by the CSD are online.

Project Background

The U.S. Environmental Protection Agency (USEPA) or the State Water Resources Control Board (SWRCB) regulates municipal wastewater discharges into the Pacific Ocean through National Pollutant Discharge Elimination System (NPDES) Permits in accordance with Section 402 of the federal Clean Water Act. USEPA or the California Regional Water Quality Control Boards issue (or reissue) NPDES

permits to wastewater dischargers every five years. The existing Morro Bay-Cayucos Wastewater Treatment Plant (WWTP) serves the City and the community of Cayucos, and is owned and operated jointly by the City and the Cayucos Sanitary District (CSD). Prior to the current 2017 NPDES Permit No. CA0047881 and Waste Discharge Requirements (WDR) Order No. R3-2017-0050, the WWTP discharged to the Pacific Ocean under NPDES Permit No. CA0047881 and WDR Order No. R3-2008-0065, which was a Clean Water Act Section 301(h) modified NPDES permit that waived full secondary treatment requirements for biochemical oxygen demand (BOD) and total suspended solids (TSS). The existing WWTP has operated under that modified permit since its last upgrade in 1984.

On July 7, 2003, the City submitted an application for renewal of NPDES permit to USEPA and Central Coast Regional Water Quality Control Board (RWQCB), which expired in March 2014. The final renewed discharge permit was adopted by the RWQCB on December 7, 2017. The 301(h) modifications were no longer included in the 2017 renewal. On June 27, 2018, the City received a time schedule order (TSO) from the RWQCB for compliance with full secondary treatment requirements. The TSO requires full compliance with the final effluent requirements by February 28, 2023.

Based on an agreement with the RWQCB, the City and CSD had previously pursued bringing the existing facility to full secondary treatment in place of continued requests for a 301(h) modified discharge permit. The agreement allowed the City and CSD to pursue secondary treatment on a schedule that was mutually agreed upon by both agencies and the RWQCB. In February 2015, the RWQCB stated the new facility was expected to be fully operational by 2021 in order to meet its goals.

The existing WWTP is located in the Coastal Zone. Consequently, when an effort was made to upgrade the existing WWTP at its existing location, a Coastal Development Permit (CDP) was required from the California Coastal Commission (CCC). In January 2013, the CCC denied the City and CSD's project application for the CDP to demolish the existing WWTP and construct a new treatment facility on the same site. The basis for that denial included the CCC's assessment the new facilities would be inconsistent with the City's Local Coastal Plan (LCP) zoning provisions, failed to avoid coastal hazards, failed to include a sizeable reclaimed water component, and that the project location was within an LCP-designated sensitive view area.

Following this denial, the City began planning and pursuing alternative locations for a new upgraded WWTP. From 2013 to the beginning of 2014, the community defined goals to guide the planning and design process for the new WRF. Public outreach was conducted through stakeholder meetings, stakeholder interviews, and public workshops which gathered input related to cost, environmental concerns, engineering and design issues, site-related issues, and logistics and process issues. Through that public outreach program, criteria were determined for the siting process, and various studies were conducted to examine the suitability of each site. Some of the criteria included, but were not limited to, compliance with NPDES Permit requirements, distance to the City sewer collection system, avoidance of coastal hazards, minimal visual impacts, and sustainable use of public resources.

Five comparative siting studies were performed between 2013 and 2017. Building on the results of a 2011 Rough Screening Evaluation, 17 study sites were first examined for the potential location of the WRF. By December 2013, it was narrowed down to seven study sites: Chevron, Morro Valley, Chorro Valley, California Men's Colony (CMC) Wastewater Treatment Plant site, Power Plant – southern portion, Panorama, and Giannini. The City Council narrowed the sites down to focus on the Morro Valley, Chorro Valley, and Giannini Property in May 2014. Within those three general areas, there were

four specific locations: Rancho Colina and Righetti (both in the Morro Valley), Tri-W (now called the "South Bay Boulevard" site in Chorro Valley), and Giannini. It should be noted there was also a feasibility analysis performed for a regional facility at the CMC site that could serve the needs of the City and partner agencies. However, this alternative was concluded not to be feasible.

In April 2015, the CSD decided to pursue an independent path from the City to build its own new wastewater facility, and unilaterally adopted a resolution to that effect on April 30, 2015. From that point forward, the City's efforts have been focused on finding a suitable site to build a WRF to serve only its customers, exclusive of CSD customers. Thus, current plans are for the City and CSD to build separate treatment facilities and, once both treatment facilities are operational, decommission the jointly-owned WWTP.

In April 2016, the City Council directed further investigation of these and other potential sites to address a variety of neighborhood compatibility and cost concerns. After the 2016 comparative study was completed, the Tri-W site, which became known as the South Bay Boulevard site, was found to be the final site preference, and preliminary planning efforts began at that location based on City Council direction at that time.

The City realized that relocation of the WWTP presented an opportunity to design and construct a project that would not only meet the minimum wastewater discharge requirements, but also provide recycled water for the community. Recycled water, in addition to other project objectives, are reflected in the goals for the WRF project adopted by the City Council in 2016:

- Produce tertiary, disinfected water in accordance with Title 22 requirements for unrestricted urban irrigation in a cost-effective manner for all ratepayers.
- Design to be able to produce reclaimed wastewater for potential users, which could include public and private landscape areas, agriculture, or groundwater recharge. A master water reclamation plan should include a construction schedule and a plan for bringing on recycled water customers in a cost-effective manner.
- Allow for onsite composting.
- Design for energy recovery.
- Design to treat contaminants of emerging concern in the future.
- Design to allow for other possible municipal functions (i.e., City Corporation Yard on site, as well as other uses such as a public park and education center).
- Ensure compatibility with neighboring land uses.
- Have a new WRF operational within five years.

In order to assess potential recycled water opportunities, the City completed the Draft Master Water Reclamation Plan (MKN, 2017). The Draft Master Water Reclamation Plan evaluated several different recycled water options including agricultural irrigation and exchange, urban reuse, indirect potable reuse (IPR), streamflow augmentation, and creation of a seawater intrusion barrier. As a result of the evaluation, the study identified IPR as the recommended recycled water alternative. While the cost for agricultural exchange and IPR are similar, IPR presents the greatest water supply benefit for the City.

Project Description and Key Components

The proposed project would include new wastewater treatment facilities at the WRF site that would allow the City to meet the SWRCB requirements and timeline for upgrading to at least full secondary treatment, and would exceed this minimal requirement through development of an Advanced Water Treatment Facility (AWTF). The project also includes various conveyance facilities (pipelines and two pump stations) for bringing wastewater to the WRF. During operation, advanced treated recycled water produced at the WRF would be used for IPR via groundwater injection, which would be conveyed via additional pipelines from the WRF site to the wellfield. Brine produced by the treatment process will be discharged through the existing ocean outfall. These components are described more fully below. Implementation of the proposed project would allow for the decommissioning of the existing WWTP, once CSD's new and independent wastewater facility is completed and operational.

Water Reclamation Facility

The WRF would provide a minimum of tertiary treatment to dry weather wastewater flows generated within the City's service area, and the majority of this flow would be further treated for IPR standards for a groundwater replenishment reuse project (GRRP) using subsurface application. The WRF will be sized to treat a maximum average annual daily flow rate of 0.97 million gallons per day (MGD) and a peak wet weather flow of 8.14 MGD. The facility design includes preliminary (influent screening and grit removal) and biological and tertiary treatment via a membrane bioreactor (MBR). Advanced treatment includes reverse osmosis (RO) and ultraviolet (UV) disinfection with an advanced oxidation process (AOP). Residuals from the biological and tertiary processes will be mechanically dewatered and disposed of off-site.

The City is proceeding with a design-build (DB) procurement process for the WRF. One reason for the City's decision to pursue DB is to allow for innovation by the DB teams proposing on the project. The City experiences high peak flows during wet weather events due to inflow and infiltration (I/I) throughout the collection system. While *OneWater Morro Bay*, the City's comprehensive infrastructure planning study completed in 2018, has identified improvements to the City's collection system to reduce I/I, the new WRF must be designed to treat current peak wet weather flows. The original concept proposed in the DB Request for Proposals (RFP) included the construction of a large concrete basin to equalize raw wastewater flows. The selected team, a joint venture between Filanc and Black & Veatch, proposed the use of an auxiliary treatment system for wet weather flows (Stormwater Adaptive Filtration Equipment [SAFE System]). This approach will allow the City to meet the treatment requirements in WDR Order No. R3-2017-0050, eliminates raw wastewater equalization, and significantly reduces the cost of the WRF project. During wet weather, instantaneous flows in excess of 1.88 MGD will be diverted through a 10-micron filter and combined with the treated effluent from the MBR. This combination of the MBR and SAFE System will comply with numerical effluent limitations and criteria that are fully protective of the receiving water body. The SAFE System also has the added benefit of stabilizing the operation of the MBR and ensuring effectiveness of the biological treatment process.

A process flow diagram for the WRF is provided in Figure 6. A site plan for the WRF is included in Figure 7.

Conveyance Facilities

The offsite conveyance pipelines are comprised of two new forcemains to convey raw wastewater from the existing collection system and proposed lift stations to the WRF site, a recycled water pipeline to convey treated water from the WRF to injection wells, and a waste discharge pipeline to convey brine or treated wet weather flows to the ocean outfall. Brine and treated wet weather flows will be compliant with the California Ocean Plan discharge requirements. The recommended pipeline route is approximately 3.6 miles and travels east along Atascadero Road and south in California Department of Transportation (Caltrans) right-of-way (ROW) around Lila Keiser Park before following an existing parkway/bike path across Morro Creek. It continues southeast along the Main Street right-of-way until it joins and follows Quintana Road. Continuing in a southeast direction on Quintana Road, the pipelines pass through street crossings of Kennedy Way, Morro Bay Boulevard then Kings Avenue, Bella Vista Drive, and La Loma Avenue to South Bay Boulevard. The proposed alignment then runs north on South Bay Boulevard, crosses under Highway 1 at the interchange overpass and continues north towards the proposed WRF site.

The 12-inch and 16-inch wastewater forcemain pipelines and 16-inch brine waste pipeline will be contained in a common trench. Due to requirements for separation by the Division of Drinking Water (DDW), the 8-inch potable reuse forcemain pipeline will be contained in a separate, adjacent trench. The trench section is shown in Figure 8.

In order to minimize new infrastructure that must be located near the existing WWTP site in a coastal hazard area subject to flooding and sea level rise, the City will use two pump stations to convey raw wastewater to the new WRF site. One reason for the City's relocation of the WRF is a directive by the CCC to remove critical infrastructure from coastal hazard and sensitive view areas. While the City cannot remove all of the WRF infrastructure from the coastal hazard area, use of a secondary pump station reduces the footprint of the pump station that must be located near the existing WWTP (referred to as PS-A) and significantly minimizes the amount of raw wastewater that must pass through this pump station. The PS-A site is within the 100-year floodplain per the current Flood Insurance Rate Map per the Federal Emergency Management Agency (FEMA). To protect critical equipment, structures and equipment at PS-A will be set at a minimum of two feet above the 100-year flood elevation. Mitigation measures to protect the fill used to raise the site from washout and erosion under flood conditions will also be implemented. There is a potential for tsunami inundation or flooding of the lift station sites according to the ASCE Tsunami Hazard Tool. However, neither pump station falls within the tsunami design zone. To further protect the pump stations, an emergency generator will be provided that will power the entire pump station in the event of a power outage.

The new pump station PS-A will be located on City-owned land near the existing WWTP and will have a design capacity of 5.81 MGD. A rendering of PS-A is shown in Figure 9. The new pump station PS-B will be located near the corner of Main Street and Highway 1 and will have a design capacity of 7.98 MGD. A rendering of PS-B is shown in Figure 10. The PS-B site is located on City-owned property that has previously been developed.

