

Tuesday, May 20, 2025, 5:30 p.m.
Council Chambers, 990 Palm Street, San Luis Obispo

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#### **INSTRUCTIONS FOR PUBLIC COMMENT:**

Public Comment prior to the meeting (must be received 3 hours in advance of the meeting):

**Mail - Delivered by the U.S. Postal Service.** Address letters to the City Clerk's Office at 990 Palm Street, San Luis Obispo, California, 93401.

**Email - Submit Public Comments via email to emailcouncil@slocity.org**. In the body of your email, please include the date of the meeting and the item number (if applicable). Emails *will not* be read aloud during the meeting.

Voicemail - Call (805) 781-7164 and leave a voicemail. Please state and spell your name, the agenda item number you are calling about, and leave your comment. Verbal comments must be limited to 3 minutes. Voicemails *will not* be played during the meeting.

\*All correspondence will be archived and distributed to councilmembers, however, submissions received after the deadline may not be processed until the following day.

# Public Comment <u>during the meeting</u>:

**Meetings are held in-person.** To provide public comment during the meeting, you must be present at the meeting location.

Electronic Visual Aid Presentation. To conform with the City's Network Access and Use Policy, Chapter 1.3.8 of the Council Policies & Procedures Manual, members of the public who desire to utilize electronic visual aids to supplement their oral presentation must provide display-ready material to the City Clerk by 12:00 p.m. on the day of the meeting. Contact the City Clerk's Office at cityclerk@slocity.org or (805) 781-7114.

# 1. CLOSED SESSION (4:45 PM - 5:30 PM)

# 1.a CALL TO ORDER

Mayor Erica A. Stewart will call the Closed Session of the San Luis Obispo City Council to order at 4:45 p.m. in the Council Hearing Room at City Hall, 990 Palm Street, San Luis Obispo.

# 1.b PUBLIC COMMENT FOR CLOSED SESSION ITEMS ONLY

Public Comment will only be accepted for items listed on the Closed Session agenda.

### 1.c CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of California Government Code Section 54956.9. No. of potential cases: One.

# 2. CALL TO ORDER

Mayor Erica A. Stewart will call the Regular Meeting of the San Luis Obispo City Council to order.

#### 3. PLEDGE OF ALLEGIANCE

Mayor Erica A. Stewart will lead the Council in the Pledge of Allegiance.

#### 4. PRESENTATIONS

#### 4.a ALS AWARENESS MONTH PROCLAMATION

Mayor Stewart will present a proclamation declaring May as "ALS Awareness Month".

# 4.b CITY MANAGER REPORT

Receive a brief report from City Manager Whitney McDonald.

#### PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

Not to exceed 15 minutes. The Council welcomes your input. State law does not allow the Council to discuss or take action on issues not on the agenda, except that members of the Council or staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights (Gov. Code sec. 54954.2). Staff may be asked to follow up on such items.

#### 6. CONSENT AGENDA

Not to exceed 15 minutes. Matters appearing on the Consent Calendar are expected to be non-controversial and will be acted upon at one time. A member of the public may request the Council to pull an item for discussion. Pulled items shall be heard at the close of the Consent Agenda unless a majority of the Council chooses another time. The public may comment on any and all items on the Consent Agenda within the three-minute time limit.

#### Recommendation:

To approve Consent Calendar Items 5a to 5j.

# 6.a WAIVE READING IN FULL OF ALL RESOLUTIONS AND ORDINANCES

### Recommendation:

Waive reading of all resolutions and ordinances as appropriate.

# 6.b MINUTES REVIEW - APRIL 29, 2025, APRIL 30, 2025, AND MAY 6, 2025 COUNCIL MINUTES

#### Recommendation:

Approve the following minutes of the City Council:

- April 29, 2025 Special Meeting
- April 30, 2025 Special Closed Session Meeting
- May 6, 2025 Regular Meeting

# 6.c FY 2024-25 Q3 BUDGET REPORT

#### Recommendation:

Receive and file the FY 2024-25 Q3 Budget Report.

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# 6.d APPROVE A THREE-YEAR CONTRACT RENEWAL FOR MICROSOFT OFFICE 365 GOVERNMENT PLAN SUBSCRIPTION LICENSES

#### Recommendation:

- Approve a three-year contract renewal for Microsoft Office 365
   Government Plan subscription licenses; and
- 2. Per Municipal Code 3.24.060E, authorize waiver of formal bids to purchase Microsoft Office 365 subscription licenses through the cooperative agreement under the Licensed Support Provider (LSP) Agreement No IT ARC-00934 for Microsoft products and services under Microsoft Enterprise Agreement (EA) 8084445 between the County of Riverside and Dell Marketing, L.P.; or below the cooperative purchasing net cost within the same terms and conditions; and
- 3. Authorize the City Manager to approve related Purchase Order Requisitions through the duration of the agreement.

# 6.e AUTHORIZATION TO ADVERTISE THE RIGHETTI COMMUNITY PARK PROJECT, SPECIFICATION NO. 2000054

#### Recommendation:

- Adopt a Draft Resolution entitled, "A Resolution of the City
  Council of the City of San Luis Obispo, California, Authorizing
  Various Fund Reappropriations and Transfers to Support the
  Righetti Community Park Project, Specification Number
  2000054, and approving an Addendum to the Orcutt Area
  Specific Plan Environmental Impact Report for the Righetti
  Community Park Project."
- 2. Approve the Project Plans and Special Provisions for the Righetti Community Park, Specification 2000054; and,
- 3. Authorize staff to advertise for bids; and,
- Authorize the City Manager to award the Construction Contract pursuant to Section 3.24.190 of the Municipal Code, if the lowest responsible bid is within the Engineer's Base Bid Estimate of \$9,950,000; and,
- Authorize the City Engineer to issue Contract Change Orders, provided they remain within the approved project budget or any amended budget subsequently authorized by the City Manager; and,
  - 1. Authorize the Finance Director to:
    - a. Transfer funds to the Righetti Community Park Capital Project (Account No. 2000054) from the Development Related Park Improvements project (Account No. 2000057 – Orcutt Area Tasks), as follows:
      - i. \$304,637 in Capital Outlay Funds (LRM) from Account No. 2000057-00
      - ii. \$3,987,138 in Capital Outlay Funds (LRM) from

#### Account No. 2000057-02

- iii. \$1,558,970.27 in Orcutt Area Specific Plan(OASP) Park Improvement Funds from AccountNo. 2000057-03
- iv. \$19,802.04 in OASP Park Improvement Funds from Account No. 2000057-03
- v. \$14,850.80 in OASP Park Improvement Funds from Account No. 2000057-04
- vi. \$783,512.85 in Capital Outlay Funds (LRM) from Account No. 2000057-05
- vii. \$500,000 in OASP Park Improvement Funds from Account No. 2000057-05
- b. Disappropriate \$1,136,522 in Park Improvement
   Impact Fee Citywide Fund back to the fund's unallocated balance, as follows:
  - \$836,522 from Account No. 2000057-02
  - \$300,000 from Account No. 2000057-04
- c. Disappropriate \$180,197.96 in OASP Park
   Improvement Funds from the Development Related
   Park Improvements project (Account No. 2000057-03), which was overcommitted
- Approve the Addendum to the Orcutt Area Specific Plan Final Environmental Impact Report

# 6.f 2025 WATER SUPPLY AND DEMAND ASSESSMENT

#### Recommendation:

Receive and file the City's 2025 Water Supply and Demand Assessment

# 6.g AUTHORIZE EXECUTION OF OPEN-LOOP PAYMENT SYSTEM AGREEMENTS AND AN AMENDMENT TO SB 125 COOPERATIVE AGREEMENT WITH SLOCOG FOR REIMBURSEMENT OF COSTS

#### Recommendation:

- Adopt a Draft Resolution entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, approving agreements for San Luis Obispo (SLO) Transit's open-loop payment system project"; and
- Authorize execution of Amendment No. 1 to the Senate Bill
   (SB) 125 Cooperative Agreement with SLOCOG for reimbursement of open-loop payment system project costs; and
- Authorize execution of an agreement with Kuba, Inc. for procurement, installation, and warranty of payment acceptance devices; and
- 4. Authorize execution of an agreement with Kuba Inc. for ongoing support services for payment acceptance devices; and
- Authorize execution of an agreement with Littlepay, Inc. for transit processor services; and
- Authorize execution of an agreement with Token Transit, Inc. for integration and ongoing support of digital pass and fare purchases; and
- 7. Authorize the Finance Director to negotiate and execute an agreement with Elavon, Inc. for merchant processing services as part of the system configuration process.

# 6.h ACCEPTANCE OF THE FEDERAL SINGLE AUDIT FOR FISCAL YEAR 2023-24

## Recommendation:

Review and accept the Federal Single Audit Report for Fiscal Year 2023-24.

#### Recommendation:

- Authorize the release of a Request for Proposal for a food and beverage vendor at the Mission Plaza; and
- 2. Authorize the City Manager to award the contract and execute a vendor lease agreement with the selected vendor in a form approved by the City Attorney.

#### 7. PUBLIC HEARING AND BUSINESS ITEMS

7.a REVIEW THE PROCESS FOR ISSUING NOTICE TO CORRECT TO PRIVATE PROPERTY OWNERS FOR UNSAFE SIDEWALK OR FRONTAGE CONDITIONS, AND AUTHORIZE STAFF TO ISSUE NOTICES TO CORRECT

#### Recommendation:

- Adopt a Draft Resolution formalizing the City's procedures for issuing Informal and Formal Notices to Correct for sidewalk and frontage improvement deficiencies; and
- 2. Adopt a Draft Resolution approving the issuance of Formal Notices to Correct to the property owners of 360 Chorro Street, 368 Chorro Street, 878 Islay Street, 859 Mission Street, 867 Mission Street, 875 Mission Street, and 1543 Morro Street, and authorizing the City to execute the required work if the property owner fails to commence the work within 14 days after the first Formal Notice to Correct is sent; and
- Authorize the Public Works Director to waive issuance of a
   Formal Notice to Correct if the property owner takes corrective action before the notice is formally issued.
- Appropriate \$178,102 from the CIP Reserves to fund the sidewalk reconstruction work.

# 7.b CONSIDER CREATING A COMMITTEE TO REVIEW THE CITY'S ELECTION CAMPAIGN REGULATIONS AND/OR COUNCIL AND ADVISORY BODY COMPENSATION

#### Recommendation:

Discuss and provide direction on the following:

- 1. Election Campaign Regulations:
  - Form an Election Campaign Regulations Committee to review whether the maximum allowable contribution should be increased to \$500 to align with Senate Bill 1243 (Dodd);
  - Or direct staff to return in April 2026 with an Ordinance amending Section 2.40.040 of the Municipal Code to increase the maximum allowable contribution from \$250 to \$500;
  - Or defer the appointment of an Election Campaign Regulations Committee and leave the maximum allowable contribution unchanged.
- 2. Council and Advisory Body Compensation:
  - a. Form a Council Compensation Committee to review the full Council compensation package and compensation for Planning Commission and Architectural Review Commission members, and make recommendations to the City Council no later than May 1, 2026;
  - b. Or direct staff to return in April 2026 with an increase to Council compensation consistent with the Council Policies and Procedures (CP&P 2.1.1) authorization to provide Consumer Price Index (CPI) increases to Council, Planning Commission, and Architectural Review Commission salaries without appointing a Council Compensation Committee.
  - Or defer the appointment of a Council Compensation Committee and leave the compensation package unchanged.

# 8. LIAISON REPORTS AND COMMUNICATIONS

Not to exceed 15 minutes. Council Members report on subcommittee assignments, listed below, and other City activities. At this time, any Council Member or the City Manager may ask a question for clarification, make an announcement, or report briefly on their activities. In addition, subject to Council Policies and Procedures, they may provide a reference to staff or other resources for factual information, request staff to report back to the Council at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov. Code Sec. 54954.2)

Mayor Stewart SLO Council of Governments	Vice Mayor Shoresman Zone 9 Advisory Committee	Boswell	Council Member Francis Nacimiento Water Project	Council Member Marx Air Pollution Control District
Regional Economic Action Coalition	Downtown Association Board	SLO Climate Coalition	Community Action Partnership	Integrated Waste Management Authority
CA Men's Colony Advisory Committee	Homeless Services Oversight Committee	Local Agency Formation Commission		County Water Resources Advisory Committee
Performing Arts Center Commission	CP Campus Planning Committee			
SLO Regional Transit Authority				
Visit SLO County Advisory Committee				
Central Coast Clean Energy				

#### 9. ADJOURNMENT

The next Regular Meeting of the City Council will be held on June 3, 2025 at 5:30 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

LISTENING ASSISTIVE DEVICES for the hearing impaired - see the Clerk.

The City of San Luis Obispo wishes to make all of its public meetings accessible to the public. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's Office at (805) 781-7114 at least 48 hours before the meeting, if possible. Telecommunications Device for the Deaf (805) 781-7410.

City Council meetings are televised live on Charter Channel 20 and the City's YouTube Channel: <a href="www.youtube.com/CityofSanLuisObispo">www.youtube.com/CityofSanLuisObispo</a>. Agenda related writings or documents provided to the City Council are available for public inspection in the City Clerk's Office located at 990 Palm Street, San Luis Obispo, California during normal business hours, and on the City's website <a href="https://www.slocity.org/government/mayor-and-city-council/agendas-and-minutes">www.slocity.org/government/mayor-and-city-council/agendas-and-minutes</a>. Persons with questions concerning any agenda item may call the City Clerk's Office at (805) 781-7114.



#### **Council Minutes**

# April 29, 2025, 5:30 p.m. Council Chambers, 990 Palm Street, San Luis Obispo

Council Members
Present:

Council Member Mike Boswell, Council Member Emily Francis, Council Member Jan Marx, Vice Mayor Michelle Shoresman,

Mayor Erica A. Stewart

City Staff Present:

City Manager Whitney McDonald, Christine Dietrick, City

Attorney, Teresa Purrington, City Clerk

# 1. CLOSED SESSION (5:00 - 5:30 PM)

#### 1.a CALL TO ORDER

Mayor Erica A. Stewart called the Closed Session of the San Luis Obispo City Council to order at 5:00 p.m. in the Council Hearing Room at City Hall, 990 Palm Street, San Luis Obispo with all Council Members present.

#### 1.b PUBLIC COMMENT FOR CLOSED SESSION ITEMS ONLY

#### Public Comments:

None

---End of Public Comment---

#### 1.c CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

**Action**: City Attorney Christine Dietrick announced that the Council met in Closed Session on one matter regarding existing litigation (San Luis Obispo Property and Business Owners Association, Leslie Halls v. City of San Luis Obispo, San Luis Obispo City Council; Smart Share Housing Solutions, a corporation, San Luis Obispo Superior Court Case No. 25CV-0212.). Council on a motion by Vice Mayor Shoresman and seconded by Mayor Stewart (with a 5 - 0 vote) to authorize the defense of the action and to retain Ty Green to jointly represent Smart Share Housing Solution and the city. There was no further action taken.

#### 1.d ADJOURNMENT

Closed session adjourned at 5:30 p.m. to the City Council Special Meeting of April 29, 2025 at 5:30 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

### 2. CALL TO ORDER

Mayor Stewart called to order a Special Meeting on April 29, 2025 at 5:35 p.m. in the Council Chambers, 990 Palm Street, San Luis Obispo, with all Council Members present.

#### 3. PLEDGE OF ALLEGIANCE

Council Member Boswell led the Council in the Pledge of Allegiance.

#### 4. PRESENTATION

4.a NATIONAL DAY OF PRAYER PROCLAMATION

Mayor Stewart presented a proclamation declaring May 1<sup>st</sup> as the "National Day of Prayer" to Pastor Doug Pittam.

# 5. PUBLIC COMMENT FOR ITEMS ON THE AGENDA ONLY

#### 6. CONSENT AGENDA

6.a AUTHORIZE A TAX EXCHANGE AGREEMENT WITH THE COUNTY OF SAN LUIS OBISPO TO ADDRESS TAX TRANSFERS FROM SLACK STREET AND HATHWAY DETACHMENT NO. 04 (CAL POLY VISTA MEADOWS)

Vice Mayor Shoresman requested that the item be pulled from the Consent Agenda.

#### **Public Comments:**

William Thoma

---End of Public Comment---

**Motion By** Vice Mayor Shoresman **Second By** Council Member Francis

Adopt a Draft Resolution entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, accepting a negotiated exchange of Tax Revenue and annual tax increment between the County of San Luis Obispo and the City of San Luis Obispo for Detachment #04 (Slack Street and Hathway) from the City of San Luis Obispo."

Ayes (5): Council Member Boswell, Council Member Francis, Council Member Marx, Vice Mayor Shoresman, and Mayor Stewart

CARRIED (5 to 0)

#### 7. BUSINESS ITEM

7.a INTRODUCTION OF THE 2025-27 WATER AND SEWER RATES AND AUTHORIZATION TO RELEASE THE ASSOCIATED PROPOSITION 218 NOTICE (Estimated Time: 60 minutes)

Utilities Director Aaron Floyd and Utilities Business Manager Julie Ridgeway provided an in-depth staff report and responded to Council questions.

**Public Comments:** 

None

---End of Public Comment---

Motion By Mayor Stewart Second By Council Member Boswell

- Direct the publication and mailing of a notice consistent with Article XIII D of the California Constitution and the Proposition 218 Omnibus Implementation Act (Prop 218) as it relates to water and sewer rates; and
- 2. Set two Public Hearing dates on June 17, 2025, to consider the adoption of updated water and sewer rates if there is no majority protest in accordance with Prop 218.

Ayes (5): Council Member Boswell, Council Member Francis, Council Member Marx, Vice Mayor Shoresman, and Mayor Stewart

CARRIED (5 to 0)

#### 8. ADJOURNMENT

The meeting was adjourned at 6:59 p.m. The City Council will hold a Special Closed Session Meeting on April 30, 2025 at 10:00 a.m. in the Council Hearing Room at City Hall. The next Regular Meeting of the City Council will be held on May 6, 2025 at 5:30 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

APPROVED BY COUNCIL: XX/XX/202X



#### **Council Minutes**

April 30, 2025, 10:00 a.m. Council Hearing Room, 990 Palm Street, San Luis Obispo

Council Members
Present:

Council Member Mike Boswell, Council Member Emily Francis, Council Member Jan Marx, Vice Mayor Michelle Shoresman,

Mayor Erica A. Stewart

City Staff Present:

City Manager Whitney McDonald, Christine Dietrick, City

Attorney, Teresa Purrington, City Clerk

#### 1. CALL TO ORDER

A Special Closed Session Meeting of the San Luis Obispo City Council was called to order on April 30, 2025 at 10:00 a.m. in the Council Hearing Room at City Hall, 990 Palm Street, San Luis Obispo, by Mayor Stewart.

# 2. PUBLIC COMMENT FOR ITEMS ON THE AGENDA ONLY

#### **Public Comment:**

None

-- End of Public Comment--

#### 3. CLOSED SESSION ITEMS

3.a PUBLIC EMPLOYEE PERFORMANCE EVALUATION

3.a.1 CONFERENCE WITH LABOR NEGOTIATORS

**ACTION:** No reportable action taken.

3.b PUBLIC EMPLOYEE PERFORMANCE EVALUATION

3.b.1 CONFERENCE WITH LABOR NEGOTIATORS

**ACTION:** No reportable action taken.

3.c PUBLIC EMPLOYEE PERFORMANCE EVALUATION

3.c.1 CONFERENCE WITH LABOR NEGOTIATORS

**ACTION:** No reportable action taken.

# 4. ADJOURNMENT

The meeting was adjourned at 1:00 PM. The next Regular Meeting of the City Council will be held on May 6, 2025 at 5:30 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

APPROVED BY COUNCIL: XX/XX/202X



#### **Council Minutes**

May 6, 2025, 5:30 p.m. Council Chambers, 990 Palm Street, San Luis Obispo

Council Members
Present:

Council Member Mike Boswell, Council Member Emily Francis, Council Member Jan Marx, Vice Mayor Michelle Shoresman,

Mayor Erica A. Stewart

City Staff Present:

City Manager Whitney McDonald, Christine Dietrick, City

Attorney, Teresa Purrington, City Clerk

# 1. LAGUNA MIDDLE SCHOOL COMMUNITY SERVICE AWARDS PRESENTATION (5:00 - 5:30 PM)

The City Council recognized Laguna Middle School students who completed 30 hours or more of community service.

# 2. CALL TO ORDER (5:30 PM)

A Regular Meeting of the San Luis Obispo City Council was called to order on May 6, 2025 at 5:30 p.m. in the Council Chambers, 990 Palm Street, San Luis Obispo, by Mayor Stewart with all Council Members present.

#### 3. PLEDGE OF ALLEGIANCE

Council Member Francis led the Council in the Pledge of Allegiance.

#### 4. PRESENTATIONS

#### 4.a NATIONAL FOSTER CARE MONTH PROCLAMATION

Mayor Stewart presented a proclamation declaring May as "National Foster Care Month" to Amanda Briley on behalf of San Luis Obispo County Department of Social Services.

#### 4.b CITY MANAGER REPORT

City Manager Whitney McDonald provided a report on upcoming projects.

#### 5. PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

Public Comment:

None

-- End of Public Comment--

#### 6. CONSENT AGENDA

Motion By Mayor Stewart Second By Council Member Francis

To approve Consent Calendar Items 6a to 6f.

Ayes (5): Council Member Boswell, Council Member Francis, Council Member Marx, Vice Mayor Shoresman, and Mayor Stewart

Recused(1): Council Member Marx (Item 6d only)

CARRIED (5 to 0)

- 6.a WAIVE READING IN FULL OF ALL RESOLUTIONS AND ORDINANCES
  Waive reading of all resolutions and ordinances as appropriate.
- 6.b MINUTES REVIEW APRIL 4, 2025, APRIL 8, 2025, AND APRIL 15, 2025 COUNCIL MINUTES

Approve the following minutes of the City Council:

- April 4, 2025 Special Meeting (Council Retreat)
- April 8, 2025 Special Closed Session Meeting
- April 15, 2025 Regular Meeting
- 6.c ACCEPTANCE OF STATE COASTAL CONSERVANCY GRANT FUNDS FOR VEGETATION MANAGEMENT PLAN
  - Adopt Resolution No. 11560 (2025 Series) entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, Approving the Grant Funds from the State Coastal Conservancy for the 'City of San Luis Obispo Vegetation Management Plan'"; and
  - Authorize the Mayor to sign the Resolution supporting the partnership between the City of San Luis Obispo and the State Coastal Conservancy (SCC) and delegating authority to the City Manager to accept the grant funds and sign the grant agreement and any other necessary instruments to carry out the terms of the grant; and
  - Create Project number 2001077 and transfer \$50,000 from the Office of Sustainability and Natural Resources Contract Services

account to the project budget in the Capital Outlay Fund for the required City matching funds.

6.d 2025 ANNUAL MONITORING FOR THE SAN LUIS RANCH
DEVELOPMENT AGREEMENT, MITIGATION MEASURES, AND
PROJECT CONDITIONS

Council Member Marx declared a conflict on this item as she owns property in the development.)

Receive and file the 2025 annual monitoring report for the San Luis Ranch Development Agreement, mitigation measures, and required project conditions.

6.e 2025 ANNUAL MONITORING FOR THE AVILA RANCH DEVELOPMENT AGREEMENT, MITIGATION MEASURES, AND PROJECT CONDITIONS

Receive and file the 2025 annual monitoring report for the Avila Ranch Development Agreement, mitigation measures, and required project conditions.

6.f ABANDONMENT OF A 10-FOOT-WIDE PUBLIC WAY BETWEEN 1998 AND 2006 SAN LUIS DRIVE IN THE R-1 ZONE (STAB-0759-2024)

Adopt Resolution No. 11561 (2025 Series) entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, abandoning a 10-Foot-Wide Public Right-of-Way Between 1998 and 2006 San Luis Drive."

#### 7. PUBLIC HEARING AND BUSINESS ITEMS

7.a ANNUAL CANNABIS BUSINESS PROGRAM UPDATE AND INTRODUCTION OF AN ORDINANCE TO AMEND SECTION 17.86.080 (CANNABIS) OF TITLE 17 (ZONING REGULATIONS) OF THE MUNICIPAL CODE

Cannabis Business Coordinator Ivana Gomez provided an in-depth staff report and responded to Council questions.

#### Public Comments:

Megan Souza Austen Connella

---End of Public Comment---

Motion By Council Member Marx Second By Council Member Boswell

- 1. Receive an update on the City's Cannabis Business Program; and
- Introduce Ordinance No. 1746 (2025 Series) entitled, "An
  Ordinance of the City Council of the City of San Luis Obispo,
  California, amending Section 17.86.080 ("Cannabis") of Title 17
  ("Zoning Regulations") of the Municipal Code to clarify specific land
  use and operational requirements for commercial cannabis activity."

Ayes (5): Council Member Boswell, Council Member Francis, Council Member Marx, Vice Mayor Shoresman, and Mayor Stewart

CARRIED (5 to 0)

7.b INTRODUCE AN ORDINANCE AMENDING THE AIRPORT AREA SPECIFIC PLAN TO ALLOW MIXED-USE RESIDENTIAL DEVELOPMENT WITHIN THE SERVICE COMMERCIAL (C-S) AND MANUFACTURING (M) ZONES

Community Development Director Timmi Tway and Contract Planner John Rickenbach provided an in-depth staff report and responded to Council questions.

#### **Public Comments:**

Rachel Whalen Robert Truman

---End of Public Comment---

**Motion By** Council Member Francis **Second By** Council Member Boswell

Introduce Ordinance No. 1747 (2025 Series) entitled "An Ordinance of the City Council of the City of San Luis Obispo, California, amending the Airport Area Specific Plan to allow mixed-use development in the Service Commercial (C-S) and Manufacturing (M) zones subject to a conditional use permit where appropriate and consistent with the Airport Area Specific Plan, including adoption of an addendum to the Final Environmental Impact Report for the Airport Area and Margarita Area specific plans and related facilities master plans."

Ayes (5): Council Member Boswell, Council Member Francis, Council Member Marx, Vice Mayor Shoresman, and Mayor Stewart

CARRIED (5 to 0)

7.c DISCUSS AND PROVIDE DIRECTION ON TANK FARM ROAD STRIPING MODIFICATIONS AND AUTHORIZE ADVERTISEMENT OF THE 2025 PAVING PROJECT (SPEC. NO. 2000616) FOR CONSTRUCTION (Estimated Time: 60 minutes)

Deputy Director Public Works Brian Nelson, and Transportation Manager Luke Schwartz provided an in-depth staff report and responded to Council questions.

Mayor Stewart declared a conflict due to owning property within 300 feet of Sacramento Drive. She left the room for the discussion and vote for the Sacramento Drive portion of the Paving Plan.

### Public Comments for Sacramento Drive:

None

---End of Public Comment---

**Motion By** Council Member Marx **Second By** Council Member Francis

To approved the proposed paving project for Sacramento Drive.

Ayes (4): Council Member Boswell, Council Member Francis, Council Member Marx, and Vice Mayor Shoresman

Recused (1): Mayor Stewart

CARRIED (4 to 0)

#### Public Comments for Tank Farm Road

Kelly Alonso

Eneko Alonso

Molly Zagrodny

**Beverly Hanson** 

Elie Axelroth

Myron Wilson

**Garrett Otto** 

Karen Speaker

Robert Truman

Vickie Backman

Lea Brooks

**Barry Rands** 

Jackie Parker

# **Motion By** Council Member Boswell **Second By** Council Member Francis

- 1. Approved Alternative 1 for Tank Farm Road for implementation with the 2025 Paving Project designs; and
- Authorize the City Engineer to approve final plans and specifications for the 2025 Paving Project, Specification No. 2000616, including incorporation of designs for Tank Farm Road pursuant to City Council direction, prior to advertising the project for construction; and
- Authorize staff to advertise for bids for the 2025 Paving Project;
- 4. Authorize the City Manager to award the construction contract for the 2025 Paving Project pursuant to Section 3.24.190 of the Municipal Code for the bid total, if the lowest responsible bid is within the publicly disclosed funding amount of \$7,720,000; and
- Adopt Resolution No. 11562 (2025 Series) entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, Authorizing Appropriation of Capital Projects Reserve Funds to Support the 2025 Paving Project, Specification Number 2000616"; and
- 6. Authorize the Finance Director to make the following appropriations and funding transfers to the 2025 Paving Project Account (2000616):
  - a. Appropriate \$1,404,530 of Capital Outlay LRM funds from the FY24/25 Capital Reserve of the Capital Outlay Fund; and
  - Transfer \$2,100,000 of Capital Outlay LRM funds from the Roadway Sealing 2024 Project Account (No. 2000615); and
  - c. Transfer \$100,000 of Capital Outlay LRM funds from the Arterials 2023 Project Account (No. 2001065); and
  - d. Transfer \$199,200 of Water funds from the Water Valve Cover Adjustments Account (No. 2001005); and
  - e. Transfer \$76,800 of Sewer funds from the Sewer Valve Cover Adjustments Account (No. 2000084); and

7. Authorize the City Engineer to issue Contract Change Orders for the 2025 Paving Project up to and in excess of \$200,000 if within available project budget, and up to any amended budget subsequently approved by the City Manager per City Purchasing Policy approval thresholds.

Ayes (5): Council Member Boswell, Council Member Francis, Council Member Marx, Vice Mayor Shoresman, and Mayor Stewart

CARRIED (5 to 0)

#### 8. LIAISON REPORTS AND COMMUNICATIONS

### **Mayor Stewart**

- Performing Arts Center Commission attended the meeting on April 29th where a subcommittee was formed to look at how we are going to pay for the maintenance for such a large facility.
- SLO Regional Transit Authority (SLORTA) will be attending a meeting tomorrow (May 7th) to talk about the SLORTA's Vision Zero report.
- Attended the ribbon cutting for North Chorro public art piece "In the Shadow of the Mountain" which on the underpass.
- Attended the Bike Month kick off celebration.

# **Vice Mayor Shoresman**

- Attended Cal Poly's Community Days where she had the opportunity to talk with many students about local government.
- Attended and provided the Opening Welcome for the SLO International Film Festival
- Attended the Angel Con event

#### **Council Member Boswell**

- Presented the Proclamation at Earthfest for Earth Day
- Attended the FPAC Student matinee and luncheon

#### **Council Member Francis**

 Nacimiento Water Project - attended the April 24th meeting where they approved budget and received an update on Nacimiento pipeline repair.

- Community Action Partnership attended the April 24th meeting
- Spoke at the Take Back the Night event at Cal Poly.
- Attended Cal Poly's Community Days where she had the opportunity to talk with many students about local government.

#### **Council Member Marx**

- Integrated Waste Management Authority (IWMA) attended the April 3rd Executive meeting where they narrowed the search for Executive Director to 3 candidates
- Attended the ribbon cutting for North Chorro public art piece "In the Shadow of the Mountain" which on the underpass.

#### 9. ADJOURNMENT

The meeting was adjourned at 9:34 PM p.m. The next Regular City Council Meeting is scheduled for May 20, 2025 at 5:30 p.m with a Closed Session starting at 4:30 PM. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

APPROVED BY COUNCIL: XX/XX/202X

Department: Finance
Cost Center: 2002
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

**FROM:** Emily Jackson, Finance Director **Prepared By:** Riley Kuhn, Principal Budget Analyst

**SUBJECT:** FY 2024-25 Q3 BUDGET REPORT

#### RECOMMENDATION

Receive and file the FY 2024-25 Q3 Budget Report.

#### **POLICY CONTEXT**

The City's budget policies require that the City Council review the City's budget and financial condition at least every six months. City Charter Code Section 804 states that at any meeting after the adoption of the budget, the Council may amend or supplement the budget by motion adopted by a majority vote of the Council.

The Third Quarter (Q3) Budget Report (Attachment A) is part of the ongoing quarterly reporting process and fulfills these requirements. The review allows the Council to adjust revenue and expenditure assumptions should the need arise. The accompanying Budget Report for FY 2024-25 Q3 provides a review of the City's financial results as compared to budget three quarters through the fiscal year.

#### **DISCUSSION**

#### **Budget Report Organization**

The budget report follows a standard format in line with recent quarterly budget updates and is intended to provide a high level overview of fiscal performance for the General Fund, the four major enterprise funds, and the special revenue funds. The report (Attachment A) includes the following sections:

**General Fund Summary:** Three quarters through the year, no new risks to budget attainment have emerged. As detailed in the second quarter report, sales tax and development fee revenues are expected to underperform expectations. Expenditures are trending broadly in line with expectations and at this point. Staff do not see risk to fund balance at year end.

**Storm Update:** Consistent with prior quarterly reports, the Q3 report includes a summary of costs incurred to date to address damage caused by the Winter 2023 storms. The

report also includes an update on the status of reimbursements expected from the Federal Emergency Management Agency and California Office of Emergency Services.

**Water Fund Summary:** Year to date results are generally in line with expectations and staff do not expect significant variances to budget at year end.

**Sewer Fund Summary:** Year to date results are generally in line with expectations and staff do not expect significant variances to budget at year end.

**Parking Fund Summary:** Parking revenue is trending below expectations. This revenue shortfall is attributed to enforcement issues at certain parking structures, which staff believe have been addressed.

**Transit Fund Summary:** Year to date results are generally in line with expectations and staff do not expect significant variances to budget at year end.

**Special Revenue Fund Summaries:** All special revenue funds are expected to finish the year in line with their budgets.

**CIP Update:** The report provides an update on the tasks ongoing or completed during the third quarter of the year. Notable projects completed in Q3 include the North Chorro Greenway Underbelly Painting and Lighting, the installation of gated parking equipment at the 842 Palm Parking Garage, and the 2024 Roadway Sealing Project, which included upgrades to the Damon Garcia Sports Field Complex parking lot and the Johnson Park parking lot.

**Major City Goals Update:** The report provides an update on the Major City Goal tasks originally scheduled to be completed during the third quarter of the year. Two tasks had original completion dates in Q3: Task 4.3a, Higuera Complete Streets, and Task 4.3b, South / King Crossing, are both Active Transportation Plan Tier 1 projects and are now expected to be completed in FY 2026-27 Q1 and FY 2025-26 Q4 respectively. The report includes additional information on the projects and their delays.

### **Previous Council or Advisory Body Action**

Council adopted the <u>FY 2024-25 Supplemental Budget</u> on June 4, 2025. <u>The first quarter budget report</u> was presented to Council on December 10, 2024, and <u>the second quarter budget report</u> was presented on February 18, 2025.

#### **Public Engagement**

Public engagement on the item can be provided to the City Council through written correspondence prior to the meeting or through public testimony at the meeting. The report will also be posted on the City's website for public review.

#### **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (CEQA) does not apply to the recommended action in this report because the action does not constitute a "Project" under CEQA guidelines Sec. 15378.

#### **FISCAL IMPACT**

Budgeted: Yes Budget Year: 2024-25

Funding Identified: Yes

# **Fiscal Analysis:**

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$	\$	\$	\$
State				
Federal				
Fees				
Other:				
Total	\$0	\$0	\$0	\$0

The report contains valuable information to keep the Council and Community informed about the City's financial standing and program efforts. There is no fiscal impact associated with the recommendations contained in the report.

#### **ALTERNATIVES**

**Council could direct staff to amend the budget.** Should Council pursue this option, staff would seek direction on specific amendments and then amend the budget as requested.

#### **ATTACHMENTS**

A - FY 2024-25 Q3 Budget Report



#### Introduction

This financial report provides an overview of the City's revenues and expenditures through the third quarter of the fiscal year (July 1, 2024 – March 31, 2025). It also provides an update on the status of the City's Capital Improvement Plan (CIP) projects and progress on Major City Goal tasks.

Throughout the document, reference will be made to the data available as of the time the report was drafted. Revenues are often not available for two months after quarter-end or more and in some cases, revenues are not received evenly throughout the year. Expenditures are often recorded in advance for annual costs or for purchase orders opened at the beginning of the year. The net impact is that actual results booked three quarters into the year should not always be expected to equal 75% of budgeted amounts. Commentary will be provided only when analysis suggests that full-year results may differ significantly from budget.

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# **General Fund Summary**

Three quarters through the year, two areas of risk to revenue budget attainment remain elevated. As noted in the Second Quarter Budget Report, sales tax has not grown as expected and development review fees are in decline. Expenditures are trending broadly in line with expectations, and at this point, staff do not see risk to fund balance at year end. The tables below detail year-to-date results as compared to budget and prior year actuals. Commentary is provided where results are not in line with expectations.

#### Revenue:

	FY 2023-24			
General Fund	Actual	Budget	YTD Actuals	% Received
Tax and Franchise Revenue	\$ 102,258,726	\$ 104,967,371	\$ 64,765,070	62%
Local Revenue Measure G	30,597,288	31,855,000	17,871,298	56%
Sales Tax (Bradley Burns)	22,285,972	23,962,099	13,315,699	56%
Property Tax	23,723,431	23,446,385	15,457,996	66%
Transient Occupancy Tax	11,063,012	10,586,256	6,915,102	65%
Utility User Tax	6,301,505	6,622,639	4,552,277	69%
Business Tax	2,941,928	3,317,338	3,161,619	95%
Cannabis Tax	1,116,495	1,100,000	713,841	65%
Franchise Fees	2,366,286	2,091,800	1,443,076	69%
Gas Tax	1,341,857	1,419,353	978,374	69%
Safety Prop 172	520,952	566,500	355,787	63%
Fees and Other Revenue	18,689,524	22,557,685	13,123,021	58%
Development Review	6,168,815	6,585,331	3,811,982	58%
Parks & Recreation	2,413,314	2,060,627	1,576,521	77%
Fire	1,731,537	1,577,836	1,156,298	73%
Police	1,022,488	654,645	596,743	91%
General Government	7,353,369	2,946,959	5,981,478	203%
Storm Reimbursement		8,732,287		0%
Total	\$ 120,948,251	\$ 127,525,055	\$ 77,888,092	61%

#### Tax Revenue:

Sales Tax (including Local Revenue Measure & Prop 172 Safety Tax): Year-to-date results include July through January only as the California Department of Tax and Fee Administration reports on a two-month delay. The budget assumed a return to typical growth rates in sales tax revenue driven by reductions in interest rates that are no longer expected to materialize. Recent statewide forecasts from the City's consultants have been revised downwards based on macroeconomic conditions and, as a result, staff expect risk to budget attainment.