Recycled Water Offsite Facilities

One of the ultimate goals of the proposed project is to enhance the City's water supply portfolio. The proposed end use for recycled water produced at the WRF is indirect potable reuse (IPR), which would involve groundwater replenishment in the Morro Valley using subsurface application via injection wells. The City has previously completed the Lower Morro Valley Basin Screening-Level Groundwater Modeling for Injection Feasibility (GSI, 2017), which presented a preliminary evaluation of injection and extraction strategies. The findings from the study indicate that the City could inject approximately 800 AFY of purified water, which would offset approximately 80 percent of the City's potable water demand.

A recycled water distribution system will be built to convey water to one of two injection well areas (as identified in Figure 5). These components will include a finished water storage tank and pump station (located at the WRF site), injection wells, and monitoring wells.

The wells would be located within proposed wellfield areas either at the Narrows, which is the area east of the City near Highway 41 where Morro Creek and Little Morro Creek converge (IPR-East), or an area west of Highway 1 near the bike path (IPR-West) (see Figure 5). Wells would be located on vacant lands owned by the City or within ROW, and sited to avoid environmentally sensitive habitat and riparian/wetlands areas. The injection well casing would be below ground with some above ground surface piping to connect the wells to the distribution systems. The injection wells would have some valves, a flow meter, and a small control panel with an antenna housed in a small shed or a weatherproof electrical enclosure. The injection well sites would be enclosed with fencing and have relatively small footprints of approximately 200 square feet. Each injection well may have up to two associated monitoring wells, one upgradient and one downgradient of the injection well. If the injection wells are located in close proximity, then it is possible fewer monitoring wells will be required. The monitoring wells will consist of an underground well casing and a lockable well cap. No permanent electrical or mechanical equipment would be associated. Regular access would be required to perform the required groundwater monitoring.

It is anticipated that the City will only use one injection location (either IPR-East or IPR-West). The City is currently performing additional hydrogeological work with the goal of identifying the preferred injection location.

Ocean Outfall Development

The proposed modifications include cleaning and installation of new valves on 28 of the outfall's 34 diffusers. Outfall cleaning will consist of conducting an initial inspection to collect sediment samples to characterize the material and confirm the quantity of sediment in order to determine an appropriate method for removal. Based on information from the Morro Bay Outfall Inspection (Ballard Diving & Salvage, 2011), approximately 30 cubic yards of sediment will need to be removed from the outfall. Removing sediment will be accomplished by flushing/pumping water through the outfall and into the diffuser section, removing the diffusers, and extracting the sediment through the existing diffuser ports.

The existing outfall includes a 170-foot diffuser section with a total of 34 diffusers. The existing diffusers consist of a 6-inch flanged steel pipe section welded to the main 27-inch diameter outfall pipe. Connected to the steel section is a Schedule 80 PVC short flanged section, 6-inch long radius 45-degree elbow, and 6-inch by 2-inch concentric reducer. To remove the sediment, the elbow and reducer will be removed and sediment will be pumped out of the diffuser ports into a barge. The sediment will be dried and then hauled to a landfill for disposal.

There is currently no way to keep sediment from entering the outfall through the diffuser ports. In order to keep sediment out of the outfall and maintain flow capacity, following cleaning the elbows will be reinstalled and the concentric reducers will be replaced with a new elastomeric duckbill-style check valve.

Construction Details:

The construction for the outfall rehabilitation will occur in two phases. The City will first contract with a diving company to visually inspect the outside of the outfall, measure pipe thickness and identify coating defects, and use a remotely operated vehicle (ROV) to video the inside of the outfall to both quantify and characterize the sediment that must be removed. The information from this initial inspection will be used to complete the design of the outfall rehabilitation.

For the outfall rehabilitation construction, a dive company would mobilize a hopper barge at the end of the outfall approximately 4,000 feet offshore. The dive team would first remove the sediment from the diffuser section by pumping seawater into upstream diffuser ports and using a suction hose inserted into a downstream diffuser to remove the sediment and transfer it to the hopper barge. To remove the sediment in the upper reaches of the outfall beyond the diffuser section, the dive team would remove the blind flange from the end of the outfall and use a ROV to carry a suction hose past the diffuser section. The sediment would be removed by the suction hose and transferred to the hopper barge for disposal. Following cleaning, the elastomeric duckbill-style check valves would be installed in place of the existing concentric reducers, which would prevent future sediment from accumulating in the outfall.

Cleaning of the outfall and the installation of the valves would all be done from offshore with no bypass of the outfall needed or disturbance of the dunes, beach, or surf zone. All sediment from inside the outfall would also be disposed of offsite and not discharged to the ocean.

PG&E HIGH VOLTAGE EASEMENT

STATE WATER PROJECT PIPELINE EASEMENT

MORRO BAY CITY LIMITS

PROPERTY LINE

CONCRETE-LINED V-DITCH

STORMWATER POND

HILLSIDE DRAINAGE CHANNEL (NOTE 2)

RETAINING WALL

OPERATIONS BUILDING
100' x 60'

STAFF PARKING

VISITOR PARKING

10' x 20'

24' WIDE 2-LANE PLANT ACCESS ROAD

HILLSIDE DRAINAGE CHANNEL AND CATCH BASIN (NOTE 2)

NOTE 1

MANUALLY OPERATED AFTER-HOURS SECURITY GATE

POTABLE WATER SUPPLY TO SITE

NOTE 4

CURB AND GUTTER (NOTE 5)

TEMPORARY CONSTRUCTION SILT FENCE

MOTOR OPERATED SECURED PLANT AREA ACCESS GATE

STORMWATER OUTLET WITH ENERGY DISSIPATION/DISTRIBUTION MEASURES

WRF PARCEL LIMITS

MATCH LINE
FOR CONTINUATION SEE DWG CCC-C-102

P/L

20' 10' 0 20' 40'
1"=20'

NOTES:

1. *NON-PROCESS AREAS OF THE PLANT SITE ARE CAPTURED BY STORMWATER POND AND RELEASED DIRECT TO STREAM CHANNEL VIA OUTLET STRUCTURE.*
2. *HILLSIDE DRAINAGE IS CAPTURED IN SWALE AND ROUTED VIA CULVERT TO STREAM CHANNEL.*
3. *SITE PROCESS AREA STORMWATER POND OUTLET CONTROL AND PUMPING. PLANT PROCESS AREA DRAINAGE IS CAPTURED IN POND WHICH HAS FACILITIES TO PUMP FIRST FLUSH DRAINAGE AS STANDARD OPERATING PROCEDURE TO HEAD OF WASTEWATER TREATMENT PLANT FOR TREATMENT.*
4. *DRAINAGE ROUTED TO STREAM CHANNEL OVERLAND VIA EARTHEN SWALE. PLANTINGS AND/OR RIP RAP WILL BE FURNISHED AS NEEDED TO PREVENT EROSION.*
5. *CURB AND GUTTER ON EAST SIDE OF PLANT ROAD COLLECTS PLANT SITE DRAINAGE FOR ROUTING TO STORMWATER POND.*
6. *BUILDING DIMENSIONS PROVIDED ARE APPROXIMATE BASED ON CURRENT LEVEL OF DESIGN.*

NO.	BY	CHK	APP	DATE	REVISIONS AND RECORD OF USE

JOINT VENTURE

BLACK & VEATCH

FILANC

CITY OF MORRO BAY
MORRO BAY WRF

CIVIL
SITE FACILITIES
SOUTH OPERATIONS AREA

DESIGNED: EVB
DETAILED: SMM
CHECKED:
APPROVED:
DATE: FEB 2019

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IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO FULL SCALE

PROJECT NO.
400530

CCC-C-101
SHEET
OF

Exhibit 3 (City's Proposed Project Plans & Renderings)
CDP 3-19-0463
1 of 14

PRELIMINARY - NOT FOR CONSTRUCTION

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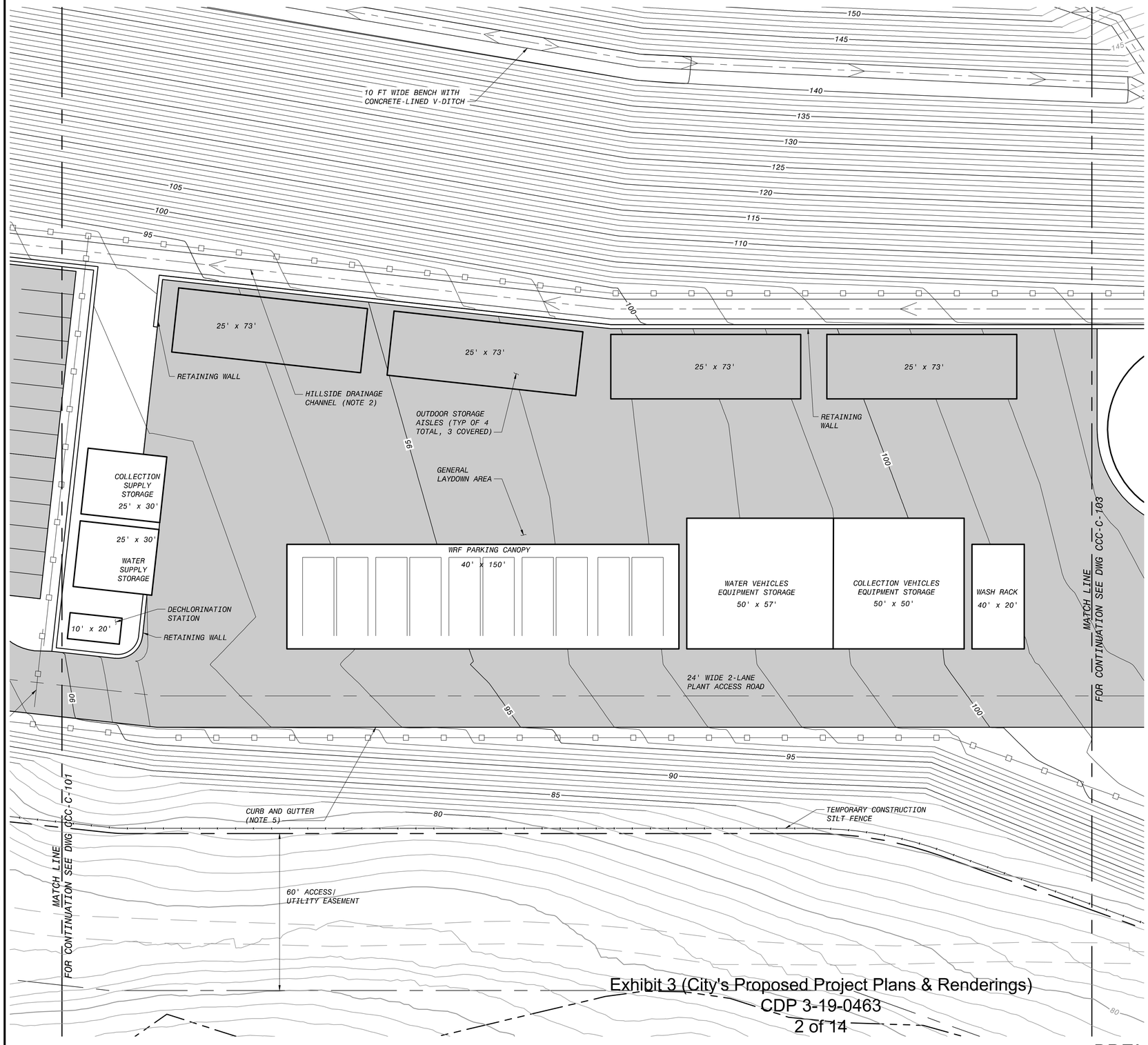

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BLACK & VEATCH

FILANC

CITY OF MORRO BAY
MORRO BAY WRF

CIVIL
SITE FACILITIES
NORTH OPERATIONS AREA

DESIGNED:	EVB
DETAILED:	SMM
CHECKED:	
APPROVED:	
DATE:	FEB 2019

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IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO FULL SCALE

PROJECT NO.
400530

CCC-C-102
SHEET
OF

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1"=20'

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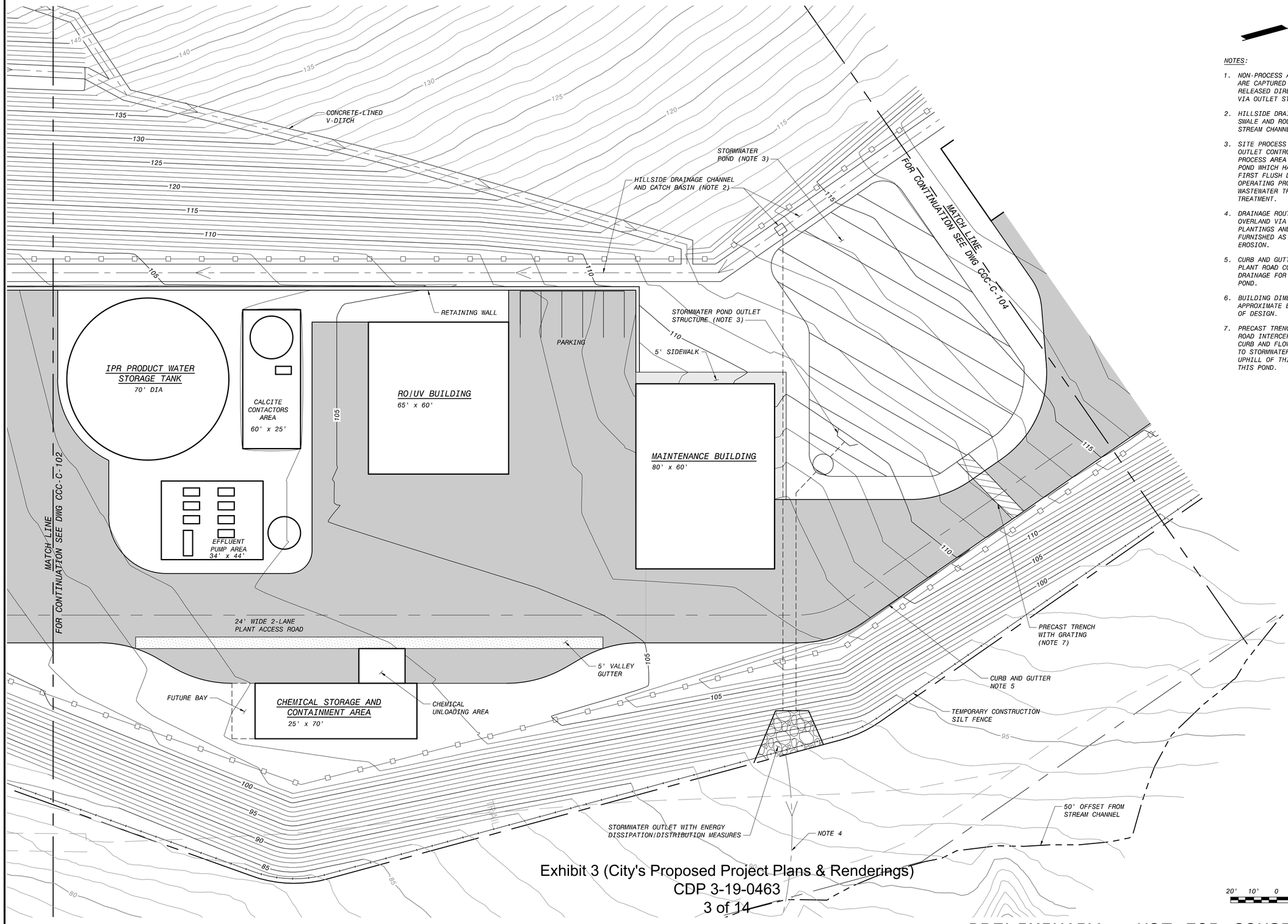

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BLACK & VEATCH

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MORRO BAY WRF

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SITE FACILITIES
SOUTH PROCESS AREA

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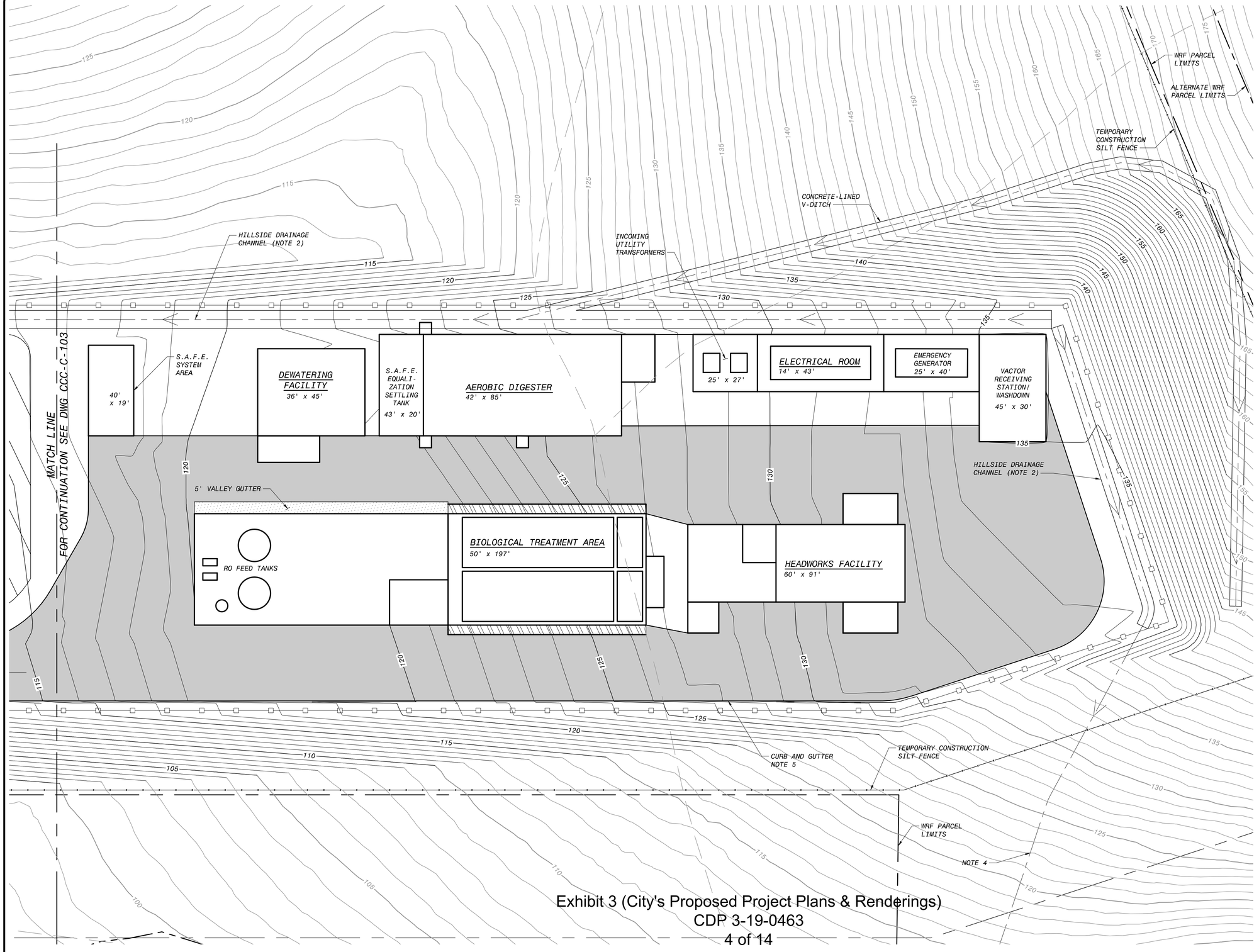

NOTES:

1. NON-PROCESS AREAS OF THE PLANT SITE ARE CAPTURED BY STORMWATER POND AND RELEASED DIRECT TO STREAM CHANNEL VIA OUTLET STRUCTURE.
2. HILLSIDE DRAINAGE IS CAPTURED IN SWALE AND ROUTED VIA CULVERT TO STREAM CHANNEL.
3. SITE PROCESS AREA STORMWATER POND OUTLET CONTROL AND PUMPING. PLANT PROCESS AREA DRAINAGE IS CAPTURED IN POND WHICH HAS FACILITIES TO PUMP FIRST FLUSH DRAINAGE AS STANDARD OPERATING PROCEDURE TO HEAD OF WASTEWATER TREATMENT PLANT FOR TREATMENT.
4. DRAINAGE ROUTED TO STREAM CHANNEL OVERLAND VIA EARTHEN SWALE. PLANTINGS AND/OR RIP RAP WILL BE FURNISHED AS NEEDED TO PREVENT EROSION.
5. CURB AND GUTTER ON EAST SIDE OF PLANT ROAD COLLECTS PLANT SITE DRAINAGE FOR ROUTING TO STORMWATER POND.
6. BUILDING DIMENSIONS PROVIDED ARE APPROXIMATE BASED ON CURRENT LEVEL OF DESIGN.

NO.	BY	CHK	APP	DATE	REVISIONS AND RECORD OF USE

JOINT VENTURE

BLACK & VEATCH

FILANC

CITY OF MORRO BAY
MORRO BAY WRF

CIVIL
SITE FACILITIES
NORTH PROCESS AREA

DESIGNED: EVB
DETAILED: SMM
CHECKED:
APPROVED:
DATE: FEB 2019

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IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO FULL SCALE

PROJECT NO.
400530

CCC-C-104
SHEET
OF

Exhibit 3 (City's Proposed Project Plans & Renderings)
CDP 3-19-0463
4 of 14

PRELIMINARY - NOT FOR CONSTRUCTION

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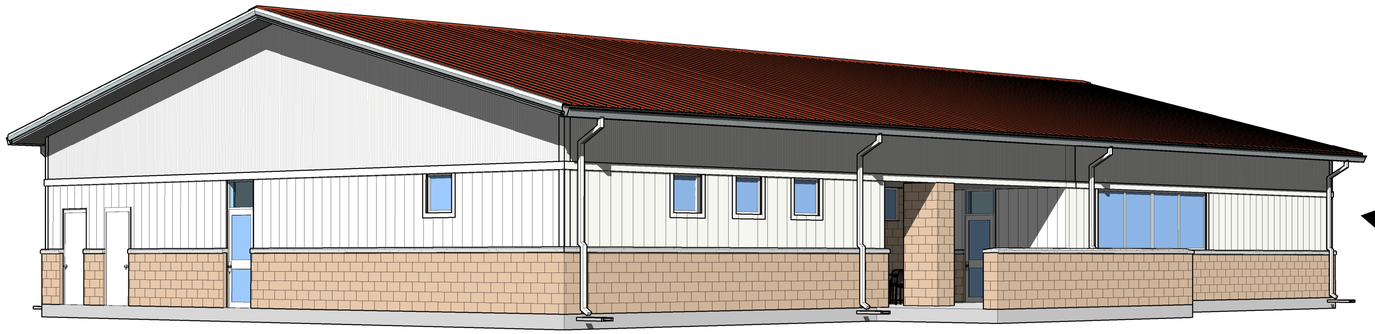
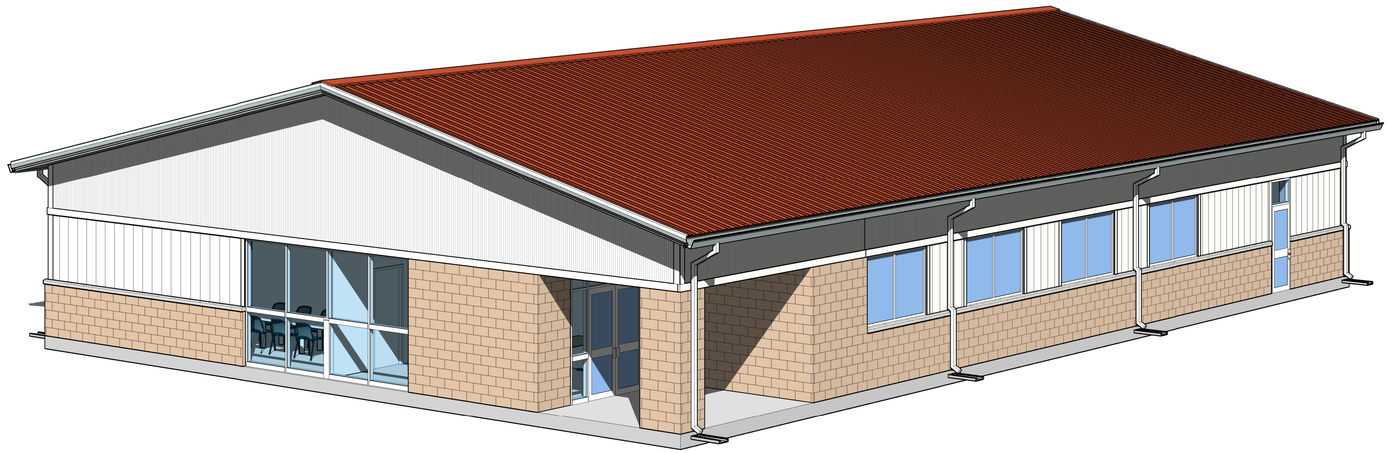