**Property Tax:** The City participates in the Teeter Plan, which means that the City is not exposed to delinquent payments and can reasonably expect to collect 100% of budgeted amounts. Staff expects to exceed budget by year-end.

**Business Tax:** This tax is due at the beginning of the year and should be largely collected. Staff notes that collections are up more than 7% from the prior year due to a combination of improved compliance efforts and collection of past-due prior year receipts. Staff issued the first of three rounds of citations at the end of January for past due business tax and expect collections to increase before year end. The second round of citations was issued in March. Both efforts were successful in bringing delinquent operators into compliance. As of the writing of this report, staff expects to send the third and final round of citations out to approximately 330 operators who are still out of compliance.

**Cannabis Tax:** The legal cannabis industry has faced headwinds statewide and based on current year trends, cannabis revenue is expected to underperform budget by at least \$0.1M.

While other tax revenue categories show year to date results lower than 75%, staff do not expect significant variances for the full year.

#### Fee & Other Revenue:

**Development Review Fees:** This revenue stream finished 2% below budget last fiscal year and is pacing to finish the year as much as \$1.5M below budget in the current fiscal year, which would be 23% below anticipated revenues for the year. This downward trend in development and related fees aligns with nationwide trends due to external factors such as high interest rates, political uncertainty, and elevated construction, labor, land, and energy costs. This trend could also suggest a leveling out of development in the City, after several years of development occurring at a high pace due to several large-scale projects and the build-out of several subdivisions.

As a result of applications being down, Community Development is completing the vast majority of plan checks in-house. This preserves the consultant budget, which would typically be expended if there were more projects. The Director has directed program managers to pay close attention to discretionary budgets for the remainder of the fiscal year and the Department has kept a Permit Tech Position vacant. In addition, Community Development has re-forecasted the anticipated development revenue in the next financial plan, taking into consideration the trends that have emerged this year.

**General Government:** This line includes earnings on cash and investment balances which have benefited greatly from elevated interest rates. Staff expect cash interest payments to outperform budget once again, although to a lesser degree due to recent policy actions by the Federal Reserve. Staff also caution that if interest rates do not decrease throughout the year as expected, this may result in negative fair market value adjustments<sup>1</sup>.

**Storm Reimbursement:** Staff's original assumption was that the City would receive reimbursement for Winter 2023 Storm expenditures from the Federal Emergency Management Agency (FEMA) and the California Office of Emergency Services (CalOES) within 12 months. That timeframe passed in October 2024 and the City has yet to receive reimbursement, despite

<sup>&</sup>lt;sup>1</sup> Fair Market Value adjustments are non-cash adjustments to investment income that reflect changes in the current market price of our bond holdings. Bond values are inversely correlated with interest rates, so if interest rates do not fall as expected the adjustment will reduce revenue. If rates fall more quickly than expected, the adjustment will increase revenue. Because the City generally holds investments until maturity, we do not expect any cash impact from these changes in fair value.

the fact that FEMA has obligated some of the City's projects. More information is included in the 'Storm Update' section of this report.

Though other fee categories show year-to-date results other than 50% of budget, staff do not expect significant variances for the full year.

# **Operating Expenditures:**

	FY 2023-24		FY 2024-25	
General Fund Expenditures	Actual	Budget	YTD Actuals	% Expended
Staffing	\$55,754,042	\$62,709,295	\$44,616,329	71%
Unfunded Pension Liability	12,994,935	12,886,419	12,682,728	98%
Contract Services	10,721,258	13,420,932	10,650,884	79%
Other Operating Expenditures	7,674,086	8,600,833	6,392,098	74%
Total	\$87,144,321	\$97,617,478	\$74,342,039	76%

**Staffing:** Salaries and benefits are as expected at this point in the year. If vacancies and overtime utilization continue at this rate, this indicates year end staffing savings of at least 4%.

**Unfunded Pension Liability:** This annual cost is prepaid upfront. Savings are realized as a result of this prepayment.

**Contract Services:** Actuals for this budget line include obligations on open purchase orders. While 79% of budget has been obligated or expended, just 54% has been paid to vendors. Staff expect modest savings at year-end.

**Other Operating Expenditures:** Similar to Contract Services, actuals for this line include obligations on open purchase orders and just 59% of budget has been expended. Staff expect modest savings at year-end.

	ı	Y 2023-24	FY 2024-25				
Operating Expenditures by Department		Actual		Budget	Υ	TD Actuals	% Expended
Admin/IT	\$	10,767,778	\$	12,208,276	\$	9,177,290	75%
City Attorney		1,472,411		1,898,569		1,389,846	73%
Community Development Department		7,157,271		9,772,915		6,904,101	71%
CSG Admin		829,900		666,056		410,128	62%
Finance		2,275,677		2,661,555		1,998,003	75%
Fire		15,960,639		18,087,494		14,683,613	81%
Human Resources		2,179,463		2,046,878		1,537,145	75%
Non-Dept/Support Services		403,735		1,083,110		220,554	20%
Parks & Recreation		5,414,249		6,031,062		4,370,014	72%
Police		23,233,179		23,882,116		19,529,330	82%
Public Works		17,038,967		18,867,172		13,815,389	73%
Utilities		411,052		412,275		306,626	74%
Total	\$	87,144,321	\$	97,617,478	\$	74,342,039	76%

While the year to date results for the General Fund as a whole are largely as expected, the following areas of risk to operating budgets stand out:

**Fire Department:** Several vacant positions are driving higher than expected overtime expenditures. Four firefighter positions were vacant until March, when four new recruits began the department's internal, ten-week training academy. The academy finishes in early May, followed by a three to six-week paramedic certification period, when the new hires will fill the vacant positions, and overtime will no longer be a daily necessity. The department will utilize all means to reduce impacts to the budget, including the offset of unused regular salaries from the vacancies. Staff expect this year's increased mutual aid revenue resulting from the high fire activity around the state and other reimbursements will provide budget capacity to cover staffing costs for the remainder of the year.

**Police**: Total staffing expenditures are trending higher than budget and it is likely that the department will be over-expended in staffing at year end. The main contributor is a Police Officers Association labor contract increase which, as is typical for labor negotiations, is included in the non-departmental budget. Including the labor contingency amount, the department is expected to finish under budget.

# **Storm Update**

As noted in prior budget reports, the winter storms in January and March 2023 caused significant damage to City infrastructure and resulted in emergency declarations at the Federal and State level, in addition to the Emergency Services Director's local emergency proclamation. The City Council authorized use of up to \$9 million from the City's operating reserve in FY 2022-23 and FY 2023-24 to address unbudgeted storm costs, and with adoption of the 2023-25 Financial Plan, the City Council also allocated \$2.75 million in the CIP to fund projects to repair storm damages and mitigate against future damage. An additional \$2.1 million was allocated to storm damage repair with adoption of the FY 2024-25 Supplemental Budget. The Federal and State declarations enable the City to seek reimbursement for certain storm related costs. The maximum reimbursement for eligible costs is 93.75% (75% from the Federal Emergency Management Agency (FEMA) and 18.75% from the California Office of Emergency Services (CalOES)), meaning that the City will pay a minimum of 6.25% for certain storm related costs.

The FEMA reimbursement process continues to move slowly due to turnover in the FEMA Program Delivery Managers assigned to assist local agencies in submitting projects for reimbursement and a lack of clarity about the information required in order to submit projects. While the Disaster Relief Fund (which funds public assistance to impact agencies) was allocated additional funding, the newly formed Department of Government Efficiency (DOGE) is now focused on FEMA programs. As reported last quarter, the new Federal administration has previously signaled the possibility of disaster response shifting to states. Given all of the changes at the Federal level, it is expected that FEMA processes will slow even more.

The City has expended approximately \$13.5 million on storm response to date, including debris removal, emergency protective measures, and projects to make permanent repairs to damaged facilities. This amount is approximately \$2 million lower than what was reported in the FY 2024-25 Second Quarter Budget Report, due to Oracle double-counting purchase orders and invoices, which has since been corrected. The \$13.5 million is close to what was reported in the First Quarter Budget Report, as many projects are in the design phase and significant costs have not been incurred. Currently, the estimated total cost to repair all storm related damage is \$48.4 million, consistent with what was reported in prior reports. As previously noted, all storm-related expenditures have been submitted to FEMA for reimbursement and are in various stages of

FEMA's review and evaluation process. As of the writing of this report, a total of nine projects totaling \$717,125 have been obligated by FEMA, meaning that FEMA has determined that reimbursement should be provided. Once a project is obligated, notification is made to the State for payment. Agencies typically receive payment within three months of a project being obligated, but CalOES has reported that the timeline has slowed due to a significant volume of reimbursement payments to process. CalOES has provided the City with notification that payments are currently being processed for five of the City's projects.

As reported in prior quarters, staff has struggled to navigate FEMA processes due to inconsistent guidance provided by FEMA Program Delivery Managers, inaccurate FEMA site inspections and lack of clarity about what jurisdiction certain projects fall under. In early May, staff met with a representative from Congressmember Salud Carbajal's office, and as a result of that meeting, the Congressmember's office will be writing letters on the City's behalf to try to move submitted projects forward, through FEMA's process.

Based upon staff delivery capacity, FEMA reimbursement timeframes, and the upcoming 2025-27 Financial Plan process, staff continues to work on the highest priority storm damage projects in order to advance them for funding consideration with the 2025-27 Financial Plan and will continue the process to obtain FEMA reimbursement during the delivery process.

The two tables below provide an overview of the status of storm projects. The first table details all storm projects that staff believe should advance, including their respective current phases and the percentage of work completed to date. All of these projects have been included as part of the 2025-27 Financial Plan. The second table outlines work that is not deemed urgent at this time and will be assessed as part of a future financial plan. Staff continue to monitor these sites to access priorities.

Projects by Phase - Advancing Projects in the 2025-27 Financial Plan	Percentage	Cont Falling
	Complete	Cost Estimate
1 - Project Initiation	0%	\$1,683,000.00
Mitigation Planting	0%	\$1,683,000.00
Replant and vegetate emergency project areas	0%	\$1,683,000.00
2 - Design	24%	\$8,493,000.00
Prefumo Creek Grade Structure	25%	\$1,666,000.00
Phase I - Remove damaged grade control structure and install RSP roughened ramp.	25%	\$916,000.00
Phase II - Install new sewer siphon.	25%	\$750,000.00
Prefumo through Golf Course	50%	\$600,000.00
Phase 1 - Install City Owned Ped bridge	50%	\$600,000.00
SLO Creek at Elks Lodge	18%	\$5,357,000.00
Phase 2 - Install creek bank revetment on Elks Lodge side downstream of Elks Lodge	25%	\$1,856,000.00
Phase 3 - Install soil nail wall on Hwy 101 side of SL Creek near Elks Lodge	5%	\$3,501,000.00
SLO Creek at Mission Plaza	10%	\$870,000.00
Remove and install structural sidewalk	10%	\$870,000.00
Grand Total	21%	\$12,260,000.00

Projects by Phase - Work Pending Future Financial Plan	Current Cost Estimate	Percentage Complete
Project Initiation	\$ 4,180,000.00	0%
Old Garden Creek at Mission Street	\$2,040,000	0%
Armor damaged abutments. Repair culvert bottom	\$2,040,000	0%
Stenner Creek at Olive Street	\$2,140,000	0%
Remove and install new culvert. Armor damaged slopes	\$2,140,000	0%
Design	\$ 18,950,000.00	25%
Nipomo Bridge over Stenner Creek	\$2,000,000	10%
Remove damaged revetment and install new revetment upstream and downstream of bridge. Revetment was undermined during		
storm event.	\$2,000,000	10%
Prefumo through Golf Course	\$16,000,000	10%
Phase 2 - Install creek bank revetment in golf course	\$7,000,000	5%
Phase 3 - Stabilze creek banks upstream of golf course	\$9,000,000	5%
SLO Creek at Elks Lodge	\$950,000	5%
Phase 4 - Armor bridge abutments at Elks Lane and SL Creek	\$950,000	5%
Grand Total	\$ 23,130,000.00	25%

# **Water Fund Summary**

The Water Fund's year-to-date results are generally in line with expectations, showing expected trends across revenue and expenditure categories.

#### Revenue:

	FY 2023-24	FY 2024-25				
Water Revenue	Actual	Budget	YTD Actuals	% Received		
Cal Poly Capacity & Resilience	233,025	263,433	270,828	103%		
Investment and Property Revenue	1,759,115	50,000	948,810	1898%		
Other Revenue	525,148	240,694	2,924,639	1215%		
Service Charges and Base Fees	26,088,324	28,102,022	19,842,646	71%		
State Grants	613,814	-	860,876			
Total	\$ 29,219,426	\$ 28,656,148	\$ 24,847,799	87%		

Revenues are 87% received as of report drafting, which is in line with anticipated revenue collection at this point in the fiscal year. Staff are monitoring collections and do not expect a significant variance in budget by year end.

**Investment and Property Revenue:** This line includes earnings on cash and investment balances. The fund has benefited from the current interest rate environment and exceeds its revenue budget as budgets are set conservatively in case earnings on investments are low. The higher interest earnings can help offset other revenue shortfalls, should they occur, and strengthen the Water Fund's financial position.

Other Revenue: The Other Revenue line item is primarily funded from Transfers In revenues, which come from Development Impact Fees. Actuals show as overrealized, because Impact Fees for water are budgeted for under the individual fund that they are received in to and are then transferred to the Water Fund during the annual AB 1600 review and reporting process. The Other Revenue line item also includes Other City Licenses and Permits (recycled water construction water permits), Miscellaneous Penalties (customer late fees), Credit Collections, Sales of Surplus Property, Development Review Fees, and Utilities Setup Fees. Service Charges and Base Fees: Service Charges and Base Fees are currently showing an under-collection, primarily due to a timing gap between the receipt of revenue and their allocation in the accounting system. Specifically, sales to Cal Poly and Water Sales are impacted by this timing delay, leading to a temporary misalignment in reported revenues. These discrepancies are expected to be resolved by year-end as accounting processes catch up with the actual collections.

**State Grants:** Funds received are attributable to a Proposition 1B Grant, which aligns with the funding levels projected. These funds were received this fiscal year as a result of modified project schedules. Staff are actively coordinating with the grant administrators to ensure compliance with reporting and administrative requirements for disbursements.

## **Expenditures:**

	FY 2023-24		FY 2024-25	
Water Expenditures	Actual	Budget	YTD Actuals	% Expended
Staffing	\$ 4,594,003	\$ 5,082,715	\$ 3,343,941	66%
Unfunded Pension Liability	833,466	789,926	779,802	99%
Contract Services	810,950	1,212,318	929,843	77%
Other Operating Expenditures	11,882,398	15,566,981	13,975,881	90%
Total	\$18,120,818	\$22,651,940	\$19,029,468	84%

**Staffing:** As of the current reporting period, 66% of the staffing budget has been expended. Budget savings are driven by multiple vacancies throughout the department, as unfilled positions have temporarily reduced personnel costs. Some staffing savings are being spent on approved staffing requests to address these vacancies, including the hiring of a retired annuitant who has been helping fill the Utility Billing vacancy. The Fund remains on track and within budget with these approved costs.

**Unfunded Pension Liability:** This annual cost is fully prepaid at the beginning of the fiscal year. This prepayment strategy results in savings over the course of the year, as it reduces accruals and maximizes the impact of the payment.

**Contract Services:** The Contract Services budget line reflects a significant portion of obligations tied to open purchase orders, many of which are created at the start of the fiscal year for larger, ongoing contracts. Many contracts are structured around milestone-based payments or periodic billing cycles, meaning payments lag behind the recorded obligations. Staff anticipate no variance from the budget by year-end, as these expenditures align with the scope and timelines of contracted services.

Other Operating Expenditures: Similar to the Contract Services category, the Other Operating Expenditures line includes obligations tied to open purchase orders. This line also accounts for significant annual prepayments for key water sources of supply, including Nacimiento, Salinas, and Whale Rock. These prepayments ensure a stable and predictable supply of water, supporting operational needs and reducing the risk of funding shortfalls. By making these payments upfront, the organization safeguards against future cost increases or potential disruptions.

# **Sewer Fund Summary**

The Sewer Fund's year-to-date results are generally in line with expectations.

### Revenue:

	FY 2023-24	FY 2024-25				
Sewer Revenue	Actual	Budget	YTD Actuals	% Received		
Cal Poly Capacity & Resilience	-	472,534	472,534	100%		
Investment and Property Revenue	2,592,653	50,000	1,566,239	3132%		
Other Revenue	497,324	224,000	1,268,259	566%		
Service Charges and Base Fees	19,893,378	20,052,366	13,892,344	69%		
State Grants	887,167	-	197,070			
Long Term Debt Proceeds	15,353,992	-	13,405,480			
Total	\$ 39,224,514	\$ 20,798,900	\$ 30,801,925	148%		

**Investment and Property Revenue:** This line includes earnings on cash and investment balances. Budgets for investment income are set conservatively because changes in fair market value could lead the City to recognize negative investment income. The fund has benefited from the current interest rate environment and now exceeds its revenue budget for this account line. The higher interest earnings can offset other revenue shortfalls, should they occur, and strengthen the Sewer Fund's financial position.

**Other Revenue:** The Other Revenue line item is primarily funded from Transfers In revenues, which come from Development Impact Fees. Actuals show as overrealized, because Impact Fee revenues for sewer are budgeted for under the individual fund that they are received into and are then transferred to the Sewer Fund during the annual AB 1600 review and reporting process. The Other Revenue line item also includes sources contributed positively to the fund's position. Miscellaneous Penalties (customer late fees), and Utilities Set-up Fees, Administrative Citations, Credit Collections, Sales of Surplus Property, Development Review Fees, and Sewer Wye Abandonment and Installations. Together, these sources provide supplemental financial support to the budget, reflecting a diverse revenue base.

**State Grants:** Funds received are attributable to a CalOES Grant at the Water Resource Recovery Facility (WRRF) and aligns with the grant funding levels projected. These funds were received this fiscal year as a result of modified project schedules. Staff are actively coordinating with the grant administrators to ensure compliance with reporting and administrative requirements for disbursements.

**Long-Term Debt Proceeds**: Borrowings associated with the long-term debt proceeds are intended to fund the construction of the WRRF and were initially budgeted for FY 2023-24. The timing of these borrowings is contingent upon the progress of construction activities, which may not always align with the original budgetary projections. As a result, fluctuations in the timing of debt issuance are being carefully monitored to ensure that financing remains available.

**Service Charges and Base Fees:** Similar to the Water Fund, Service Charges and Base Fees show as under-collected due to a timing lag between revenue collection and revenue allocation. Despite this temporary discrepancy, staff do not anticipate significant variances in this revenue category by the end of the fiscal year.

## **Expenditures:**

	FY 2023-24		FY 2024-25	
Sewer Expenditures	Actual	Budget	YTD Actuals	% Expended
Staffing	\$ 4,558,064	\$ 5,113,385	\$ 3,367,064	66%
Unfunded Pension Liability	851,453	782,976	772,941	99%
Contract Services	1,256,919	1,345,978	1,315,494	98%
Other Operating Expenditures	2,647,401	2,874,769	2,028,178	71%
Total	\$ 9,313,836	\$10,117,108	\$ 7,483,678	74%

**Staffing:** At 66% expended, the primary driver of budget savings for the Sewer Fund is also unfilled positions. These vacancies led to reduced personnel costs during the first and second quarters of the fiscal year. Recognizing the importance of maintaining operational capacity and service delivery, some staffing savings are being spent on approved staffing increases, including outsourcing specific functions and internal promotions. Efforts to address the staffing gaps include proactive recruitment campaigns, streamlining the hiring process to reduce time-to-hire, and leveraging all available resources to attract and secure qualified candidates.

**Unfunded Pension Liability:** This annual cost is fully prepaid at the beginning of the fiscal year. This prepayment strategy results in savings over the course of the year, as it reduces accruals and maximizes the impact of the payment.

**Contract Services:** Actuals for this budget line include obligations on open purchase orders. Staff do not expect a variance to the budget at year-end. The discrepancy is due to the timing of payments, as many of the services are invoiced and paid after work is completed or milestones are achieved.

**Other Operating Expenditures:** Like Contract Services, actuals for this line include obligations on open purchase orders. As of the reporting date, 63% of the budget has been paid to vendors. This approach safeguards budget stability and ensures that key expenditures can be met as obligations are fulfilled.

# **Parking Fund Summary**

The Parking Fund's year-to-date results indicate that the fund will underperform against its revenue targets for the year. The revenue budget is based on the 2024 Rate Study report projections, with reduced rates effective July 1, 2024. Overall, staff is estimating a \$1.48M shortfall in FY 2024-25 Parking Fund actual revenues compared to the budgeted amount. The Parking Fund has adequate reserves to absorb the estimated one-time revenue shortfall. Additionally, staff are reducing expenditures in accordance with the Fiscal Health Contingency Plan and intend to use fund balance to address this year's revenue shortfall, while continuing to resolve the technology issues affecting revenue collection. There is approximately \$5.9M unreserved working capital from the year end of FY 2023-24.

Additional analysis and commentary can be found below:

#### Revenue:

	FY 2023-24	FY 2024-25				
Parking Revenue	Actual	Budget	YTD Actuals	% Received		
Long Term Parking	702,797	901,906	430,435	48%		
Parking Fines	1,190,030	1,252,200	789,971	63%		
Parking Meters	5,927,488	4,312,367	3,441,137	80%		
Parking Structures	1,757,776	2,860,504	1,121,485	39%		
Other Revenue	3,733,272	664,884	690,895	104%		
Total	\$ 13,311,364	\$ 9,991,861	\$ 6,473,923	65%		

Overall, there were some unexpected failures in the technology systems which resulted in less overall revenue in the first half of the fiscal year. It is expected that the use of new technology recommended in the Technology Roadmap report will help to address some of the current revenue shortfall this year and achieve 2024 Rate Study revenue projections moving forward into future years. Recently completed projects this spring include implementation of a new citation management system and new gated system at 842 Palm garage.

**Long Term Parking:** Revenue from long term parking includes sales of on-street permits, residential district permits, and garage parking permits. The price of garage parking permits was reduced from \$85/month to \$45/month effective July 1, 2024. The reduction in permit costs was not forecasted in the Rate Study but was adopted by Council based on staff's recommendations. Permit sales have increased due to the price reduction, but the initial increase did not occur as quickly as anticipated due to technology issues. Permit sales have continued to increase each month since July 1, 2024, and are expected to continue to increase with the launch of a new digital permit platform in April 2025 and the installation of the new gating system at 842 Palm Street.

The initial reports from the new digital permit platform show an increase in permit sales, most likely related to the new gating system at the 842 Palm Street garage however the increase in permit sales remain unlikely to meet the revenue projections presented in the Rate Study, due the reduced price of the permit. The availability of garage permits is advertised with signs in the garages, the parking webpages, and printed promotional material. An increased communication

plan advertising garage permits will be rolled out when all garages have a consistent gating system. Staff expects to miss budget this year by \$325,000, based on year-to-date actuals.

**Parking Fines:** Revenue from parking fines includes all revenue collected from paid parking citations. Citation revenue has decreased due to collection issues caused by the prior citation management vendor and staff turnover. Consistent with the Technology Roadmap recommendations, the City completed implementation of a new citation management vendor in March 2025. As of the end of March 2025 when all citation data was converted to the new citation management vendor, there were 24,616 unpaid citations with a total balance due of \$1,717,310. While all citations may not be collected, the collection of even a portion of the unpaid citations could significantly impact citation revenue.

With the vendor change and updated noticing to those with unpaid citations, revenue is expected to increase. It is highly likely that the bulk of this citation revenue will be realized in FY 2025-26. Based on year-to-date actuals, there is an expected budget deficit of \$295,000 in Parking Fines Revenue. However, based on collection reports from the initial noticing sent by the citation management vendor in April, staff expects to recover the deficit amount in Q4 and does not expect significant variances to budget by year-end.

**Parking Meters:** Revenue from parking meters includes hourly parking sessions from on-street and surface parking lot areas as well as mobile app payments. Even with the reduced parking rates, parking meter revenue is tracking slightly higher than budget. This provides a strong indication that on-street parking activity is increasing with the reduced parking rates now in effect. Staff does not expect significant variances to budget by year-end.

Parking Structures: Parking structures revenue was negatively impacted by the operation of a gateless parking system at the 842 Palm Street garage. In November 2024, Council approved appropriation of \$1.2 million from Parking Fund balance for the purchase of new garage payment and gating equipment for 842 Palm Street garage, as well as 919 Palm Street and Marsh Street garages. New gating equipment will provide better access and revenue controls that staff anticipates will increase revenue collections. The equipment at 842 Palm Street was replaced in March 2025, but will not be in operation long enough to make up for revenue losses in the current fiscal year. The first 30 days of operation of the new gated system at 842 Palm Street has shown a significant increase in revenue and revenues are expected to meet the projected budget in future years. Once the new gated system has been installed on the remaining City Parking Garages which are the 919 Palm and the Marsh Street garages, Staff expect to meet revenue projects for Parking Garages. Currently, Staff expects to miss budget by \$1,160,000, based on year-to-date actuals.

# **Operating Expenditures:**

	FY 2023-24		FY 2024-25	
Parking Expenditures	Actual	Budget	YTD Actuals	% Expended
Staffing	\$ 1,735,699	\$ 1,849,702	\$ 1,270,668	69%
Unfunded Pension Liability	238,826	244,373	241,241	99%
Contract Services	862,591	782,601	640,606	82%
Other Operating Expenditures	967,528	965,304	672,450	70%
Total	\$ 3,804,644	\$ 3,841,980	\$ 2,824,965	74%

**Staffing:** The staffing budget is 69% expended through the first three quarters of the fiscal year due to vacancies in multiple administrative and enforcement positions. These vacant positions have since been filled.

**Unfunded Pension Liability:** This annual cost is prepaid upfront. A slight savings is realized as a result of this prepayment.

**Contract Services:** Actuals for this budget line include obligations from open purchase orders. While 82% of the budget has been obligated or expended, just 55% has been paid to vendors. Staff does not expect a variance to budget at year-end.

**Other Operating Expenditures:** This line includes utility services, credit card merchant fees, and operational materials and supplies. So far, 70% of the budget has been expended. Due to lower than budgeted revenues, staff expect savings of \$40,000 in credit card merchant fees, corresponding with revenue trends.

# **Transit Fund Summary**

The Transit Fund's year-to-date results are generally in line with expectations. Staff note that the Transit Fund is largely funded by Federal and State grants. As such, staff are monitoring the new administration's executive orders, budget recommendations, and actions and what effects they may have on the availability of future federal funds.

### Revenue:

	F	FY 2023-24 FY 2024-25					
Transit Revenue		Actual		Budget	Y.	TD Actuals	% Received
Federal	\$	3,486,773	\$	12,469,861	\$	3,157,784	25%
Local (Bus Fare)		1,000,790		976,000		748,516	77%
Other / Interest Revenue		379,651		-		250,134	
State		1,607,897		3,613,325		1,932,290	53%
Total	\$	6,475,111	\$	17,059,186	\$	6,088,723	36%

**Federal:** This line includes capital and operating revenue from discretionary and formula federal grants. Discretionary grants are competitive in nature and are included in the budget to offset related capital costs, but they are not guaranteed. Formula grants are typically allocated to the region and the amount is calculated using various factors like population and transit metrics. Both discretionary and formula grants are reimbursement-based grants, meaning funds are disbursed after expenses have been incurred.

In April 2024, staff applied for \$5.1 million in discretionary grant funding for the purchase of additional battery electric vehicles. The funding request was not awarded, so this revenue will not be received, and the project budget will be adjusted accordingly. The City continues to draw down on the American Rescue Plan Act (ARPA) operating funds awarded to the City in 2022. Drawdowns occur quarterly to align with federal reporting requirements. Five total drawdowns for both operating and capital expenses are reflected in the table above.

There has been no communication from the U.S. Department of Transportation or Federal Transit Administration (FTA) that active grants like the ARPA operating assistance grant are at risk of loss of funding. Staff continues to submit draw down requests and, as of March 2025, funds continue to be disbursed. Staff expects that ARPA operating assistance funds will be available for the remainder of this fiscal year and that approximately \$2.7 million (22 percent of total budgeted revenue) will be available next fiscal year to cover operating costs. Remaining operating costs will be covered through a combination of FTA Section 5307 funds and Transportation Development Act (TDA) revenue.

**Local (Bus Fare):** This line includes fares paid on the bus, pass sales, and revenue from Cal Poly's Transit Service Agreement. Staff expects minimal variance at year-end.

**Other / Interest Revenue:** This line includes earnings on cash, investment balances, and sale of surplus property. Revenue from interest and investments are difficult to accurately estimate, so the Transit Fund budgets conservatively for this line.

**State:** This line includes revenue from state and regional discretionary and formula funding sources. Staff expects to receive \$2.57 million in TDA revenue based on the San Luis Obispo Council of Government's (SLOCOG) revised allocation, which is \$158,000 less than originally

budgeted. The Transit Fund received \$376,368 for two capital projects and was reimbursed \$498,473 for the construction of the Transit Yard electric vehicle charging infrastructure project, both of which are reflected in the table above.

## **Expenditures:**

	FY 2023-24		FY 2024-25	
Transit Expenditures	Actual	Budget	YTD Actuals	% Expended
Staffing	\$ 328,784	\$ 344,223	\$ 221,537	64%
Unfunded Pension Liability	57,283	45,725	45,139	99%
Contract Services	3,592,192	4,630,217	4,514,744	98%
Other Operating Expenditures	431,255	424,715	406,837	96%
Total	\$ 4,409,514	\$ 5,444,879	\$ 5,188,256	95%

**Staffing:** This line is tracking below budget primarily due to limited use of part-time staff. As a result, staff anticipates a slight favorable variance at year-end.

**Unfunded Pension Liability:** This annual cost is prepaid upfront. A slight savings is realized as a result of this prepayment.

**Contract Services:** This line primarily consists of costs paid via a third-party contract to Transdev for SLO Transit's operations and maintenance services. Actuals for this budget line include obligations on open purchase orders. While 98% of budget has been obligated, just 65% has been paid to vendors. Staff expects a savings of \$107,000 at the end of this fiscal year in the Contract Services line item.

**Other Operating Expenditures:** Actuals for this line include obligations on open purchase orders. Staff expects expenditures to be \$83,000 greater than budgeted amount due to a 38% increase in average fuel costs per gallon since the beginning of the fiscal year. This variance will be covered by savings in the Contract Services line item discussed above.

# **Special Revenue Fund Summaries**

## **Tourism Business Improvement District**

The Tourism Business Improvement District (TBID) assessment is set at 2% of the lodging industry's gross receipts. The program annually aligns its operating budget with its anticipated revenues.

#### Revenue:

	FY 2023-24				FY 2024-25		
TBID Revenue		Actual		Budget	Y	TD Actuals	% Received
Tourism Assessment	\$	2,267,304	\$	2,117,251	\$	1,382,507	65%
Other Revenue		56,643		-		28,359	
Total	\$	2,323,947	\$	2,117,251	\$	1,410,866	67%

While less than 75% of the budget has been recorded to date, revenue is recorded on a more than one month delay and staff expect to collect the budgeted amount for the full year.

## **Expenditures:**

	FY 2023-24		FY 2024-25	
TBID Expenditures	Actual	Budget	YTD Actuals	% Expended
Staffing	\$ 213,472	\$ 234,328	\$ 149,597	64%
Unfunded Pension Liability	43,573	32,234	31,821	99%
Contract Services	1,869,690	1,871,237	1,716,996	92%
Other Operating Expenditures	20,130	34,100	10,776	32%
Total	\$ 2,146,866	\$ 2,171,900	\$ 1,909,191	88%

The TBID procures many of its services in advance, leading to a high percent of budget expended early in the year. The fund is expected to finish on budget for the full year.

## **Boysen Ranch Conservation Fund**

Boysen Ranch consists of approximately 116 acres bounded by Los Osos Valley Road, Foothill Boulevard, and O'Connor Way. The City holds a series of conservation easements that protect approximately 25 acres of the Ranch to mitigate impacts to wetlands and waters caused by the nearby commercial development projects on Los Osos Valley Road. As part of the original easement agreement, Boysen Ranch's owners provided the City with an endowment to fund required monitoring activities.

### Revenue:

	F	Y 2023-24	FY 2024-25				
Boysen Ranch Revenue		Actual		Budget	ΥT	D Actuals	% Received
Investment Income	\$	18,353	\$	2,000	\$	10,603	459%
Total	Ś	18.353	Ś	2.000	Ś	10.603	530%

The Boysen Ranch Conservation Fund is an endowment fund and its budgeted revenue is provided by investment income. The fund is expected to benefit from the current interest rate

environment and meet or exceed its revenue budget, but this could change if fair market value adjustments offset interest income received.

### **Expenditures**

	FY 2	023-24			FY	2024-25	
Boysen Ranch Expenditures	Ac	tual	E	Budget	YTE	<b>Actuals</b>	% Expended
Contract Services		9,135		10,136		10,136	100%
Total	\$	9,135	\$	10,136	\$	10,136	100%

The fund has made its budgeted payment for authorized conservation activities. Staff expect no further payments this fiscal year and the fund will finish on budget.

### **Insurance Fund**

The Insurance Fund serves to pay the City's annual premiums for liability, workers' compensation, special events, volunteer, and property insurance needed to protect the City and to manage fluctuations in claims-related expenses. It is also intended to maintain adequate reserves for future claims and unpredictable increases in insurance costs.

### Revenue:

	F	Y 2023-24	FY 2024-25			
Insurance Fund Revenue		Actual	Budget	Y.	TD Actuals	% Received
Transfers In	\$	6,333,317	\$ 6,000,000	\$	4,500,000	75%
Total	\$	6,333,317	\$ 6,000,000	\$	4,500,000	75%

Insurance Fund revenues are transfers in from the General Fund and will finish on budget.

### **Expenditures:**

	FY 2023-24		FY 2024-25	
Insurance Fund Expenditures	Actual	Budget	YTD Actuals	% Expended
Contract Services	\$ 4,754,556	\$ 5,725,119	\$ 3,768,453	66%
Total	\$ 4,754,556	\$ 5,725,119	\$ 3,768,453	66%

While recent actions to reduce premiums for Workers' Compensation have delivered savings, additional contributions from the General Fund may be necessary to build and maintain adequate reserves according to City policy and actuarial estimates. The City's Fund Balance and Reserve Policy establishes that the Insurance Fund will maintain funding to cover 150% of the average claim costs for the past five years. The policy also states that actuarial information will be taken into consideration. Based on the most recent actuarial study dated November 18, 2024, the City should maintain a reserve of \$3,392,000 for liability claims and \$1,578,000 for workers' compensation claims, totaling \$4,970,000, if funding at a 75% probability level. The insurance fund reserve is anticipated to be \$2,891,767 at the end of FY 2024-25. This is below the lowest probability level provided by the actuary, which is 55%, or a reserve of \$4,553,000.

## **Public Safety Equipment Replacement Fund**

The Public Safety Equipment Fund (PSEF) was created with the 2019-21 Financial Plan to help budget and forecast the replacement of Public Safety equipment that has expired or become damaged. The Fund had received an original seed amount with the FY 2019-20 budget and, going forward, an annual allocation is made from the Local Revenue Measure.

#### Revenue:

	FY 2023-24 FY 2024-25						
Public Safety Fund Revenue		Actual		Budget	Υ٦	D Actuals	% Received
Transfers In	\$	171,322	\$	167,334	\$	125,501	75%
Total	\$	171,322	\$	167,334	\$	125,501	75%

The fund receives revenue in the form of transfers in from the General Fund and will finish on budget.

### **Expenditures:**

	FY 2	2023-24		FY	2024-25	
Public Safety Fund Expenditures	A	ctual	Budget	YTI	D Actuals	% Expended
Other Operating Expenditures		601,116	404,020		384,877	95%
Total	\$	601,116	\$ 404,020	\$	384,877	95%

The fund budgets for replacement of public safety equipment currently in service and is expected to finish the year on budget.

#### San Luis Ranch CFD

A Mello-Roos Community Facilities District (CFD) was established and approved by City Council on April 16, 2019 (Ordinance No 1661) pursuant to section 5.02 of the San Luis Ranch Development Agreement. The boundaries of the CFD are identical to the San Luis Ranch Specific Plan and includes 131.4 acres approved for up to 580 dwelling units and commercial development, a 200-room hotel, 100,000 square feet of office space, 150,000 square feet of retail space, 7.8 acres of parks/ open space, and 52.3 acres of farmed agriculture land. The purpose of the CFD is to fund major road improvements, potable and non-potable water system improvements, drainage system improvements, wastewater system improvements, solid waste improvements, park and paseo improvements, open space improvements, and utilities.

#### Revenue:

	F	Y 2023-24					
San Luis Ranch CFD Revenue		Actual		Budget	ΥT	D Actuals	% Received
Property Tax	\$	1,274,999	\$	1,000,250	\$	840,375	84%
Interest on Investment		592,271		-		18,912	
Total	\$	1,867,271	\$	1,000,250	\$	859,287	86%

The fund collects property tax from residents under the Teeter Plan with the County and is expected to finish the year on budget or better.

## **Expenditures:**

	FY	2023-24		F	Y 2024-25	
San Luis Ranch CFD Expenditures		Actual	Budget	Y	TD Actuals	% Expended
Contract Services	\$	9,145	\$ 189,666	\$	176,858	93%
Debt Service		911,650	949,450		927,450	98%
Transfers Out			26,530		219,133	826%
Total	\$	920,795	\$ 1,165,646	\$	1,323,442	114%

The fund budgets for authorized expenditures, largely debt service, and is expected to finish the year on budget. Transfers out exceed the budget due to transfers of amounts authorized and budgeted but not transferred in prior years. There is no expected ongoing impact as the transfers will be made annually within budgeted amounts going forward.