NORTHWEST PERSPECTIVE

VIEW FROM STATE HIGHWAY 1

VIEW FROM STATE HIGHWAY 1



SOUTHEAST PERSPECTIVE

Exhibit 3 (City's Proposed Project Plans & Renderings)
CDP 3-19-0463
5 of 14

PROPOSAL - NOT FOR CONSTRUCTION

NO.	BY	CHK	APP	DATE	REVISIONS AND RECORD OF USE

CITY OF MORRO BAY

JOINT VENTURE

FILANC BLACK & VEATCH

CITY OF MORRO BAY
FILANC BLACK & VEATCH DB PROPOSAL
MORRO BAY WRF

OPERATIONS BUILDING
3D VIEWS

DESIGNED: Designer
DETAILED: Author
CHECKED: Checker
APPROVED: Approver
DATE:

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IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO FULL SCALE

PROJECT NO.
81203

95-A-001
SHEET
OF

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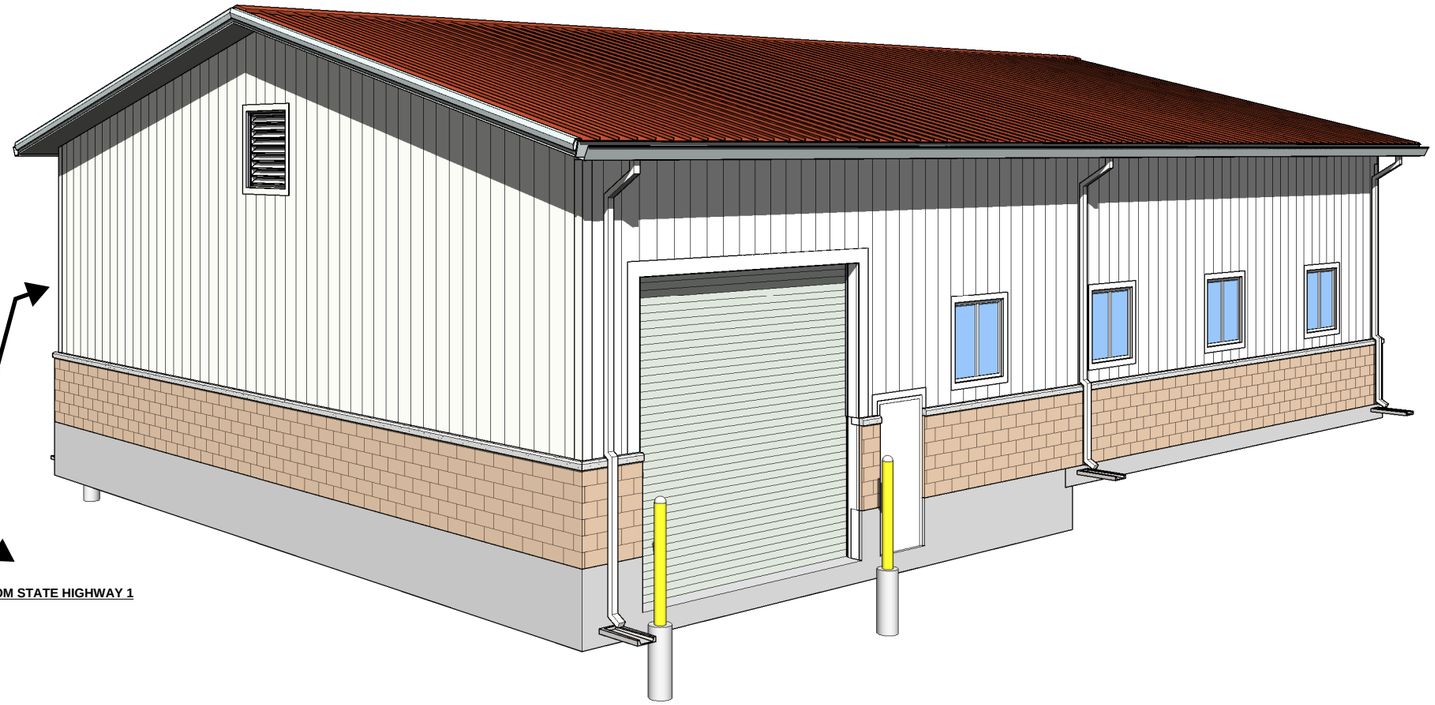
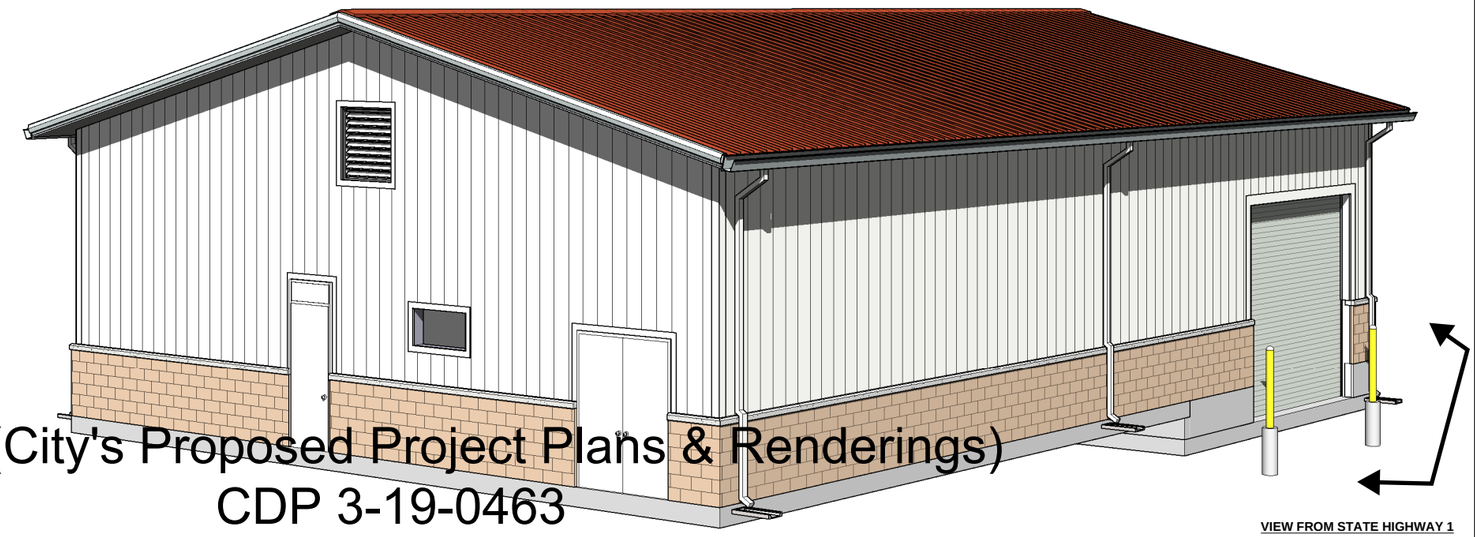


VIEW FROM STATE HIGHWAY 1

NORTHEAST PERSPECTIVE

NO SCALE



VIEW FROM STATE HIGHWAY 1

SOUTHWEST PERSPECTIVE

NO SCALE

Exhibit 3 (City's Proposed Project Plans & Renderings)
CDP 3-19-0463
6 of 14

PROPOSAL - NOT FOR CONSTRUCTION

NO.	BY	CHK	APP	DATE	REVISIONS AND RECORD OF USE
A				05/08/2018	ISSUED FOR PROPOSAL

JOINT VENTURE

FILANC

CITY OF MORRO BAY
FILANC BLACK & VEATCH DB PROPOSAL
MORRO BAY WRF

MAINTENANCE BUILDING
3D VIEWS

DESIGNED: Designer
DETAILED: Author
CHECKED: Checker
APPROVED: Approver
DATE:

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IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO FULL SCALE

PROJECT NO.
81203

96-A-001
SHEET
OF

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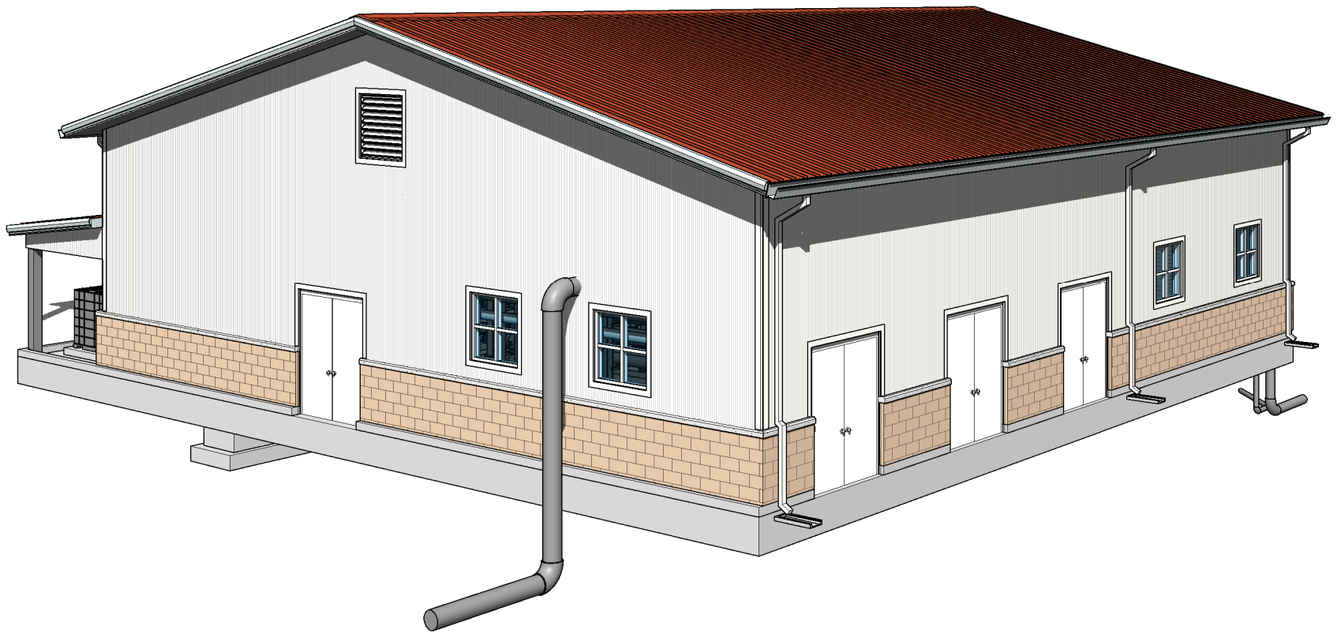
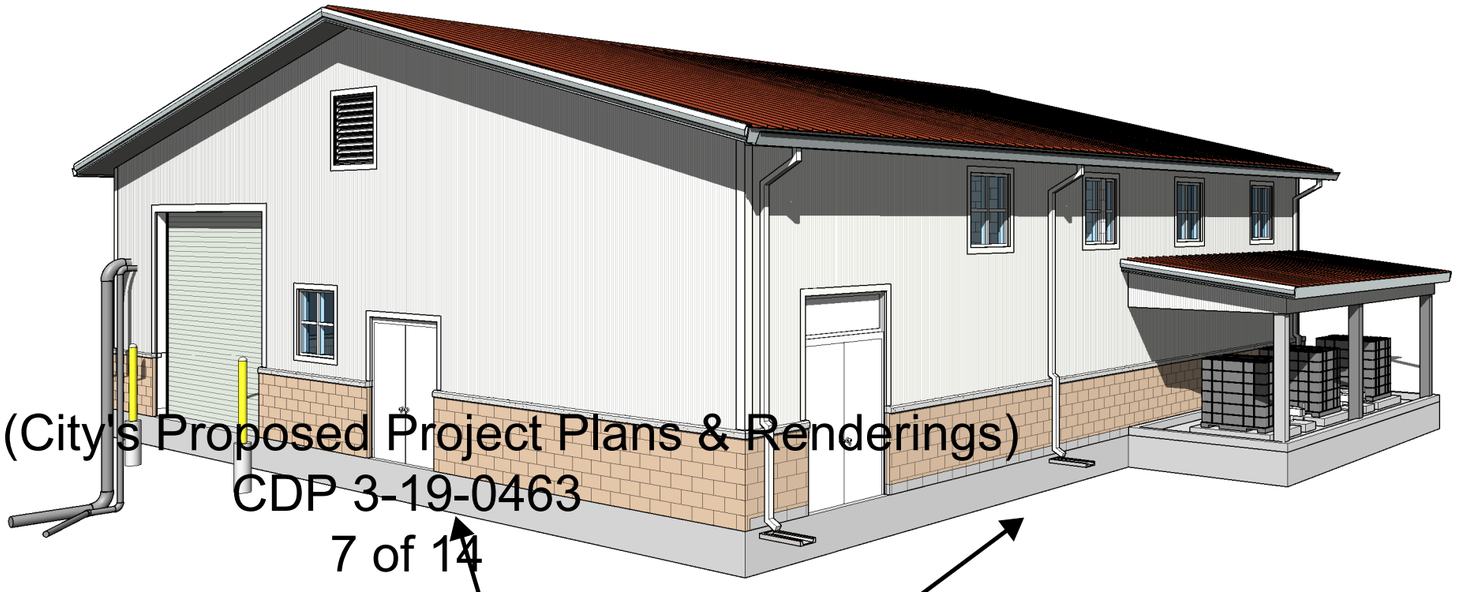


NORTHWEST PERSPECTIVE
NO SCALE



VIEW FROM STATE HIGHWAY 1

SOUTHEAST PERSPECTIVE
NO SCALE

PROPOSAL - NOT FOR CONSTRUCTION

NO.	BY	CHK	APP	DATE	REVISIONS AND RECORD OF USE
A				05/08/2018	ISSUED FOR PROPOSAL

CITY OF MORRO BAY
FILANC BLACK & VEATCH DB PROPOSAL
MORRO BAY WRF

RO/UV BUILDING
3D VIEWS

DESIGNED: Designer
DETAILED: Author
CHECKED: Checker
APPROVED: Approver
DATE:

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IF THIS BAR DOES NOT MEASURE 1" THEN DRAWING IS NOT TO FULL SCALE

PROJECT NO.
81203

51-A-001
SHEET
OF

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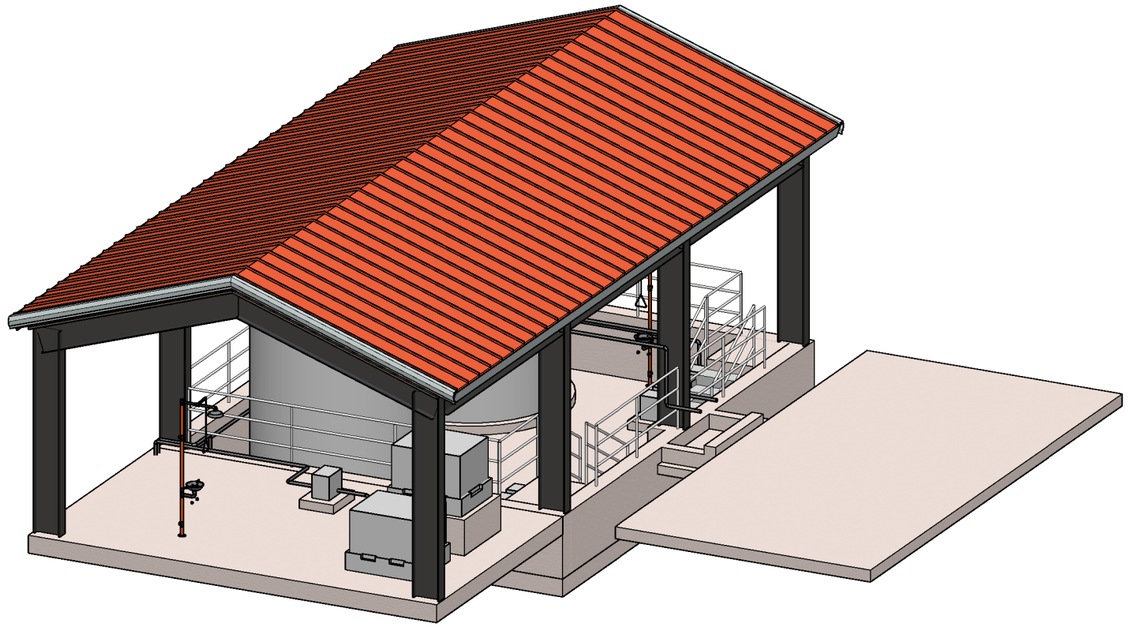

VIEW FROM STATE HIGHWAY 1

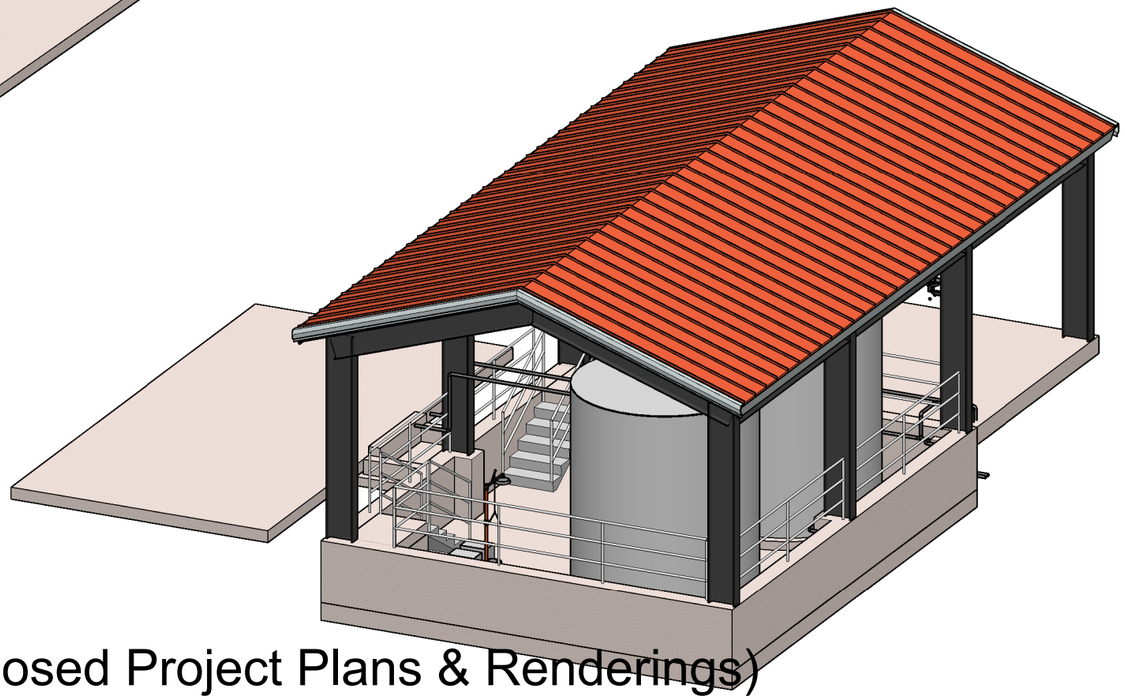

Exhibit 3 (City's Proposed Project Plans & Renderings)
CDP 3-19-0463
8 of 14

PROPOSAL - NOT FOR CONSTRUCTION

NO.	BY	CHK	APP	DATE	REVISIONS AND RECORD OF USE
A				05/08/2018	ISSUED FOR PROPOSAL

CITY OF MORRO BAY

JOINT VENTURE

FILANC

CITY OF MORRO BAY
FILANC BLACK & VEATCH DB PROPOSAL
MORRO BAY WRF

CHEMICAL FACILITY
3D VIEWS

DESIGNED: Designer
DETAILED: Author
CHECKED: Checker
APPROVED: Approver
DATE:

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PROJECT NO.
81203

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WRF Renderings and Visual Simulations

Proposed WRF From Various Highway 1 Motorist Vantage Points

Figure 10

PS-B Preliminary Rendering

Existing Site

❖ Autodesk Viewer: https://autode.sk/2FeVE5n

Figure 9

PS-A Preliminary Rendering

Exhibit 3 (City's Proposed Project Plans & Renderings)
CDP 3-19-0463 (Morro Bay Water Reclamation Facility)
page 11 of 14

❖ Autodesk Viewer: https://autode.sk/2QVbxPv

Existing Site

FIGURE 8

Morro Bay Alternative Injection Well Locations

Morro Bay Water Reclamation Facility

Morro Bay, CA

LEGEND

- Production Well
- Narrows Injection Well
- Southside Injection Well
- Watercourse