### **Avila Ranch CFD**

A Mello-Roos Community Facilities District was established and approved by City Council on October 24, 2017 (Resolution No 10844) pursuant to section 5.02.1 of the Avila Ranch Development Agreement. The CFD boundaries are identical to that of the Avila Ranch Development project and located at the northeast corner of Buckley Road and Vachell Lane. The Avila Ranch Project will include up to 720 dwelling units, 15,000 square feet of office and retail, 18 acres of parks, 53 acres of open space, riparian corridors and farmed agricultural land. The CFD was formed with purpose of funding services as well as facilities of the CFD. Services to be funded can include the maintenance and lighting of parks, parkways, streets, roads, and open space; flood and storm protection services; police & fire protection services; maintenance and operation of real property. Facilities to be funded can include park, recreation, parkway, and open space facilities; construction and undergrounding of utilities (water, natural gas, telephone lines, electric, cable television); for the acquisition, improvement, or rehabilitation of real property.

### Revenue:

	F	Y 2023-24		FY	2024-25	
Avila Ranch CFD Revenue		Actual	Budget	ΥT	D Actuals	% Received
Services Special Tax	\$	232,761	\$ 477,025	\$	492,030	103%
Facilities Special Tax	\$	23,738	46,623	\$	49,214	106%
Investment Income	\$	12,486	-	\$	7,812	
Total	\$	268,985	\$ 523,648	\$	549,056	105%

The fund collects property tax from residents under the Teeter Plan with the County and is expected to finish the year on budget or better. Year to date results include accruals for tax payments to be made in April and are subject to change.

### **Expenditures:**

	FY 2023-24		FY 2024-25	
Avila Ranch CFD Expenditures	Actual	Budget	YTD Actuals	% Expended
Authorized Services	58,758	252,602	39,661	16%
Transfers Out	17,085	110,814	386,517	349%
Total	\$ 17,085	\$ 110,814	\$ 386,517	349%

The fund budgets for authorized service expenditures for maintenance and utilities and is expected to finish the year under budget. Transfers out exceed budget due to the inclusion of amounts authorized and budgeted but not transferred in prior years. There is no expected ongoing impact as the transfers will be made annually within budgeted amounts going forward. Prior year actuals were lower than budget because the development is new, still under construction, and therefore maintenance costs are currently lower than revenues. At full buildout it is expected that costs to serve this neighborhood will exceed revenue and the General Fund will provide services above and beyond what the CFD pays for. All unexpended funds are held in fund balance and are available for expenditure in future years.

# **CIP Update**

During the third quarter of the fiscal year, the City continued to make strong progress in delivering its Capital Improvement Program (CIP) projects, with key advancements in infrastructure, public spaces, and essential facilities. Notable projects completed in Q3 include the North Chorro Greenway Underbelly Painting and Lighting, the installation of gated parking equipment at the 842 Palm Parking Garage, and the 2024 Roadway Sealing Project, which included upgrades to the Damon Garcia Sports Field Complex parking lot and the Johnson Park parking lot.

The CIP team also reached substantial completion on the Wash Water Tank #1 and Laguna Lake Dog Park projects. Final work on both is expected to be completed in the fourth quarter.

Construction remains active on several legacy projects, including the Mid-Higuera Bypass, Mission Plaza Enhancements, and the Cultural Arts District Parking Structure. These high-profile projects are on track for completion in fiscal year 2025–26.

The City also received favorable bids for several new projects that will enter the construction phase in the fourth quarter of FY 2024–25. These include tenant improvements at 1106 Walnut (Police Administration Building), improvements to the 1166 Higuera Parking Lot, the Bob Jones Trail Groundwater Well Drilling project, and the City Hall Finance/IT Remodel.

In preparation for the 2025–27 Financial Plan, staff is also gearing up to launch new CIP projects in year one of the plan. These include Righetti Community Park, the installation of improved parking infrastructure, and a sealing project on Grand Avenue.

A summary table of all completed and ongoing construction projects through the third quarter, along with updates on legacy projects, is included below.

	Completed & Ongoing Constru	ctio	n Capital Project	ts (January 2025-Mar	ch 2025)
Oracle Account Number	Project		Total Budget	Estimated Construction Completion Date	Additional Comments
2000049	842 & 919 Palm Parking Structure Repairs	\$	2,538,989.00	Completed	
2000126	Water Treatment Plant Generator Improvement Project at Facility 98	\$	3,527,523.00	Completed	
2000188	Mitchell Park Revitalization	\$	471,253.00	Completed	
2000525A	Parking Equiptment at Gate Entry (842 Palm)	\$	312,000.00	Completed	
2000578	Johnson Waterline	\$		Completed	
2000615	2024 Sealing Project	\$	3,000,000.00	Completed	
2001050	Tank Farm Lift Station Discharge Pipe Replacement Phase 2	\$	223,678.00	•	
2001065	2023 Arterials	\$	9,823,766.00	Completed	
2001069	Righetti Hillside Emergency Repair	\$	1,540,000.00	Completed	
2091368	Reservoir 2 Cover Replacement	\$	2,617,247.00	Completed	
2091683	North Broad Park	\$	1,533,939.00	Completed	
2000031-08.01	Damon Garcia Sports Field Complex Parking Lot Maintenance	\$	130,000.00	Completed	
2000031-08.05	Johnson Park Parking Lot Maintenance	\$	50,000.00	Completed	
2000032-04	Railroad Safety Trail from Cal Poly to Taft Street	\$	130,775.00	Completed	
2000036-04	North Chorro Greenway Underbelly Lighting	\$	50,000.00	Completed	
2000036-05	North Chorro Greenway Underbelly Painting	\$	60,000.00	Completed	
2000075-06	Fire Station 4 Exterior Painting	\$	55,000.00	Completed	
2000075-07	Parking HVAC Replacement	\$	260,000.00	Completed	
2000075-9.01	Corporation Yard Fuel Island and Wash Station Rehabilitation	\$	827,556.00	Completed	
2001001-14	Higuera St Crack Sealing	\$	109,072.00	Completed	
2001010-01	Cheng Park Revitalization	\$	807,786.00	Completed	
2090742-10	Smith Augusta CMP Emergency Repair	\$	850,000.00	Completed	
2001068	Laguna Lake Dog Park	\$	1,600,000.00	Q4 FY 24-25	Final Punchlist
2000034-03	Wash Water Tank #1	\$	753,807.00	Q4 FY 24-25	Final Punchlist
2001001-02	Palm Street Sidewalk Replacement	\$	•	Q4 FY 24-25	
2000545	California Waterline Replacement	\$	1,550,505.00	Q1 FY 25-26	Construction Ongoing
2000561	Morro and Mill Sewer Replacement	\$	2,800,000.00	Q1 FY 25-26	Construction Starting in Q4 FY24-25
2091219	Wastewater Resource Recovery Facility Upgrade	\$	143,376,754.12	Q1 FY 25-26	Construction Ongoing
000075-13.01	Jack House Roof and Windows	\$	499,554.00	Q1 FY 25-26	Construction Ongoing
2000539-02	Sierra Way Waterline Replacement	\$	2,766,449.00	Q1 FY 25-26	Construction Ongoing
2000096	Sewer-main Replacement: Foothill and Santa Rosa CalTrans	\$	350,000.00	Q2 FY 25-26	Construction Starting in Q1 FY25-26
2001066B	1166 Higuera Parking Lot	\$	428,183.00	Q2 FY 25-26	Construction Starting in Q4 FY24-25
2090649	Mid-Higuera Bypass	\$	11,550,000.00	Q2 FY 25-26	Construction Ongoing
2091439	Mission Plaza Enhancements	\$	3,729,574.00	Q2 FY 25-26	Construction Ongoing
2000114-02	City Hall's Finance/IT Remodel	\$	1,337,705.00	Q2 FY 25-26	Construction Starting in Q4 FY24-25
2000574-01	Downtown Multi-Space Pay Station Installation	\$	1,400,000.00	Q2 FY 25-26	Construction Starting in Q1 FY25-26
2000577-04	1106 Walnut TI	\$	2,000,000.00	Q2 FY 25-26	Construction Starting in Q1 FY25-26
2000615-01	Grand Ave Sealing Project	\$	429,000.00	Q2 FY 25-26	Construction Starting in Q1 FY25-26
2091506-02	Bob Jones Trail Groundwater Well Drilling (Packet 2)			Q2 FY 25-26	Construction Starting in Q4 FY24-25
2000117	Cultural Arts District Parking Structure	\$	47,000,000.00	O3 FY 25-26	Construction Ongoing
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	Status of Major and Legacy Projects in Design										
Oracle Account Number	Project	TOTAL ESTIMATED PROJECT COST (Construction Phase)	Estimated Construction Start Date	Additional Comments							
2091252	Prado Road Bridge and Road Widening	\$28,210,000	Q2 FY 27-28	Working on regulatory permits and 90% constuction documents.							
2091503	California and Taft Roundabout	\$4,000,000	Q2 FY 25-26	Right of way acquisition in progress and finalizing design documents.							
2091613	Prado Road Interchange	\$124,000,000	Q2 FY 29-30	Value Analysis phase underway							

# **Major City Goals Update**

Two Major City Goal tasks had an original completion date in the third quarter:

Climate Action, Open Space, & Sustainable Transportation | Preserve and Enhance Convenient and Equitable Alternative and Sustainable Transportation Options | Strategic Approach 4.3a | Active Transportation Plan (ATP) Tier 1 Network – Higuera Complete Streets Project

Responsible Departments: Public Works

Original Completion Date: FY 2024-25 Q3 | Updated Completion Date: FY 2026-27 Q1

**Status Update**: This project has been delayed to allow for further feasibility analysis and design refinement based on community input requests to explore additional improvements on the Madonna Road Overpass and to refine traffic calming strategies in the Meadow Park Neighborhood. The project is on track to advertise by Q2 FY 2025-26, with completion anticipated by Q1 FY 2026-27.

Climate Action, Open Space, & Sustainable Transportation | Preserve and Enhance Convenient and Equitable Alternative and Sustainable Transportation Options | Strategic Approach 4.3b | Active Transportation Plan (ATP) Tier 1 Network – South / King Crossing

Responsible Departments: Public Works

Original Completion Date: FY 2024-25 Q3 | Updated Completion Date: FY 2025-26 Q4

**Status Update**: This project has been delayed due to staffing vacancies in the Transportation Planning-Engineering Division and the need to revise curb ramp designs due to changes in accessibility design standards. The project is on track to advertise for construction FY 2025-26 Q1, with completion Q4 2025-26.

**Department:** Information Technology

Cost Center: 1101
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

**FROM:** Greg Hermann, Deputy City Manager **Prepared By:** Rebecca Cox, Business Analyst

SUBJECT: APPROVE A THREE-YEAR CONTRACT RENEWAL FOR MICROSOFT

OFFICE 365 GOVERNMENT PLAN SUBSCRIPTION LICENSES

### RECOMMENDATION

1. Approve a three-year contract renewal for Microsoft Office 365 Government Plan subscription licenses; and

- 2. Per Municipal Code 3.24.060E, authorize waiver of formal bids to purchase Microsoft Office 365 subscription licenses through the cooperative agreement under the Licensed Support Provider (LSP) Agreement No IT ARC-00934 for Microsoft products and services under Microsoft Enterprise Agreement (EA) 8084445 between the County of Riverside and Dell Marketing, L.P.; or below the cooperative purchasing net cost within the same terms and conditions; and
- 3. Authorize the City Manager to approve related Purchase Order Requisitions through the duration of the agreement.

### **POLICY CONTEXT**

Per the City's Financial Management Manual, City Council approval is required for purchases of this type that are over \$200,000 through the duration of the contract. Utilizing the County of Riverside Master Agreement allows the City to waive formal bidding as set forth in the Municipal Code, section 03.24.060 Bidding procedures – use of, not required and "when the purchase will be made cooperatively with one, or more, other units of government or from a local dealer within the city limits that can provide the same brand, model and configuration of the item(s) identified in the cooperative purchase agreement(s) at or below the cooperative purchasing net cost within the same terms and conditions," and compliant with the purchasing policy, Section 204, No-Bid Purchasing – Cooperative Agreement Purchasing.

### DISCUSSION

## **Background**

Microsoft Office 365 productivity software is one of the City's most critical systems and includes Microsoft Access, Excel, Exchange, OneDrive, OneNote, Outlook, PowerPoint,

Publisher, SharePoint, Teams and Word. The City migrated to the Office 365 cloud-based platform subscription in 2016. The subscription-based service continues to allow the City to leverage new products as they are released without incurring additional costs. Subscription based licensing ensures the City's business use of the Office Suite will evolve in real time with enhancements and maintenance to the software.

The city uses the County of Riverside Agreement for Microsoft licensing because it offers a proven, cooperative purchasing framework widely adopted by public agencies across California to access Microsoft products and services. This agreement combines flexibility with cost savings, allowing each participating agency to create individual enrollments tailored to their specific needs while benefitting from discounted, volume-based pricing negotiated through statewide demand aggregation. Valid through October 31, 2027, the contract ensures long-term price stability and uninterrupted service. Additionally, it includes a comprehensive suite of benefits such as reduced paperwork through consolidated documentation, standardized government-level pricing, free onboarding via Microsoft FastTrack, and no-cost security incident support. Agencies also gain flexibility in adjusting hosted service commitments annually and Software Assurance like automatic version upgrades, roaming use rights, spread payments, and step-up licensing. These additional benefits are not available to agencies procuring through other contract vehicles and add tremendous value to the City, particularly to adjust service commitments for hosted services within the term of the agreement.

The proposed renewal includes a total of 585 licenses for a three-year term with annualized payments of \$214,639.32. (Attachment A)

## **Previous Council or Advisory Body Action**

The current license subscription expiring June 30, 2025, was approved for purchase as part of the consent agenda at the <u>June 21, 2022, City Council Meeting</u>.

## **Public Engagement**

This is an administrative item, so no outside engagement was completed. Public comment can be provided to the City Council through written correspondence prior to the meeting and through public testimony at the meeting.

### **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act does not apply to the recommended actions in this report, because the action does not constitute a "Project" under CEQA Guidelines Sec 15378.

## **FISCAL IMPACT**

Budgeted: Yes Budget Year: 2024-25

Funding Identified: Yes

## **Fiscal Analysis:**

		Current	Remaining	Annual
Funding	Total Budget	Funding	Balance	Ongoing
Sources	Available	Request		Cost
General Fund	\$184,919.30	\$	\$	\$184,919.30
Water Fund	\$ 14,860.01	\$	\$	\$ 14,860.01
Sewer Fund	\$ 14,860.01	\$	\$	\$ 14,860.01
State				
Federal				
Fees				
Other:				
Total	\$214.639.32	\$	\$	\$214,639.32

Funding for the current fiscal year was approved through the 23-25 Financial Plan, and 2024-25 budget appropriation. Water and Sewer Enterprise Funds contribute directly to their license fees as budgeted in the Financial Plan. The previous Microsoft subscription licensing agreement included 570 licenses at an annual rate of \$331.80 per license. The current renewal reflects an increase of 15 licenses, bringing the total to 585, with the perlicense cost raising to \$355.32. Additionally, this renewal includes 14 G5 licenses and expanded cloud storage. As a result, the total annual cost is increasing from \$189,126 to \$214,639.32. This cost was budgeted for in the proposed 25-27 Financial Plan.

### **ALTERNATIVES**

**Do not renew subscription.** Migrating infrastructure back on-premises and returning to Microsoft Office Suite (non-cloud-based) would require a significant amount of staff time and effort and may not be technically feasible. If the City were able to migrate services back to on-premises infrastructure, CIP upgrades on a three-year replacement cycle would need to be added back to the IT CIP forecast. Additionally, the organization would not receive big feature updates made available to subscription holders, limiting benefits and creating a steeper learning curve upon upgrading.

**Direct staff to issue an RFP**. Authorize the release of an RFP to solicit Microsoft subscription licensing and authorize the City Manger to enter a multi-year contract and approve related purchase orders. The current licensing agreement will expire on June 26, 2025, providing a four-week period to advertise and award the contract. If staff is unable to issue and award an RFP and get a signed contract in place before the expiration of the City's current licensing agreement, access to Microsoft products would likely be disrupted. This would make it difficult for the city to conduct day-to-day business.

### **ATTACHMENTS**

A – Quote from Dell for Microsoft Enterprise Agreement Renewal



Dell Customer Confidential

# Quotation

Sam Andrews sam.andrews@dell.com

512.720.4469

Customer: City of San Luis Obispo

Contract: Riverside County Master Agreement - PSA-0001524 (8084445) Microsoft Enterprise Agreement (EA) #: renewal of 5615969 (exp 6/25) 
 Date of Issue:
 5/2/2025

 Quote Expires:
 6/15/2025

#### PLEASE SEE IMPORTANT TERMS AND CONDITIONS AT THE BOTTOM OF THIS QUOTATION

Monthly Subscriptions					
Product Description	Mfg#	Quantity	Months	Unit Price	Ext. Price
Enterprise Online Services Products					
O365 G3 GCC Sub Per User	AAA-11894	585	12	\$20.88	\$146,577.60
EntMobandSecE3Full GCC ShrdSvr ALNG SubsVL MVL PerUsr	AAD-32907	585	12	\$8.73	\$61,284.60
					\$0.00
Additional Online Services Products					
Audio Conferencing Select Dial Out GCC Sub Add-on	NYH-00001	585	12	\$0.00	\$0.00
M365 G5 eDiscovery & Audit GCC Sub Add-on	8RI-00005	14	12	\$4.63	\$777.84
O365 Extra File Storage GCC Sub Add-on Extra Storage 1 GB	M9T-00002	2048	12	\$0.18	\$4,423.68
Planner & Project P3 GCC Sub Per User	7MS-00001	1	12	\$23.22	\$278.64
Project P1 GCC Sub Per User	PF1-00002	14	12	\$7.72	\$1,296.96
					\$0.00
		Annual Payment			\$214,639.32
Notes: Total Annual Payment Yr 1 Total Annual Payment Yr 2					\$214,639.32
					\$214,639.32
		<b>Total Annual Payme</b>	ent Yr 3		\$214,639.32
		Total of 3 years of F	Payments	•	\$643,917.96

#### Notes:

- Customer's purchase is subject to Dell's Terms and Conditions of Sale found at www.dell.com, unless Customer has a separate purchase agreement with Dell.
- Sales/use tax is based on the "ship to" address on your invoice. Please indicate your taxability status on your purchase order.if exempt, Customer must have an Exemption Certificate on file.
- 3) If you have a question re: your tax status, please contact your Dell | ASAP Software inside sales representative listed above. Shipments to California: for certain products, a State Environmental Fee of up to \$10 per Item may be applied to your Invoice. Prices do not reflect this fee unless noted. For more information, refer to www.dell.com/environmentalree.
- All product descriptions and prices are based on latest information available and are subject to change without notice or obligation.
- All prices are based on Net 30 Terms. If not shown, shipping, handling, taxes, and other fees will be added at the time of order, where applicable.
- Customer understands and acknowledges that all warranties, representations and returns are subject to the manufacturer, publisher or distributor guidelines.

**Department:** Public Works

Cost Center: 5009
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

FROM: Matt Horn, Public Works Director

Prepared By: Wyatt Banker-Hix, Supervising Civil Engineer

SUBJECT: AUTHORIZATION TO ADVERTISE THE RIGHETTI COMMUNITY PARK

PROJECT, SPECIFICATION NO. 2000054

### RECOMMENDATION

- 1. Adopt a Draft Resolution entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, Authorizing Various Fund Reappropriations and Transfers to Support the Righetti Community Park Project, Specification Number 2000054, and approving an Addendum to the Orcutt Area Specific Plan Environmental Impact Report for the Righetti Community Park Project."
- 2. Approve the <u>Project Plans</u> and <u>Special Provisions</u> for the Righetti Community Park, Specification 2000054; and,
- 3. Authorize staff to advertise for bids; and,
- 4. Authorize the City Manager to award the Construction Contract pursuant to Section 3.24.190 of the Municipal Code, if the lowest responsible bid is within the Engineer's Base Bid Estimate of \$9,950,000; and,
- 5. Authorize the City Engineer to issue Contract Change Orders, provided they remain within the approved project budget or any amended budget subsequently authorized by the City Manager; and,
- 5. Authorize the Finance Director to:
  - a. Transfer funds to the Righetti Community Park Capital Project (Account No. 2000054) from the Development Related Park Improvements project (Account No. 2000057 Orcutt Area Tasks), as follows:
    - i. \$304,637 in Capital Outlay Funds (LRM) from Account No. 2000057-00
    - ii. \$3,987,138 in Capital Outlay Funds (LRM) from Account No. 2000057-02
    - iii. \$1,558,970.27 in Orcutt Area Specific Plan (OASP) Park Improvement Funds from Account No. 2000057-03
    - iv. \$19,802.04 in OASP Park Improvement Funds from Account No. 2000057-03
    - v. \$14,850.80 in OASP Park Improvement Funds from Account No. 2000057-04
    - vi. \$783,512.85 in Capital Outlay Funds (LRM) from Account No. 2000057-05
    - vii. \$500,000 in OASP Park Improvement Funds from Account No. 2000057-05

- b. Disappropriate \$1,136,522 in Park Improvement Impact Fee Citywide Fund back to the fund's unallocated balance, as follows:
  - i. \$836,522 from Account No. 2000057-02
  - ii. \$300,000 from Account No. 2000057-04
- c. Disappropriate \$180,197.96 in OASP Park Improvement Funds from the Development Related Park Improvements project (Account No. 2000057-03), which was overcommitted.
- 6. Approve the Addendum to the Orcutt Area Specific Plan Final Environmental Impact Report; and,

### **POLICY CONTEXT**

On May 17, 2022, City Council approved a Purchasing Policy Update to the Financial Management Manual that required Council approval for Public Projects that cost over \$200,000.

The Righetti Community Park Project supports two of the City Council's adopted Major City Goals: *Infrastructure and Sustainable Transportation* by delivering public park infrastructure to serve new housing areas within the Orcutt Area Specific Plan (OASP<sup>1</sup>). The park supports key recreational amenities and aligns with the goals outlined in the Parks & Recreation Blueprint<sup>2</sup>, which aims to provide park facilities within a 0.5-mile, or 10-minute walk, of every neighborhood to enhance connectivity and accessibility. Access to high-quality parks and open space is a key component of complete neighborhoods and contributes to long-term community well-being.

The OASP Parks Impact Fee was established in March 2010 by City Council Resolution No. 10222<sup>3</sup> to fund improvements to the OASP park system.

### REPORT-IN-BRIEF

The Righetti Community Park is a major new recreational facility identified in the OASP and is the largest of the three planned park sites intended to serve both the Orcutt Area and the broader San Luis Obispo community. The project includes a broad range of active and passive recreation amenities and has been shaped by extensive community engagement, consultant-led design development, and input from the Parks and Recreation Commission (PRC).

This report seeks Council authorization to advertise the project for construction bids. The project is organized into a Base Bid and four Additive Alternates to provide flexibility to award the base bid and additive alternates if favorable bids are received within available budget, and to streamline the construction of later phases of the project as funding is identified and as shown in the <u>draft 10-year Capital Improvement Plan</u><sup>4</sup>. The Base Bid

<sup>&</sup>lt;sup>1</sup> See page 8-4 for a conceptual description of the Park Facilities

<sup>&</sup>lt;sup>2</sup> See page 82 for the Access Standards to Community Parks like the proposed facility

<sup>&</sup>lt;sup>3</sup> See Page 13 – multiple resolutions bundled in this link

<sup>&</sup>lt;sup>4</sup> See Page 50, Appendix A

includes core infrastructure such as restrooms, parking, a multi-use playing field, and multi-age group playground. The Additive Alternates include a pickleball complex, bocce ball courts, a bike pump track, tennis courts, and additional landscaping, bridges, and shaded gathering areas. If the Additive Alternates cannot be funded, receiving bids for those areas provides the City additional accuracy in budgeting for those components of the parks as future phased construction improvements, aligned with community priorities.

As discussed in the Fiscal Impact Section of this report, a portion of the funding needed to construct the Base Bid of the Righetti Community Park is included in the 2025-27 Financial Plan in Fiscal Year (FY) 2025-26 and therefore construction of this project is contingent on approval of the 2025-27 Financial Plan. Approval of the recommended actions will allow the project to proceed to construction in Fall 2025 and deliver long-anticipated park improvements to the Orcutt Area and surrounding neighborhoods.

This report requests that funds be disappropriated from the project account to be used in another Parks project (Emerson Park) which has a grant deadline and a local matching fund requirement. Further, staff recommends that Council authorize staff to advertise plans for construction and approve an Addendum to the EIR. The disappropriation and Addendum have both been memorialized via proposed Resolution.

### **DISCUSSION**

## **Background**

The Righetti Community Park is one of several public parks and open space improvements identified in the OASP, a long-range planning effort guiding development in one of the City's primary residential expansion areas. The Orcutt Area has been recognized as a potential growth area since the 1970s. In 1998, property owners submitted a draft specific plan to the City, initiating a formal planning process that culminated in the City Council's adoption of the OASP and certification of the Final Environmental Impact Report (FEIR) in March 2010 (Resolution No. 10154<sup>5</sup>, 2010 Series; SCH #2004011059). The OASP envisioned approximately 1,000 new residences across 230 acres, with nearly 45% of the area preserved as open space and parkland. The plan outlines<sup>6</sup> a connected system of parks, trails, and open spaces to support a livable, walkable community.

Righetti Community Park, referred to as the "Neighborhood Park" in the OASP, was identified early as a key public amenity intended to serve both the Orcutt Area and the broader San Luis Obispo community. The residential development of the surrounding area, now known as Righetti Ranch, began in 2018 and is approximately 95% complete. The Orcutt Area Specific Plan (OASP) identifies the following park and recreation areas:

1. **Righetti Community Park (Neighborhood Park)** – A 12.39-acre developed park providing amenities such as playing fields, courts, playgrounds, and restrooms.

<sup>&</sup>lt;sup>5</sup> See Page 3 – multiple resolutions bundled in this link

<sup>&</sup>lt;sup>6</sup> See Page 1-5 "Specific Plan Features"

This fulfills the City's Parks and Recreation Element requirement for developed parkland in annexation areas.

- 2. **Trail Junction Park / Pocket Parks** Smaller parks totaling 4.3 acres, designed to serve as trail connections and community gathering spaces.
- 3. **Righetti Hill Open Space** A 48-acre open space dedication for permanent protection, including trail access.
- 4. Creek Corridors and Floodable Terrace Natural open space areas totaling approximately 11.5 acres, which include riparian corridors and drainage features.
- 5. **Private Recreation Areas** Approximately 1.55 acres of playgrounds located within multi-family developments, which may be counted toward parkland requirements with Council approval.

In total, the plan accounts for 20.72 acres of parkland (excluding some additional open space areas), meeting or exceeding the City's standards for parkland dedication based on projected population growth.

Initial conceptual designs for the parks were prepared by the developer, Ambient Communities, and their design team. These concepts were presented to the Parks and Recreation Commission (PRC) in a series of public meetings on April 6, May 4, and June 1, 2016. These hearings provided the opportunity for both the Commission and community members to review park layouts, amenities, and funding considerations. At the June 1 meeting, the PRC formally recommended that the City Council approve the proposed improvements, prioritizing the Neighborhood Park. The Commission also directed staff to update the 2010 Orcutt Area Public Facilities Financing Plan (PFFP<sup>7</sup>) to reflect revised construction cost estimates.

Many of the development fees had not been updated since 2007, so in 2016, Staff provided an update to Council on the increasing costs of the OASP infrastructure, including the parks. According to the 2016 PFFP project update, the total projected cost to build the Righetti park facilities including the Neighborhood Park, Trail Junction Park, Pocket Park, and Linear Park was \$6,054,070. In contrast, the OASP PFFP originally allocated \$3,948,000 for park development. This results in a shortfall of \$2,106,070 as of 2016. This gap was attributed to updated cost estimates, project scope expansions, and the provision of credits to developers who build their own park amenities, reducing the available pooled funding for shared park infrastructure.

The OASP park projects were first programmed for funding in the <u>2019–21 Financial Plan</u> and has continued to receive financial support through the 2025-27 Financial Plan. The Righetti Community Park (Neighborhood Park) is the most advanced or developed of the four OASP parks in terms of design and readiness for construction. The Linear Park and Pocket Park remain in earlier plan development phases, with future construction planned in subsequent Financial Plans. The Draft 10 Year Capital Improvement Plan shows the Pocket Park is currently funded in FY 2027, and the Linear Park in FY 2035.

-

<sup>&</sup>lt;sup>7</sup> See page 8-1

The current cost estimate for all park facilities (Community, Linear and Pocket) is now estimated at \$31.5 million spread over several Financial Plans. The increase in cost is the result of the unprecedented inflation witnessed since 2016 as well as the significant refinements to the project scope as design efforts began.

Together, these projects reflect the City's commitment to realizing the vision of the OASP: a complete, connected, and recreation-rich neighborhood that meets the needs of current and future residents.

## Righetti Community Park Project Design

The Righetti Community Park is a major new recreational asset identified in the OASP to support the Orcutt Area and the broader community. The project will deliver high-priority amenities envisioned in the OASP that have been shaped by public input and PRC feedback. This park is one of several planned in the OASP and is intended to provide active recreation space for nearby neighborhoods and residents citywide.

The current scope of the Community Park project includes a wide range of amenities, such as:

- Multi-use playing field(s)
- Multi-age playground (0-5 and 5-12 years of age)
- Eight pickleball courts and two tennis courts
- Two basketball courts, bocce courts, and a bike pump track
- Picnic areas, shade pavilion, and seating
- Walking and bike paths
- Three pedestrian bridges connecting various park zones
- Two parking lots and two restroom buildings

The current design of the Righetti Community Park aligns with the OASP, while incorporating refinements into the design. The OASP outlines that the park facilities "may" include features such as a playground for young children, soccer and baseball fields, tennis courts, basketball courts, sand volleyball courts, picnic tables, and restrooms. The updated design remains consistent with this flexible vision, adapting certain amenities to better reflect evolving recreational preferences. For example, the current design of the Righetti Community Park replaces originally proposed baseball fields with a bike pump track, replaces some tennis courts into pickleball courts, and substitutes the sand volleyball court with bocce ball courts. To help visualize these refinements, below is a side-by-side comparisons of the current plan and the original neighborhood park plan. The changes reflect the evolution of the park through the design and public outreach process.

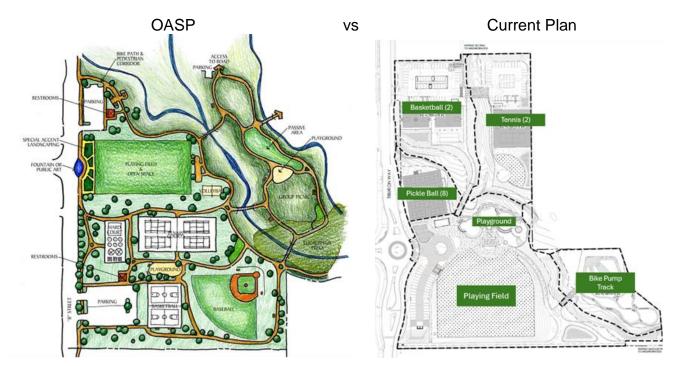


Figure 1 – OASP vs Current Community Park Layout

To align with available funding and provide flexibility to award additional additive alternates if sufficient funding exists, the project has been structured with a Base Bid and four Additive Alternates. If insufficient funding exists to award any of the additive alternates, those alternatives would become future phases of the Community Park and funding for those future phases is currently programmed in the Draft 10 Year CIP. Due to current funding available, staff anticipates awarding only the Base Bid, and for that reason has programmed each Bid Alternative into future Financial Plans. Staff hopes to secure better prices on these Bid Alternatives to better program funds for future construction.

With input by the PRC and staff review of the priorities from the Community Survey and Community Forum, the Base Bid focuses on essential infrastructure and amenities including multi-age playground, shaded seating areas, playing field, two pedestrian bridges, multi-use paths, the lower parking lot, and finally the main restroom.

Additive Alternates include additional high-demand recreational features such as:

- A dedicated pickleball court complex (Alternate #1 Phase 2),
- A dual-purpose basketball/futsal court area, bocce courts, a second restroom, and the upper parking lot (Alternate #2 – Phase 3),
- A bike pump and skill track (Alternate #3 Phase 4), and
- Tennis courts, a shaded picnic lawn area, a third pedestrian bridge, and additional parking (Alternate #4 Phase 5).



Figure 2 – Community Park Alternates Diagram

These phased options provide flexibility to deliver the most critical elements of the park now while allowing enhancements to be added as resources become available. This approach also reflects priorities identified from community feedback gathered over the course of the project. Each bid alternate would become its own standalone Capital Project, following City processes for bid, award, and construction.

The PRC has been closely involved throughout the process—from the initial conceptual design review in 2016 through ongoing updates and phasing discussions. The PRC's input helped guide the refinement of amenities, layout, and prioritization of elements for construction and will continue to be updated as the project progresses.

## **Previous Council or Advisory Body Action**

- October 1, 2002 City Council approved the project description for the Orcutt
  Area and authorized preparation of a Specific Plan and Environmental Impact
  Report (EIR).
- <u>February 4, 2003</u> City Council approved the EIR scope and shared funding plan and endorsed a refined planning process to incorporate community and stakeholder input.

- <u>February 12, 2008</u> City Council received the Public Hearing Draft of the OASP and Draft Environmental Impact Report (DEIR), initiating formal public review. The Council authorized the plan to be reviewed by multiple advisory bodies including the Parks and Recreation Commission, Bicycle Advisory Committee, Cultural Heritage Committee, Architectural Review Commission, and Planning Commission.
- <u>2008–2009</u> Advisory body hearings were held, and significant community engagement occurred. The Planning Commission held ten public hearings over two years and forwarded a recommendation of approval to the City Council.
- March 2, 2010 City Council adopted the OASP and certified the Final Environmental Impact Report (Resolution No. 10154, 2010 Series). This action included General Plan amendments and direction to initiate implementation steps, such as annexation and fee program development.
- <u>August 17, 2010</u> City Council reviewed the proposed annexation of the OASP area and directed staff to proceed with pre-zoning, fee program development, and annexation processing.
- May 19, 2015 City Council approved multiple amendments to the General Plan and OASP. The Council also approved a Vesting Tentative Tract Map for the Righetti project (VTM #3063), which established park, open space, and residential parcel boundaries. The action also adopted a Mitigated Negative Declaration that tiered from the 2010 OASP FEIR and included site-specific mitigation measures related to parks.
- April 2016 The PRC reviewed the initial conceptual designs for the Righetti park system submitted by the developer of the Righetti subdivision and provided feedback on park layout, phasing, and amenity ideas.
- November 15, 2016 City Council received a report on updates to the OASP PFFP, which reflected revised park cost estimates and confirmed that collected OASP fees would be insufficient to fully fund planned improvements. The report noted that park development would require additional funding sources and Cityled implementation to address the identified funding gap and deliver the parks as envisioned in the Specific Plan.
- December 12, 2017 City Council approved corrections to the OASP park fees, including the separation of the Park Improvement Fee from the Parkland Acquisition In-Lieu Fee to improve financial tracking and ensure equitable reimbursement to the Righetti Ranch developer. The update corrected a formula error in the in-lieu fee calculation and clarified that the City would be responsible for constructing the OASP parks, using collected impact fees to fund the improvements and reimburse the General Fund as needed. The update reaffirmed the City's intent to deliver 16.5 acres of public parkland consistent with the adopted Specific Plan.
- October 16, 2018 City Council approved an update to the OASP PFFP. While
  the estimated cost for park improvements remained unchanged, the update
  acknowledged funding risks associated with inflation and design complexity.
  Council approved use of Fee Credit Agreements to mitigate these risks, preserve
  financial flexibility, and support the City's ability to deliver OASP infrastructure
  including public parks.

- May 3, 2023 The PRC reviewed the conceptual layouts developed by the City's design consultant for the Righetti Community, Linear, and Pocket Parks that were provided during the April 2023 Community Forum specifically held to review these designs. Feedback was provided regarding updated design elements, including additional parking, playground size, and accessibility considerations for all parks. A preferred design for each park was identified.
- June 14, 2023 The PRC received an updated status report based on public feedback and staff input on the Righetti Ranch Park System, including final conceptual layouts for the Community Park, Linear Park, and Pocket Park. Recommendations were made for design adjustments, including adding more parking, modifying the dog park layout, and incorporating specific features such as water stations, larger playground areas, and accessible seating.
- September 6, 2023 The PRC reviewed two conceptual playground designs for the Community Park and selected the "Unity" themed layout. This selection guided final playground construction document preparation. The commission also confirmed the final preferences for park amenities, including preferred options for parking, seating, and play structures. Staff was directed to move forward with the design process based on the updated feedback.

## **Public Engagement**

The design of the Righetti Community Park has been developed through an extensive multi-year public engagement process, including community forums, online surveys, outreach to nearby residents and neighborhood groups, and regular PRC updates from 2021 through 2025.

In 2023, the City launched a focused outreach effort to inform the design of the Community Park, Linear Park, and Pocket Park. This included:

- A Community meeting on April 11, 2023, held at the Ludwick Community Center (LCC), where conceptual designs were presented and discussed with residents.
- An Online Survey (open April 10–May 10, 2023) that gathered public input on park priorities, layout preferences, and desired amenities for the three park sites, including the open space trail system.
- A series of PRC meetings (May 3, June 14, and September 6, 2023), including associated public correspondence and public comment opportunities.

As detailed design work was completed, construction cost updates completed, and funding plans were updated, it became apparent that the Righetti Community Park had experienced significant cost inflation and would likely need to be phased in order to be able to deliver the amenities the community desires within the fiscal constraints of the City's Capital Improvement Plan. Since the 2016 Park update, the City has seen significant inflation as well as further refinement in project scope, resulting in significant cost increases.

This phasing plan became a priority for the design team in late 2023, as staff worked to align the construction approach with available funding. Community engagement related

## to phasing included:

- <u>December 6, 2023</u> PRC received a Director's Report introducing the need for project phasing.
- June 5, August 7, and September 4, 2024 PRC received updates on revised phasing options and potential design adjustments.
- November 6, 2024, and February 5, 2025 PRC received updates on refined phasing diagrams and construction cost estimates.
- January 23, 2025 A visual phasing layout was presented at the City's Community Forum for the 2025–27 Financial Plan, allowing the public to see the updated construction strategy and timeline.
- January 29, 2025 Parks and Recreation staff sent a project update email with the phasing diagram to the Homeowners Association (HOA) representing residents in the surrounding Orcutt Area.
- <u>February 5, 2025</u> PRC received updates within the Directors Report confirming the phased elements and plan for Community Park phase 1 and Add Alts to be included in the City's 2025-27 Financial Plan for Council review.
- March 20, 2025 A follow-up email with a narrative explanation of the phasing approach was sent to the HOA to address questions and clarify next steps.

The intent of this engagement process was to ensure the phasing strategy reflects community expectations within the fiscal constraints of the City. It also provided multiple channels for input from stakeholders, including residents, the PRC, and neighborhood groups. Public outreach will continue as the project moves into construction and additional park phases are implemented.

Construction is anticipated to begin in fall of 2025. The Base Bid portion of the project is expected to take approximately 18 months to complete.

### CONCURRENCE

The PRC has been actively engaged in the development of the Righetti Community Park project since the initial conceptual designs were presented in 2016. The Commission provided guidance on layout, amenity selection, and accessibility throughout the design process and formally selected the playground concept in September 2023.

City staff from the Public Works, Community Development, Fire, Utilities, and Parks and Recreation departments have worked collaboratively throughout the design and planning phases to ensure the project complies with the OASP, meets City design standards, and the planned improvements can be maintained for the long term use and benefit of the community. Additional coordination with the Utilities Department has focused on establishing recycled water connections for irrigation, while the Finance Department has been engaged to align available funding with the proposed construction phasing.

#### **ENVIRONMENTAL REVIEW**

Environmental impacts associated with the Righetti Community Park project were previously programmatically evaluated in the *Final Environmental Impact Report for the OASP* (Final EIR; SCH #2004011059), which was certified by the City Council on March 2, 2010 (Resolution No. 10154). The EIR evaluated a variety of park and recreation facilities as part of the Specific Plan, including the proposed community park site and adjacent creek corridor. The Final EIR and adopted Mitigation, Monitoring, and Reporting Program defined mitigation measures for resources including biological habitats, air quality, and cultural resources. Subsequently, the planned parks were considered within the context of a residential development evaluated in the Initial Study – Mitigated Negative Declaration (IS-MND) adopted in May 2015 for the Righetti Ranch and Jones Ranch residential developments (Tract Maps 3063/3066), which anticipated the park site in a similar location with a slightly larger footprint.

The park improvements planned for construction substantially align with planned improvements envisioned for the original neighborhood park in these previous environmental documents. Therefore, an Addendum to the 2010 OASP Final EIR (Attachment E) has been prepared that summarizes the programmatic environmental review of the neighborhood park completed in the 2010 OASP Final EIR, describes the project-level details now available in the design documents for the community park, identifies the minor differences between the proposed community park and neighborhood park described in the OASP Final EIR, confirms the applicability of previously adopted mitigation measures, and documents that none of the conditions requiring preparation of a Subsequent EIR or Negative Declaration described in CEQA Guidelines Section 15162 are met by based on the design and components of the proposed community OASP park project.

#### The Addendum concludes that:

- 1. The Righetti Community Park project is consistent with the OASP and the assumptions evaluated in the 2010 Final EIR;
- 2. No new or more severe environmental impacts would result from the proposed design;
- 3. No new significant information or changed circumstances exist that would require further review; and
- 4. All applicable mitigation measures continue to apply and remain effective.

The Addendum documents the design-level details now available since the conceptual park layouts were previously evaluated, and these details consist of minor changes. As documented in the Addendum, there are no substantial changes proposed in the project which would require major revisions of the 2010 OASP Final EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Implementation of applicable mitigation measures required in the 2010 OASP Final EIR continue to be required as part of the proposed community park project.

Therefore, the project and proposed Addendum are consistent with the requirements of Sections 15162 and 15164 of the CEQA Guidelines, and subsequent or supplemental environmental review is not required. Mitigation measures identified in the Mitigation Monitoring and Reporting Program (MMRP) for the OASP Final EIR continue to be tracked, enforced, and verified by City staff. Approval of the OASP EIR Addendum and an acknowledgement that no further environmental review is required, in accordance with CEQA Guidelines Sections 15162 and 15164, is included in the proposed Resolution.

#### FISCAL IMPACT

Budgeted: Yes Budget Year: 2025-26

Funding Identified: Yes

The Orcutt Area Parks project is included in the 2025–27 Financial Plan, which is anticipated to be adopted by Council at the June 17, 2025, Council meeting and go into effect on July 1, 2025. The Financial Plan identifies funding for the Righetti Community Park phased implementation with funding in the first fiscal year (FY 2025-26).

Originally intended to be funded through development fees, the Orcutt Area Parks project faced a significant funding shortfall as the revenue from fees collected proved insufficient to fully finance the Righetti Ranch Park development as anticipated in the OASP. With more than 95% of the fees collected, \$8.5 million has been appropriated to the project, including \$3.4 million from the OASP Park Improvement Funds and \$5.1 million from Local Revenue Measure Capital Outlay Funds. A portion of this funding has already been used to support the design phase, leaving a remaining project balance of approximately \$7.35 million.

Staff recommends bidding the complete Righetti Community Park project—including the base bid and Alternates 1 through 4—to maximize potential awardable work and gather accurate cost data for future financial planning. Once bids are received, staff will better understand the costs associated with each component and can return to Council during the 2027–29 Financial Plan process with refined estimates and funding strategies. This approach supports responsible progress while aligning with long-term capital planning goals. Total Costs for the Bid and each Alternate are summarized below:

Base Bid: \$13.7 million
Add Alt 1: \$2 million
Add Alt 2: \$6.1 million
Add Alt 3: \$1.3 million
Add Alt 4: \$4.2 million
Grand Total: \$27.4 million

Table 1 below presents the estimated construction cost for the full project, excluding cost escalation. Actual costs will be higher due to inflation, labor and material price increases, and other market factors over time.

Table 1: Righetti Community Park, Base Bid + 4 Additive Alternatives

Righetti Com	nunity	Park, Specific	cati	on No. 2000054-01			
		OASP Park Fund Righetti Community Park (2000054-01)		Capital Outlay Fund - LRM Righetti Community Park (2000054-01)		Total	
Base Engineer Estimate	\$	2,093,623	\$	7,856,377	\$	9,950,000	
Contingencies (20%)	\$	-	\$	1,990,000	\$	1,990,000	
Construction Management			\$	1,300,000	\$	1,300,000	
Testing, Cons. Support, Env, Comms, Printing			\$	428,912	\$	428,912	
BASE TOTAL	\$	2,093,623	\$	9,846,377	\$	13,668,912	
Additive Alternative 1			\$	1,480,000	\$	1,480,000	
Contingencies (20%)	\$	-	\$	296,000	\$	296,000	
Construction Management			\$	204,000	\$	204,000	
Testing, Cons. Support, Env, Comms, Printing			\$	96,000	\$	96,000	
Additive Alternative 1 TOTAL	\$	-	\$	2,076,000	\$	2,076,000	
Additive Alternative 2			\$	4,560,000	\$	4,560,000	
Contingencies (20%)	\$	-	\$	912,000	\$	912,000	
Construction Management			\$	415,000	\$	415,000	
Testing, Cons. Support, Env, Comms, Printing			\$	194,000	\$	194,000	
Additive Alternative 2 TOTAL	\$	-	\$	6,081,000	\$	6,081,000	
Additive Alternative 3			\$	835,000	\$	835,000	
Contingencies (20%)	\$	-	\$	167,000	\$	167,000	
Construction Management			\$	202,000	\$	202,000	
Testing, Cons. Support, Env, Comms, Printing			\$	94,000	\$	94,000	
Additive Alternative 3 TOTAL	\$	-	\$	1,298,000	\$	1,298,000	
Additive Alternative 4			\$	3,180,000	\$	3,180,000	
Contingencies (20%)	\$		\$	636,000	\$	636,000	
Construction Management			\$	289,000	\$	289,000	
Testing, Cons. Support, Env, Comms, Printing			\$	135,000	\$	135,000	
Additive Alternative 4 TOTAL	\$	-	\$	4,240,000	\$	4,240,000	
TOTAL PROJECT (BASE + 4 Bid Alts)	\$	2,093,623	\$	23,541,377	\$	27,363,912	

While staff recommends bidding the complete Righetti Community Park project, including the base bid and Alternates 1 through 4, it is highly likely that the project base bid is the only phase of work that will be awarded due to funding constraints. Table 2 below shows a more granular look at the cost shown in Table 1 above for the base bid.

Table 2: Righetti Community Park, Base Bid Only

Righetti (	Commur	ity Park, Si	pecif	ication No. 2000054-01		
8	OASP Park Fund			Capital Outlay Fund - LRM		
	Righetti	Community	R	Righetti Community Park		Total
	Park (2	000054-01)		(2000054-01)		
Base Engineer Estimate	\$	2,093,623	\$	7,856,377	\$	9,950,000
Contingencies (20%)	\$	-	\$	1,990,000	\$	1,990,000
<b>Total Construction Estimate</b>						
(Base Only)	\$	2,093,623	\$	9,846,377	\$	11,940,000
Construction Management	\$	-	\$	1,300,000	\$	1,300,000
Special Materials & Testing:	\$	-	\$	100,000	\$	100,000
Construction Support	\$	-	\$	196,412	\$	196,412
Communications Consultant	\$	-	\$	75,000	\$	75,000
Environmental	\$	-	\$	50,000	\$	50,000
Printing:	\$	-	\$	7,500	\$	7,500
Total Project Estimate (Base Only)					\$	13,668,912
Current Available Balance:	\$	2,093,624	\$	5,075,288	\$	7,168,912
2025-27 Financial Plan:	\$	-	\$	6,500,000	\$	6,500,000
<b>TOTAL Project Funding</b>	\$	2,093,624	\$	11,575,288	\$	13,668,912

As part of the 2025-27 Financial Plan reconciliation of park related development impact fees, staff has identified two park related development impact fee adjustments that are necessary.

- 1. An over-commitment of \$180,197 in OASP impact fees. This means that the City has appropriated more funding than has been collected in revenue to date. Staff is recommending that \$180,197 in OASP impact fees be disappropriated.
- 2. Adjustment of the use of Citywide Park Improvement Impact Fees. These funds are necessary in order to match the Grant Funding received for the Emerson Park project, slated for construction in 2026. Staff is recommending that \$1,136,522 in Citywide Park Improvement Impact Fee be disappropriated to ensure timely delivery of that project.

Table 3 below shows these adjustments to impact fees and the funding sources that are planned to be used to fund the base bid.

Funding Sources	Funding Availability	l .	al Budget iilable	Fun	ding Request	ı	maining lance	-	nual igoing est
General Fund - LRM (Account No. 2000057)	7/1/2025*	\$	6,500,000.00	\$	6,500,000.00	\$	-	\$	230,000
General Fund - LRM (Account No. 2000057)	Current	\$	5,075,287.85	\$	5,075,287.85	\$	-	\$	-
OASP Fund (Account No. 2000057)	Current	\$	2,273,821.07	\$	2,093,624.07	\$	180,197	\$	-
Park Improvement Impact Fee - Citywide Fund (Account No. 2000057)	Current	\$	1,136,522.00			\$	1,136,522		
Total:		\$	14,985,630.92	\$	13,668,911.92	\$	180,197	\$	230,000

Table 3: Righetti Community Park Base Bid Funding Sources

In addition to the one-time capital cost of constructing the Righetti Community Park, funding will be needed for its ongoing maintenance, as well as future replacement and rehabilitation of park assets. Maintenance of the City's park system is performed by the Parks Maintenance Program within the Public Works Department. The program is currently staffed with 10 Parks Maintenance Specialists who maintain 28 park facilities across more than 110 acres of improved parkland. With the exception of Damon Garcia Sports Complex, each specialist is responsible for 3 to 4 park sites.

Staff estimate that Righetti Community Park will require both an initial capital investment and ongoing annual maintenance funding. The one-time cost is approximately \$90,000 for a vehicle, tools, and equipment, which will also require periodic replacement over time. Once fully constructed, the park is expected to cost \$225,000 annually to maintain. Due to the size and varied assets within the park (restrooms, multiple turf and court areas as well as parking lots), this includes funding for two full-time Parks Maintenance Specialists, utilities, materials, and custodial services for public restrooms. For the initial phase of the project—corresponding to the base bid—the annual maintenance cost is projected at \$140,000 and includes one full-time Parks Maintenance Specialist. This level of service would cover routine landscaping, daily inspections, waste removal, vandalism and graffiti abatement, and irrigation system upkeep. A detailed maintenance cost and work breakdown is included in Maintenance Management Plan.

Staff recommend that the future maintenance needs and associated costs for Righetti Community Park be addressed as part of the 2027–29 Financial Plan. With construction scheduled to begin in fall 2025 and anticipated to take 18 months, plus a one-year landscape maintenance period included in the project, the City will have time to evaluate the best mechanisms to address the maintenance needs for the new park. This would include the feasibility of sharing assets like vehicles, mowers and other tools as well as materials like court nets and turf seed.

Staff believe these recommendations are necessary in order to maintain the current service level experienced at other City parks. Reduced staff, materials or other operating

<sup>\*</sup>Construction of the project contingent on approval of the 2025-27 Financial Plan

costs may reduce service level at this and other parks.

#### **ALTERNATIVES**

- Do not authorize advertisement at this time: This alternative would delay construction of the Righetti Community Park. Further delays are likely to increase project costs due to inflation and market conditions.
- Direct staff to revise the project scope or phasing prior to advertisement: Staff
  could return with an adjusted scope—such as removing or rebundling Additive
  Alternates—but this would extend the project schedule, delay delivery, and likely lead
  to higher costs.
- 3. **Defer the project until full funding is secured for all elements of the Park:** Council could direct staff to incorporate all alternatives into the base bid and allocate additional funding in a future budget cycle. This approach would delay construction for several years and could impact the delivery of other priority capital projects.

## **ATTACHMENTS**

- A Draft Resolution Authorizing Various Fund Reappropriations and Transfers to Support the Righetti Community Park Project, Specification Number 2000054, and approving an Addendum to the Orcutt Area Specific Plan Environmental Impact Report for the Righetti Community Park Project.
- B Figure 1 Righetti Community Park Phase Diagram

# RESOLUTION NO. \_\_\_\_ (2025 SERIES)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO, CALIFORNIA, AUTHORIZING VARIOUS FUND REAPPROPRIATIONS AND TRANSFERS TO SUPPORT THE RIGHETTI COMMUNITY PARK PROJECT, SPECIFICATION NUMBER 2000054, AND APPROVING AN ADDENDUM TO THE ORCUTT AREA SPECIFIC PLAN (OASP) ENVIRONMENTAL IMPACT REPORT FOR THE RIGHETTI COMMUNITY PARK PROJECT

WHEREAS, Righetti Community Park was identified in the OASP as a key public amenity, planned to serve both the Orcutt Area and the broader San Luis Obispo community; and

**WHEREAS**, the decision to lead construction of the OASP Parks was identified in 2016 as an update to the OASP Public Facilities Financing Plan; and

**WHEREAS,** the OASP Parks, originally estimated at \$6.04 million in 2016, are now estimated at \$24.23 million due to construction inflation and the progression of detailed design plans; and

WHEREAS, the current design of the Righetti Community Park aligns with the general intent of the OASP, while incorporating refinements into the design rather than major modifications that would significantly affect the scope of the project; and

**WHEREAS**, the original assumption that developers would fund 100% of the community park through impact fees is no longer viable due to rising construction costs, delays in park development and limited remaining development to generate additional fees; and

**WHEREAS**, the City has supported the parks' advancement through successive Financial Plans, beginning in 2019–21 and continuing through the 2023–25 cycle, and

**WHEREAS,** funding to support the OASP Parks was previously allocated into the Development Related Park Improvement Project Account (2000057) in various sub-task, and

WHEREAS, to fund construction for the project, staff is recommending the City Council approve the transfer of \$304,637 in Capital Outlay Funds (LRM) from the Development Related Park Improvements account (2000057-00); and

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WHEREAS, to fund construction for the project, staff is recommending the City Council approve the transfer of \$3,987,138 in Capital Outlay Funds (LRM) from the Development Related Park Improvements account (2000057-02); and

**WHEREAS**, to fund construction for the project, staff is recommending the City Council approve the transfer of \$19,802.04 in OASP Park Improvement Funds from the Development Related Park Improvements account (2000057-03); and

**WHEREAS,** to fund construction for the project, staff is recommending the City Council approve the transfer of \$1,558,970.27 in OASP Park Improvement Funds from the Development Related Park Improvements account (2000057-03); and

WHEREAS, to fund construction for the project, staff is recommending the City Council approve the transfer of \$14,850.80 in OASP Park Improvement Funds from the Development Related Park Improvements account (2000057-04); and

WHEREAS, to fund construction for the project, staff is recommending the City Council approve the transfer of \$783,512.85 in Capital Outlay Funds (LRM) from the Development Related Park Improvements account (2000057-05); and

WHEREAS, to fund construction for the project, staff is recommending the City Council approve the transfer of \$500,000 in OASP Park Improvement Funds from the Development Related Park Improvements account (2000057-05); and

**WHEREAS**, to represent available and collected funds, staff is recommending the City Council disappropriate \$180,197.96 in OASP Park Improvement Funds from the Development Related Park Improvements account (2000057) due to the overcommitment of the fund; and

**WHEREAS,** to remove funding that will be used for other projects, staff is recommending the City Council reappropriate \$1,136,522 in Park Improvement Impact Fee-Citywide Fund back to the unallocated fund's balance from the Development Related Park Improvements account (2000057); and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of San Luis Obispo as follows:

Resolution No	(2025 Series)
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Page 3

**SECTION 1.** Environmental Review. The transfer of funds is not subject to environmental review under the California Environmental Quality Act (CEQA) because it is not a "project" as defined by CEQA Guidelines Section 15378.

An addendum to the Orcutt Area Specific Plan Final Environmental Impact Report (Final EIR) has been prepared for the Righetti Community Park Project in accordance with the requirements of CEQA Guidelines Section 15162 and 15164. The Addendum concluded that:

- 1. The Righetti Community Park project is consistent with the OASP and the assumptions evaluated in the 2010 Final EIR;
- 2. No new or more severe environmental impacts would result from the proposed design;
- 3. No new significant information or changed circumstances exist that would require further review; and
  - 4. All applicable mitigation measures continue to apply and remain effective.

Subsequent or supplemental environmental review is not required.

**SECTION 2:** <u>Action.</u> The City Council authorizes disappropriating \$180,197.96 overcommitted OASP Park Improvement Funds from the Development Related Park Improvements project; reappropriate \$1,136,522 in Park Improvement Impact Fee – Citywide Fund back to the fund's unallocated balance; approve the transfer of \$5,075,278.85 in Capital Outlay (LRM) Fund, \$2,093,623.11 OASP Park Improvement Funds from the Development Related Park Improvements account (2000057) to the Righetti Community Park account (2000054). The City Council additionally approves the Addendum to the OASP Final EIR.

Upon	motion	of, and on the following roll call vote:	seconded	by
AYES: NOES: ABSENT	<del>-</del> :			
The foregoing r	esolution w	as adopted this day of		_ 2022.
		Mayor Erica	A. Stewart	
ATTEST:				

R

Resolution No (2025 Series)	Page 4
Teresa Purrington	
City Clerk	
APPROVED AS TO FORM:	
J. Christine Dietrick	
City Attorney	
IN WITNESS WHEREOF, I have hereunto so City of San Luis Obispo, California, on	set my hand and affixed the official seal of the
	Teresa Purrington
	City Clerk

Attachment G
Figure 1: Righetti Community Park Alternates Diagram



Department: Utilities
Cost Center: 6001
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

**FROM:** Aaron Floyd, Utilities Director

Prepared By: Nick Teague, Water Resources Program Manager

SUBJECT: 2025 WATER SUPPLY AND DEMAND ASSESSMENT

## RECOMMENDATION

Receive and file the City's 2025 Water Supply and Demand Assessment

## **POLICY CONTEXT**

The 2025 Water Supply and Demand Assessment was prepared in accordance with the General Plan, Water and Wastewater Management Element, Policy A5.3.1 and Water Code §10632.1.

On July 3, 2024, the State Water Resources Control Board (SWRCB) adopted the Making Conservation a California Way of Life regulation, establishing unique water conservation goals for each urban water supplier in California. Water conservation is important to the resilience of the City's water resources; therefore, the City will continue to work to meet or exceed the State's water conservation targets.

The City also remains committed to the sustainable use of groundwater from the San Luis Obispo Valley Groundwater Basin. In collaboration with the County, the City submitted the San Luis Obispo Valley Groundwater Basin Water Year 2024 Annual Report to the State in March 2025. The City is also completing the Groundwater Contamination Characterization Project Implementation Phase, which will drill and construct two new groundwater production wells – serving to remove and treat contaminated groundwater from the groundwater basin, but to also provide a new source of drinking water to the community.

#### **REPORT-IN-BRIEF**

Results of the state-mandated 2025 Water Supply and Demand Assessment (Attachment A, Reading File) and the City's Water Projection Model show that the City has more than

<sup>&</sup>lt;sup>1</sup> The Making Conservation a California Way of Life regulation can be accessed at: https://www.waterboards.ca.gov/conservation/regs/docs/2024/final-text-conservation-way-of-life.pdf

ten years of water available under a drought scenario<sup>2</sup> with current water supply and demand conditions and future predictions concerning build-out population and associated water demand. Monthly water supply surpluses signify that the City would not need to enter a water shortage emergency in any month during the Current Year<sup>3</sup> (Fiscal Year 2025) or during a following hypothetical Dry Year (Fiscal Year 2026)<sup>4,5</sup>.

#### DISCUSSION

## **Background**

The City's 2025 Water Supply and Demand Assessment (Attachment A) was prepared in accordance with the General Plan, Water and Wastewater Management Element (WWME), Policy A5.3.1. and meets the State's reporting requirements (Water Code §10632.1). The 2025 Water Supply and Demand Assessment provides an update on the City's current water supply and water demands and assesses the potential of a water supply shortage for a hypothetical dry year.

## **Current Water Supply Status**

The City's water supply reservoirs (Nacimiento, Salinas, and Whale Rock) are located in different local watersheds in northern San Luis Obispo County and along the north coast (Figure 1). Having geographically diverse reservoirs allows the City to maximize the capture of rainfall at various locations within San Luis Obispo County (Figure 1 and Table 1), providing benefits to the City's water supplies beyond just rainfall received within the City. As shown in Table 1, all watersheds that provide water to City reservoirs received rainfall that was comparable to the 2013-2024 median.

<sup>&</sup>lt;sup>2</sup> A "drought scenario" is a period when rainfall is less than normal for several weeks, months, or years, the flow of streams and rivers declines, water levels in lakes and reservoirs fall, and the depth to water in wells increases.

<sup>&</sup>lt;sup>3</sup> The Current Year for this Water Supply Assessment covers the twelve months from July 2024 through June 2025.

<sup>&</sup>lt;sup>4</sup> A "Dry Year" is one in which precipitation is as low as the driest year on record.

<sup>&</sup>lt;sup>5</sup> The Current Year and Dry Year periods for this Water Supply Assessment are concurrent with the City's 2025 and 2026 Fiscal Year periods, respectively.



Figure 1: Map of reservoirs and rain gauge locations.

Table 1: Rainfall during the 2024 and 2025 Water Years (in inches)<sup>1</sup>

Table 1: Namian daring the 2024 and 2020 Water Tears (in mones)							
Rainfall Measurement Location	Watershed	Median Rainfall <sup>2</sup>	WY 2024 Total Rainfall	WY 2025 Total Rainfall <sup>3</sup>			
Rocky Butte	Nacimiento Reservoir	28.93	71.31	34.74			
Hwy 46 W 7 Mile	Whale Rock Reservoir	15.54	23.66	12.48			
SLO Reservoir	San Luis Obispo Creek	15.17	24.24	14.09			
Salinas Dam	Salinas Reservoir	14.33	28.52	14.24			

## Notes:

- 1. Water Year is October 1 to September 29.
- 2. Calculated using data from water years 2013 through 2024.
- 3. For the dates October 1, 2024, to April 1, 2025.

Reservoir storage volumes as of April 1, 2025, are shown below in Table 2. The consecutively wet winters have resulted in Nacimiento Reservoir being above 65-percent storage capacity, and Salinas and Whale Rock Reservoirs being near capacity.

Table 2: Current Reservoir Storage and Change in Volume from Fiscal Year 2024

<u> </u>							
	Reservoi	r Storage		Change from FY 2024			
Reservoir	Current	Total	City				
	Volume <sup>1</sup> (acre-feet)	Percent Capacity	Allocation (acre-feet) <sup>1</sup>	Storage (acre-feet)	% Capacity		
Nacimiento	259,033	68%	5,482	(93,433)	(25%)		
Whale Rock	36,116	93%	21,451	(2,851)	(7%)		
Salinas	22,034	99%	19,386	(2,456.6)	(11%)		

#### Notes:

1. As of April 1, 2025.

As shown in Table 3, the City's FY 2024 demand was 4,969 acre-feet. The total per-capita demand during this period was 91 gallons per capita per day (GPCD). Ninety-four percent (94%) of this demand was supplied by Whale Rock and Salinas Reservoirs, and 6% was supplied by recycled water; water deliveries from Nacimiento Reservoir were unavailable due to pipeline repairs.

Table 3: City Water Supply Used by Source during Fiscal Year 2024 (in acre-feet<sup>1</sup>)

Nacimiento Reservoir	Whale Rock Reservoir <sup>2</sup>	Salinas Reservoir	Recycled Water	Groundwater <sup>3</sup>	Total City Water Demand
-	3,409	1,251	309	0	4,969
0%	69%	25%	6%	0%	100%

#### Notes:

- 1. Values are rounded.
- 2. Water delivered to Cal Poly State University is excluded from the City's water demand, as Cal Poly has its own water storage and water diversion rights in Whale Rock Reservoir.
- 3. Groundwater was not used for potable purposes during Fiscal Year 2024.

## Available Supply

Water Resource Availability is calculated based on WWME, Section 3. Using this method, the Water Resource Availability for FY 2025 is 10,246 acre-feet (Table 4), which includes 5,482 acre-feet of dependable yield from Nacimiento Reservoir, 4,910 acre-feet of safe annual yield from Salinas and Whale Rock Reservoirs, 354 acre-feet of Recycled Water (2024 calendar-year usage) and subtracts 500 acre-feet due to estimated reservoir capacity losses from siltation (WWME Policy A 4.2.2).

Table 4: Estimated Fiscal Year 2024-2025 Available Water Resources

Water Resource	Acre-Feet	Description
Nacimiento Reservoir	5,482	Dependable Yield <sup>1</sup>
Salinas & Whale Rock Reservoirs	4,910	Safe Annual Yield <sup>2</sup>
Recycled Water	354	2024 Annual Usage 3
Siltation from 2010 to 2060	(500)	WWME Policy A 4.2.24
	10,246	Total Availability <sup>5</sup>

#### NOTES:

- Dependable Yield is the contractual amount of water the City has rights to from Nacimiento Reservoir.
- 2. The City's Safe Annual Yield model was updated in 2018.
- 3. The quantity of recycled water included (354 AF) is the actual prior year's usage (calendar year 2024) per *General Plan Water and Wastewater Management Element* Policy A 7.2.2.
- 4. Reservoir siltation is a natural occurrence that reduces storage capacity over long periods, resulting in the reduction of safe annual yield.
- Preliminary estimate that can change with regulatory variability, climate conditions, and other factors that may affect the City's water supplies and customer water uses

Per WWME, Section 5, the City divides the total Water Resource Availability (Table 4) to account for water supplies necessary to meet three specific community needs (Table 5):

- Primary water supply is the amount needed to meet the General Plan build-out of the City, which is the amount of water needed to serve the City's current and future residential and non-residential water demand.
- Reliability reserve the buffer for future unforeseen or unpredictable long-term water supply impacts.
- Secondary water supply the amount of water needed to meet peak water demand periods or short-term loss of City water supply sources.

Table 5: Fiscal Year 2024 Annual Water Supply Availability (in acre-feet)<sup>1</sup>

Total Water Availability	Primary Water Supply	Reliability Reserve	Secondary Water Supply
10,246	7,496	1,276	1,474

## NOTES:

1. Total Water Availability = Primary Water Supply + Reliability Reserve + Secondary Water Supply

Because our policies determine the supplies described above using the maximum per capita water use allowed by State regulations (117 GPCD), the supply volumes can be considered conservative estimations of actual demand. Using conservative estimates allows the flexibility to respond to unforeseen impacts to water supply, or greater than anticipated increases in demand.

## Water Supply Disruptions

High streamflow in the Salinas River corresponding to a large precipitation event on January 9, 2023, exposed and damaged the pipeline that delivers water from Nacimiento Reservoir to the City, disrupting delivery of water to the City. At the date that this report was published, deliveries of water from Nacimiento Reservoir to the City were expected to resume in July 2025. This disruption in delivery of water from Nacimiento Reservoir has required greater than anticipated utilization of water from Whale Rock and Salinas Reservoirs to meet water demands. As both Whale Rock and Salinas Reservoirs remain near capacity, the actual impacts of this are currently minimal. The Water Supply and Demand Assessment provides details on how the City will meet estimated demands while ensuring that the reservoirs remain a reliable long-term water supply.

#### Water Demand

During FY 2024, the City registered 4,548 acre-feet of water use at metered locations (Table 6). The largest demand for water in FY 2024 was for residential use (64%) and the second largest demand for water was for commercial, industrial, and institutional uses (24%). Demand for potable irrigation, non-potable (recycled water) irrigation, and recycled water for construction purposes were each less than 10% of the total demand. About 372 acre-feet of potable water (8% of the City's Water Potable Supply) were lost to distribution system leaks and other distribution system processes. The City's water loss is less than the national average of about 15%.

Staff have begun migrating water meter reading from contract operations to an Advanced Metering Infrastructure (AMI) system. AMI systems allow water consumption data to be collected by digital water meters and transmitted to an online portal through a low-frequency cellular transmission device, which will allow staff and community members more visibility and accuracy of water meter reads via smart devices and will be available on smaller timescales (by the minute instead of monthly). This will result in improved leak detection and water budgeting.

Year-to-date (July-February) metered data for FY2025 show similar demand patterns as FY 2024. The breakdown of metered water uses in the City by sector is as follows:

Table 6: City Water Demand by Sector During the 2024 and 2025 Fiscal Years (in acre-feet)

Fiscal Year	Residential	Commercial, Industrial, Institutional	Landscape Irrigation (Potable)	Landscape Irrigation (Recycled)	Construction (Recycled)	Total Metered Use
FY 2024	64%	24%	7%	5%	< 1%	4,548
FY 2025	64%	23%	8%	6%	<1%	3,146
(year-to- date) <sup>1</sup>						

Notes:

1. July 2024 through February 2025.

## Water Shortage Assessment

The City utilizes a Water Projection Model to test both hypothetical and actual water demand scenarios and to forecast how long water supplies will sustain the community under specific conditions. The Water Projection Model accounts for the storage in the City's surface water reservoirs, other available resources, current and projected demands, and climate data. The model uses historical hydrologic information (rainfall, evaporation, inflow) based on the average for the worst drought period (2012 to 2014). Per the City's 2020 Water Shortage Contingency Plan (WSCP), the 2025 Water Supply and Demand Assessment will utilize the Water Projection Model to determine current demand, future demand, and any associated water shortages. Results of the Water Projection Model show that the City has more than ten years of water available under a drought scenario with current water supply and demand conditions.

Additionally, Water Code Section 10632.1 requires the City to evaluate water supply and demand on a monthly time-step for the current fiscal year (FY 2024) and a hypothetical dry year so that potential seasonal water shortages are highlighted and accounted for. The City does not expect to enter a water shortage emergency in any month during the Current Year or following hypothetical Dry Year.

#### Water Conservation

The City's Utilities Department has improved water conservation by increasing public outreach and communication, providing personalized assistance to community members in detecting and resolving leaks, providing rebates for water-efficient plumbing fixtures and appliances, promoting water-efficient landscaping and irrigation, and proactively identifying and repairing leaks in the water distribution system. Water conservation efforts undertaken by the community have reduced long-term water use by over 15% community wide since the late 1980s. A comprehensive review of the City's past, present, and future water conservation efforts is detailed in the 2023 Water Conservation and Efficiency Plan (Attachment B).

The City's efforts to develop a robust and effective water conservation program have positioned the City to meet or exceed the State's water conservation goals. On July 3, 2024, the State Water Resources Control Board (SWRCB) adopted the Making Conservation a California Way of Life regulation, establishing unique water conservation goals for each urban water supplier in California. These goals reflect efficient use of water for residential indoor demands; residential outdoor demands; outdoor irrigation at commercial, institutional, and industrial properties; and water loss. Projection of City water demands indicate that the City will continue to meet the State's water conservation goals as they become increasingly more stringent through the year 2040.

In addition to meeting State water conservation regulations, the City is also working to prepare for regulations aimed at eliminating irrigation of non-functional turf. <u>Assembly Bill 1572</u> was approved by the Governor on October 13, 2023. This bill prohibits the use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and

institutional properties, with some exceptions. Nonfunctional turf includes grass areas that are **not** used for human recreation or other practical purposes. Functional turf areas that will still be permitted to use potable water for irrigation include playing fields, recreational areas, and areas used for community events or pet relief. The timeline for the implementation of these regulations is as follows:

- 1. All properties owned by the Department of General Services, beginning January 1, 2027.
- 2. All properties owned by local governments, local or regional public agencies, and public water systems, except those specified in paragraph (5) below, beginning January 1, 2027.
- 3. All other institutional properties and all commercial and industrial properties, beginning January 1, 2028.
- 4. All common areas of properties of homeowners' associations, common interest developments, and community service organizations or similar entities, beginning January 1, 2029.
- 5. All properties owned by local governments, local public agencies, and public water systems in a disadvantaged community, beginning January 1, 2031, or the date upon which a state funding source is made available to fund conversion of nonfunctional turf on these properties to climate-appropriate landscapes, whichever is later.

The City will develop rules and guidance to facilitate compliance with these regulations. This information will be shared with the community through workshops, community events, handouts, social media, and other communication platforms beginning in January 2026.

#### Continued Communication Related to Weather Extremes and Local Conditions

The Utilities Department continues to revise its communication related to weather whiplash (drought and flooding) and water supply topics to be able to provide succinct information that is easily accessible to the community. While the wet winters have provided the City with full reservoirs, it is important to ensure that the community is aware of local water-supply conditions and that water conservation is equally important in wet or dry years to ensure that water supplies are available to meet current and future demands.

## **Groundwater Management**

The City and County, working together as separate Groundwater Sustainability Agencies (GSAs) for the San Luis Obispo Valley Groundwater Basin, published the San Luis Obispo Valley Groundwater Basin Water Year 2024 Annual Report and submitted it to the California Department of Water Resources (DWR) in March 2025. Pursuant to the SGMA regulations, an annual report must be submitted to DWR by April 1 of each year following the adoption of the Basin's Groundwater Sustainability Plan (GSP). This is the fourth Annual Report and documents data for Water Year 2024 (October 1, 2023, through September 30, 2024). The annual report conveys monitoring and water use data to DWR

and basin stakeholders on an annual basis to gauge performance of the Basin relative to the sustainability goals set forth in the GSP.

Water Year 2024 was a wet year with slightly above-average rainfall and groundwater levels throughout the basin generally remained steady from the previous year. Groundwater measurements in the representative monitoring sites, as defined by the GSP, ranged from about 38 feet higher to 20 feet lower than fall 2023. Overall, there was an increase in total groundwater storage in the basin.

Use of available groundwater resources would improve resiliency in the City's water supply portfolio. Based on estimates published in the San Luis Obispo Valley Basin GSP, the City anticipates about 700 acre-feet of groundwater is available for use each year. The City does not currently use groundwater as a drinking water source but considers groundwater as a valuable water resource that will help the City meet its future water supply resiliency goals. To utilize this groundwater resource, the City is completing the Implementation Phase of the Groundwater Contamination Characterization Project, a larger project which in its entirety aims to design, drill, and equip groundwater wells with treatment systems capable of removing tetrachloroethylene (PCE) contamination, and to put the City's available groundwater to beneficial use as a drinking water source. The project is funded through a mix of grant funding from the State of California Proposition 1 Groundwater Grant Program and City funding. Completion of the Implementation Phase is expected in Spring 2026, at which time the City will begin using groundwater as an additional source of supply.

# **Previous Council or Advisory Body Action**

City Council adopted the 2024 Water Supply and Demand Assessment on June 4, 2024.

## **Public Engagement**

The City will provide communications regarding current water supply conditions and the results of the Water Supply and Demand Assessment by posting information and documents on the Utilities Department website. Additionally, this information will be incorporated into future public communications material (social media posts, radio ads, and Farmers Market handouts) and into future water supply planning. A copy of this report and the Water Supply and Demand Assessment will be sent to the City Planning Commission upon receival by City Council.

#### **ENVIRONMENTAL REVIEW**

The 2025 Water Supply and Demand Assessment is not a "project" under the California Environmental Quality Act (CEQA), because the action does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as defined by State CEQA Guidelines, Section 15378.

## **FISCAL IMPACT**

The action to receive and file the 2025 Water Supply and Demand Assessment does not create a fiscal impact.

Budgeted: N/A Budget Year: N/A

Funding Identified: N/A

## **Fiscal Analysis:**

		Current	Remaining	Annual
Funding Sources	Total Budget Available	Funding Request	Balance	Ongoing Cost
Total	\$0	\$0	\$0	\$0

## **ALTERNATIVES**

Council could decide not to receive and file the 2025 Water Supply and Demand Assessment and provide direction to staff on desired modifications. Should Council select this alternative, delays beyond the July 1, 2025, due date caused by revisions may result in noncompliance with California Water Code §10632.1.