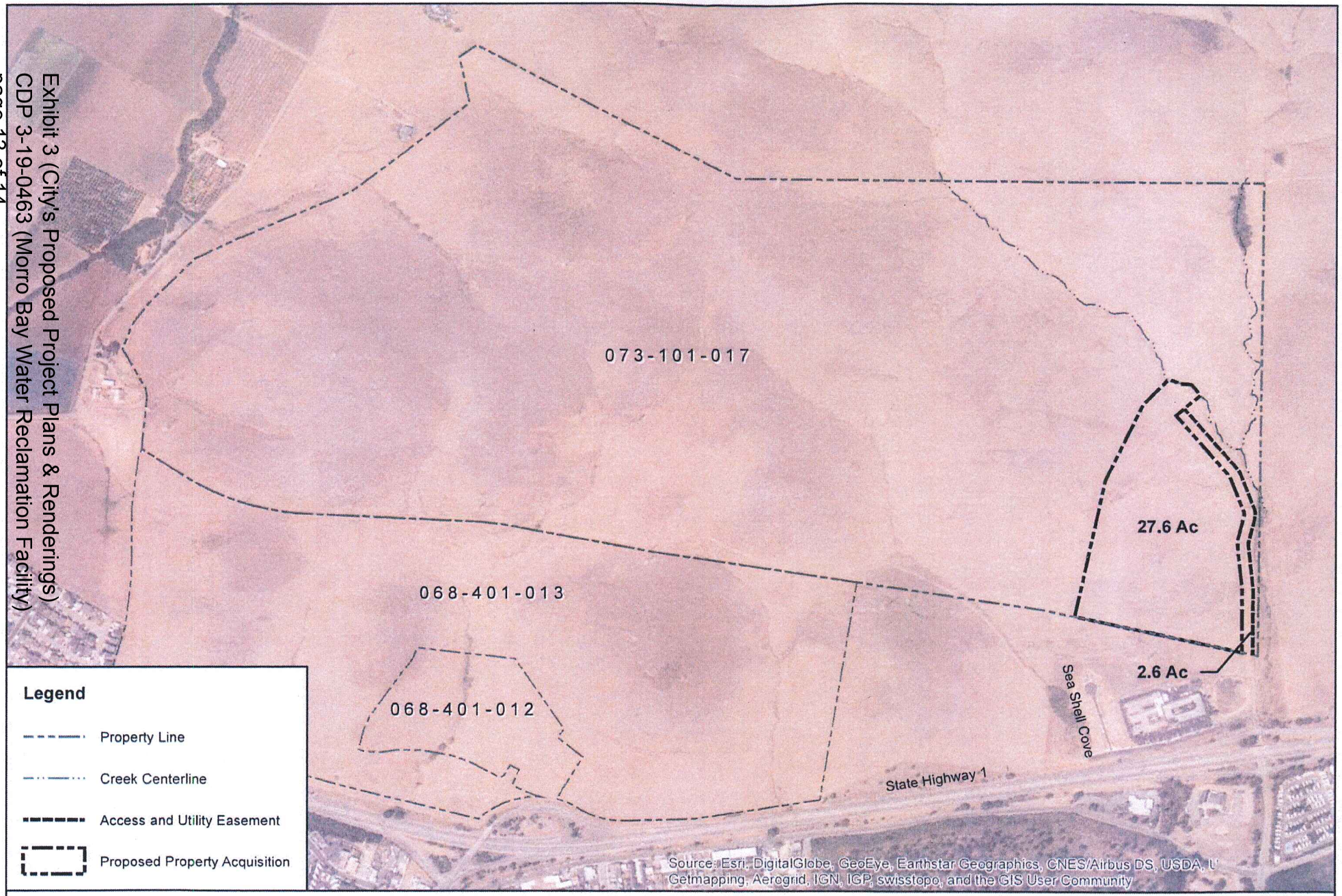
N

0 200 400
Feet

Date: April 3, 2019
Data Sources: USGS, DigiGlobe 2017, City of Morro Bay

GSI Water Solutions, Inc.

Document Path: Y:\0645_MorroBay\Source_Figures\007_GWModel_L_MorroBasin\Report\Figure[illegible]_Alternative_Injection_Well_Configuration.mxd



CITY OF MORRO BAY WATER RECLAMATION FACILITY PROJECT

Exhibit A-2

1 in = 800 feet

0 400 800

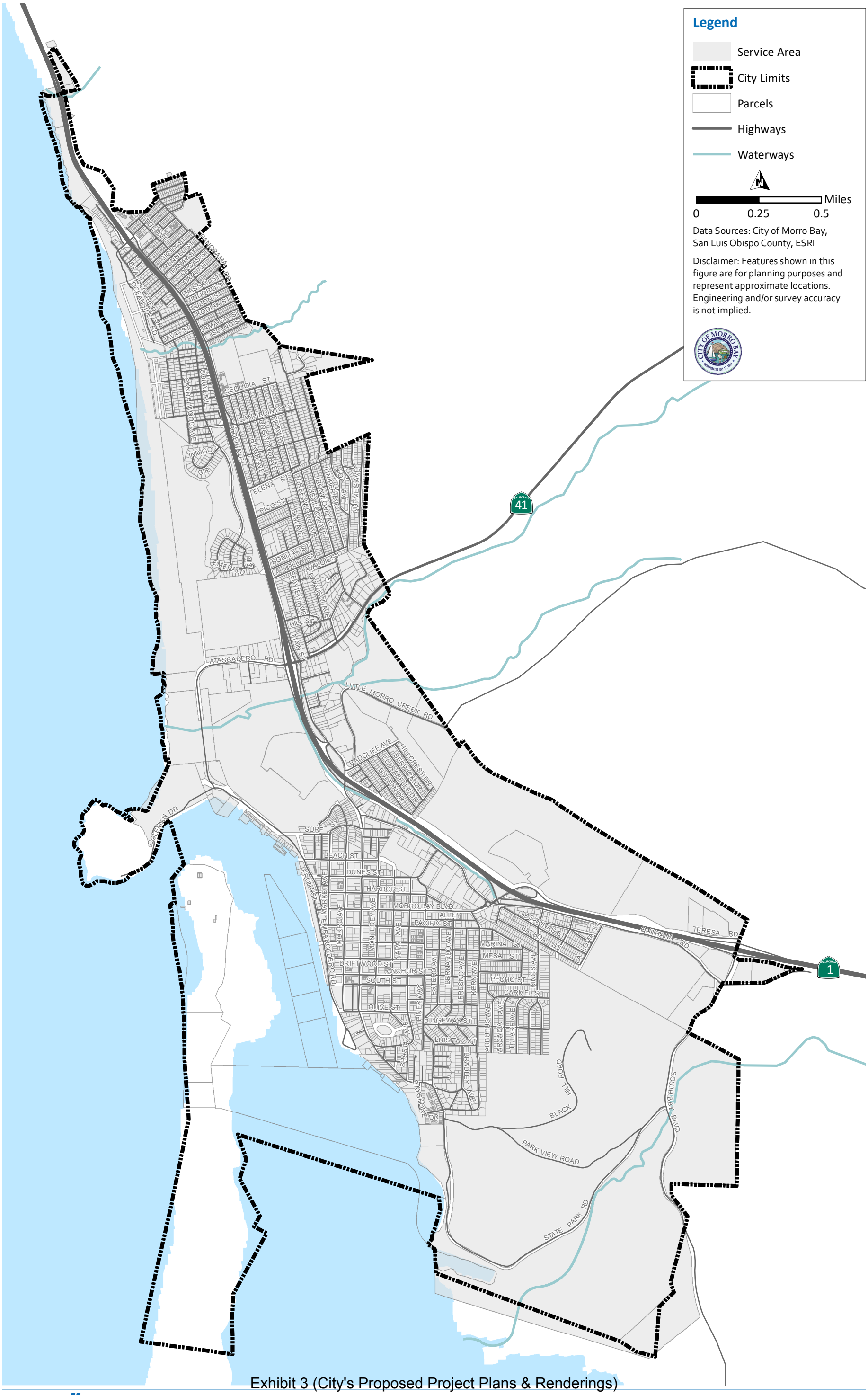


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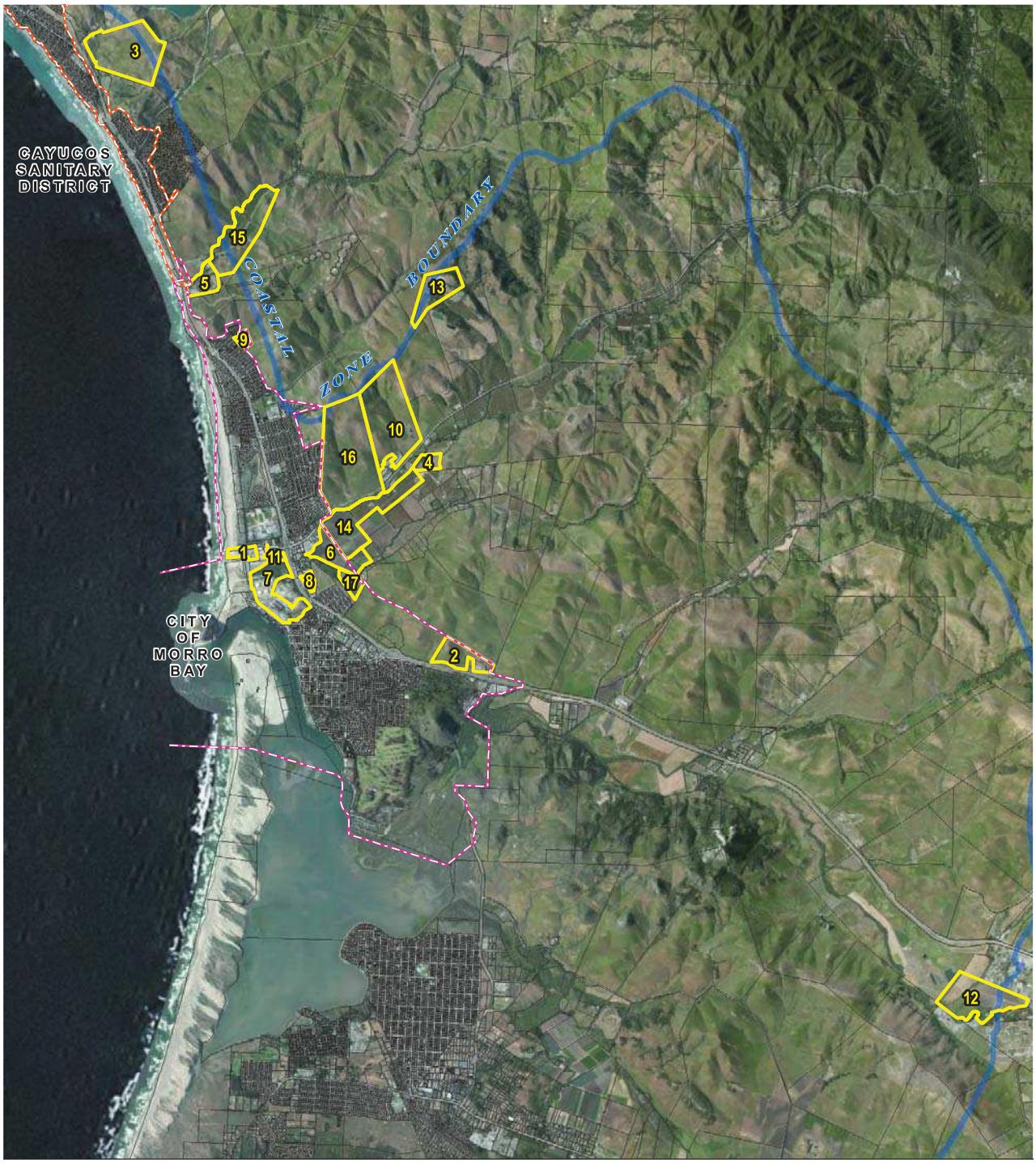
Figure 1.2 Service Area



N
W E
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Map #	Site Name	Map #	Site Name
1	Current WWTP Site	9	Panorama Street Site
2	Chorro Valley Site	10	Rancho Colina Site
3	Whale Rock Site	11	Lila Keiser Park Site
4	Highway 41 / Madonna Property	12	California Men's Colony (CMC) Wastewater Facility Site
5	Chevron Oil Facility	13	Power Plant Hillside Tank Farm Site
6	Hayashi or Giannini Properties	14	Additional Highway 41 Properties (Multiple APNs)
7	Power Plant Site	15	1/2 Mile Up Toro Creek Road (Chevron Facility Hillside Site)
8	PG&E / City Property	16	1 Mile Up Atascadero Road (Righetti Property)
		17	APN 068-401-011 (Additional Giannini Property)

City of Morro Bay Sanitary District Service Area

Cayucos Sanitary District Service Area

SOURCE: Dudek, 2011

Morro Bay Water Reclamation Facility Project . 150412

Figure 6-1

WRF Alternative Site Locations

Exhibit 4 (City's Alternative Project Site Locations Map)
CDP 3-19-0463 (Morro Bay Water Reclamation Facility)
Page 1 of 1

APPENDIX B COST ASSUMPTIONS AND DETAILS

Soft costs for the WRF project are made up of the following categories. Detailed costs and descriptions are provided in Appendix B.