## **ATTACHMENTS**

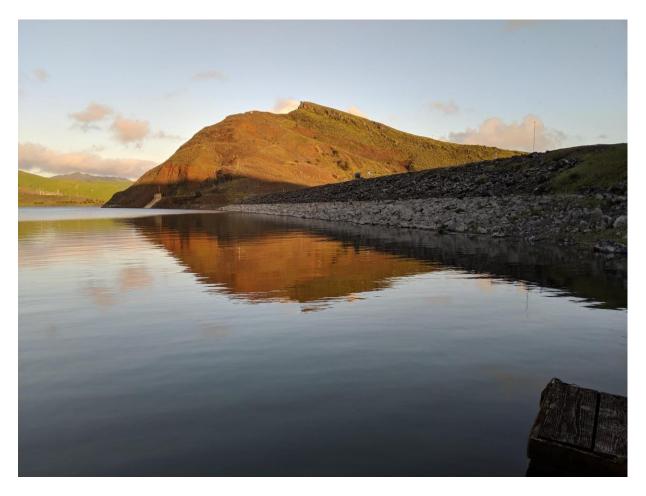
A - 2025 Water Supply and Demand Assessment

B - 2023 Water Conservation and Efficiency Plan



# **2025 Water Supply and Demand Assessment**

For the Time Period July 1, 2024, through June 30, 2026



Whale Rock Reservoir.

## I. INTRODUCTION

California Water Code (*CWC §10632.1.*)<sup>1</sup> directs urban water suppliers (Suppliers) to conduct an Annual Water Supply and Demand Assessment (Water Supply Assessment) for the purpose of (i) evaluating its water supply reliability for the current year and one subsequent dry year and (ii) generating and submitting an Annual Shortage Report by July 1 every year. The procedures for conducting a Water Supply Assessment shall include the following:

- (A) The written decision-making process that an urban water supplier will use each year to determine its water supply reliability.
- (B) The key data inputs and assessment methodology used to evaluate the urban water supplier's water supply reliability for the current year and one dry year, including all of the following:
- (i) Current year unconstrained demand, considering weather, growth, and other influencing factors, such as policies to manage current supplies to meet demand objectives in future years, as applicable.
- (ii) Current year available supply, considering hydrological and regulatory conditions in the current year and one dry year. The annual supply and demand assessment may consider more than one dry year solely at the discretion of the urban water supplier.
- (iii) Existing infrastructure capabilities and plausible constraints.
- (iv) A defined set of locally applicable evaluation criteria that are consistently relied upon for each annual water supply and demand assessment.
- (v) A description and quantification of each source of water supply.

The City's 2025 Water Supply Assessment was prepared in accordance with the *General Plan, Water and Wastewater Management Element*, Policy A5.3.1.<sup>2</sup> The methods for calculating water supply and water demand have been modified to match the reporting requirements of the Water Supply and Demand Assessment and are described below.

## II. DECISION MAKING PROCESS

The CWC does not specify the type of year the Suppliers should use to do the Water Supply Assessment (Calendar or Fiscal). However, the California Department of Water Resources (DWR) recommends that the one Dry Year begins in July.<sup>3</sup> For this Water Supply Assessment, which will be submitted by July 1, 2025, the Dry Year will therefore cover the twelve months from July 2025 to June 2026. Each subsequent Water Supply Assessment will define the Dry Year period as July 1<sup>st</sup> of the Water Supply Assessment year

https://leginfo.legislature.ca.gov/faces/codes displaySection.xhtml?lawCode=WAT&sectionNum=10632

<sup>&</sup>lt;sup>1</sup> Cal. Water Code §10632.1. can be accessed at:

<sup>&</sup>lt;sup>2</sup> The City's *General Plan, Water and Wastewater Element* is available at: <a href="https://www.slocity.org/home/showdocument?id=6649">https://www.slocity.org/home/showdocument?id=6649</a>

<sup>&</sup>lt;sup>3</sup> The State of California's Water Supply and Demand Assessment Draft Guidance states "Characteristic of a dry year is at the discretion of the Supplier, but it should be adequately defined and ideally align with one of the WSCP water shortage levels. The assumed Dry Year conditions are often based on a previous historic dry year, such as the driest year on record. Suppliers presented their defined historic Dry Year in their UWMP Table 7-1. For the purpose of this Guidance, the Dry Year data will be applied over the twelve-month period beginning July 1st (the due date of the current Annual Shortage Report)."

through June of the next calendar year. The Current Year for this Water Supply Assessment will cover the twelve months from July 2024 through June 2025. The Current Year and Dry Year periods for this Water Supply Assessment are concurrent with the City's 2025 and 2026 Fiscal Year periods, respectively.

The City utilizes a Water Projection Model to test both hypothetical and actual water demand scenarios and to forecast how long water supplies will sustain the community under specific conditions. The Water Projection Model accounts for the storage in the City's surface water reservoirs, in conjunction with other available resources (i.e., groundwater and recycled water), needed to meet the City's water demand. The model uses historical hydrologic information (rainfall, evaporation, inflow) based on the average for the worst drought period (2012 to 2014). Other data included in the model are:

- a. Water entitlement
- b. Current reservoir levels/storage
- c. Average gallons per capita per day community water demand
- d. Rainfall
- e. Temperature
- f. Evaporation
- g. Existing population
- h. Estimated population growth

Utilizing the Water Projection Model as part of its water supply management strategy, the City can foresee whether a water supply shortage is anticipated in any given year and the severity of a shortage based on the availability of the City's different sources of supply and water demand trends. The City uses the Water Projection Model to study the potential impacts of various intensities of drought conditions, including increased air temperature and evaporation rates, along with decreased precipitation. Per the City's 2020 Water Shortage Contingency Plan, the Water Supply Assessment will utilize the Water Projection Model to determine current demand, future demand, and any associated water shortages.<sup>4</sup>

Water supply and demand are presented in the units of acre-feet (AF). Annual available supply is determined using existing methods (*General Plan Water and Wastewater Management Element (WWME)*, Section 3).<sup>5</sup> Annual demand for the purposes of estimating Current Year and Dry Year demand is determined using a modification of the methods described in the City's method for determining Primary Water Supply (*WWME*, Section 5) as described below. Current Year monthly demand is determined using actual metered data when available; however, for the months when metered data have not been collected, demand is calculated using the methods described in this report.

## III. WATER SUPPLY REALIABILITY EVALUATION

This section describes the City's various water supply sources. The City primarily utilizes water from three surface-water reservoirs for drinking water and irrigation, and recycled water for irrigation and construction. The effect of recent precipitation on reservoir volumes is described herein, as is the method by which the City accounts for loss of storage capacity due to siltation.

<sup>&</sup>lt;sup>4</sup> The City's Water Shortage Contingency Plan is available at:

https://www.slocity.org/home/showpublisheddocument/30334/637575513697770000

<sup>&</sup>lt;sup>5</sup> The City's *General Plan, Water and Wastewater Element* is available at: https://www.slocity.org/home/showdocument?id=6649

# **Description and Quantification of Each Water Supply Source**

Per the *General Plan Water and Wastewater Management Element*, Policy A2.2.1, the City uses multiple water sources to meet its water supply needs.<sup>6</sup> The City has four primary water supply sources: Nacimiento Reservoir, Whale Rock Reservoir, Salinas Reservoir, and recycled water. The City prioritizes using contractual water supply from Nacimiento Reservoir first, with Whale Rock Reservoir and Salinas Reservoir used as needed to meet the City's overall potable water demand, while recycled water is used as a non-potable source for irrigation and construction purposes within City limits. A comprehensive upgrade to the City's Water Resource Recovery Facility (WRRF) is currently underway and will increase the volume of recycled water available for use in the future. Additionally, groundwater serves as the City's fifth supplemental water source. Substantial work efforts are being made to better understand the City's groundwater supplies and how they may be fully utilized in the future.

#### **Nacimiento Reservoir**

In 1959, the San Luis Obispo Flood Control and Watershed Protection District (San Luis Obispo District) entered into an agreement with Monterey County Flood Control and Water Conservation District (now Monterey County Water Resources Agency) to secure rights to 17,500 AF of water per year (AFY) from Nacimiento Reservoir. Nacimiento Reservoir is located entirely within San Luis Obispo County, California (County), and was built by Monterey County Flood Control and Water Conservation District who continues to control reservoir ownership and operations. Nacimiento Reservoir has a storage capacity of 377,900 AF and serves the purpose of abating seawater intrusion in the groundwater aquifers of the Salinas River Valley, while also providing flood protection and groundwater recharge for the Salinas Valley. Of the San Luis Obispo District's entitlement, 1,750 AFY have been designated for uses around the lake, leaving 15,750 AFY for allocation to other areas within the County of San Luis Obispo. Water is delivered via a 45-mile pipeline from Nacimiento Reservoir to participating agencies and cities.

The "dependable yield" from Nacimiento Reservoir is the contractual amount of water that the City has rights to from Nacimiento Reservoir. The City's original amount contracted for was 3,380 AFY. Engineering studies, environmental impact reports, dependable yield analyses, and preliminary design reports were completed to ensure water needs within the County were met. In 2004, the County requested interested agencies to approve the contractual agreements for participation in the Nacimiento Project. The four initial project participants included the cities of San Luis Obispo and Paso Robles, the Atascadero Mutual Water Company, and the Templeton Community Services District. These agencies executed participation agreements with San Luis Obispo County for entitlements of water which totaled 9,630 AF. In 2004, the County Service Area 10A in Cayucos became a project participant securing 25 AFY. On June 29, 2004, the San Luis Obispo City Council authorized participation in the Nacimiento Water Project for the delivery of the original 3,380 AF of water. In 2004, the County Service Area 10A in Cayucos became a project participant (25 AFY).

In March 2016, the City Council approved the addition of 2,102 AFY from Nacimiento Reservoir to the City's water supply. This addition brought the City's total Nacimiento Reservoir allocation to 5,482 AFY. With uncertainty of future climatic conditions, regulation, and aging infrastructure, the additional supply of Nacimiento water to the City's portfolio reduces pressure on the use of water supplies in the Whale Rock and Salinas reservoirs, extending these stored supplies during future critical water shortages.

<sup>&</sup>lt;sup>6</sup> <u>General Plan, Water and Wastewater Management Element, Program A 2.2.1</u>, states "The City shall utilize multiple water resources to meet its water supply needs."

During the worst-case drought on record in the region (2012 to 2014), Nacimiento Reservoir remained a resilient water supply capable of providing a consistent and reliable source of water for San Luis Obispo County. To confirm the prior analysis with more recent data, the City reviewed rainfall and inflow data from 2013 which was the driest year on record. Over that year, Nacimiento Reservoir received 35,000 acre-feet of inflow. Though this is significantly below the average inflow into the reservoir, the San Luis Obispo District's entitlement could still be met if inflow remained at this level due to the District's primary rights.

High streamflow in the Salinas River corresponding to a large precipitation event on January 9, 2023, exposed and damaged the pipeline that delivers water from Nacimiento Reservoir to the City, disrupting delivery of water to the City. At the date that this report was published, deliveries of water from Nacimiento Reservoir to the City were expected to resume in July 2025 through a temporary bypass. This disruption in delivery of water from Nacimiento Reservoir is accounted for later in this report and points to the importance of the City having a multi-source supply portfolio.

#### Whale Rock Reservoir

Whale Rock Reservoir is located on Old Creek Road approximately one-half mile east of the community of Cayucos, California. The project was planned, designed, and constructed under the supervision of the California State Department of Water Resources (DWR). Construction took place between October 1958 and April 1961. The reservoir is jointly owned by the City of San Luis Obispo, the California Men's Colony, and the California Polytechnic State University at San Luis Obispo (Cal Poly). These three agencies form the Whale Rock Commission which is responsible for operation and administration of the reservoir and associated water deliveries. Day-to-day operation is provided by the City.

Whale Rock Reservoir is formed by an earthen dam and had capacity to store an estimated 40,662 AF of water at the time of construction. The dam is 266 feet tall with a crest length of 850 feet and crest width of 30 feet. The top of dam elevation is 232.2 feet. The Reservoir covers an area close to 600 acres. In 2022, the maximum storage capacity is 38,967 AF. The City owns 55.05 percent of the water storage rights at the reservoir (22,364 AF). The remaining water storage rights are apportioned between the two State agencies with Cal Poly owning 33.71 percent and the California Men's Colony owning 11.24 percent. Over the life of the Whale Rock Reservoir and dam, the lake has filled to capacity and the spillway has been used 14 times, most recently spilling in February 2024.

The Whale Rock pipeline is approximately 17 miles long, connecting the reservoir to the member agencies, and terminating at the City's Water Treatment Plant. The design capacity of the pipeline is 18.94 cubic feet per second (approximately 8,500 gallons per minute). The line consists of modified prestressed concrete cylinder pipe at most locations. Cement mortar lined steel pipe is used at creek crossings and junctions.

#### Salinas Reservoir

The Salinas Reservoir (also known as Santa Margarita Lake) is located on the upper Salinas River, approximately nine miles southeast of the community of Santa Margarita. The project was originally built by the War Department to ensure an adequate water supply for Camp San Luis Obispo, as well as the City of San Luis Obispo. The dam and appurtenances were declared surplus by the War Department on April 14, 1947, and the U.S. Army Corps of Engineers assumed responsibility for the facilities. On July 11, 1947, the Corps entered into an agreement with the San Luis Obispo District for the operation and maintenance of the dam and related facilities. The City has an agreement with the Corps for use of the reservoir, as well as a water right permit to divert water from the Salinas River for storage within the reservoir. Salinas Reservoir is formed by a concrete arched dam. Immediately following construction, the

reservoir had an estimated storage capacity of 24,000 AF with a surface area of 793 acres, and a drainage area of 112 square miles. A model of the reservoir was updated in 1991 using computer calculations and aerial photogrammetry. The San Luis Obispo County Flood Control and Water Conservation District (District) have used the 1991 model to calculate capacity and surface area using measurements of reservoir elevation until recently. In 2023 the District updated the model of the reservoir using a bathymetric survey and LiDAR data to create a full coverage model of the reservoir. The 2023 updated model resulted in a total capacity at the spillway elevation of 22,507.75 AF, a reduction of 1,522.56 AF. The decrease in capacity can be attributed to improved data, and to siltation of the reservoir, which is estimated at 46.14 AF/yr (mean siltation rate over 33 years).

Water is conveyed from Salinas Reservoir through 48,700 feet (9.2 miles) of 24-inch diameter reinforced concrete pipe to a three million gallon regulating reservoir at the Santa Margarita booster pump station near the northerly base of Cuesta Grade adjacent to Highway 101. The pipeline is designed to flow by gravity from the Reservoir to the regulating reservoir when the lake level is above the elevation of 1,267 feet. A booster pump station at the base of the dam, consisting of two horizontal centrifugal pumps, is capable of maintaining the rated flow of 12.4 cubic feet per second (approximately 5,565 gallons per minute) when the water surface elevation falls below 1,267 feet.

#### Safe Annual Yield

Safe Annual Yield, or the maximum amount that could be withdrawn each year without drawing the reservoir below its minimum pool constraint, for Whale Rock and Salinas reservoirs is 4,910 AFY. This value was updated in 2018 following the addition of data from the most recent drought that ended in 2016 and analysis of three independent climate change models by the U.S. Environmental Protection Agency (EPA), San Luis Obispo Council of Governments (SLOCOG) as part of the 2014 Regional Transportation Plan, and Nature Communications. As a result of siltation since the original construction, the reservoir capacity has been reduced and accounted for in the Safe Annual Yield for Whale Rock and Salinas reservoirs.

## **Accounting for Siltation**

Siltation at reservoirs is a natural occurrence that can reduce the storage capacity over long periods. The reduction of available storage reduces the safe annual yield of the reservoirs. Siltation at reservoirs varies depending on factors such as rainfall intensity and watershed management practices. Climate change could have an impact on future water availability in the form of increased siltation in reservoirs resulting from wildland fires which could affect the safe annual yield of the City's reservoirs. Numerous studies and reports addressing siltation at Salinas Reservoir have been completed. As mentioned previously, the latest study conducted by the District in 2023, indicated that the siltation rate in Salinas Reservoir is about 46.14 AF/yr, resulting in a decrease in reservoir capacity of 1,522.56 AF since 1991.

The Whale Rock Reservoir Bathymetric Survey and Volumetric Study was completed in May 2013. The study concluded that sedimentation has reduced reservoir capacity by 4.2% in 52 years, but this impact, considering 52 years of sedimentation is relatively minimal. The City has policies and programs in the WWME to anticipate the loss of storage at Whale Rock and Salinas Reservoirs. WWME Policy A 4.2.2 relates to Accounting for Future Siltation.<sup>7</sup> The policy states "The City will account for estimated safe annual yield losses at Salinas and Whale Rock Reservoirs through 2060 by deducting 500 acre-feet of available water supplies to account for these future losses." The siltation rate will be updated as information becomes available from subsequent siltation analyses. The siltation rate calculated by the

<sup>&</sup>lt;sup>7</sup> The City's *General Plan, Water and Wastewater Element* is available at: <a href="https://www.slocity.org/home/showdocument?id=6649">https://www.slocity.org/home/showdocument?id=6649</a>

District as part of the 2023 study is similar to previous estimates; therefore, the City's policy for accounting for safe annual yield losses remains unchanged. Accounting for siltation of reservoirs contributes to the overall reliability of the City's water supply portfolio as it ensures that the City is planning for this occurrence. Siltation at Nacimiento Reservoir does not need to be accounted for in The City's water supply portfolio calculations because the contractual right for San Luis Obispo County agencies is not dependent on reservoir capacity.

#### **Recycled Water**

The City's Water Resource Recovery Facility (WRRF) produces over 3,200 AF of disinfected tertiary-treated effluent per year. A minimum of 1,810 AF is discharged to San Luis Obispo Creek annually to provide satisfactory habitat and flow volume for fish species (steelhead trout) within the Creek environment. The balance makes up the City's available recycled water resource which is available for approved uses. A consistent flow of wastewater to the WRRF enables the City to produce a volume of recycled water that exceeds current seasonal demand for landscape irrigation. The distribution and delivery of recycled water is via a pump station located within the WRRF. The pump station does not have backup power during a power outage. However, because power outage events have been infrequent, the City's recycled water supply is considered a reliable, non-potable water supply.

The primary use of recycled water in the City is for landscape irrigation with about 75 percent of the City's recycled water demand occurring from May through October. The City began issuing annual construction water permits in July 2009. Permit holders have access to recycled water for dust control and compaction on construction sites in the City. The City has four metered wharf head hydrant filling stations located throughout city limits. During calendar year 2024, 354 AF of recycled water was used for landscape irrigation and construction water. The City has identified a "seasonal surplus" of recycled water available in excess of required discharge to San Luis Obispo Creek (4.96 AF per day as required by the National Oceanic and Atmospheric Association, National Marine Fisheries Service in 2005). As only a limited amount of landscape irrigation takes place from November to April (seasonal off-peak period), more than 4 AF per day of recycled water is available during the seasonal off-peak period. An upgrade of the WRRF is underway, which will accommodate the City's buildout and maximize recycled water production. These upgrades will enable the City to maximize beneficial use of recycled water, including consideration of either direct or indirect potable reuse in the future. Until potable reuse is implemented, the City is focused on expanding the use of recycled water within City limits to help offset potable water use. Per the City's 2017 Recycled Water Master Plan, recycled water use is projected to increase by 10 AF per year.

#### Groundwater

Although the City suspended using groundwater for potable purposes in April 2015, the City is completing a project to build two new groundwater supply wells, with hopes of utilizing groundwater as a supplementary drinking water source by late 2026. In July of 2020, the City received a nearly \$2 million planning-phase grant, funded through Proposition 1, to study Tetrachloroethylene (PCE) contamination of the groundwater basin. This study was completed in April 2023 and provided a more detailed understanding of the extent of PCE contamination and identified potential remediation options for the City to fully utilize its groundwater pumping opportunities. An additional implementation-phase grant was awarded in March 2023; current grant funding through Proposition 1 for the implementation-phase is \$7,782,800. The implementation phase will result in the construction or outfitting of two new production wells with treatment systems to provide the City with an additional source of potable water, while simultaneously removing contaminated groundwater from the groundwater basin. Several new monitoring wells planned for installation in the implementation phase

will provide an understanding of changing groundwater conditions resulting from renewed groundwater pumping.

In January 2022, the City and the County of San Luis Obispo, acting as Groundwater Sustainability Agencies, submitted a draft of the Groundwater Sustainability Plan (GSP) for the San Luis Obispo Valley Groundwater Basin to the California Department of Water Resources (DWR).<sup>8</sup> The GSP was approved by DWR in April 2023. The GSP was a result of several years of work conducted to better understand the hydrology of the basin and will be instrumental in guiding sustainable use of groundwater in the basin, including the City's utilization of groundwater as a source of supply. The GSP estimates a groundwater surplus (recharge minus withdraws) of approximately 700 AFY for the portion of the groundwater basin underlying the City.

# **Current Year Precipitation and Reservoir Storage**

Current Year precipitation in the City is slightly below the median for Water Years 2012-2024 (Table 2); however, reservoir levels have held steady from last year, at or near capacity. Precipitation is generally greatest in the winter months, November through April, and can be absent in the summer months, May-September. As of February 28, 2025, the Current Year precipitation is 10.91 inches, with 6.80 inches falling in the month of February alone, resulting in increases in reservoir storage volumes of 54,945 AF in Nacimiento Reservoir, 3,033 AF in Salinas Reservoir, and 513 AF in Whale Rock Reservoir.

Table 2: Precipitation Measured at the SLO Reservoir Station<sup>1</sup>
(in inches)

Water Year	Accumulation (in inches)
2012	12.36
2013	8.50
2014	10.51
2015	11.70
2016	17.76
2017	35.34
2018	12.88
2019	27.10
2020	15.60
2021	11.62
2022	14.82
2023	51.99
2024	24.21
2012-2024 Median	16.68
2025 (October-February)	10.91

#### Notes:

1. Precipitation data measured at the SLO Reservoir – P (749) station can be found at: https://wr.slocountywater.org/site/?site\_id=27&view=51a30d03-3991-46af-9d23-7bc0f56a118f.

<sup>&</sup>lt;sup>8</sup> The San Luis Obispo Valley Basin Groundwater Sustainability Plan is available at: https://opengov.slocity.org/WebLink/DocView.aspx?id=151703&dbid=0&repo=CityClerk&searchid=bd6f22bb-d951-472c-848d-2d187628a2d2&cr=1

## IV. SUPPLY AND DEMAND ANALYSIS

Using the Water Projection Model described above, the City has more than ten years of water available under a drought scenario with current water supply and demand conditions. Analysis of supply and demand data at a monthly timescale shows that the City has the supply needed to meet monthly demands for the Current Year and a subsequent Dry Year. This is why the City does not expect to enter a water shortage emergency in any month during the Current Year and following hypothetical Dry Year.

This analysis provides valuable insight on the primary uses of water in the City and also highlights periods when disruptions in delivery of water from one or more of the City's reservoirs would be most impactful to the City's ability to meet demand. Monthly demands show that water supply is used primarily to meet residential demands. Additionally, monthly demands show the seasonal variation associated with the need for more water in the hot, dry summer months and the need for less water during the cool, wet winter months. Ultimately, the data show that water use within the City is driven by residential use during the dry, summer months, likely in response to outdoor irrigation needs. Because of this, water conservation programs that target reduction in outdoor irrigation may provide the greatest water savings.

The supply and demand analysis assumes reliable delivery of available water supplies during drought conditions similar to those experienced in recent history. More extreme drought conditions may present issues that decrease the volume of available water in storage or degrade the quality of water in storage. Available water supply may also be less than estimated because of disruptions in the delivery of available water supplies, whether temporarily caused by minor issues or prolonged disruptions caused by catastrophic events.

# **Assessment Methodology: Locally Applicable Evaluation Criteria**

Water supply reliability is the City's ability to meet the water needs of its customers under varying conditions. The City estimates annual Water Supply based on *Water and Wastewater Management Element*, Section 3. The City's fiscal year 2023-2024 water supply that was estimated using this method is shown in Table 1. This method incorporates Safe Annual Yield from Salinas and Whale Rock Reservoirs as determined through the City's Safe Annual Yield Model, the City's contractual amount of water from Nacimiento Reservoir (Dependable Yield), the prior Calendar Year volume of Recycled Water utilized by the City, and reduction in reservoir storage caused by siltation as directed in WWME Policy A 4.2.2. The values shown in Table 1 are preliminary estimates that can change with regulatory variability, climate conditions, and other factors that may affect the City's water supplies and customer water uses. As described in Chapter 6 of the City's 2020 Urban Water Management Plan (UWMP)<sup>10</sup>, the City assesses long-term water supply reliability by analyzing the hydrological variability of the City surface water reservoirs (Salinas, Whale Rock, and Nacimiento). This analysis is done using the City's Water Projection model and applies worst-case drought conditions according to guidelines set forth in the UWMP plan documentation.

<sup>&</sup>lt;sup>10</sup> The City's 2020 Urban Water Management Plan can be accessed from the California Department of Water Resources, WUEdata Portal at: https://www.nter.ca.gov/uwmp\_plans.asp?cmd=2020

Table 1: Estimated Fiscal Year 2024-2025 Annual Water Supply

Water Resource	Acre-Feet	Description
Nacimiento Reservoir	5,482	Dependable Yield <sup>1</sup>
Salinas & Whale Rock Reservoirs	4,910	Safe Annual Yield <sup>2</sup>
Recycled Water	354	2024 Annual Usage <sup>3</sup>
Siltation from 2010 to 2060	(500)	WWME Policy A 4.2.2 4
	10,246	Total Availability⁵

#### **NOTES:**

- 1. Dependable Yield is the contractual amount of water the City has rights to from Nacimiento Reservoir.
- 2. The City's Safe Annual Yield model was updated in 2018.
- 3. The quantity of recycled water included (354 AF) is the actual prior year's usage (calendar year 2024) per *General Plan Water and Wastewater Management Element* Policy A 7.2.2.
- 4. Reservoir siltation is a natural occurrence that reduces storage capacity over long periods, resulting in the reduction of safe annual yield.
- 5. Preliminary estimate that can change with regulatory variability, climate conditions, and other factors that may affect the City's water supplies and customer water uses.

Generally, the City accounts for annual demand, or the water supplies necessary to meet community needs, using the methods detailed in the *General Plan Water and Wastewater Management Element (WWME)*, Section 5.<sup>11</sup> The amount of water needed to serve the City's future residential and non-residential water demand is termed the primary water supply. The primary water supply is calculated using the build-out population identified in the General Plan, Land Use Element (2014) and the maximum allowed per capita water use under Senate Bill X7-7, which is 117 gallons per capita per day (GPCD).<sup>12</sup> Previous Water Supply and Demand Assessments utilized this method to estimate future demand; however, this resulted in large overestimations when compared to actual demand. These overestimations of water demand did not reflect the recent historical demand, presenting difficulties in assessing the City's short-term water supply and demand scenario.

For this Water Supply and Demand Assessment, Current Year and Dry Year water supplies were calculated using the estimated supply available from Nacimiento Reservoir (see proceeding text regarding supply disruptions), the full safe annual yield from Salinas and Whale Rock reservoirs, recycled water use from the previous calendar year plus 10 AFY, and a reduction in 500 AFY to account for siltation. To accurately assess the City's short-term potable water demand, Current Year and Dry Year demands were calculated by multiplying the previous fiscal year's potable water GPCD by the estimated population for fiscal years 2025 and 2026, respectively. The annual water supply and demand volumes calculated using the methods described above are converted to monthly volumes for the purposes of this Water Supply Assessment so that potential seasonal water shortages are highlighted.

 $<sup>^{\</sup>rm 11}$  The City's  $\it General Plan, Water and Wastewater Element$  is available at:

https://www.slocity.org/home/showdocument?id=6649

12 Senate Bill No. 7 – Water conservation, is available at:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=200920107SB7

 $<sup>^{13}</sup>$  The potable water demand for fiscal year 2024 was 79. Per the City's General Plan, population growth is estimated to be 1% per year.

When utilizing the Water Projection Model to estimate long-term water supply and demand, GPCD decreases in accordance with the 2020 Water Shortage Contingency Plan (WSCP). For example, water demand is calculated using an initial value of 117 GPCD and decreases by ten percent (corresponding to a ten-percent decrease in water use) to 105 GPCD when available supply is less than 5-years of estimated annual demand. This ten percent reduction is in alignment with the demand reduction that the City projects it would achieve from conservation measures outlined in the WSCP.

# **Existing Infrastructure Capabilities and Plausible Constraints**

The utilization of water from three separate reservoirs provides the City with operational flexibility to meet water demands while maintaining optimal storage volumes in each reservoir; however environmental factors can inhibit reservoir storage or prevent utilization of stored water by degrading water quality. While inflow to Nacimiento has proven to be sufficient during the worst drought in recent history, it is conceivable that in the most extreme drought, when precipitation is near zero, that inflow is less than the City's contractual amount. The City has not typically experienced significant water quality issues with water stored in its reservoirs, but extreme heat and low reservoir levels associated with drought conditions are ideal conditions for biological processes that can impair water quality, including growth of algae, which can lead to secondary water quality complaints related to taste and odor. The City's water treatment plant is capable of producing water that meets all state and federal standards, even as water quality is deteriorated by ongoing drought.

Generally, the City satisfies demand without utilizing the full dependable yield from Nacimiento Reservoir because pipeline capacity constraints and treatment operation only allow for the delivery and treatment of approximately 4,500 AFY. Projects are being developed to allow for the full utilization of dependable yield from Nacimiento Reservoir in preparation for future periods when demands require the full available water supply. Should the City need to utilize its full entitlement to Nacimiento for any reason, it could modify plant operation to accommodate this need. Because the City relies primarily on water supplied by its reservoirs, disruptions in delivery of water from a reservoir could be caused by damage to existing infrastructure. While temporary disruptions in water supply availability can be mitigated through utilization of water from the other available reservoirs, prolonged disruptions could result in water shortages.

The City is expanding its groundwater program and considering potable reuse of recycled water to provide water supply redundancy and increased operational flexibility in extreme drought scenarios and during disruptions in delivery of water from reservoirs. Additionally, the City produces recycled water that can be used to offset potable demand and during disruptions of water supply. Ultimately the City proactively pursues projects that help gain a better understanding of potential issues that may threaten its water supply and how to mitigate them.

# **Current Year Water Supply and Demand Assessment**

Analysis of the supply and demand data from the previous year allows for a better understanding of how annual demand is met with the available water supplies. As shown in Table 3, the City's 2023-2024 Fiscal Year demand was 4,713 AF. The per-capita demand, including recycled water, during this period was 86 GPCD. Ninety-three percent (93%) of this demand was supplied by Whale Rock and Salinas Reservoirs, and 7% was supplied by recycled water; water deliveries from Nacimiento Reservoir were unavailable due to pipeline repairs.

Table 3: City Water Supply by Source during the 2023-2024 Fiscal Year<sup>1</sup>
(in acre-feet)

Nacimiento Reservoir	Whale Rock Reservoir <sup>2</sup>	Salinas Reservoir	Recycled Water	Groundwater <sup>3</sup>	Total City Water Demand		
-	4,027	377	309	0	4,713		
0%	85%	8%	7%	0%	100%		

#### Notes:

- Values are rounded.
- 2. Water delivered to Cal Poly State University at San Luis Obispo (Cal Poly) is excluded from the City's water demand, as Cal Poly has its own water storage and water diversion rights in Whale Rock Reservoir.
- 3. Groundwater was not used for potable purposes during Fiscal Year 2023-2024.

Current Year available water supply is 6,875 AF; 4,742 AF potable water and 2,133 AF non-potable water (Table 4). In the Current Year the City planned to utilize its water sources similarly to Fiscal Year 2021-2022 by prioritizing water from Nacimiento Reservoir to preserve or increase storage volumes in Whale Rock and Salinas Reservoirs. However, the damage to the Nacimiento pipeline, previously detailed in this report, is estimated to prevent the City from using water from Nacimiento for the remainder of the fiscal year. The City's Current Year water supply (Table 4) summarizes actual supply volumes delivered to the City's distribution system for the period July 2024 through February 2025 and estimated supply volumes for March through June 2025. The water supply volumes reflect the absence of Nacimiento Reservoir and the increased utilization of water from Whale Rock and Salinas Reservoirs and the associated safe annual yield. Utilizing a volume less than or equal to the safe annual yield helps to ensure that the reservoirs remain a reliable long-term water supply; however, short-term exceedance of the safe annual yield should not negatively impact long-term water supply – especially at times when the reservoirs are at storage capacity. The subtraction of 42 AF for March through June 2025 represents the City's methods to account for siltation in the reservoirs (500 AFY divided among twelve months) and ensures that the volume of water used from Whale Rock and Salinas Reservoirs is in alignment with the General Plan Water and Wastewater Management Element (WWME), Section 5.

The Current Year estimated potable demand is 4,742 AF (Table 5). Using actual data for the period July 2024 through February 2025, the potable water GPCD is 92. Thanks to a history of collaboration between the City and its community members, community-wide water conservation has resulted in more efficient water use over the last 15 years. This water conservation ethic is supported by City programs such as the water conservation rebate program, school education program, community outreach program, customer water audits, and the retrofit upon sale program. Additionally, the City is improving the water efficiency of its operations by identifying and repairing leaking infrastructure, annually testing and upgrading water meters, and supplying parks with non-potable recycled water for irrigation. The City will conduct regular assessments of the water conservation program to ensure the most effective use of City resources to provide the greatest water savings.

Current Year water supply and demand data are shown on a monthly time-step in Table 5. The values demonstrate the seasonal differences in demand and the supplies needed to meet those demands. The City is not anticipating entering into a water shortage emergency at any point in the Current Year. The Current Year non-potable demand is 304 AF. This represents recycled water used for irrigation and construction purposes and acts to offset potable water use. The Current Year non-potable supply and demand assessment shows large surpluses for every month and a total annual surplus of about 1,829 AF. The total non-potable supply includes the total volume of water treated at the City's WRRF minus 4.9 AF per day creek discharge requirement. The non-potable supply and demand assessment provides insight on seasonal fluctuations in non-potable water supply and will assist the City in determining the ability to

meet increases in future demands for irrigation and the volume of water available for potable reuse projects.

## **Dry Year Water Supply**

The City's estimated Dry Year water supply is 9,034 AF (potable supply plus recycled water for non-potable reuse in Table 6). The Dry Year water supply is equivalent to the Fiscal Year 2025-2026 supply and reflects a restricted supply from Nacimiento Reservoir once temporary repairs are completed in July 2025. The City's potable and non-potable water supplies are shown on a monthly time-step in Table 6.

## **Dry Year Unconstrained Demand**

The Dry Year estimated potable demand is 4,737 AF (Table 7). Actual Dry Year demand be lower or greater than the estimated demand because of more efficient water use and variations in water needs caused by annual climate variations. Most of the City's potable demand is for single-family residential use (42%), followed by muti-family residential (19%), and commercial (19%). Demands for industrial, institutional, and dedicated landscape meters are each below ten percent of the total annual demand. Single-family and multi-family residential demands are greatest during the period May through October when precipitation is generally low. This suggests that residential demand is driven by outdoor irrigation and the increased demand for irrigation during dry periods. Non-potable water is estimated to offset about 329 AF of potable demand during the Dry Year (Table 7).

Table 4: Current Year 2024-25 Water Supply, in acre-feet

Potable Water	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Nacimiento Reservoir	0	0	0	0	0	0	0	0	0	0	0	0	0
Salinas and Whale Rock Reservoirs <sup>3</sup>	484	471	461	476	388	351	384	340	328*	349*	430*	448*	4,910*
Groundwater	0	0	0	0	0	0	0	0	0	0	0	0	0
Siltation from 2010 to 2060	-	-	-	-	-	-	-	-	(42)	(42)	(42)	(42)	(168)
Total by Month (Potable)	484	471	461	476	388	351	384	340	286*	307*	388*	406*	4,742*

Non-Potable	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Recycled Water for non-potable use <sup>4</sup>	41	42	33	30	17	8	10	8	11*	24*	33*	37*	294*
Recycled Water available for use	68	58	86	85	149	154	185	260	289*	204*	168*	133*	1,839*
Total by Month (non-potable)	109	100	119	115	166	162	195	268	300*	228*	201*	170*	2,133*

## Notes:

- 1. Values are rounded to the nearest whole number.
- 2. \* Denotes estimated values.

Table 5: Current Year 2024-25 Water Supply and Demand, in acre-feet

Potable Water	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar*	Apr*	May*	Jun*	Total*
Unconstrained Demand	484	471	461	476	388	351	384	340	286	307	388	406	4,742
Total Water Supply <sup>2</sup>	484	471	461	476	388	351	384	340	286	307	388	406	4,742
Surplus/Shortage	0	0	0	0	0	0	0	0	0	0	0	0	0
% Surplus/Shortage	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
State Standard Shortage Level	0	0	0	0	0	0	0	0	0	0	0	0	0

Non-Potable	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar*	Apr*	May*	Jun*	Total*
Unconstrained Demand	41	42	33	30	17	8	10	8	11	24	37	43	304
Total Water Supply <sup>3</sup>	109	100	119	115	166	162	195	268	300	228	201	170	2,133
Surplus/Shortage	68	58	86	85	149	154	185	260	289	204	164	127	1,829
% Surplus/Shortage	62%	58%	72%	74%	90%	95%	95%	97%	96%	89%	82%	75%	86%

### Notes:

- 1. \* Denotes estimated values.
- 2. Values are rounded to the nearest whole number.

Table 6: Estimated Dry Year 2024-25 Water Supply, in acre-feet

Water Supply Source	Additional Detail on Water Supply	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Annual Water Supply
Nacimiento Reservoir	From dependable yield <sup>1</sup>	249	234	218	234	207	184	161	164	179	190	235	245	2,500
Salinas and Whale Rock Reservoirs	From safe annual yield	488	459	428	459	406	361	318	322	352	374	462	481	4,910
Groundwater	Supplier-produced	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	Decrease in available supply from siltation in reservoirs	(41)	(41)	(41)	(41)	(42)	(42)	(42)	(42)	(42)	(42)	(42)	(42)	(500)
Total	Potable	696	652	605	652	571	503	437	444	489	522	655	684	6,910
Recycled Water for non-potable reuse	For irrigation and construction uses	41	42	36	42	34	17	5	5	11	24	34	38	329
Recycled Water available for use	Produced by the WRRF that is not allocated for non-potable reuse or creek discharge requirements	65	60	89	115	91	117	240	224	289	204	168	133	1,795
Total No	n-Potable	106	102	125	157	125	134	245	229	300	228	202	171	2,124

<sup>1.</sup> Restricted supply from Nacimiento due to service through temporary connection.

### I. PLANNED SHORTAGE RESPONSE ACTIONS

The City does not plan to implement a water shortage response in the Current Year or following Dry Year; however, the City's Water Shortage Contingency Plan (WSCP) provides a framework for responding to water shortages when necessary. The City's water shortage response is dependent on the ability to temporarily augment supply and/or reduce water demand. The goals of the WSCP are to extend the City's available water resources long enough to gain another winter rainfall period which could serve to add to reservoir storage. Extending available water resources through water demand reductions provides time for the City to bring on supplemental water supplies to meet demand. The City's water shortage response would combine a variety of strategies including outreach, indoor water efficiency regulations, and outdoor irrigation restrictions, each increasing in intensity as the shortage persists and the City's water supplies are further restricted. If necessary, implementation of these restrictions is critical to conserve the City's water supply for the greatest public benefit regarding domestic use, sanitation, and fire protection.

The City reads water meters monthly to ensure water consumption data is collected for tracking and analysis, as well as meeting state reporting requirements. Monitoring and reporting water use metrics are fundamental to water supply planning and management. Monitoring is essential in evaluating the effectiveness of expected response actions and identifying the need for new actions. While compliance tracking helps to ensure the effectiveness of enforcement programs. To monitor the functionality of the WSCP and ensure effectiveness, staff will track community response to water demand reduction measures, public outreach, enforcement, and other administrative actions at each water shortage response stage. This will include a review of monthly water consumption data for each customer class and evaluation of associated revenue and expenditure impacts. Based on these analyses, staff will recommend program refinements to the City Council as water shortage stages progress.

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<sup>&</sup>lt;sup>14</sup> The City's *Water Shortage Contingency Plan* is available at: https://www.slocity.org/home/showpublisheddocument/30334/637575513697770000

Table 7: Dry Year 2024-25 Unconstrained Demand, in acre-feet

					Projected	d Month	ly Water	Demand	<b> </b> 1				Total
Water Use	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Annual
													Demand
Demands Served by Potable Supplie	es												
Single Family	175	183	177	176	154	126	121	129	131	153	168	174	1,867
Multi-Family	85	89	96	98	90	82	81	83	82	91	89	86	1,052
Commercial	80	82	77	79	73	68	59	65	66	68	70	77	864
Industrial	15	15	14	13	9	7	6	7	7	10	12	13	128
Institutional/Government	3	3	3	4	3	3	3	2	3	3	3	3	36
Landscape	47	48	44	38	25	11	9	14	15	26	38	44	359
Water Loss	41	42	41	41	35	30	28	30	30	35	38	40	431
Total by Month (Potable)	446	462	452	449	389	327	307	330	334	386	418	437	4,737
Demands Served by Non-Potable Su	ipplies <sup>2</sup>												
Landscape	36	37	30	26	16	6	6	9	10	19	32	36	263
Golf Course Irrigation	5	5	3	3	2	0	1	1	1	3	4	5	33
Construction	4	5	4	4	2	0	1	2	1	2	3	4	32
Utilities	0	0	0	0	1	0	0	0	0	0	0	0	1
Total by Month (Non-Potable)	45	47	37	33	21	6	8	12	12	24	39	45	329

### Notes:

- 1. Estimated values.
- 2. Non-potable water treated to tertiary level.

Table 8: Dry Year 2023-24 Water Supply and Demand, in acre-feet

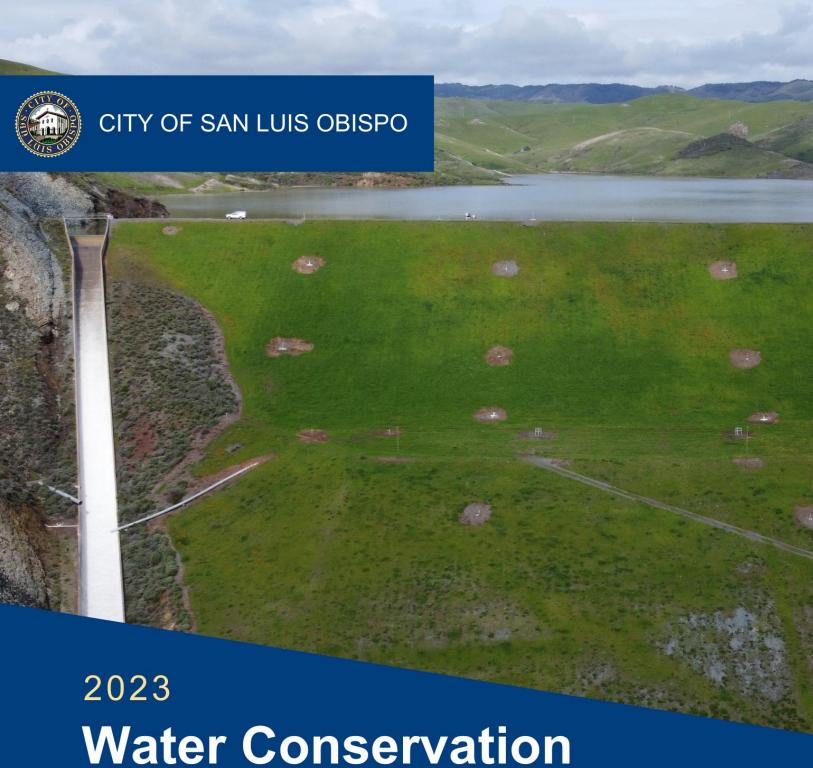
Potable Water	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Anticipated Unconstrained Demand	446	462	452	449	389	327	307	330	334	386	418	437	4,737
Anticipated Total Water Supply	696	652	605	652	571	503	437	444	489	522	655	684	6,910
Surplus/Shortage	250	190	153	203	182	176	130	114	155	136	237	247	2,173
% Surplus/Shortage	36%	29%	25%	31%	32%	35%	30%	26%	32%	26%	36%	36%	31%
State Standard Shortage Level	0	0	0	0	0	0	0	0	0	0	0	0	0

Non-Potable Water	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Anticipated Unconstrained Demand	45	47	37	33	21	6	8	12	12	24	39	45	329
Anticipated Total Water Supply	106	102	125	157	125	134	245	229	300	228	202	171	2,124
Surplus/Shortage	61	55	88	124	104	128	237	217	288	204	163	126	1,795
% Surplus/Shortage	58%	54%	70%	79%	83%	96%	97%	95%	96%	89%	81%	74%	85%

### II. SUMMARY

Based on the findings from this Water Supply Assessment, the City does not expect to enter a water shortage emergency and will not need to implement water shortage response actions. In fact, the Water Supply Assessment shows that the Dry Year the City will have a water supply surplus on an annual and monthly timestep. The City will continue to monitor its supply and demand using its Water Projection Model to ensure that any water shortage emergencies may be identified well in advance so that programmatic and operational changes can be made to mitigate their effects. Finally, this Water Supply Assessment assumes reliable delivery of available water supplies during drought conditions similar to those experienced in recent history. Decreases in water availability caused by extreme drought conditions or disruptions in the delivery of available water supplies may create unexpected water shortage emergencies. If such water shortage emergencies arise, the City is prepared to implement its WSCP to extend the City's available water resources long enough to gain additional winter rainfall periods which could serve to add to reservoir storage or to bring on supplemental water supplies to meet demand.

In summary, the City maintains a robust water supply portfolio that can meet current and future demands, including during dry periods. To plan for potential future dry years, the City has secured a multi-source supply that provides reliability and operational flexibility. The City's estimates of water supply and demand account for both current and future build-out demands to ensure adequate water supply, and the use of conservative estimates provides a buffer that reduces the potential for water shortages even during unexpected disruptions in water supply or greater than expected increases in demand. This buffer is in part to the long-standing history of water conservation by the City and its community members, making water conservation a reliable component of the City's water shortage mitigation strategy. Additionally, the City is working to expand the use of recycled water within its limits to offset additional potable water use and to develop groundwater and potable reuse programs to provide supplementary sources of potable water supply that provide further operational flexibility during disruptions in water deliveries from reservoirs.



### Water Conservation & Efficiency Plan

Water for a Sustainable Future

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### **List of Abbreviations and Acronyms**

AB	Assembly bill
AF	Acre-feet
AFY	Acre-feet per year
AMI	Advanced metering infrastructure
AWE	Alliance for Water Efficiency
AWWA	American Water Works Association
CALGreen	California Code of Regulations, Title 24, California Green Building Standards Code
Cal Poly	California Polytechnic State University
CII	Commercial, industrial, and institutional
CO2	Carbon dioxide
CWC	California Water Code
DIM	Dedicated irrigation meter
FY	Fiscal year
GHG	Greenhouse gas
GPCD	Gallons per capita per day
HCF	Hundred cubic feet
kWh	Kilowatt hour
Mgd	Million gallons per day
MFR	Multi-Family Residential
MWELO	Model Water Efficient Landscape Ordinance
PG&E	Pacific Gas and Electric
psi	Pounds per square inch
R-GPCD	Residential gallons per capita per day
SB	Senate Bill
SCADA	Supervisory Control and Data Acquisition
SFR	Single-Family Residential
UWMP	Urban Water Management Plan
UWUO	Urban Water Use Objective
WRRF	Water Resource Reclamation Facility
WSCP	Water Shortage Contingency Plan
WTP	Water Treatment Plant
WWME	Water and Wastewater Management Element



### 1. INTRODUCTION

### **Purpose and Scope**

The City of San Luis Obispo (City) has developed the Water Conservation and Efficiency Plan to ensure the sustainable management of its water resources while meeting the needs of a growing community and the demands of evolving water-use regulations. The purpose of this plan is to guide the implementation of water conservation measures that maximize water savings using available financial and staffing resources. Water conservation includes activities designed to (1) reduce the demand for, and improve use efficiency of, water use (demand management), (2) reduce losses and waste of water, and (3) improve land management practices, such as soil improvement and low-impact development stormwater retention.

The City is committed to maintaining its long history of water conservation and water supply reliability. As a continuation of this commitment, the Water Conservation and Efficiency Plan includes a detailed assessment of historical and current water conservation efforts, a comprehensive evaluation of long-term water conservation measures, and thoughtful selection of water conservation measures to be incorporated into the City's future water conservation programing. The Water Conservation and Efficiency Plan also aims to estimate water supply and demand changes in response to water use efficiency regulations, implementation of water conservation measures, and population growth. This plan differs from the City's Water shortage Contingency Plan (WSCP)<sup>1</sup> in that it defines actions the City will take to proactively conserve water, while the WSCP defines water conservation actions that will be taken in response to various degrees of drought.

<sup>&</sup>lt;sup>1</sup> The City's 2020 Water Shortage Contingency Plan can be accessed at: https://www.slocity.org/home/showpublisheddocument/31039/637673766931570000

### **Objectives**

The five primary objectives of this plan are to:

- 1. Develop cost-effective water conservation measures that maximize opportunities to meet the future water needs of the community.
- 2. Offset and/or delay the need to construct additional water supplies or upsize treatment and distribution infrastructure.
- 3. Offset and/or reduce ratepayer costs for the treatment and delivery of safe water and the treatment of wastewater.
- 4. Meet state and federal water conservation mandates.
- 5. Foster environmental stewardship through the implementation of responsible and innovative water use practices.

To achieve these objectives, the City will continue to strive to be more water-efficient within its own operations and maintenance practices and encourage customers to be more water efficient through the implementation of various water conservation measures. The Water Conservation and Efficiency Plan will act as a roadmap for the City to meet its water conservation goals, while also ensuring that its water resources are sustainable for future generations.

### **Plan Development and Public Participation**

The City's Water Conservation and Efficiency Plan was developed with valuable input and recommendations to ensure that it reflects the needs of the community. Stakeholders included City staff and members of the community-at-large. The plan will be regularly reviewed and revised to reflect new technology and industry practices, and staff will seek public input during these updates to ensure continued community involvement. Revisions will be made with careful consideration of the benefits and costs associated with the most current water conservation and efficiency industry standards. By continuing to engage with a wide range of stakeholders, the Water Conservation and Efficiency plan will continue to promote the responsible use of the City's water resources for all community members.

### **Plan Elements**

The City's approach to water conservation is tailored to the unique needs and characteristics of the San Luis Obispo community. The Water Conservation and Efficiency Plan includes a comprehensive analysis of the City's water service area, current and historical water supply and demand patterns, and relevant conservation regulations. Next, an evaluation of potential long-term water conservation measures is conducted using the Alliance for Water Efficiency (AWE) Conservation Tracker Tool. With this information, the plan identifies a final water conservation program and sets specific targets for reducing usage in residential and commercial sectors. This section also outlines the measurable objectives the City aims to achieve to meet those targets. Lastly, the Water Conservation and Efficiency Plan describes an implementation plan that the City will use to regularly monitor and evaluate the effectiveness of the water conservation measures that have been implemented. Overall, the Water Conservation and Efficiency Plan acts as an important tool in evaluating the City's approach to water conservation and establishing a more sustainable and resilient water supply for the community.

# 2. SERVICE AREA AND WATER SYSTEM CHARACTERISTICS

### **Service Area**

The City of San Luis Obispo is located about half-way between Los Angeles and San Francisco, California (Figure 1) and has a total area of 13.2 square miles. Situated in a coastal valley approximately ten miles inland from the Pacific Ocean, the City's Mediterranean climate provides for mild and dry summers and cool winters, with an annual average of about 20 inches of precipitation. Summers are generally warm and sunny, often with morning fog from the Pacific coast. Winters are generally mild, though below freezing lows may be expected during the winter. Temperatures vary widely, with 80° F readings in January and February not uncommon. Because the City receives water from surface water reservoirs located in different watersheds, climate data specific to the areas surrounding the reservoirs are utilized in water management models.

### **Demographic Forecasts**

The City's January 2023 population was 47,788.<sup>2</sup> From 2012 to 2022, the City grew by 235 people which was below the City's General Plan one percent growth maximum<sup>3</sup>. The City's future growth is projected to be in specific plan areas, as well as infill and intensification of existing developed areas, such as the City's' downtown.

<sup>&</sup>lt;sup>2</sup> The State of California Department of Finance, *Population and Housing Estimates for Cities, Counties, and the State – January 1, 2022 and 2023* can be accessed at: <a href="https://dof.ca.gov/forecasting/demographics/estimates-e1/">https://dof.ca.gov/forecasting/demographics/estimates-e1/</a>
<sup>3</sup> The City of San Luis Obispo General Plan can be found at: <a href="https://www.slocity.org/government/department-directory/community-development/planning-zoning/general-plan">https://www.slocity.org/government/department-directory/community-development/planning-zoning/general-plan</a>

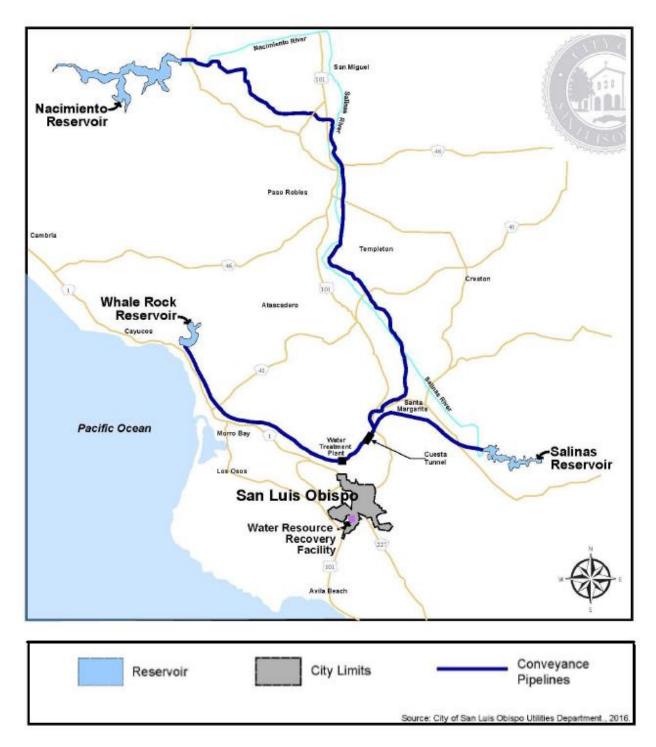


Figure 1. Map of Key Water Infrastructure.

The City uses the growth rate and population projections from the City's General Plan Land Use Element (1% annual growth rate and 57,200 persons in 2035). To comply with State requirements, the City's 2020 Urban Water Management Plan (UWMP)<sup>4</sup> projected population through 2040. The City assumed an annual population growth of one percent for the five years from 2035 to 2040, yielding a future population of 60,118 in 2040. Table 1 provides the City's actual 2020 population and population projections to 2040.

Table 1. Projected and Actual City Population.

	2020	2025	2030	2035	2040
Land Use Element (2014),	48,826	51,317	53,934	57,200	60,118
Projected Population <sup>1</sup>					
Actual City Population <sup>2</sup>	45,920				

<sup>&</sup>lt;sup>1</sup>City of San Luis Obispo, General Plan, Land Use Element, Table 3, 2014.

The City is a civic, economic, and cultural hub on the Central Coast. With an influx of employees to major regional employers, the City has an estimated daytime population of up to 90,000 persons. Public sector jobs account for a sizeable portion of the job market, including California Polytechnic State University (Cal Poly) and the County of San Luis Obispo. Per the June 2019 Cal Poly Campus Master Plan<sup>5</sup>, student enrollment, faculty, and staff is anticipated to grow from just over 24,000 at the 2015 baseline mark, to nearly 29,000 people by the 2035-36 academic year (an average increase of 200 students per year). Although Cal Poly plans to increase on campus housing and the university has its own water supply source, large portions of the student, faculty, and staff populations reside within City limits and visitors frequently visit or stay in the City for university related events. In addition to local events, the City is also a popular tourist destination due to its proximity to beaches and open space areas, historic downtown, and its overall vitality. The City's tourism is at its peak during the summer; however, Cal Poly is also out of session at this time, thus reducing the overall daily population served by the City during the summer months.

### **Water System**

The City utilizes water from three surface-water sources for potable (drinking-water) purposes and recycled water from its Water Resource Recovery Facility (WRRF) for non-potable uses. Several upgrades of the City's Water Treatment Plant (WTP) have improved treatment plant resiliency and capacity to meet the City's evolving demands. Treated water is delivered from the WTP to water customers through a system of water mains, storage tanks, and pump stations. The City performs regular system maintenance to ensure reliable water delivery and to reduce water loss. Water demand is measured at customer meters monthly using a contract meter reading service, which allows prompt, accurate, and efficient meter reading. Monthly meter reads also allow the City's Water Resources section to respond to potential concerns of water loss in a timely manner. To increase water efficiency in the community's water distribution and treatment

<sup>&</sup>lt;sup>2</sup>Population estimate for the City of San Luis Obispo is from the California Department of Finance website at: www.dof.ca.gov/forecasting/Demographics/Estimates/e-1/

<sup>&</sup>lt;sup>4</sup> The City of San Luis Obispo 2020 Urban Water Management Plan can be found at: https://www.slocity.org/home/showpublisheddocument/31041/637673768464130000

<sup>&</sup>lt;sup>5</sup> The 2019 Cal Poly Campus Master Plan can be found at: https://masterplan.calpoly.edu/docs/cal-poly-campusmaster-plan-2019-06-27.pdf

systems, the City has developed a Water Distribution System Operations Master Plan<sup>6</sup>, and conducts annual Water Loss Audits.

### Water Sources

The City utilizes three surface water reservoirs to meet its potable water demand. Salinas Reservoir, located nine miles southeast of the community of Santa Margarita, has provided water to the City since 1944. Whale Rock Reservoir, located one-half mile east of the town of Cayucos, has been a water source for the City since 1961. Water deliveries from Nacimiento Reservoir, located 14 miles northwest of the City of Paso Robles, to the City began in January 2011. Three distinct raw water transmission facilities deliver water to the City's WTP from the Salinas, Whale Rock, and Nacimiento Reservoirs. The City does not currently rely on local groundwater to serve the community's long-term water supply needs. However, the City has relied heavily on groundwater during past droughts and is planning to resume the use of groundwater pumping in 2026. The City is supplied recycled water from its WRRF, which is utilized for landscape irrigation and for construction water (dust suppression, compaction, etc.). The City will be maximizing the production of recycled water with the upgrade of the WRRF, currently under construction. Figure 1 shows the location of the City's reservoirs and raw water conveyance pipelines.

### Water Treatment System

The City's WTP is located on Stenner Creek Road, northwest of the Cal Poly campus. The facility was constructed in 1964 to provide treatment of surface water from Salinas and Whale Rock Reservoirs. The WTP is a conventional plant that includes ozone disinfection, coagulation, flocculation, sedimentation, and filtration. The WTP was originally designed to treat up to eight million gallons per day (mgd). In 1977, the plant was upgraded to provide 11.5 mgd of treatment capacity but has been able to treat up to 12.0 mgd for limited periods during peak summertime water demands. In 1994, the WTP was upgraded to comply with new regulations and to increase the treatment capacity to 16.0 mgd. In 2020, the City entered into a public/private partnership with Pacific Gas and Electric (PG&E) for the Water Energy Efficiency Project at the WTP. Project components included upgrading the ozone generation system, Supervisory Control and Data Acquisition (SCADA) system, plant service water, and improvements to the Transfer Pump Station. The implementation of the Water Energy Efficiency Project is estimated to result in a reduction of energy usage of over 33 percent annually from 2019 WTP operations.

### Water Distribution System

The City's potable water distribution system delivers water from the WTP to approximately 16,500 metered customers and over 2,000 fire hydrants via 190 miles of water mains, ten treated water storage tanks, and seven pump stations. The water delivered from the WTP is split into two main distribution networks, the high-pressure side of town and the low-pressure side. The WTP has a large pump station (the Transfer Pump Station) that pumps water to the high-pressure zones which provide service to the higher elevation areas in the City. The transfer pumps take approximately half of the produced water, increase the pressure, and then provide water to Reservoir #2, Cal Poly, and other portions of the City, generally north and east of the Union Pacific Railroad tracks. Water flows by gravity directly into the lower pressure zones from the WTP's

<sup>&</sup>lt;sup>6</sup> The City of San Luis Obispo Final Potable Water Distribution System Operations Master Plan, December 2015, can be found at: <a href="https://www.slocity.org/home/showpublisheddocument/6439/636009798150130000">https://www.slocity.org/home/showpublisheddocument/6439/636009798150130000</a>

onsite clear well treated water storage tanks. The City has ten water storage facilities, seven of which are steel storage tanks ranging in size from 0.04 to 4.0 million gallons and three concrete facilities with a capacity of 0.35 to 7.5 million gallons. In 2023, the combined storage capacity is 23.705 million gallons. The goal of the distribution system is to provide uninterrupted water flow at adequate pressures (between 40 pounds per square inch (psi) and 80 psi) to meet all fire and domestic flow requirements and to minimize system water loss due to breaks and leakage. This pressure range will meet the needs of most irrigation sprinklers and other uses and provide adequate pressure for fire sprinkler systems. Preventative maintenance is performed to minimize water service disruption, prolong system service life, and reduce water loss.

The water distribution team is currently in the process of updating mechanical meters to digital meters that will allow the City to utilize Advanced Metering Infrastructure (AMI) to read water meters through a cellular network. This system will provide customers a portal to track their water use and be alerted of potential water leaks. Automatic reads will also allow the City to eliminate the need for contract meter reading, identify instances of potential water waste or leaks more quickly, and improve customer service operations.

### **Contract Meter Reading**

In January 2015, the City executed its first water meter reading contract to address irregular billing period lengths and billing dates during the City's Average Winter Water Use billing cycle. Meters are read at the beginning of each month utilizing a contract meter reading service provider. The use of this service makes it feasible to have all of the City's water meters read in one week and for billing dates to be standardized for all ratepayers. Contract meter readers also take pictures of water meter reads that are outside a normal range of water consumption. Prior to contract meter reading, Water Resources staff had to visit a property to re-read a meter if the meter read appeared outside of a normal range. Staff are now able to utilize the picture taken by the contract meter reader to inform customers of the potential for a water leak or another cause of high consumption. The pictures have also reduced the number of billing errors related to misread meters. The City continues to utilize a contract meter reading service provider in 2023 and looks to expand the efficiencies gained through use of these services, and associated technology, in the future.



# 3.WATER SUPPLY AND DEMAND

### **Water Supply**

Water supply reliability is the City's ability to meet the water needs of its customers under varying conditions. The City estimates annual Water Supply based on Water and Wastewater Management Element (WWME), Section 37. This method incorporates Safe Annual Yield from Salinas and Whale Rock Reservoirs as determined through the City's 2018 Safe Annual Yield Model, the City's contractual amount of water from Nacimiento Reservoir (Dependable Yield), the prior Calendar Year volume of Recycled Water utilized by the City, and reduction in reservoir storage caused by siltation as directed in WWME Policy A 4.2.2. As described in Chapter 6 of the City's 2020 UWMP8, the City assesses water supply reliability by analyzing the hydrological variability of the City surface water reservoirs (Salinas, Whale Rock, and Nacimiento), regulatory variability, climate conditions, and other factors that may affect the City's water supplies and customer water uses. This analysis is done using the City's Water Projection model and applies worst-case drought conditions according to guidelines set forth in the UWMP plan documentation. The City accounts for the water supplies necessary to meet community needs using the methods detailed in WWME Section 5. The amount of water needed to serve the City's future residential and non-residential water demand is termed the primary water supply. The primary water supply is calculated using the build-out population identified in the General Plan, Land Use Element (2014) and 117 gallons per capita per day (GPCD), which is the maximum allowed per capita water use under the Water Conservation Act of 2009 (SB X7-7)9.

<sup>&</sup>lt;sup>7</sup> The City of San Luis Obispo *General Plan, Water and Wastewater Element* is available at: https://www.slocity.org/home/showdocument?id=6649

<sup>&</sup>lt;sup>8</sup> The City's 2020 Urban Water Management Plan can be accessed from the California Department of Water Resources, WUEdata Portal at: <a href="https://www.https:/

<sup>&</sup>lt;sup>9</sup> Senate Bill No. 7 – Water conservation, is available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=200920107SB7

Fiscal Year (FY) 2022-2023 (July-June) available water supply was 10,183 acre-feet (AF; Table 2). Results from the City's Water Projection Model demonstrate that this is a reliable estimate of supply availability for the Current Year as well as extended drought periods (greater than 10 years).

Table 2. Annual Water Supply for Fiscal Year 2022-23.

Water Source	Annual Water Supply (AF)	Description
Nacimiento Reservoir	5,482	Dependable Yield <sup>1</sup>
Salinas & Whale Rock Reservoirs	4,910	Safe Annual Yield <sup>2</sup>
Recycled Water	291	2022 Annual Usage <sup>3</sup>
Siltation from 2010 to 2060	(500)	WWME Policy A 4.2.24
Total Availability	10,183	

<sup>&</sup>lt;sup>1</sup>Dependable Yield is the contractual amount of water the City has rights to from Nacimiento Reservoir.

### **Water Demand**

The FY 2023 *calculated* potable demand was 6,262 AF based on the 2023 population of 47,788 and per-capita daily demand of 117 GPCD. The *actual* FY 2023 demand shown in Table 3 (4,935 AF) is lower than the estimated demand because of more efficient water use (92 GPCD) and variations in water needs caused by annual climate variations. The City's total water demand has not increased at a rate that follows the rate of population growth (Figure 2). In fact, community-wide water use has decreased since 1987 when it was at a high of 182 GPCD. The *residential* GPCD (R-GPCD) for the City during FY 2023 was 53 R-GPCD, which is considerably lower than the San Luis Obispo County average of 70 R-GPCD for 2022, according to the <u>California Water Board's Water Conservation Reporting<sup>10</sup></u>. The FY 2023 non-potable demand was 231 AF. This represents recycled water used for irrigation which acts to offset potable water use.

<sup>&</sup>lt;sup>2</sup>The City's Safe Annual Yield model was updated in 2018.

<sup>&</sup>lt;sup>3</sup>The quantity of recycled water included (291 AF) is the actual prior year's usage (calendar year 2022) per General Plan Water and Wastewater Management Element Policy A 7.2.2.

<sup>&</sup>lt;sup>4</sup>Reservoir siltation is a natural occurrence that reduces storage capacity over long periods, resulting in the reduction of safe annual yield.

<sup>&</sup>lt;sup>10</sup> The California Water Board Water Conservation and Production Reports can be found at: https://www.waterboards.ca.gov/water\_issues/programs/conservation\_portal/conservation\_reporting.html

Table 3. Water Supply Use by Source for Fiscal Year 2023.

	2023 Fiscal Year Water Supply Use (AF) <sup>1</sup>	Percentage of Annual Use
Nacimiento Reservoir	2,096	42%
Whale Rock Reservoir <sup>2</sup>	1,660	34%
Salinas Reservoir	948	19%
Recycled Water	231	5%
Groundwater	0	0%
<b>Total City Water Demand</b>	4,935	100%

<sup>&</sup>lt;sup>1</sup>Values are rounded.

<sup>&</sup>lt;sup>3</sup>Groundwater was not used for potable purposes during FY 2022.

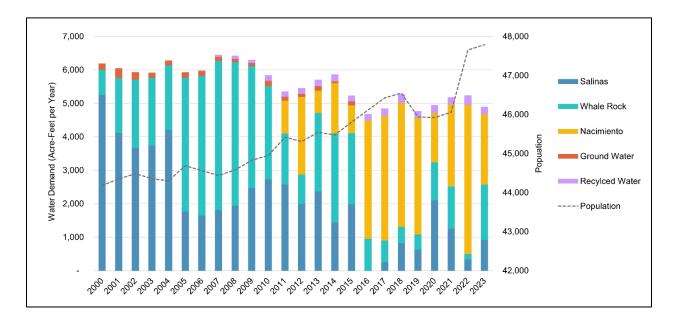


Figure 2. Water Demand by Source (FY2000-2022).

### Analysis of Water Use by Customer Group

The City has several different customer types, which can primarily be categorized as residential, commercial industrial and institutional (CII), landscape, and recycled water users. These categories are then further broken down into classifications based on facility. These classifications allow the City to better understand specific customer water needs, develop more effective water conservation programs, and establish fair and equitable water rates.

### **Residential Water Use**

Residential water use is comprised of single-family residences (SFR), multi-family residences (MFR), mobile home parks, and homestays. As displayed in Table 4, in FY 2023 most of the City's potable demand was for SFR use (50%), followed by MFR (17%). During FY 2023, 2,849 AF of water was utilized by all residential water customers in the City. Residential demands are

<sup>&</sup>lt;sup>2</sup>Water delivered to Cal Poly State University is excluded from the City's water demand, as Cal Poly has its own water storage and water diversion rights in Whale Rock Reservoir.

generally greatest during the period May through October when precipitation is generally low, and temperatures are highest. This suggests that residential demand is driven by outdoor irrigation during hot, dry periods. During the cooler, winter months when landscape irrigation is minimal, the R-GPCD can be used as a rough estimate of indoor residential water use; for the City this value averages about 44 R-GPCD for the period 2015-2022.

Table 4. Water Demand by Customer Category for Fiscal Year 2022-23.

Customer Category	Water Demand (AF)	Percent of Total Demand		
Single Family Residential	2,072	50%		
Multi-Family Residential	704	17%		
Commercial	882	21%		
Institutional	109	3%		
Industrial	34	1%		
<b>Dedicated Residential Irrigation Meters</b>	73	2%		
Dedicated CII Irrigation Meters	235	6%		
Total Potable Water Demand	4,108	100%		

### Commercial, Industrial, and Institutional (CII) Water Use

CII water use varies based on the type and size of operations, the facility's water demands (landscaping and plumbing fixtures), and the water practices in place. The City's CII customers are categorized into 28 classifications, which are detailed in the Appendix A1 of this plan. These classifications allow the City to identify potentially abnormally high-water users within each classification and to estimate water use of new businesses proposed for development within the City. CII water demand, not including landscape irrigation demand, accounted for approximately 25% (1,025 AF) of potable water demand during the FY 2023.

### **Landscape Water Use**

Landscape water use is comprised of City Park landscaping, City landscaping (i.e. medians, parkway, and facility landscaping), residential landscaping, and CII landscaping. The City's municipal code requires that nonresidential, multifamily, or mixed-use properties with one thousand square feet of landscaping or greater use a dedicated irrigation meter (DIM) to measure landscape irrigation demand<sup>11</sup>. DIMs allow customers to more precisely understand water used for landscaping and identify leaks or other issues associated solely with the irrigation system. This allows property owners to make more informed decision about their overall water consumption and can assist in efficient water use. Additionally, forthcoming regulations from the State of California will require the use of DIMs on certain CII properties, and the City's policy requiring DIMs positions it well to meet those regulations. About 235 AF of water was measured by DIMs at CII properties in the City in FY 2023. This is approximately 6% of the City's potable water use for that year.

### **Recycled Water Use**

The primary use of recycled water in the City is for landscape irrigation with the majority of that use occurring from May through October. About 231 AF of recycled water was used for landscape

<sup>&</sup>lt;sup>11</sup> City municipal code 13.04.130, Water Meters is available at: https://sanluisobispo.municipal.codes/Code/13.04.130

irrigation in FY 2023. Of this amount 45% was utilized to maintain City landscape areas, including parks, 23% for MFR landscaping, and 32% for CII landscaping and private parks. About 26 AF of recycled water was used for construction water in FY 2023. The City has identified a "seasonal surplus" of recycled water available in excess of the required discharge to San Luis Obispo Creek (5 AF per day as required by the National Oceanic and Atmospheric Association, National Marine Fisheries Service in 2005) and recycled water for landscape irrigation and construction needs. As only a limited amount of landscape irrigation takes place from November to April (seasonal off-peak period), more than 6 AF per day of recycled water is available during the seasonal off-peak period. An upgrade of the WRRF is underway, which will accommodate the City's buildout and maximize recycled water production. The upgrade will enable the City to maximize beneficial use of recycled water, including consideration of either direct or indirect potable reuse in the future. Until potable reuse is implemented, the City is focused on expanding the use of recycled water within City limits to help offset potable water use. Per the City's Recycled Water Master Plan, recycled water use is projected to increase by 10 AF per year.

### **Conservation as a Source of Supply**

Water conservation above and beyond the state's regulations can be considered a source of water supply because the City retains that volume of water in its reservoirs and groundwater aquifers for future use. Per SB X7-7, the City is required to meet a per-capita target of 117 GPCD. Prior to FY 2010 the City exceeded the water conservation target; per capita water use for the City was 129 GPCD in FY 2007 and FY 2008 (Figure 3). Since FY 2010 the City is consistently below the SB X7-7 target and the water conservation mandates enacted by the State during the 2015-2017 drought reduced the City's annual demand to its current levels of around 100 GPCD, while current water conservation efforts are aimed at maintaining or reducing per-capita water use. Average annual water supply resulting from water conservation for FY 2010-2023 is 813 AFY, or about 20 percent of the City's FY 2023 potable demand.

The City accounts for the increase in available water supply resulting from water conservation by including it in its water supply accounting. In addition to the Primary Water Supply described above, the City estimates a Reliability Reserve and a Secondary Water Supply. The Reliability Reserve acts as a buffer for unforeseen or unpredictable long-term impacts and the water supply that exceeds the City's Primary Water and Reliability Reserve is referred to as the City's Secondary Supply.

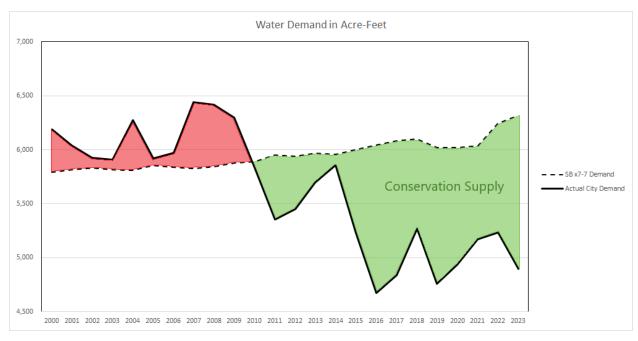


Figure 3. Actual City Water Demand Versus SB X7-7 Estimated Water Demand (FY 2000 - FY 2023).

### Impact of Plumbing Code or Building Code on Water Use

Plumbing and building codes serve as instrumental tools for water conservation efforts. These type of conservation efforts are considered "passive" and result in long-term, reliable water savings as old inefficient fixtures are replaced over time. Federal and state policies such as the Federal Energy Policy Act of 1992<sup>12</sup>, the California Code of Regulations Title 20<sup>13</sup>, and the California Code of Regulations, Title 24, California Green Building Standards Code (CALGreen Code)<sup>14</sup> mandate fixtures being sold or installed meet specific water efficiency standards. These include low-flow toilets, urinals, showerheads, faucets, and pre-rinse spray valves, which are designed to limit water usage without compromising performance. City of San Luis Obispo plumbing codes also mandate the use of water-efficient fixtures and designs, aligning with statewide plumbing codes and water conservation initiatives.