- WRF Engineering/Design (8%)
    - Engineering and design costs of the WRF include the range of services from initial geotechnical and survey work at the onset of design, into treatment technology and conveyance design and layout, and through construction where the engineers will provide design clarifications and changes to the contractor as needed.
- Conveyance Engineering/Design (10%/8%)
    - The conveyance facilities contract, which includes the influent pump station and offsite pipelines, is anticipated to be delivered through a conventional design, bid, build approach (DBB), unless the project is at Site 2 or 3. In these cases, the project would likely be consolidated under one design-build (DB) contract. The engineering and design is estimated at 8% of construction costs for Sites 2 and 3, and 10% for the others.
- Procurement and Preliminary Engineering (4%)
    - This category includes all preliminary engineering, such as the Facility Master Plan, surveying and geotechnical evaluation, siting studies, hydrogeology studies, the Master Water Reclamation Plan, and other engineering tasks necessary to support the project through procurement. Procurement was assumed to be a design-build approach. Procurement costs include development of the request for qualifications, request for proposals, development of performance criteria, and stipends for short-listed firms.
- WRF Project Administration and Construction Management (10%)
    - Administration costs include City staff time, outreach efforts, monthly City Council and WRFCAC meetings, value engineering exercises, budget/schedule management, reporting, contract management, document review, and quality assurance/quality control measures. Construction management includes construction observation, change order management, submittal management, special inspections, and quality assurance/quality control measures.
- Conveyance Project Administration and Construction Management (12%/10%)
    - Administration costs include City staff time, outreach efforts, monthly City Council and WRFCAC meetings, value engineering exercises, budget/schedule management, reporting, contract management, document review, and quality assurance/quality control measures. Construction management includes construction observation, change order management, submittal management, special inspections, and quality assurance/quality control measures.
    - The conveyance facilities contract, which includes the influent pump station and offsite pipelines, is anticipated to be delivered through a conventional DBB approach unless the project is at Site 2 or 3. In these cases, the project would likely be consolidated under one DB contract. The administration and construction management is estimated at 10% of construction costs for Sites 2 and 3, and 12% for the others.
- Permitting and Monitoring (1%/2%)
    - Permitting costs include development of an Environmental Impact Report and other special studies needed to meet CEQA requirements. Costs will also include Coastal Development Permit preparation, streambed alteration agreements, mitigation/monitoring, and other general permitting. Based on discussions with CCC staff, permitting is anticipated to take longer at Sites 2 or 3, and the costs were estimated at 2% of construction costs at these sites, and 1% of construction costs at the other sites.
- Existing WWTP Demolition ($3.3M 2017 Dollars)

- Decommissioning of the existing facility will involve removal of all buried pipe and structures to 5 feet below ground surface, backfill, and top with rock. With a 50% contingency, decommissioning of the existing facility is estimated to cost approximately $5,000,000. The City is anticipated to pay approximately two-thirds of that cost.

- Escalation (3% @ 1 yr/2 yrs)
  - Escalation was included at 3% per year for one year for all but Sites 2 and 3. Based on discussions with CCC staff, permitting is anticipated to take longer at Sites 2 or 3. Two years instead of one year were assumed for these sites. The Rate Study Update will consider escalation to the midpoint of construction for financing considerations.

The construction contingency for the WRF and conveyance facilities is recommended at 20% of the construction cost subtotal for Site 2 due to the amount of available information for the area, and 25% for the other sites.

Soft costs for the recycled water portions of the project are made up of the following categories:

- Escalation (3% @ 1 yr/2 yrs)
  - The recycled water component of the project may not be constructed concurrent to the new WRF. Escalation was included at 3% for one year for all but Sites 2 and 3. Based on discussions with CCC staff, permitting is anticipated to take longer at Sites 2 or 3. Two years instead of one year were assumed for these sites. The Rate Study Update will consider escalation to the midpoint of construction for financing considerations.
- Engineering, Administration, Legal, and Permitting (25%)
  - At the current level of planning efforts for the recycled water project, 25% was assumed for engineering, administration, permitting, legal, etc. These costs will be refined further along in the design and planning process.

A 25% construction contingency is recommended for the recycled water portion of the project for all of the site alternatives.

Property acquisition costs are unknown and are not included in the project costs herein. The City will only be responsible for paying the appraised value of the property. Appraisals have not yet been obtained, since the property costs are estimated to be a relatively small percentage of the overall costs. Property costs will increase the total program capital cost opinions; and property costs at Site 2, the Hanson/RV storage site, are anticipated to be the least expensive.

Table B-1. WRF Program Capital Cost Opinion

	Site 1: South Bay Boulevard	Site 2: Hanson/RV Storage	Site 3: Dynegy Tank Farm	Site 4: Righetti	Site 5: Giannini
WRF CAPTIAL COSTS					
Sitework	$ 2,380,000	$ 2,980,000	$ 2,980,000	$ 1,590,000	$ 1,540,000
Treatment Facilities	$ 51,460,000	$ 51,460,000	$ 51,460,000	$ 51,460,000	$ 51,460,000
Odor Control	$ 2,750,000	$ 4,750,000	$ 4,750,000	$ 4,750,000	$ 4,750,000
Fire Protection Facilities	$ 500,000	$ -	$ -	$ 500,000	$ 500,000
Operations Facilities	$ 6,330,000	$ 6,330,000	$ 6,330,000	$ 6,330,000	$ 6,330,000
Access Road and Utilities	$ 2,250,000	$ 860,000	$ 1,040,000	$ 1,850,000	$ 2,310,000

Table B-1. WRF Program Capital Cost Opinion					
	Site 1: South Bay Boulevard	**Site 2: Hanson/RV Storage**	**Site 3: Dynegy Tank Farm**	**Site 4: Righetti**	**Site 5: Giannini**
Conveyance (Influent Pump Sta. & Offsite Pipelines)	$ 13,460,000	$ 1,000,000	$ 3,030,000	$ 5,970,000	$ 8,480,000
WRF Construction Subtotal	**$ 79,130,000**	**$ 67,380,000**	**$ 69,590,000**	**$ 72,450,000**	**$ 75,370,000**
WRF & Ops Facilities Engr/Design (8%)	$ 5,253,600	$ 5,310,400	$ 5,324,800	$ 5,318,400	$ 5,351,200
Conveyance Engr/Design (10% / 8%)[1]	$ 1,346,000	$ 80,000	$ 242,400	$ 597,000	$ 848,000
Procurement (4%)	$ 3,165,200	$ 2,695,200	$ 2,783,600	$ 2,898,000	$ 3,014,800
WRF & Ops Facilities Project Admin & CM (10%)	$ 6,567,000	$ 6,638,000	$ 6,656,000	$ 6,648,000	$ 6,689,000
Conveyance Project Admin & CM (12% / 10%)[1]	$ 1,615,200	$ 100,000	$ 303,000	$ 716,400	$ 1,017,600
Permitting & Monitoring (1% / 2%)[2]	$ 791,300	$ 1,347,600	$ 1,391,800	$ 724,500	$ 753,700
Existing WWTP Demolition	$ 3,300,000	$ 3,300,000	$ 3,300,000	$ 3,300,000	$ 3,300,000
Escalation (3% @ 1 yr/2 yrs)[3]	$ 2,373,900	$ 4,042,800	$ 4,175,400	$ 2,173,500	$ 2,261,100
WRF Soft Cost Subtotal	$ 24,412,200	$ 23,514,000	$ 24,177,000	$ 22,375,800	$ 23,235,400
WRF Capital Cost Opinion Subtotal	**$103,500,000**	**$ 90,900,000**	**$ 93,800,000**	**$ 94,800,000**	**$ 98,600,000**
RECYCLED WATER CAPITAL COSTS					
Advanced Treatment	$ 8,240,000	$ 8,240,000	$ 8,240,000	$ 8,240,000	$ 8,240,000
Recycled Water Pump Station, Tank, & Pipeline	$ 7,720,000	$ 3,040,000	$ 2,800,000	$ 3,530,000	$ 3,830,000
Injection wells & appurtenances	$ 1,120,000	$ 1,120,000	$ 1,120,000	$ 1,120,000	$ 1,120,000
Monitoring wells	$ 680,000	$ 680,000	$ 680,000	$ 680,000	$ 680,000
Recycled Water Construction Cost Subtotal	**$ 17,760,000**	**$ 13,080,000**	**$ 12,840,000**	**$ 13,570,000**	**$ 13,870,000**
Escalation (3%)	$ 532,800	$ 784,800	$ 770,400	$ 407,100	$ 416,100
Engr/Admin/Legal/Permitting (25%)	$ 4,440,000	$ 3,270,000	$ 3,210,000	$ 3,392,500	$ 3,467,500
Recycled Water Soft Costs Subtotal	$ 4,972,800	$ 4,054,800	$ 3,980,400	$ 3,799,600	$ 3,883,600
Recycled Water Capital Subtotal	**$ 22,700,000**	**$ 17,100,000**	**$ 16,800,000**	**$ 17,400,000**	**$ 17,800,000**
PROGRAM COSTS (WRF + RECYCLED WATER)					
Subtotal Program Costs	**$126,200,000**	**$108,000,000**	**$110,600,000**	**$112,200,000**	**$116,400,000**
Construction Contingency (25% / 20%)[4]	$ 24,222,500	$ 16,746,000	$ 20,607,500	$ 21,505,000	$ 22,310,000
Total Program Capital Cost Opinion	**$150,400,000**	**$124,700,000**	**$131,200,000**	**$133,700,000**	**$138,700,000**

Notes:

[1] Conveyance facilities contract (influent pump station and offsite pipelines) is anticipated to be delivered through conventional design, bid, build, unless the project is at Site 2 or 3. In this case, the project would likely be consolidated under one design-build contract, with engineering and design is estimated at 8% and Admin/Construction Management is estimated at 10%.

[2] Permitting and monitoring costs are estimated at 1% of WRF Construction Subtotal for Sites 1, 4 and 5, and 2% for Sites 2 and 3 due to their coastal location and input from the Coastal Commission staff.

[3] Escalation is estimated at 3%. One year is included to get through the planning and permitting stage for Sites 1, 4, and 5, and 2 years is included for Sites 2 and 3 due to their coastal location and input from the Coastal Commission staff.

[4] Construction contingency is applied to construction costs only. The recommended construction contingency is 20% for WRF costs at Site 2 due to the amount of available information for the area, 25% for WRF costs at the other sites, and 25% for all recycled water project costs.

[5] Property acquisition costs are not included, but would not factor into the selection of one site over another at the range of costs identified.

STATE OF CALIFORNIA – NATURAL RESOURCES AGENCY EDMUND G. BROWN, JR., *GOVERNOR*

CALIFORNIA COASTAL COMMISSION
CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
PHONE: (831) 427-4863
FAX: (831) 427-4877
WWW.COASTAL.CA.GOV

September 22, 2017

Mayor Jamie Irons and City Council
City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442

Subject: City Council Hearing on the Updated Site Comparison Report for the City's Proposed Water Reclamation Facility

Mayor Irons and Honorable Councilmembers:

Thank you for the opportunity to comment on the Updated Site Comparison Report (Report) and the status of the City's proposed Water Reclamation Facility (Facility) more broadly. Since your July 11 hearing in which you directed staff to both develop this Report detailing options associated with opportunities and constraints of various Facility site locations, as well as to discuss these options with Coastal Commission staff, your staff and members of the public have actively engaged with us on these critically important issues. We would thus first like to thank the City's Facility team and members of the Morro Bay community for this engagement, including the ways in which they have thoughtfully articulated the various issues associated with the options being considered. We understand these are important decisions to be made with lasting impacts on the City and its residents, including with respect to cost to both the City and its utility ratepayers. Thus, we want to make clear that we understand and respect the key issues identified by both the City and members of the public. We also want to clearly state that regardless of the site the Council ultimately chooses to pursue for the Facility, we will continue to actively work with the City during the local process to identify and address project issues with the goal of developing a Coastal Act and Local Coastal Program (LCP) consistent Facility project. As you know, we have a long history of working with the City on this project, and will continue our active engagement as it progresses through the planning and permitting process.