The City adopted Chapter 17.70.220 Water-efficient landscape standards<sup>15</sup> as a part of its municipal code that promotes the use of native and drought tolerant materials and sets water efficient landscape standards consistent with State law. Systems must be designed for efficient,

<sup>&</sup>lt;sup>12</sup> The Federal Energy Policy Act of 1992 can be accessed at: https://afdc.energy.gov/files/pdfs/2527.pdf

<sup>&</sup>lt;sup>13</sup> The California Code of Regulations, *Title 20. Public Utilities and Energy* can be accessed at: https://www.energy.ca.gov/sites/default/files/2021-07/Title%2020%20Updated%20July%2023%2C%20201.pdf

<sup>&</sup>lt;sup>14</sup> The California Code of Regulations, Title 24, California Green Building Standards Code (CALGreen Code) can be found at: https://codes.iccsafe.org/content/CABC2022P1/california-code-of-regulations-title-24

<sup>&</sup>lt;sup>15</sup> City of San Luis Obispo municipal code 17.70.220, Water-efficient landscape standards is available at: <a href="https://sanluisobispo.municipal.codes/Code/17.70.220">https://sanluisobispo.municipal.codes/Code/17.70.220</a>

conservative use of water that are in accordance with the City's Engineering Standards<sup>16</sup>. Community Design Guidelines<sup>17</sup> also required proposed landscaping to set goals to reflect the local climate and conserve water, including considering water shortages, effects of drought, plant loss, and increased water cost. Proposed developments must also incorporate features such as permeable surfaces that facilitate the absorption of water into the ground as a part of the City's Community Design Guidelines. Mandating water-efficient fixtures and optimizing outdoor water use create a foundation for sustainable water practices that create long-term water savings.

### **Overall Supply and Demand Balance**

Per California Water Code (CWC §10632.1.)<sup>18</sup> the City conducts an Annual Water Supply and Demand Assessment (Water Supply Assessment) for the purpose of (i) evaluating its water supply reliability for the current year and one subsequent dry year and (ii) generating and submitting an Annual Shortage Report to the California Department of Water Resources. The City converts annual supply and demand values to monthly volumes for the purposes of this Water Supply Assessment so that potential seasonal water shortages are highlighted. Monthly supply and demand volumes are calculated using average monthly demand as a percent of average annual historical demand for the period following the previous drought (2015-2017) and including the most recent drought. These monthly average demand percentages are then applied to the annual supply and demand to provide monthly volumes. The City's FY 2022 Water Supply and Demand Assessment showed that the City consistently has a water surplus (supply is greater than demand) month to month for a typical year and also a subsequent, hypothetical dry year.

For longer-range estimations of supply and demand balance the City utilizes a Water Projection Model to test both hypothetical and actual water demand scenarios and to forecast how long water supplies will sustain the community under specific conditions. The Water Projection Model accounts for the storage in the City's surface water reservoirs, in conjunction with other available resources (i.e., groundwater and recycled water), needed to meet the City's water demand. The model uses historical hydrologic information (rainfall, evaporation, inflow) based on the average for the worst drought period (2012 to 2014). Other data included in the model are:

- Water entitlement
- Current reservoir levels/storage
- Average GPCD community water demand
- Rainfall
- Temperature
- Evaporation
- Existing population
- Estimated population growth

https://www.slocity.org/home/showpublisheddocument/27919/637341402080900000

https://www.slocity.org/home/showpublisheddocument/2104/635491488007630000

https://leginfo.legislature.ca.gov/faces/codes\_displaySection.xhtml?lawCode=WAT&sectionNum=10632



<sup>&</sup>lt;sup>16</sup> Standard Specifications & Engineering Standards August 2020:

<sup>&</sup>lt;sup>17</sup> San Luis Obispo Community Design Guidelines:

<sup>&</sup>lt;sup>18</sup> Cal. Water Code §10632.1. can be accessed at:

The City uses the Water Projection Model to study the potential impacts of various intensities of drought conditions, including increased air temperature and evaporation rates, along with decreased precipitation. Utilizing the Water Projection Model as part of its water supply management strategy, the City can foresee whether a water supply shortage is anticipated in any given year and the severity of a shortage based on the availability of the City's different sources of supply and water demand trends. When utilizing the Water Projection Model to estimate future water supply and demand, GPCD decreases in accordance with the 2020 WSCP. For example, water demand is calculated using an initial value of 117 GPCD and decreases by ten percent (corresponding to a ten-percent decrease in water use) to 105 GPCD when available supply is less than 5-years of estimated annual demand. This ten percent reduction is in alignment with the demand reduction that the City projects it would achieve from water conservation measures outlined in the WSCP. Model results using FY 2022 data showed that the City would have adequate supply to meet City demands without implementing the WSCP for ten years of continuous drought conditions (Figure 4).

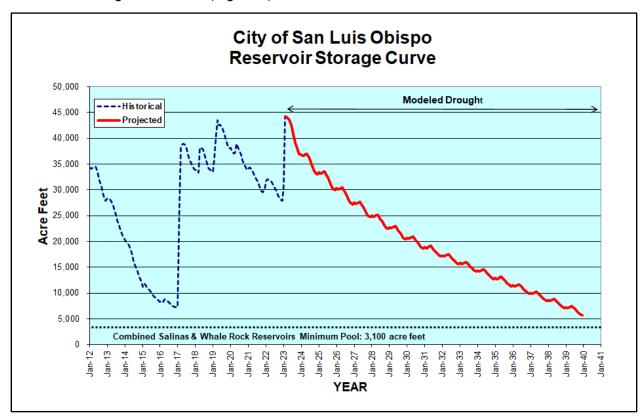


Figure 4. Historical Storage Volume, in Acre-Feet, in Salinas and Whale Rock Reservoirs, and Projected Storage Volume Through an Extended Drought Period.

### **Water Shortage Contingency Plan**

The City adopted the 2020 WSCP on June 15, 2021<sup>19</sup>. The City's WSCP provides the foundation for a staged response to worsening water shortage conditions. A water shortage could occur due to drought, earthquake, infrastructure failure, or another emergency. Drought may occur with unpredictable frequency, intensity, and duration. An update to the City's Water Conservation Ordinance (Chapter 13.07 of the Municipal Code), established the regulations and procedures for implementing this Plan and updated the ordinance to comply with newer requirements under Water Code Chapter 3.3: Excessive Residential Water Use During Drought.

The City's water shortage response is dependent on the ability to temporarily augment supply and/or reduce water demand. The City's water shortage response would combine a variety of strategies including outreach, indoor water efficiency regulations, and outdoor irrigation restrictions, each increasing in intensity as the shortage persists and the City's water supplies are further restricted. Implementation of these restrictions is necessary to conserve the City's water supply for the greatest public benefit regarding domestic use, sanitation, and fire protection. It is the City's goal to implement water demand reduction programs that will achieve measurable water savings without requiring customers to make significant lifestyle changes. In the more advanced water shortage stages lifestyle and water-use habit changes will be necessary.

The City's WSCP consists of seven stages. The multi-stage approach provides different levels of response for a water shortage event ranging from a ten percent supply deficiency up to a 50 percent or greater deficiency. The purpose of establishing water shortage stages is to clearly define the severity of the shortage and establish appropriate targets for demand reductions. Defining these stages allows the City to respond to worsening conditions, with each stage "triggering" different actions. City Council may adopt variations of these Water Shortage Response Actions, independent from the stage resulting from the use of the Water Projection Model, to strategically address the current water shortage situation.

<sup>&</sup>lt;sup>19</sup> The City's 2020 Water Shortage Contingency Plan can be accessed at: https://www.slocity.org/home/showpublisheddocument/31039/637673766931570000

## 4. HISTORICAL AND CURRENT WATER CONSERVATION PROGRAM

Water conservation is an integral part of the City's overall water management strategy and was first referenced as a part of the City's water management policies in 1973. In 1985, the City adopted the Annual Water Operational Plan policy that established water conservation as a means of extending water supplies during projected water shortages. Many technological and philosophical changes have occurred since that time, proving that water conservation can be used for both a short-term corrective measure to address immediate water supply shortages, and as a long-term solution to water supply reliability.

The City's water conservation program aims to implement water conservation measures that optimize water supply, treatment, and delivery requirements to assist with the long-term sustainability of water resources. Water conservation measures are those programs and incentives that prevent the waste of water and promote the reasonable and efficient use and reuse of available supplies. These water conservation measures also allow the City to continue to achieve compliance with all state water reduction and efficiency regulations. The following provides a summary of the City's current and historical water conservation efforts broken down into operational (internal facing) and external (customer oriented) water conservation programs. Water conservation programs the City has implemented due to State or Federal requirements are outlined in the Regulatory Compliance section of this plan (Section 5).

### **Operational Programs**

Operational programs encompass the programs and policies in place that prevent water waste, reduce water loss, and address water efficiency within the City's water service operations internally. By implementing and adhering to these programs, the City aims to establish a sustainable water service system that not only conserves water but also decreases operational costs and fosters long-term environmental stewardship.

### Metering and Billing

In accordance with the 2020 UWMP guidebook<sup>20</sup> and CWC § 527 (2022)<sup>21</sup>, the City has implemented universal metering of all service (public and private) connections. Metering service connections encourages water conservation by effectively billing customers for the quantity of water consumed, forming a relationship between water consumed and the total cost of the water bill. The City also meters all water supply sources, including the City's three primary water sources, groundwater, and recycled water sources. Having a fully metered system allows the City to effectively monitor and analyze where water losses are occurring and where additional water savings may be possible. The City continues to implement effective metering requirements for new developments by requiring separate water meters for residential, non-residential, and landscape use and is in the process of upgrading all water meters to digital water meters to deploy AMI in the future.

In addition to metering water consumption, the City's water and wastewater rates are set to promote water conservation practices. All meters within the City are read and billed monthly and the City's Utility Billing team performs routine billing audits to reduce data handling errors. Although meters are read and customers are billed in hundred cubic feet (HCF), customers are provided conversion factors on both paper and online bills to convert consumption into gallons. The City also provides sanitary sewer collection and treatment service for the community. Sewer rates for residential customers are based on the volume of metered water used each month and are set using wintertime water use. If in the event a meter cannot be read, for example due to repairs, or is not registering the City may estimate usage based on historical customer usage. However, the City makes every effort to avoid estimating reading and attempts to limit estimated readings to no more than twice per year per customer. Details on how estimations are computed are outlined in Section 13.04.130<sup>22</sup> of the City's Municipal Code.

### Water Loss Control Program

The City has been conducting annual American Water Works Association (AWWA) water loss audits since 2009 to identify and work towards reducing real and apparent losses within the distribution system. Water loss performance indicators identified from the 2016 – 2021 AWWA water loss audits are shown in Table 5 below. These water loss audits are prepared using the AWWA/IWA Water Audit Method, as described in the AWWA Manual of Water Supply Practices – M36, Water Audits and Loss Control Programs, and is validated by a certified Level 1 Water Audit Validator each year. To provide transparency and accountability, these audits are made available to the public on the City's website<sup>23</sup>.

<sup>&</sup>lt;sup>23</sup> The city's Water Loss Audits from 2016 through 2021 can be accessed at: https://www.slocity.org/government/department-directory/utilities-department/documents-and-files



<sup>&</sup>lt;sup>21</sup> 2022 California Water Code, Section 527 is available at: <a href="https://law.justia.com/codes/california/2022/code-wat/division-1/chapter-8/article-3-5/section-527/">https://law.justia.com/codes/california/2022/code-wat/division-1/chapter-8/article-3-5/section-527/</a>

<sup>&</sup>lt;sup>22</sup> The City of San Luis Obispo municipal code 13.04.130, Water meters is available at: https://sanluisobispo.municipal.codes/Code/13.04.130

Table 5. Key Water Loss Audit Metrics.

	2016	2017	2018	2019	2020	2021
Apparent Losses (gal/conn/day)	8.34	12.62	8.99	6.25	6.33	6.28
Real Losses (gal/conn/day)	33.51	32.65	16.00	13.54	15.47	23.57
Non-Revenue Water as a Percent of Cost of Operating System	2.8%	3.3%	2.3%	2.2%	2.8%	3.5%
Infrastructure Leakage Index (ILI) <sup>1</sup>	2.02	1.96	0.97	0.93	1.06	1.60

<sup>1.</sup> The Infrastructure Leakage Index (ILI) is a ratio of the Real Losses to the Unavoidable Real Losses. This performance indicator is dimensionless. In California, the median ILI is 1.4.<sup>24</sup>

To further reduce water loss, the City conducts water service line replacement projects based on service line age and condition, along with extensive programs to replace defective polybutylene service lines that have been identified to have a high likelihood of failure. Water meter replacement programs exist to replace meters based on age, consequence of failure, and likelihood of failure. Along with these maintenance programs, the City also implements a valve exercising program that ensures water mains can be isolated during repairs to minimize the amount of water lost during water main breaks and repairs.

In 2015, the City completed its Potable Water Distribution System Operations Master Plan<sup>25</sup> which identifies and prioritizes best practices, actions, and goals regarding future maintenance and capital improvement projects to help reduce future water loss due to infrastructure failure. That work effort included development of a comprehensive hydraulic model of the City's water distribution system. The hydraulic model is used to determine available service pressure and is maintained annually to remain current with the waterline replacement project, new water main installations, zone consolidations, and other projects. In 2019, the City began using acoustic correlation equipment where acoustic sensors are attached to water valves to measure the speed at which sounds waves travel along the pipe. These sensors effectively listen to water flowing through the pipe and can detect when water is escaping through a leak. The location can then be pinpointed within about two feet, which helps reduce excavation costs. Using this tool regularly, the City can more accurately locate small leaks, resulting in less damage to surrounding infrastructure, further optimize its capital spending, minimize water main breaks, water loss, and damage from leaks, and better manage aging water infrastructure. Moving forward, the City plans to continue to work to reduce real and apparent water losses by replacing aging infrastructure to prevent pipe breaks and leaks, implementing a comprehensive meter testing and calibration program to ensure water meters are functioning per manufacturers' specifications, and continuing with its comprehensive meter replacement strategy to ensure water used at homes and businesses is correctly recorded.

### Recycled Water Program

The City of San Luis Obispo has been utilizing recycled water as a component of its multi-source water supply since 2006. Recycled water acts as a means of water conservation by offsetting usage that would have otherwise utilized the City's potable (drinking water) supply. Additionally, because recycled water is reliant on wastewater flows, and therefore less dependent on weather

<sup>&</sup>lt;sup>24</sup> The California Department of Water Resources Water Loss Audit Reports and associated data for calendar years 2016 to present can be found at: <a href="https://www.nter.ca.gov/">https://www.nter.ca.gov/</a>

<sup>&</sup>lt;sup>25</sup> The City of San Luis Obispo Final Potable Water Distribution System Operations Master Plan, December 2015, can be found at: <a href="https://www.slocity.org/home/showpublisheddocument/6439/636009798150130000">https://www.slocity.org/home/showpublisheddocument/6439/636009798150130000</a>

than the City's surface water reservoirs, recycled water helps to diversify the City's water supply portfolio and acts as an alternative, reliable water supply during times of drought.

Currently there are 54 recycled water sites throughout the City. Each site is required to have a site supervisor, which must undergo a site supervisor training and complete quarterly reports including identifying water waste runoff and system deficiencies. Site supervisors are either property owners, property managers, or landscape maintenance professionals. Although recycled water is often not subject to water efficiency ordinances and mandated reduction requirements, droughts across the State, and specifically in the Central Coast region, have contribute to a heightened interest in the City's recycled water supply over the years. Improvements in water conservation or changes in use, such as potable reuse, would impact how recycled water is used



throughout the City. Additional information regarding the City's recycled water program can be found in the City's 2017 Recycled Water Master Plan<sup>26</sup>.

### **External Programs**

External, customer-facing programs are instrumental in engaging the community and promoting water conservation practices beyond the City's water service operations. These programs are designed to educate and encourage customers to play an active role in preserving water resources and adopting sustainable water use practices. By implementing these programs, the City aims to empower its residents and businesses to make informed choices that contribute to a more water-conscious community and cultivate a culture of responsible water consumption.

### Water Use Reports and Audits

The City's Water Resources section offers no-cost assistance to both residential and non-residential customers who have high water use or would like to reduce their water consumption. Water resource technicians examine historical water use and the property with the customer to identify potential water saving opportunities and provide information about irrigation reduction methods, proper property maintenance, confirm meter functionality, water leak determination, low flow fixtures installation, and general information on methods for reducing water use. This service is often offered proactively to customers who have unexplained high use, water waste violations, or other instances where a review could provide potential water savings. However, customers may also request assistance at any time. To maximize staff time and resources, staff first attempt to work with customers over the phone or via email. If staff are not able to contact a customer, they will conduct a site visit and either make contact in person or leave a door hanger. Customers

<sup>&</sup>lt;sup>26</sup> The City of San Luis Obispo 2017 Recycled Water Master Plan is available at: https://www.slocity.org/home/showpublisheddocument/14955/636269147657570000

are also provided a copy of the City's Water Audit Worksheet<sup>27</sup> to conduct a more in-depth analysis of indoor and outdoor daily water use. In the future, the program may be expanded to include more in-depth leak detection methods (i.e. acoustic listening devices) and irrigation audits.

### Complimentary Devices and Financial Incentives

The City provides various water conservation devices as a complimentary service to the community. Currently, the program provides low-flow showerheads, faucet aerators, flow meter bags, five-minute shower timers, dish squeegees, leak detection dye tablets, hose nozzles, soil moisture meters, save water posters, and lawn signs. Customers are encouraged to notify the City if there are items they are interested in that are not currently made available as part of the program. Staff will continue to stock and promote the use of these and other complimentary items as funding allows.

The City has also provided various rebates for water conservation devices and actions over the years. A rebate is a partial refund after a customer has purchased a water-efficient device to incentivize customers to purchase a water-efficient device over a less efficient device. During the drought in 2015, the City Council authorized \$100,000 in support of effective rebate programs. Rebate of \$100 dollar were provided for qualified toilet and washing machine replacements. City Council authorized \$30,000 in 2022 to launch an updated rebate program. Beginning in 2023, the City now offers rebates for high-efficiency toilets and urinals, large landscape smart irrigation controllers, and water-efficient restaurant dipper wells. Current rebate funding is equitably allocated between SFR, MFR, and CII account holders, ensuring the program does not favor one customer class. Should funding not be exhausted by one customer class type, staff will reevaluate allocating funds to other customer class types, should those classes have fully exhausted their own allocated funds. Lastly, the City has also entered into a partnership with Rachio through the California Water Efficiency Partnership to offer discounted smart irrigation controllers to single family residences. Offering rebates and discounted smart irrigation controllers assist customers to modify their irrigation systems to be more efficient and apply water in a more efficient manner.

<sup>&</sup>lt;sup>27</sup> The City of San Luis Obispo Water Audit Worksheet is available at: https://www.slocity.org/home/showpublisheddocument/30756/637883714862000000

### Public Information and Outreach Programs

The City has used public education and outreach as a mechanism for decreasing water use in the City and for promoting water conservation since the 1970s. Public education is often a component of water conservation programs aimed at encouraging customers to proactively decrease water usage and participate in conservation rebates and programs. Staff routinely update and maintain the City's water conservation website, release city news articles and enotifications, participate in local events such as farmers markets, community events, and local career fairs. host community tours at Whale Rock Reservoir, the WTP, and the WRRF, provide informational brochures and printed newsletters, and create social media campaigns (Facebook, Instagram, YouTube, and LinkedIn), and paid radio advertising. Additional public outreach and

education programs included informational welcome emails, "We've Let it Go. California Gold" landscape signs deployed during the drought on turf areas the City maintains, billing inserts, "how to" videos, direct campaigns, and meetings with local business groups and homeowners associations. The City is committed to reviewing and modifying the public education and outreach program to ensure that messaging stays effective and relevant. For example, in 2021, the City launched an interactive street sticker campaign, where residents and visitors could



scan QR codes on various infrastructure locations in order to access an interactive, virtual ArcGIS Storymap<sup>28</sup> of the City's water and wastewater resources and infrastructure. In 2022, staff launched a Water-Wise Landscape of the Month competition where residents could submit their yard or nominate neighbors' yards that embrace water-wise landscaping techniques; helping to encourage residents to conduct landscape transformations that adopt climate-appropriate native plants that require little to no supplemental irrigation. Moving forward staff are working to create virtual reality (VR) tours and educational games to educate a wider audience and utilize new, interactive outreach methods.

The City has also been a long time member of the San Luis Obispo Partners in Water Conservation, a joint regional effort between local water purveyors in San Luis Obispo County, to promote and collaborate on water conservation and efficiency measures. Participation helps facilitate regional knowledge sharing and educational programs. Most notably, the partnership co-

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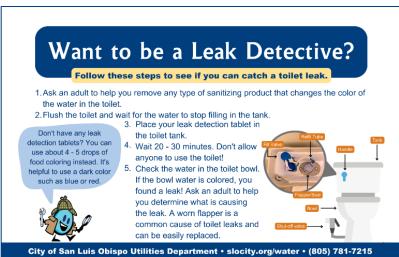
<sup>&</sup>lt;sup>28</sup> The City of San Luis Obispo ArcGIS storymap *Get to know YOUR water* can be accessed at: www.slocity.org/yourwater

funded and launched the SLO Water Wise Landscaping website<sup>29</sup>, which provides design and installation resources for water-wise landscaping that are specific to microclimates in San Luis Obispo County. The guide provides information on how customers can irrigate based on plant needs and discourages customers from over watering, watering too frequently, or watering during the times of the day when water loss to evaporation and wind is greatest. In addition to the SLO Water Wise Landscaping website, the City also provides information on how customers can find certified water efficient landscape contactors, designers, landscapers, or irrigation auditors on its website.

### Children's Specific Outreach

In addition to general outreach, the City has also had a long standing history of working to instill water awareness children to help further promote households to participate in water conservation and set the stage for students to make informed and appropriate decisions about water later in life. The City provides education programs on various water related topics for San Luis Obispo Coastal Unified School District schools within the city. The spotlight program, The Story of Your Water, teaches third through fifth graders about the water cycle, water treatment process, water use, water conservation, and water reclamation. At the end of the program students are provided a flow meter bag and toilet leak detection tablets to promote discussing water conservation at home and identifying if their home has a leaking toilet or fixtures that can be updated to low-flow. In addition to classes, the City has hosted art contest and offers tours of the WTP and WRRF.







<sup>&</sup>lt;sup>29</sup> Waterwise Landscaping for San Luis Obispo County website is available at: <a href="https://www.slowaterwiselandscaping.com/">https://www.slowaterwiselandscaping.com/</a>

## 5. REGULATORY COMPLIANCE

California has enacted regulations to promote water conservation and sustainable water management that the Water Conservation Programs and Citv's Water Conservation and Efficiency Plan must consider. Historically, some of the most important regulations for water conservation in California have included the Soil and Water Resources Conservation Act of 1977<sup>30</sup>, which requires urban water suppliers to develop and implement water conservation plans, and the SB X7-731, which requires urban water suppliers to establish water conservation targets and report progress toward meeting those targets. Senate Bill 606 (SB 606)32 and Assembly Bill 1668 (AB 1668)<sup>33</sup> are the most recent water conservation regulations and establish the Long-Term Framework legislation for making water conservation a California way

### Making Water Conservation a California Way of Life Framework

In 2018, the California State
Legislature passed Assembly Bill
1668 (Friedman, 2018) and Senate
Bill 606 (Hertzberg, 2018) which
directed the State Water Board to
adopt standards for using water
more efficiently.

As part of the proposed regulation,
Urban Retail Water Suppliers,
including the City of San Luis
Obispo, will be held to new "urban
water use objectives" comprised of
indoor residential water use, outdoor
residential water use, commercial,
industrial, and institutional (CII)
irrigation with dedicated meters,
water loss, and unique local uses.

<sup>&</sup>lt;sup>30</sup> The Soil and Water Resources Conservation Act of 1977 can be found at: https://www.congress.gov/95/statute/STATUTE-91/STATUTE-91-Pg1407.pdf

<sup>&</sup>lt;sup>31</sup> California Water Conservation Act, Water Code Section 10608.28(b) provides methods for calculating urban water use targets that identify per capita use targets that cumulatively result in a statewide 20 percent reduction: <a href="https://california.public.law/codes/ca">https://california.public.law/codes/ca</a> water code section 10608.20

<sup>&</sup>lt;sup>32</sup> California Senate Bil No. 606, Water management planning is available at: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill id=201720180SB606

<sup>&</sup>lt;sup>33</sup> California Assembly Bill No. 1668, Water management planning is available at: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\_id=201720180AB1668&search\_keywords=55+gall\_ons+water

of life. This framework establishes standards for water use efficiency and requires local water agencies to set water budgets based on those standards.

### **Regulatory Programs**

Regulatory approaches can be an effective strategy for water suppliers to reduce water use at the service level. In addition to the regulations the City must comply with at the state level, the City of San Luis Obispo has also adopted local regulations that prohibit water waste and require water-efficient plumbing. Below are the current water conservation programs the City has implemented. The City aims to adopt water-efficient codes and standards that are feasible and appropriate to the community.

### Water Conservation Regulations

Chapter 13.07 of the City's municipal code, adopted in 1987, outlines water conservation regulations for the City. Under this code, water waste due to substandard, leaky, or faulting water fixtures and water waste due to excessive application are prohibited. City staff conduct routine patrols to monitor water waste and follow set timelines and procedures to ensure community members are addressing water leaks in a timely manner. In addition to these restrictions, restaurants may not serve water to customers except upon request and potable water cannot be used for major construction activities or to wash down sidewalks, driveways or parking areas except to alleviate fire and sanitation hazards.

### Plumbing Retrofit Program

In 1992 the City also adopted plumbing retrofit regulations which require all existing residential and CII structures to be retrofitted, if not already equipped with, low water use plumbing fixtures upon sale, change of use, or expansion of use of the property. New developments are required to comply with CALGreen Code<sup>34</sup>, which are more restrictive than the City's Municipal Code. Plumbing codes and standards are considered a "passive" water conservation measure that create permanent water-saving potential given a nominal decline in water saving performance over the useful life of a fixture or appliance.

The City's plumbing retrofit verification program was most recently amended on December 7, 2021, to require all indoor toilets, faucets, showerheads, and urinals meet the requirements set forth in California Civil Code CIV § 1101.335. City staff will continue to manage the program and document compliance within the City. All properties that have been certified to have low-flow fixtures are shown via a user-friendly online mapping tool at slowater.org, shown below in Figure 5. This tool also provides the City with a database that can be used to help project the effectiveness of future indoor water fixture rebate, offset, and replacement programs. Water savings from plumbing retrofits is dependent on the number and current water use of existing fixtures; however, this program, along with fixture replacement through various rebate programs, has reduced the City's long-term water demand by an estimated 1,500 AFY.

<sup>&</sup>lt;sup>34</sup> The California Code of Regulations, Title 24, California Green Building Standards Code (CALGreen Code) can be found at: https://codes.iccsafe.org/content/CABC2022P1/california-code-of-regulations-title-24

<sup>&</sup>lt;sup>35</sup> California Civil Code, Article 1.4. Installation of Water Use Efficiency Improvements can be found at: https://leginfo.legislature.ca.gov/faces/codes displayText.xhtml?lawCode=CIV&division=2.&title=4.&part=4.&cha pter=2.&article=1.4.

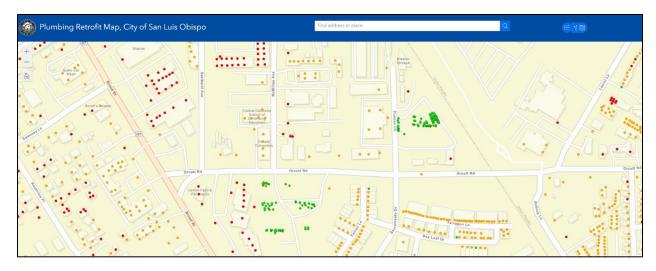


Figure 5. Screenshot of the City of San Luis Obispo's Plumbing Retrofit Portal.

## Water Efficient Landscaping Requirements

The California Department of Water Resources first established the Model Water Efficiency Landscape Ordinance (MWELO)<sup>36</sup> in 1993 and requires local jurisdictions to adopt the state's framework or develop alternative water-efficient landscape ordinances that are at least as effective. MWELO sets guidelines for water budgets, irrigation efficiency, plant selection, and other factors to encourage sustainable landscaping practices and reduce water consumption in outdoor spaces. The Utilities Department and Community Development Departments work together to implement these and other water efficiency standards into land-use planning to influence water demand within the community. The water efficiency standards require water efficient design, installation, and maintenance practices to maximize water applied to landscapes on new and rehabilitated landscapes in both residential and commercial settings. It has been estimated that landscapes adhering to MWELO landscape irrigation regulations use 80 percent less water than traditional landscapes.

## Future Regulatory Requirements

The City will continue to comply with water conservation related regulations as they are enacted. Currently, the most notably are the future Urban Water Use Objectives (UWUO) set by the Making Water Conservation a California Way of Life Framework. The objectives will include standards for residential outdoor water use, residential indoor water use, CII-DIM outdoor water use, real water loss, variances, and potential bonus incentives. The sum of each respective standard establishes an overall water budget, known as the UWUO, which water suppliers cannot exceed on an annual basis. The City and other water suppliers will be required to meet their overall UWUO and not standards for each specific category.

<sup>&</sup>lt;sup>36</sup> Information on the California Department of Water Resources, Model Water Efficient Landscape Ordinance can be found at: <a href="https://water.ca.gov/Programs/Water-Use-And-Efficiency/Urban-Water-Use-Efficiency/Model-Water-Efficient-Landscape-Ordinance">https://water.ca.gov/Programs/Water-Use-And-Efficiency/Urban-Water-Use-Efficiency/Model-Water-Efficient-Landscape-Ordinance</a>

Through the City's water conservation programs and policies, water demand over the five-year period between 2016 - 2022 ranged from a high of 97 GPCD in 2017 to a low of 88 GPCD in 2016, as shown in Figure 6, which are below the City's SB X7-7 compliance goal of 117 GPCD. The City's indoor R-GPCD from 2015-2022 averages around 44. California Department of Water Resource's recommended Indoor Residential Water Use Standards are 55 R-GPCD for the years 2020 - 2025, 47 R-GPCD for the years 2025-2030, and 42 R-GPCD beyond 2030. With the continuation of the water conservation measures listed in this plan, the City anticipates ongoing compliance with these mandates into the future.

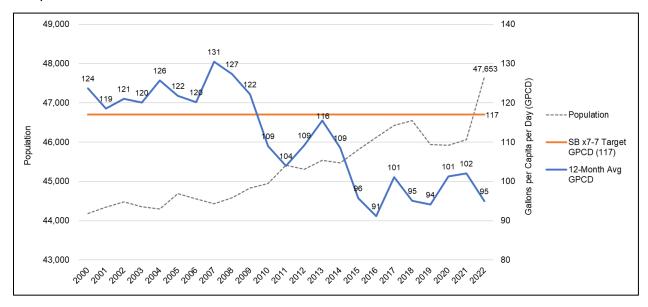


Figure 6. City of San Luis Obispo Annual Per Capita Water Use (in gallons per capita per day, GPCD) Versus Population and the Target Per Capita Use as Determined by SB X7-7, 2000-2022.

# 6. EVALUATION OF LONG-TERM WATER WATER CONSERVATION MEASURES

Water conservation measures were evaluated using the AWE Water Conservation Tracking Tool<sup>37</sup>, which evaluates the water savings and program costs of different water conservation measures for the development of long-range water conservation plans. The model estimates annual demand reduction in AF, which is divided into active and passive demand reduction for the model period. Active demand reduction is the share of estimated water savings that can be attributed solely to the implementation of the conservation program. Passive demand reduction is the estimated share of water savings that would have been generated in the absence of the conservation program by (1) plumbing and energy codes interacting with the natural replacement of toilets, showerheads, and other water-using appliances whose current or future minimum efficiency is dictated by national, state, or local code requirements plus (2) water savings from program freeriders – a participant that would have taken the same water-conserving action in the same timeframe had the program not existed.

The analysis for this plan was conducted in a staged approach to provide an understanding of benefits and costs of a large, comprehensive conservation program (Plan A); benefits and costs of a conservation program targeted at the greatest benefit-cost ratio, regardless of budget restrictions (Plan B); and benefits and costs of a conservation program that provides the greatest benefit-cost ratio within a budget that is representative of the Utilities Department's existing budget (Plan C). The results of the Water Conservation Tracking Tool for each plan are included

<sup>&</sup>lt;sup>37</sup> Alliance for Water Efficiency (AWE) Water Conservation Tracking Tool can be accessed at: https://www.allianceforwaterefficiency.org/resources/topic/water-conservation-tracking-tool

in the Appendix of this report and described in the text below. The water conservation measures included in Plan A represent water conservation measures that Utilities Department Staff have identified as practical for staff to implement and administer as stand-alone work efforts, and do not include all possible water conservation measures. The water conservation measures included in Plan B are a subset of Plan A, and the water conservation measures in Plan C are a subset of Plan B. All of the conservation program plans assume an initial 2-year period of rebate implementation for larger water conservation measures such as turf replacement and clothes washers, followed by an annual implementation of other water conservation measures such as SFR home water reports, MFR water use audits, and showerhead replacement rebates.

## Plan A

Conservation program Plan A is a large, comprehensive conservation program that consists of 29 water conservation measures. Utilities Department staff selected water conservation measures that staff would be able to implement and administer as stand-alone work efforts; therefore, implementation of the Plan in its entirety would be impractical for the existing staff and under the existing budget. Plan A serves to provide an upper threshold for water savings and program costs in comparison to subsequent, more targeted conservation program plans. Plan A also serves to estimate the benefit-cost ratios for a large suite of water conservation measures. These benefit-cost ratios were the basis for determining which water conservation measures should be included in subsequent conservation program plans.

## Plan B

Conservation program Plan B consists of the water conservation measures from Plan A with the greatest benefit-cost ratios. There are 16 water conservation measures included in Plan B. Traditional water conservation measures including turf replacement rebates, graywater rebates, rain barrel rebates, and clothes washer rebates were determined to have a low benefit-cost ratio in Plan A and were therefore excluded from Plan B. As such, a comparison of benefits and costs between Plan A and Plan B illustrates the value of implementing water conservation measures with high benefit-costs ratios. Plan B represents a conservation program plan that could be implemented and administered with a substantial increase in staff, funding, and resources.

## Plan C

Conservation program Plan C utilized the information gained from Plan A and Plan B, as well as results from a community-wide survey of local businesses, to develop an informed conservation program that implements high benefit-cost ratio measures within a budget that is representative of the Utilities Department's existing budget. There are 12 conservation measures included in Plan C.

The survey, completed by 240 San Luis Obispo business owners and managers in the fall of 2022, found that over half of those that responded (53.96%) were most interested in a rebate for WaterSense® high-efficiency toilets. This is believed to be in part because 26% of the respondents (62 individuals) identified themselves as operating a real estate or property management business and toilets were the primary water conservation measure that would apply to this type of business. The interest for all items included in the survey are summarized in **Error! Reference source not found.** Additional water conservation measures participants listed as being of interest included: trees for shading, rainwater retention, compressed air for removing food residue, AMI and leak detection technologies, rain barrels, pipe replacement, landscape/turf conversions, native plants, promotion of low-water use businesses such as retail, rate increases,

and high-efficiency reverse osmosis systems. Ultimately the quantity of those that expressed interested in items identified as having a high benefit-cost ratio were utilized to estimate the quantities of the water conservation measures modeled in Plan C.

Table 6. Results of the 2022 Survey of Businesses' Interests in Water Conservation Measures.

Conservation Measure	Yes	No	Yes, If Increased <sup>1</sup>		
ConserveWell® Dipper Well	3.23% (7)	93.09% (202)	3.69% (8)		
WaterSense High- Efficiency Toilet	35.12% (72)	52.20% (107)	12.68% (26)		
Waterless or High- Efficiency Urinal	10.10% (20)	86.36% (171)	3.54% (7)		
Commercial Clothes Washer	15.10% (29)	78.13% (150)	6.77% (13)		
Commercial Dish Waster	13.76% (26)	82.54% (156)	3.70% (7)		
Waterbroom	10.99% (20)	85.16% (155)	3.85% (7)		
Kitchen Spray Rinse Valve (complimentary)	22.10% (40)	77.90% (141)	N/A		

<sup>1&</sup>quot;Yes, If Increased" was used for the respondent to advise of the dollar amount needed for them to be interested in a rebate for the item.

Quantities and costs identified for Plan C were also determined with the goal of ensuring that the program does not favor one customer class over another, in contrast to the way in which water conservation programs that focus on turf replacement favor single-family homeowners. Therefore, the \$60,000 budget for water conservation rebates was divided evenly between seven water conservation measures not currently offered by the Utilities Department for SFR, MFR, and CII categories. \$10,000 was also set aside for developing water budgets for large landscapes on CII properties. The quantities included for each water conservation measure of Plan C represents a conservation program plan that could be implemented with current staffing levels, funding, resources, and expected community participation based on the results of the survey (Table 6). Table 7 outlines the quantity and budgeted dollar amount for each water conservation measure included for Plan C during Year 1 and Year 2.

Table 7. Quantity and Budget Allocated for Water Conservation Plan C.

Conservation Measure <sup>1</sup>	Year 1	Year 2
SFR High-Efficiency Toilet (1.28 GPF)	100 (\$10,000)	100 (\$10,000)
MFR High Efficiency Toilet (1.28 GPF)	44 (\$4,400)	44 (\$4,400)
MFR Large Landscape Smart Irrigation Controller	8 (\$5,600)	8 (\$5,600)
CII High-Efficiency Toilet (1.28 GPF)	70 (\$7,000)	70 (\$7,000)
CII High-Efficiency Urinal (0.125 GPF)	20 (\$2,000)	19 (\$1,900)
CII Restaurant Dipper Wells	7 (\$1,050)	7 (\$1,050)
CII Large Landscape Water Budgets	20 (\$5,000)	20 (\$5,000)

Water conservation measures that were modeled but are already a part of the Utilities Department's standard water conservation operations (water reports, audits, and complimentary items) are not included.

## **Results of Benefit-Cost Analysis**

The AWE Tracker Tool provides a benefit-cost ratio for each water conservation measure in units of dollar per AF of water saved. Water conservation measures with low benefit-cost ratios provide lower water savings per dollar than the water conservation measures with high benefit-cost ratios. As stated earlier, the development of Plan A included a large suite of water conservation measures and serves to compare the benefit-cost ratios of those measures. The list of benefit-cost ratios for all water conservation measures included in Plan A is provided in the Appendix. Conservation programs Plan B and C included measures that had a benefit-cost ratio greater than the median determined in Program A (29.7) as well as CII large landscape water budgets. Although CII large landscape water budgets were determined to have a benefit-cost ratio lower than the median (16.9), the water conservation measure was included in Plans B and C due to the Utilities Department's interested in determining water budgets for meeting forthcoming State regulations regarding large CII landscapes.