That all being said, we would like to provide the Council and the community with our perspective of the Coastal Act and LCP issues associated with the Report sites. Specifically, we want to reiterate our position from our July 11 letter to the City Council on this topic that the City not pursue a site west of Highway 1, but rather continue its efforts in pursuing a new Facility at the South Bay Boulevard site (or other inland site, such as the Righetti site). Again, this assessment is not without acknowledgement of the issues raised by some members of the public; it is based on our review of the Coastal Act and LCP issues raised by the various sites analyzed. Notably, we believe that the South Bay Boulevard site provides for far greater regulatory certainty than do sites west of Highway 1, and that that certainty will help the City achieve its goal of a long-term Facility that will serve Morro Bay's wastewater needs quicker and most likely less expensive in the long run than alternative sites west of Highway 1. The primary reason for this is because the South Bay Boulevard site simply does not raise the same

type of core Coastal Act and LCP consistency issues associated with coastal hazards that the sites west of Highway 1 do. In addition, at least the Hanson site would also require an LCP amendment to allow the Facility there (and the City may also want to amend the LCP if the Dynegy site were chosen given the City is currently in the process of LCP update), whereas no such amendment would be needed for the South Bay Boulevard or Righetti sites as such a facility is currently allowed for both sites under the San Luis Obispo County LCP that applies in both cases. In short, the sites west of the highway raise a series of important coastal hazard and related questions which make pursuit of them more difficult (including because there is significant uncertainty regarding potential outcomes) and more time intensive. While we have not drawn final conclusions, it is clear to us that these sites would pose significant regulatory hurdles and challenges that would take more time and resources to address than would the inland sites. In addition, while the Regional Water Quality Control Board has allowed the City some timing compliance latitude as it has worked towards moving its Facility and bringing it up to current standards, changing course at this point in time would result in further delay and would lead to a less certain outcome, and could pose issues for the Board – and thus the City – in that regard.

With respect to coastal hazards, the South Bay Boulevard site is not subject to the same coastal hazards, including ocean and riverine flooding and tsunami all as exacerbated by potential sea level rise, that were among the key reasons for the Coastal Commission's denial of a coastal development permit (CDP) for the then proposed Facility west of Highway 1 in 2013. That denial included Coastal Commission direction that the City pursue a new Facility at an inland location where such critical infrastructure would avoid these coastal hazards, including sites such as South Bay Boulevard and Righetti, and we have worked diligently and cooperatively with the City and its Facility team for many years towards that goal. The concept of relocating critical public infrastructure away from lower lying shoreline areas to higher/safer more inland locations, including to avoid the need for shoreline armoring and related development and its attendant coastal resource impacts, and to ensure that shoreline property is used for higher priority uses such as public access and recreation, is a key Commission goal statewide, including as described in the Commission's adopted Sea Level Rise Policy Guidance. And again, the Commission already denied the City's proposed project west of Highway 1 in 2013 for these reasons. As such, we want to be clear that a Facility proposed west of Highway 1 faces significant planning and permitting uncertainties, including the unambiguous possibility that the Commission does not approve such a Facility through an LCP amendment or a CDP.

And, even if the Commission did approve a Facility west of Highway 1, such approval would most likely not meet the City's primary objectives. Namely, when the Commission has most recently approved CDPs for critical infrastructure, including wastewater treatment plants, in areas subject to coastal hazards, the Commission has imposed specific requirements and triggers designed to eventually move these facilities inland and way from such hazards. In many ways, these types of approvals can be considered temporary approvals meant to allow local governments the time to plan for and pursue relocation. These types of 'interim' CDPs have allowed for such facilities in question to remain operational for the short term, but with

restrictions on the type of allowable responses to coastal hazards, including with respect to shoreline armoring and other types of hazard abatement measures, and with the requirement that a longer term effort to relocate such facilities inland away from coastal hazards is undertaken. In other words, the Commission has recently *not* given authorization for permanent infrastructure in these types of more hazardous shoreline areas. We want to highlight this fact, because even if the Commission were to eventually approve a CDP for a Facility west of Highway 1, it would most likely *not* be for the long-term permanent Facility the City desires and needs if these types of conditions were applied. And this could subject the City and its residents to additional costs in terms of the requirement to find another replacement site and to build another relocated Facility in the relative short term. These are additional costs that appear likely to be associated with the west of highway sites if they were ultimately to be approved (and not denied). And again, there may be additional Regional Board 'costs' that accrue during the time that any such options were pursued. Conversely, sites inland of Highway 1, including at South Bay Boulevard, would not be subject to these types of conditions and restrictions, and thus would be able to meet the primary objective of finding a long-term home for the City's critical wastewater infrastructure in the shortest period of time with the most certainty in outcome. This is the path that the Regional Board has also embraced to date. The 'permanency' of a Facility at South Bay Boulevard would therefore better provide the certainty the City needs for successful permitting, construction, and operation of the Facility in the shortest amount of time.

We also understand that the City is in the midst of applying for some $83 million from the Environmental Protection Agency in low-interest loans for the Facility (as well as funds from the State Water Resources Control Board that are dependent on those federal funds), regardless of location. It seems unlikely if not impossible that the type of near term certainty that is needed to be successful in that process can be found through a west of the highway site. Both any potential LCP amendments and any CDP applications would have to work through the same types of coastal hazards issues that eventually led to denial of the City's 2013 proposal after two years of process. It would be expected that similar analyses and time frames would apply here as well, and that the outcome is unlikely to be without significant conditions and problems of the type described above. Conversely, no LCP amendment is needed for the South Bay Boulevard site (it is already an allowable use in the San Luis Obispo County LCP), it does not present the types of coastal hazard issues that the west of the highway sites do, it could be pursued on a fairly short permitting time frame, and it would be expected to avoid conditions and problems of the type described above that would lead to expenditure of additional time and resources.

In conclusion, we fully appreciate the concerns that some parties have articulated with respect to pursuing a more inland Facility site, where these concerns are fundamentally rooted in a perceived higher cost for such a Facility. However, we respectfully submit that we believe that the inland sites will lead to successful development of the Facility sooner, with more certainty and with less significant requirements such as those expected to be attached to any approval (if one is even granted) for a Facility on a site with the coastal hazard issues present west of the highway. In other words, additional costs accrue to the sites west of the highway, and additional benefits (cost savings) apply to the inland sites for this reason. The Report does not capture these

kinds of costs/cost savings, which would be difficult for it to do at the current juncture as it depends on outcomes and potential requirements for the sites west of the highway that are uncertain, as described above. In any case, we would encourage you to understand the options before you in that context.

Thank you for the opportunity to provide you our perspectives on these important Facility siting questions. We hope that these comments are helpful as you consider the City's next steps moving forward. As described, we continue to believe that the South Bay Boulevard site (or the Righetti site) remains the City's best option at this juncture, including because it is not encumbered by the uncertainties associated with sites west of Highway 1, including needed LCP amendments and CDP restrictions, or even project denial, from the Coastal Commission due to coastal hazards issues. In any case, we continue to stand ready to work with the City on whatever site it decides to pursue moving forward, and we look forward to continued collaboration and dialogue with you, your staff, and the public throughout this process. Please do not hesitate to contact me or Kevin Kahn of my staff if you have any questions or would like to discuss this matter further.

Sincerely,

Dan Carl
District Director
Central Coast District
California Coastal Commission

cc: Rob Livick, City of Morro Bay Public Works Director
Scot Graham, City of Morro Bay Community Development Director
John Robertson, RWQCB Executive Officer

Meeting Date	Meeting Type	Item Number	Item	Link to agenda
3/28/2017	Regular City Council Meeting	C-1	Draft Master Plan for WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/3142
4/4/2017	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/3167
4/25/2017	Regular City Council Meeting	C-1	Preliminary findings from rate study for water and sewer charges	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4192
6/13/2017	Regular City Council Meeting	A-13	Peer review process of the WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4259
6/27/2017	Regular City Council Meeting	C-2	Peer review of the WRF update	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4275
7/5/2017	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4291
7/11/2017	Regular City Council Meeting	C-1	Final report of peer review of the WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4294
8/8/2017	Regular City Council Meeting	C-1 and C-2	WRF program update; other item is WRF program budget	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4318
9/26/2017	Regular City Council Meeting	C-2	WRF program update, preferred site	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4373
10/10/2017	Regular City Council Meeting	C-2	WRF program update, program schedule	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4384
10/24/2017	Regular City Council Meeting	C-4	WRF program goals, design-build request for proposals advertisement	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4396
11/14/2017	Regular City Council Meeting	A-8 and C-2	Confirm WRF program goals; other item is Pipeline design contract	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4411
12/5/2017	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4444
12/12/2017	Regular City Council Meeting	C-2	WRF Program Budget review	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4447
1/4/2018	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4466
1/9/2018	Regular City Council Meeting	C-1 and C-3	WRF Program Management review; DC Trip with WRF component	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4468
1/11/2018	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4471
1/17/2018	Special City Council Meeting	N/A	RFP for the WRF Facility	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4491
1/23/2018	Regular City Council Meeting	C-2	Release of RFP for WRF facility	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4495
3/13/2018	Regular City Council Meeting	C-1	Groundwater Flow Modeling contract	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4543
4/10/2018	Regular City Council Meeting	C-1	WRF Program Manager contract	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4577
4/25/2018	WRF Public Forum	N/A	WRF Public Forum	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4593
5/1/2018	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4603
6/12/2018	WRFCAC Meeting		general WRFCAC meeting	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4649
6/13/2018	Special City Council Meeting	2, 3	WRF Facility - Selection of preferred proposer for WRF onsite improvements; and 218 process resolution	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4648
6/23/2018	Community Workshop	N/A	Addressing Morro Bay Water and Wastewater Challenges	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4660
6/25/2018	Joint WRFCAC, CFAC and PWAB Meeting		To review proposed rates for the WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4666
6/28/2018	Special City Council Meeting	N/A	Review proposed water and sewer rate increases and WIFIA application submittal	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4669
7/3/2018	Joint Planning Comm and WRFCAC Meeting		Public Hearing - Review Draft Final EIR For the WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4682
7/10/2018	Regular City Council Meeting	C-1	Water and sewer rate increase and 218 process initiation	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4685
8/14/2018	Regular City Council Meeting	B-1, C-1	Public Hearing - Final EIR for the WRF; other item on extending 218 process	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4714
9/11/2018	Regular City Council Meeting	B-1	Public Hearing - Adoption of water and sewer rates for the WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4752
9/25/2018	Regular City Council Meeting	C-3	State Revolving Fund application	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4764
10/23/2018	Regular City Council Meeting	C-1	Contract for the WRF onsite improvements	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4791
11/27/2018	Regular City Council Meeting	C-1	WRF Program Management Contract Amendment	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4818
11/29/2018	Special City Council Meeting	IV	Verification and tabulation of purported 218 protests	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4820
12/17/2018	WRFCAC Meeting		Pipeline Route for WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4849
1/8/2019	Regular City Council Meeting	C-3	Consider Citizen Finance Advisory Committee to conduct financial review of WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4862
1/22/2019	Regular City Council Meeting	C-1	Review of WRF and actions, including pipeline, Coastal Permit, LAFCo	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4899
2/13/2019	Regular City Council Meeting	C-1	Pipeline Route for WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4943
2/19/2019	CFAC Meeting	A-6	General Project update	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4947
2/26/2019	Regular City Council Meeting	C-1	WRF Update	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4950
3/12/2019	Regular City Council Meeting	A-4	Amendments for key technical team members	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4963
3/26/2019	Regular City Council Meeting	C-1	Input for Consolidated Coastal Development Permit for the WRF	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4973
4/23/2019	Regular City Council Meeting	C-1	General Project update	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/5014
4/24/2019	CFAC Meeting	B-3	General Project update	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/4592
5/9/2019	WRFCAC Meeting		WRF BODR and change order review	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/5022
5/14/2019	Regular City Council Meeting	C-1	WRF BODR and change order review	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/5027
6/4/2019	WRFCAC Meeting	B-1	Conveyance Facilities Concept Design Report	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/5054
6/11/2019	Regular City Council Meeting	C-1	Conveyance Facilities Concept Design Report	https://www.morro-bay.ca.us/ArchiveCenter/ViewFile/Item/5057

*This list does not include office hours that were held in 2018 for the WRF project, and several smaller community forums.
CFAC is the Citizen Finance Advisory Committee
PWAB is the Public Works Advisory Committee
WRFCAC is the Water Reclamation Facility Citizen Advisory Committee - a special advisory committee for City Council