Measures that are utilized daily, such as toilets, urinals, and showerheads, provide the highest benefit-cost ratio. While water conservation measures that would be utilized infrequently, such as rain barrels and graywater laundry to landscape systems, are some of the lowest benefit-cost ratios. Turf replacement is also among the lowest benefit-cost ratio due to the high expense of replacing each square foot. For this simulation, \$1.00 per square foot with a maximum of 5,000 square feet available for replacement was utilized. Lastly, when comparing the expected savings in gallons per day per unit to the benefit-cost ratio, MFR large landscape smart irrigation controller and CII large landscape water budgets stand out as having the potential to produce a large water savings but have a low benefit-cost ratio due to the high expense. Rebates for restaurant dipper wells and commercial kitchen dishwashers also show a high expected savings compared to other water conservation measures.

## Water Savings and Cost Evaluation

The AWE Conservation Tracker Tool allows users to identify program cost parameters for each water conservation measure, including the cost to the utility, any costs covered by a program partner, and the cost to the program participant. For this analysis only the cost to the utility was utilized as official offers from program partners have not been established and the cost to the program participant is assumed to vary based on the specific device the participant choses to purchase. The cost to the utility for each water conservation measure was determined based on the recommended cost provided by AWE and the estimated maximum amount that the City would provide, which was roughly half of the average cost for each measure.

Figure 7 shows the estimated water savings, total program costs, and per acre-foot cost of the three water conservation programs that were evaluated. If all water conservation measures in Plan A were implemented and utilized, a demand reduction of 1,814 AF is estimated over the eighteen-year model period; however, it would cost the Utilities Department \$341,646 with the bulk of the total program costs occurs in the first two years due to implementation of rebate programs. This equates to a cost of about \$188 per AF of demand reduction. Demand reduction is predicted to initially increase following the implementation of the rebate water conservation measures and then remains relatively consistent for several years until decreasing as the plumbing fixtures age and become less efficient, and the effects of the rebates diminish.

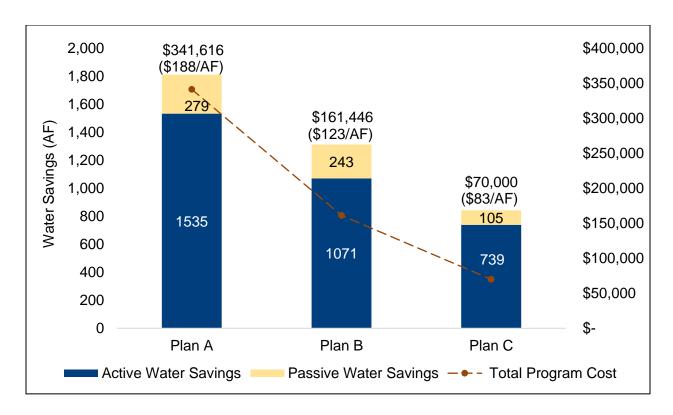


Figure 7. Estimated Water Savings and Program Costs for Water Conservation Plans A-C.

If only the water conservation measures with a high benefit-cost ratio identified in Plan B were implemented and utilized, it is estimated that the City would experience 72% of the demand reduction estimated in Program A (1,314 AF), while decreasing program costs by 56% during the first two years (a \$180,200 savings). The cost per acre-foot of demand reduction for Plan B is about \$123.

Lastly, with a constrained budget of \$60,000 for rebate programs and \$10,000 for developing large landscape water budgets on CII properties, as identified in Plan C, it is estimated that the City would experience 47% of the demand reduction estimated in Plan A (844 AF), while decreasing program costs during the first two years by 78% (a \$253,700 savings)**Error! Reference source not found.** The cost per acre-foot of demand reduction for Plan C is the lowest of the three plans used in this evaluation, with a value of about \$83.

## 7. FINAL WATER CONSERVATION PROGRAM

## **Selection Criteria**

The development of this Water Conservation Plan utilized the AWWA Manual of Water Supply Practices, M52 – Water Conservation Programs – A Planning Manual. Internally, the City identified four goals of the water conservation rebate program, which carry over to the entire water conservation program. These goals are:

- Support a community that already conserves water.
- Increase conservation among CII properties.
- Maximize water savings with available resources.
- Create a plan that is equitable across all user groups.

When a community has largely embraced water conservation as a way of life, such as San Luis Obispo, it is important to support the programming that has provided that success and to avoid demand hardening. As such, several of the water conservation measures included in the City's final water conservation plan are continuations of previous measures, such as communication, outreach, education, and home water reports. Given that 69% of the City's water use is attributed to residential water use, historical water conservation programs have focused heavily on providing water devices and rebates to residential customers.

## **Description of Program Components**

## **Continued Programming**

The City will continue the operational, external, and regulatory programs outlined in Section 4 of this plan. By leveraging the knowledge gained from the implementation of these programs over the years, these programs can become more refined, targeted, and impactful.

## **New Measures Selected**

The City has implemented (as of January 1, 2023) the water conservation measures from Plan C, described in Section 6 of this report. This includes rebates for the following:

- Single-Family Residential High-Efficiency Toilets
- Multi-Family Residential High-Efficiency Toilets
- Multi-Family Residential Large Landscape Smart Irrigation Controllers
- Commercial, Industrial, and Institutional High-Efficiency Toilets
- Commercial, Industrial, and Institutional High-Efficiency Urinals
- Restaurant Dipper Wells

Staff are in the process of updating and developing water budgets for City parks and recycled water sites. A third party will be hired to develop additional water budgets for select CII properties that have a DIM. These budgets will allow city staff to identify customers that are over budget and offer assistance to help lower their water use by improving irrigation system performance and management. Understanding if a property is exceeding a water budget will help ensure efficient water use and that the City remain in compliance with the supplier level requirements for the State's CII Standard and Performance Measure requirements.

## **Future Options**

Following regularly scheduled evaluations of the water conservation program, the City may implement water conservation measures included in Plan B in addition to, or in place of, the water conservation measures included in Plan C. Existing water conservation measures will be evaluated for community participation and water savings to determine if changes to the program are necessary. Changes will be made based on the information gathered during the conservation plan development detailed in Section 6 of this report and available City resources. The City is also developing programs and processes that should result in water conservation, in addition to water conservation measures, some of which are described below.

The City of San Luis Obispo is in the process of converting its water meters from mechanical meters to ultrasonic digital meters that will be compatible with AMI. AMI enables two-way communication between water providers and consumers for monitoring and managing water usage. The benefits of AMI include real-time monitoring, leak detection, demand management, and customer engagement which can improve operational efficiency, conserve water, and enhance customer service. The movement towards AMI citywide will require a significant work effort from the City, including replacing all existing mechanical meters, installation of cellular hardware, establishing a reliable communication network and robust data management system, and educating customers regarding the transition. AMI-compatible water meters provide many benefits, even if the system is not converted to an AMI system.

City staff are also currently participating in the AWE learning cohort on cooling towers. The goal of this program is to bring together water utilities across the nation to discuss rebates or regulatory requirements that encourage efficient water use for cooling towers. The City is in the process of evaluating if an incentive or regulatory based cooling tower water conservation measure could be implemented depending on projected water savings, funding, and staff availability.

The City is developing a strategy to update its method for estimating water supply and demand using land use-based demand projections instead of the current method which uses population and the SB X7-7 water use target. This method will mirror the methods used by the California Department of Water Resources in determining UWUOs.

## **Projected Water Savings**

Table 8 shows the projected per capita water use in AF in 5-year increments for the projected demand with no plumbing code savings, projected demand with plumbing code savings, and projected demand with plumbing code savings and the recommended program implementation. It should be noted that not all of the water conservation measures, such as public outreach, educational programs, and water waste regulations, could be quantified to be included in the model. Furthermore, these estimates assume that the quantity of the measure is fully utilized (i.e. the anticipated number of rebates are fully utilized by the community).

Table 8. Projected Water Demands.

	2025	2030	2035	2040
Population	51,317	53,934	57,200	60,118
"Baseline" Demand without Plumbing Code (acrefeet)	5,213	5,638	6,092	6,578
Demand with Plumbing and Landscape Standards (acre-feet)	4,922	5,128	5,372	5,665
Demand with Plumbing and Landscape Standards and Recommended Program Plan C (acre-feet)	4,883	5,093	5,360	5,660

## Additional Benefits

Water conservation programs provide benefits ancillary to water savings and prolonging water supplies. Water conservation programs are instrumental in helping water utilities meet water use objective and leak reduction compliance goals, which are paramount in California. Reducing per capita water use alleviates the need for expanded water supplies or water treatment and distribution infrastructure, which results in deferred infrastructure upgrades. Also, reducing water use is directly related to decreased energy consumption, which reduces greenhouse gas emissions and can also reduce energy costs for the utility and the water customers.

## Regulatory Compliance

Although the City is currently below the SB X7-7 required 117 GPCD, implementation of the Water Conservation and Efficiency Plan will ensure that total GPCD remains low as population continues to increase. Additionally, various measurable objectives outlined in Conclusion of this plan are requirements of SB 606 and AB 1668 regardless of whether annual water use is below the calculated Urban Water Use Objectives (UWUO)38. Periodic reviews and updates will ensure that

https://leginfo.legislature.ca.gov/faces/codes displaySection.xhtml?sectionNum=10609.24.&lawCode=WAT

<sup>&</sup>lt;sup>38</sup> The California Urban Water Use Objectives are calculated following California Water Code §10609.20, which can

the Water Conservation and Efficiency Plan remains current with the most up-to-date regulatory requirements and industry best practices, which will help the City to maintain its compliance with relevant water conservation regulations. Ultimately, the implementation of the Water Conservation and Efficiency plan is a proactive approach to ensure that the City meets its regulatory obligations, even as population increases and weather becomes more unpredictable.

## **Leak Reduction**

In addition to a reduction in overall water usage, implementation of the Water Use and Efficiency Plan will also lead to water savings through a reduction in water leaks. Water leaks result in wasteful energy and financial resources. Not only does water that is lost because of a leak require additional energy to pump and treat the lost water, but water leaks can also cause costly damage to infrastructure. On an individual level, customers face high bills and potential structural damage and mold growth. For the City, small leaks will eventually turn into larger leaks, such as main line breaks in the distribution system, that require extensive financial resources such as staff time and materials. Larger breaks may also disrupt water pressure, thus affecting the efficiency and effectiveness of the overall supply. Measures that specifically focus on leak detection and repair, such as AMI, will help to ensure that any leaks in the system are promptly identified and fixed. Moreover, by raising awareness about the importance of water conservation among the community, the plan encourages individuals to adopt water-saving behaviors, such as addressing leaks as soon as they are identified. Through these efforts, the City can significantly reduce overall water system leakage both internally and externally throughout the community.

## **Deferred Infrastructure Upgrades**

Implementation of the Water Conservation and Efficiency Plan can also significantly contribute to deferring infrastructure upgrades related to water supply acquisition, treatment, and distribution. By reducing water demand through water conservation measures, the need to construct additional water supply sources or expand existing treatment facilities is reduced. This can result in considerable cost savings and a reduction in carbon emissions, energy use, and environmental impacts associated with the construction of new facilities. Therefore, the implementation of the Water Conservation and Efficiency Plan can be an effective strategy for the City to manage its water resources sustainably while minimizing the need for costly and potentially disruptive infrastructure upgrades.

## Greenhouse Gas Reductions

Water conservation and efficiency also often have ancillary benefits of reductions in energy use and greenhouse gas (GHG) emissions associated with water supply, treatment, and use. GHG emissions are released during water supply pumping, treatment, and distribution, the treatment of wastewater, and if there is any energy associated with the operation of appliances and equipment that require water for end-users. By reducing water demand through water conservation, the City can reduce the energy required for water pumping and treatment and the community can reduce the energy required for use, thus resulting in a decrease in GHG emissions. Additionally, by deferring infrastructure updates, GHG emissions related with construction and maintenance activities such as the use of heavy equipment can be avoided.

The City of San Luis Obispo established a community-wide goal to reduce community greenhouse gas emissions to reach carbon neutrality by 2035. The City has established a culture of using resources mor effectively and strive to improve community equity and well-being.

For the estimated amount of water saved through the implementation of this plan, there is an estimated embedded energy intensity savings of 2,177 kilowatt-hours per acre-foot (kWh/AF). By multiplying the water savings times the energy intensity and a GHG emission factor estimated by PG&E this converts to an estimated 2,106 pounds of carbon dioxide (CO<sub>2</sub>) equivalent per AF. It should be noted that emission factors are estimated based on the California Public Utilities Commission calculator and that additional GHG savings from hot water savings at the end user level and from reduced wastewater collection, treatment, and disposal energy are not quantified. Total projected annual CO<sub>2</sub> equivalent savings for each year are estimate in Table 9.

Table 9. Estimated CO2 Savings from Implementation of the Selected Water Conservation Program.

Year	Cumulative Tons of CO2 Equivalent Savings
2025	2,581
2030	8,582
2035	17,004
2040	27,515

## **Next Steps**

Annual monitoring and reporting of the City's water supply status will continue, and updates to the City's UWMP and WSCP will continue on a five-year cycle. The City understands that water use is dynamic and responds to changes in population, economy, weather, regulations, and technology. Therefore, the City may adjust water conservation targets and schedules as needed. This may include expanding or scaling back various water conservation measures to meet budget and staffing restrictions, increase efficiency, or adopt new technologies or better methods. With the calculated water savings identified for various water conservation measures in this plan, the City will be able to adjust program components to strive to meet the measurable objectives discussed below.

## Implementation Schedule

The Water Conservation and Efficiency Plan will act as a road map, outlining anticipated new water conservation measures until 2040. Table A6 in the Appendix of this report shows the implementation schedule for the planned conservation measures. However, the implementation schedule will remain adaptable over time, as it is subject to modifications based on changes in budget and staffing resources. The determination of specific measures will be guided by key questions, including but not limited to:

- What level of support will be required from conservation staff to implement and maintain the selected water conservation measures?
- What other support is needed (e.g. outsourced support or other sources of funding) or wanted to implement and maintain these programs?
- Does the conservation measure meet other Departmental objectives?
- How quickly can the conservation measure be implemented?

It should be noted that although new water conservation measures may be implemented on schedule, high participation rates will be crucial to achieving the estimated demand reduction and measurable objectives outlined below. Therefore, the following benchmarks will be used to help gauge progress and determine the effectiveness of the individual measures that are implemented.

## Measurable Objectives

## **Baseline Water Usage and Water Use Efficiency Standards**

Baseline water use will serve as a reference point for measuring future reductions and efficiency improvements. Water use efficiency standards set by the State, or locally, will define the upper limit of water use targeted by the City's water conservation program. A water conservation program that results in water use below these standards will be considered a success.

## **Participation Rates**

Staff will track the number of items offered and level of participation from individuals, households, community groups, and businesses for water conservation measures that are implemented. This will include the number of:

- Rebates approved
- Tours provided
- Youth education classes offered
- Plans reviewed for conformance with MWELO requirements
- Complimentary water conservation items provided
- Technical assistance visits conducted
- Water waste violations investigated
- Plumbing retrofit certifications approved

## Cost Per AF Saved

Staff will monitor water use for program participants that can be tracked, such as rebate programs, to determine the cost to the Utilities Department per acre-foot of water saved.

These benchmarking metrics will then be used during the performance tracking and review process to modify the overall program and improve future processes and procedures.

## **Budget and Staffing**

In recent years, water agencies have recognized the value of water conservation as an essential component of their water supply portfolio. Conserving water not only reduces the need for additional water extraction, treatment, and distribution, but also mitigates the necessity for securing extra water sources to meet future demands and buffer supplies. The estimated cost of water saved per unit volume (\$/AF) for the Final Water Conservation measures outlined in this plan is \$83/AF. This cost is lower than the average expense of obtaining, treating, and distributing water from the City's three surface water reservoirs, which is currently estimated to be about \$276/AF.<sup>39</sup> Consequently, water conservation serves as a cost-effective solution when considering the expenses of future water supplies.

The budget for the City's Water Conservation Program may vary, particularly during drought periods. For instance, additional funds were allocated in the City's 2022-23 Budget Supplement to support increased public outreach, hire additional support staff, and launch a new water conservation rebate program, all in response to the drought. Therefore, staff will use the Water Conservation and Efficiency Plan as a roadmap to implement water conservation measures that

<sup>&</sup>lt;sup>39</sup> This is the variable production cost estimated in the City's 2021 Water Loss Audit. This is the cost to produce and supply the next unit of water and can include both short-run and long-run marginal costs.

have the potential to create the largest water savings while aligning with the City's current financial or mid-year financial plan. Staff will also aim to actively seek partnerships and apply for grants that maximize support for water conservation measures as staffing and resources allow.

## Performance Tracking and Review

The use of measurable objectives will help clearly identify the overall progress and performance of the City's Water Conservation and Efficiency Plan. Staff will track the participation and effectiveness of individual water conservation measures through the benchmarks identified above and the overall performance of the plan through the following measurable objectives listed below. Measurable objectives were chosen based on historical tracking and current and anticipated future regulatory compliance metrics.

- Meet the City's UWMP GPCD target and current state GPCD regulations annually.
- Meet the state's requirements for outdoor residential landscape standards annually.
- Meet the state's water loss standards in gallons per connection per day annually.
- Document increased water use efficiency for CII DIMs.
- Document increased water use efficiency for the highest 20% water-users for each classification of CII properties (excluding process water use).
- Document increased water use efficiency for the top 5% of individual CII accounts (excluding process water use).

After compiling the measurable objectives, staff will conduct a comprehensive review and analysis to determine the extent to which these objectives were met or fell short. This evaluation will enable the staff to identify programs or customer groups that may require additional resources, staff allocation, or funding to ensure the ongoing fulfillment of the community's Water Conservation and Efficiency Plans goals. Furthermore, these reviews will serve as an opportunity to incorporate new ideas and regulatory requirements, thereby ensuring that the City not only complies with but also surpasses water conservation regulations. The findings of these reviews and potential updates will be provided in the City's annual Water Supply and Demand Assessment and five-year UWMP in accordance with the policies and procedures identified in the City's General Plan WWME. The Water Conservation and Efficiency Plan will be reviewed and updated at least once every five years.

## 8. CONCLUSION

The City's Water Conservation and Efficiency Plan uses the latest tools and information to develop a conservation plan that builds on the City's history of building a strong water conservation ethic. This plan aims to proactively meet State mandated water use efficiency standards using an equitable, budget-conscious approach. Development of the latest water conservation program has provided information that will be used to modify future water conservation programs as needed, to maximize community participation and water savings.

The following is a summary of the key findings of this plan. These key findings demonstrate the City's commitment to strategic and sustainable water management practices that will help ensure the City of San Luis Obispo continues to have a resilient water future.

## **Water Savings and Ancillary Benefits**

The water conservation program developed as part of this Water Conservation and Efficiency Plan is estimated to save as much as 844 AF/Year. This water remains in the City's available water supplies to provide for future demand, or as Reliability Reserve or Secondary Water Supply. Additional benefits to implementing this water conservation program include regulatory compliance, leak reduction, deferred infrastructure upgrades, and reducing greenhouse gasses and energy costs.

## **Enhanced Understanding**

The utilization of emerging tools for the development of this plan has provided the City with a deeper understanding of water demand and the potential impact of water conservation measures on future water conservation efforts. Implementation of the Water Conservation and Efficiency Plan will allow the City to continue to integrate innovative techniques and tools into the community's water conservation practices moving forward.

## **Integral Role of Conservation**

Water conservation has played a crucial role in the City's water supply planning and has allowed the City to ensure the fulfillment of foreseen and unforeseen water demands and regulatory obligations. Water conservation preserves available water supplies for unforeseen short-term demands and preserves stored water resources to be used during future droughts. The

measurable objectives in this plan will align the City with that State's "Making Water Conservation a California Way of Life" legislation (SB 606 and AB 1668). Therefore, the City will be able to utilize the Water Conservation and Efficiency Plan to fulfill its compliance obligations to meet regulatory requirements as these and other new water conservation regulations are put in place by the state and federal governments.

## **Cost-Effectiveness**

Conservation is recognized as one of the most cost-effective strategies for meeting current and future water needs. The implementation of the water conservation measures identified in this plan has the potential to reduce the necessity for further infrastructure upgrades and expansion. Additionally, the ability of the Conservation Tracker Tool to provide estimates of benefit-cost ratios of conservation measures allows the City to implement a cost-effective water conservation program.

## **Proactive Management**

The Water Conservation and Efficiency Plan aligns with the City's approach to actively managing water supply to meet both current and future demands under various climate scenarios, helping to ensure long-term water sustainability. The plan provides metrics that can be used to estimate future water savings and to measure the effectiveness of the water conservation program. Should the program not meet the City's goals, the plan provides alternative pathways that can be utilized to help improve program effectiveness. Coupled with the tools the City has historically used to proactively manage its water resources, the Water Conservation and Efficiency Plan adds another layer to the City's informed decision making.

## 9. APPENDIX

Table A 1. Commercial, Industrial, and Institutional (CII) Water Account Classifications

	ndustrial, and institutional (Cit) water Account Classifications
Class Code	Class Code Definition
Airport	This includes all meters that service the San Luis Obispo County Regional Airport.
Auto Services	This includes all meters that service commercial automobile services, including mechanics, detailing services, gas stations, motor vehicle sales, towing services, and vehicle rentals. Please note that this does not include meters that service car wash facilities.
Car Wash	This includes all meters that service the various types of car washes: self-service, automated, hand wash, etc. Gas stations that include car washes should be categorized as "Auto Services".
Cemetery	This includes all meters that service areas with graves, tombs, and funeral urns.
City Facility	This includes all meters that service City of SLO buildings and facilities that are <u>not</u> associated with City of SLO parks (i.e. City Hall, 879 Morro, etc.)
City Park Facility	This includes all meters that service City of SLO park facilities (i.e. park restrooms, park water fountains, etc.).
Convenience Store	This includes all meters that service convenience stores, including liquor stores.
Entertainment with Food	This includes all meters that service entertainment facilities that provide customers food services (i.e. theaters and bowling allies).
Entertainment without Food	This includes all meters that service entertainment facilities that do not offer customers food services (i.e. museums).
Food and Beverage	This includes all meters that service full-service restaurants, bars, fast food eateries, catering services, service bakeries, cafes, and coffee shops.
<b>Grocery Store</b>	This includes all meters that service grocery stores and supermarkets.
Group Live-in	This includes all meters that service facilities providing rehabilitation services, such as housing and drug and alcohol rehabilitation.
Health Care	This includes all meters that service public and private hospital facilities, private medical centers, doctors' offices, labs, and long-term nursing homes: institutions equipped to care for people unable to look after themselves, as the aged or chronically ill. Please note that there is a separate category for retirement homes.
Hotel/Motel	This includes all meters that service properties identified by the downtown association to be a hotel or motel.
Industrial	This includes all meters that service industrial facilities, including manufacturing and warehousing facilities.
Laundry Facility	This includes all meters that service commercial laundry services and dry-cleaning facilities. Please note that there is a separate category for residential laundry facilities.

14: 0	
Misc Commercial	This includes all meters that service commercial facilities that do not
	fall into any of the commercial categories identified above.
Office	This includes all meters that service office buildings.
Other Public	This includes all meters that service public institutional facilities not
Facility	owned by the City of SLO (i.e. County/State/Federal administrative
	offices, post offices, public use buildings, etc.)
Pool	This includes all meters that service community pools.
Preschool/Daycare	This includes all meters that service commercial and non-profit
	childcare services. Religious institutions that include child services
	should still be listed as religious buildings if there is only one meter.
School	This includes all meters that service public and private primary and
	secondary educational institutions. Please note that there is a separate
	category for Cal Poly meters under the Other category.
<b>Religious Building</b>	This includes all meters that service religious facilities.
Residential	This includes all meters that service only laundry facilities on residential
Laundry	properties (i.e. non-commercial).
Retirement Home	This includes all meters that service retirement facilities: institutions
	equipped to care for people who are independent but want to be able
	to access care and support if they need it. Please note nursing homes
	fall under the Health Care class code.
Sales/Services	This includes all meters that service retail and service stores,
	commercial shopping centers, commercial personal service facilities
	(such as beauty salons, massage facilities, and fitness/recreational
	facilities), or business centers that include a variety of commercial
	businesses.
Utility	This includes all meters that service non-City run utility facilities (i.e.
	gas, electric, etc.)
L	,

Table A 2. Plan A Water Conservation Measure Parameters.

SFR Home Water Report         \$0.00*         250           SFR ULFT Replacement (1.6 GPF)         \$100.00         100           SFR HET Replacement (1.28 GPF)         \$100.00         100           SFR Washer Rebate (WF <=4)         \$150.00         40           SFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         50           SFR Smart Irrigation Controller Rebate         \$130.00         20           SFR Turf Replacement         \$1.00/sq ft         5000           SFR Graywater Laundry to Landscape Rebate         \$200.00         10           MFR Water Use Audit         \$0.00*         250           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$350.00         20           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100 <th>250 100 100 40 50 20 5000 10 20 250 100 100 100</th> <th>250 - - - 50 - - - - 250 -</th>	250 100 100 40 50 20 5000 10 20 250 100 100 100	250 - - - 50 - - - - 250 -
SFR HET Replacement (1.28 GPF)         \$100.00         100           SFR Washer Rebate (WF <=4)         \$150.00         40           SFR Showerhead Replacement (<= 1.8 GPM)         \$6.00***         50           SFR Smart Irrigation Controller Rebate         \$130.00         20           SFR Turf Replacement         \$1.00/sq ft         5000           SFR Graywater Laundry to Landscape Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         20           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	100 40 50 20 5000 10 20 250 100 100 100	- 50 - - - - 250 -
SFR Washer Rebate (WF <=4)         \$150.00         40           SFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         50           SFR Smart Irrigation Controller Rebate         \$130.00         20           SFR Turf Replacement         \$1.00/sq ft         5000           SFR Graywater Laundry to Landscape Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$350.00         20           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	40 50 20 5000 10 20 250 100 100 100	- - - - 250 -
SFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         50           SFR Smart Irrigation Controller Rebate         \$130.00         20           SFR Turf Replacement         \$1.00/sq ft         5000           SFR Graywater Laundry to Landscape Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement (1.6 GPF)         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	50 20 5000 10 20 250 100 100	- - - - 250 -
SFR Smart Irrigation Controller Rebate         \$130.00         20           SFR Turf Replacement         \$1.00/sq ft         5000           SFR Graywater Laundry to Landscape Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$350.00         20           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement (1.6 GPF)         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	20 5000 10 20 250 100 100	- - - - 250 -
SFR Turf Replacement         \$1.00/sq ft         5000           SFR Graywater Laundry to Landscape Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	5000 10 20 250 100 100	- - - 250 -
SFR Graywater Laundry to Landscape Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	10 20 250 100 100	- - 250 -
Rebate         \$200.00         10           SFR Rain Barrel (< 200 gal) Rebate         \$50.00         20           MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	20 250 100 100 100	- 250 - -
MFR Water Use Audit         \$0.00*         250           MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	250 100 100 100	-
MFR ULFT Replacement (1.6 GPF)         \$100.00         100           MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	100 100 100	-
MFR HET Replacement (1.28 GPF)         \$100.00         100           MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	100 100	-
MFR In-Unit Washer Rebate (WF <=4)         \$150.00         100           MFR Shared Washer Rebate (WF <=4)         \$350.00         20           MFR Showerhead Replacement (<= 1.8 GPM)         \$6.00**         10           MFR Large Landscape Smart Irrigation Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	100	-
MFR Shared Washer Rebate (WF <=4)		
MFR Showerhead Replacement (<= 1.8 GPM)	20	-
GPM)  MFR Large Landscape Smart Irrigation Controller Rebate  MFR Turf Replacement  CII ULFT Replacement (1.6 GPF)  \$6.00**  \$700.00  12  \$700.00  12  \$1.00/sq ft 5000  100	20	-
Controller Rebate         \$700.00         12           MFR Turf Replacement         \$1.00/sq ft         5000           CII ULFT Replacement (1.6 GPF)         \$100.00         100	10	10
<b>CII ULFT Replacement (1.6 GPF)</b> \$100.00 100	12	-
<b>CII ULFT Replacement (1.6 GPF)</b> \$100.00 100	5000	-
	100	-
, , , , , , , , , , , , , , , , , , , ,	100	-
CII Urinal (Waterless) Replacement \$100.00 12	12	-
CII Urinal (1/8 GPF) Replacement \$100.00 12	12	-
CII Washer Rebate (WF <=4) \$350.00 14	14	-
CII Commercial Kitchen Dishwasher Rebate \$700.00 7	7	-
CII Commercial Kitchen Spray Rinse Valve Rebate \$31.85**	20	20
CII Commercial Kitchen Food Streamer \$1,400.00 7	7	-
CII Restaurant Dipper Well Rebate \$150.00 7	7	-
CII Large Landscape Irrigation Controller \$1400.00 12	12	-
CII Large Landscape Turf Replacement \$1.00/sq ft 5000	5000	-
CII Large Landscape Water Budget \$250.00 20		-

<sup>\*</sup>SFR Home Water Report and MFR Water Use Audits set to \$0.00 because this is a standard service that Water Resources staff provides the community.

<sup>\*\*</sup>SFR/MFR showerheads and CII Kitchen Spray Rinse Valves are kept at their true cost in Program 1 to compare to other measures.

Table A 3. Benefit-Cost Ratio for Conservation Measures Included in Plan A.

Water Conservation Measure  Water Conservation Measure	Benefit- Cost Ratio
SFR Rain Barrel (< 200 gal) Rebate	0.6
SFR Graywater Laundry to Landscape Rebate	2.1
MFR Turf Replacement	3.7
CII Large Landscape Turf Replacement	3.7
SFR Turf Replacement	3.7
SFR Smart Irrigation Controller Rebate	7.6
MFR In-Unit Washer Rebate (WF <=4)	8.3
CII Commercial Kitchen Food Steamer Rebate	10.0
SFR Washer Rebate (WF <=4)	12.4
MFR Shared Washer Rebate (WF <=4)	16.5
CII Washer Rebate (WF <=4)	16.5
CII Large Landscape Water Budget	16.9
CII Large Landscape Irrigation Controller	19.7
SFR ULFT Replacement (1.6 GPF)	29.5
CII Commercial Kitchen Dishwasher Rebate	29.7
CII Commercial Kitchen Spray Rinse Valve Rebate	39.6
CII ULFT Replacement (1.6 GPF)	41.1
MFR ULFT Replacement (1.6 GPF)	42.6
MFR Large Landscape Smart Irrigation Controller Rebate	62.8
SFR Home Water Report	100.0
MFR Water Use Audit	100.0
SFR HET Replacement (1.28 GPF)	105.3
CII Restaurant Dipper Well Rebate	109.2
CII Urinal (1/8 gpf) Replacement	116.6
MFR HET Replacement (1.28 GPF)	117.0
CII Urinal (Waterless) Replacement	126.2
CII HET Replacement (1.28 GPF)	146.5
MFR Showerhead Replacement (<= 1.8 GPM)	175.9
SFR Showerhead Replacement (<= 1.8 GPM)	175.9

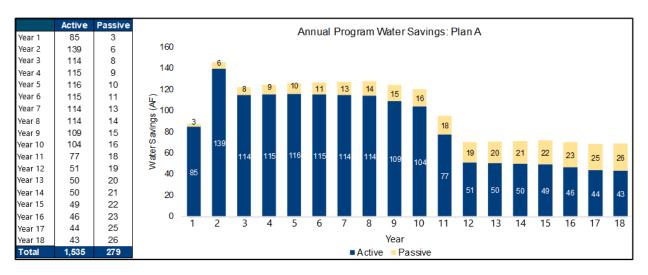


Figure A 1. Plan A Annual Program Water Savings.

Table A 4. Plan B Water Conservation Measure Parameters.

Water Conservation Measure	Utility (\$/Unit)	Quantity Year 1	Quantity Year 2	Quantity (Annual Thereafter)
SFR Home Water Report	\$0.00*	250	250	250
SFR HET Replacement (1.28 GPF)	\$100.00	100	100	-
SFR Showerhead Replacement (<= 1.8 GPM)	\$6.00**	50	50	50
MFR Water Use Audit	\$0.00*	250	250	250
MFR HET Replacement (1.28 GPF)	\$100.00	100	100	-
MFR ULFT Replacement (1.6 GPF)	\$100.00	100	100	-
MFR Showerhead Replacement (<= 1.8 GPM)	\$6.00**	10	10	10
MFR Large Landscape Smart Irrigation Controller Rebate	\$700.00	12	12	-
CII HET Replacement (1.28 GPF)	\$100.00	100	100	-
CII ULFT Replacement (1.6 GPF)	\$100.00	100	100	-
CII Urinal (1/8 GPF) Replacement	\$100.00	12	12	-
CII Urinal (Waterless) Replacement	\$100.00	12	12	-
CII Commercial Kitchen Dishwasher Rebate	\$700.00	7	7	-
CII Commercial Kitchen Spray Rinse Valve Rebate	\$31.85**	20	20	20
CII Restaurant Dipper Well Rebate	\$150.00	7	7	-
CII Large Landscape Water Budget	\$250.00	20	20	-

<sup>\*</sup>SFR Home Water Report and MFR Water Use Audits set to \$0.00 because this is a standard service that Water Resources staff provides the community.

<sup>\*\*</sup>SFR/MFR showerheads and CII Kitchen Spray Rinse Valves are kept at their true cost in Program 2 to compare to other measures. However, these measures would fall under the standard \$5,000 annual complimentary water conservation item budget.

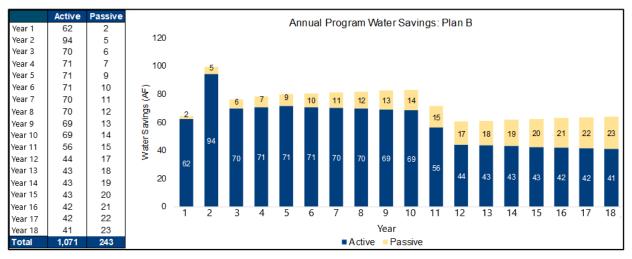


Figure A 2. Plan B Annual Program Water Savings.

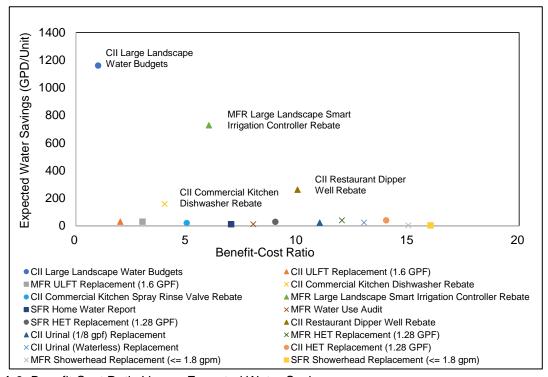


Figure A 3. Benefit Cost Ratio Versus Expected Water Savings

Table A 5. Plan C Water Conservation Measure Parameters.

Water Conservation Measure	Utility (\$/Unit)	Quantity Year 1	Quantity Year 2	Quantity (Annual Thereafter)
SFR Home Water Report	\$0.00*	250	250	250
SFR HET Replacement (1.28 GPF)	\$100.00	100	100	-
SFR Showerhead Replacement (<= 1.8 GPM)	\$0.00**	50	50	50
MFR Water Use Audit	\$0.00*	250	250	250
MFR HET Replacement (1.28 GPF)	\$100.00	44	44	-
MFR Showerhead Replacement (<= 1.8 GPM)	\$0.00**	10	10	10
MFR Large Landscape Smart Irrigation	\$700.00	8	8	-
Controller Rebate				
CII HET Replacement (1.28 GPF)	\$100.00	70	70	-
CII Urinal (1/8 GPF) Replacement	\$100.00	20	19	-
CII Commercial Kitchen Spray Rinse Valve	\$0.00**	20	20	20
Rebate				
CII Restaurant Dipper Well Rebate	\$150.00	7	7	-
CII Large Landscape Water Budget	\$250.00	20	20	-

<sup>\*</sup>SFR Home Water Report and MFR Water Use Audits set to \$0.00 because this is a standard service that Water Resources staff provides the community.

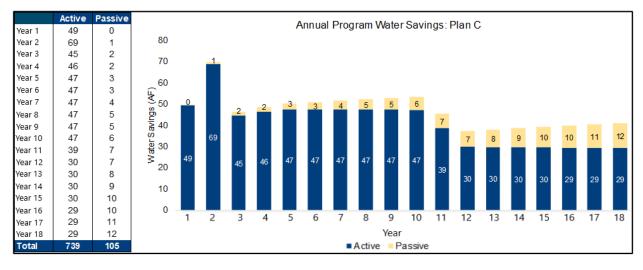


Figure A 4. Plan C Annual Program Water Savings.

<sup>\*\*</sup>Price set at \$0.00 because the measure is included in the standard \$5,000 annual complimentary water conservation item budget.

Table A 6. Implementation Schedule.

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Mea sure	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18
Pu blic Inf or mat ion and Out rea ch																		
Но																		
Lea																		
Plu																		
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**Department:** Public Works

Cost Center: 5201
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

FROM: Matt Horn, Public Works Director

Prepared By: Alex Fuchs, Mobility Services Business Manager

SUBJECT: AUTHORIZE EXECUTION OF OPEN-LOOP PAYMENT SYSTEM

AGREEMENTS AND AN AMENDMENT TO SB 125 COOPERATIVE AGREEMENT WITH SLOCOG FOR REIMBURSEMENT OF COSTS

## RECOMMENDATIONS

 Adopt a Draft Resolution entitled, "A Resolution of the City Council of the City of San Luis Obispo, California, approving agreements for San Luis Obispo (SLO) Transit's open-loop payment system project"; and

- 2. Authorize execution of Amendment No. 1 to the Senate Bill (SB) 125 Cooperative Agreement with SLOCOG for reimbursement of open-loop payment system project costs; and
- 3. Authorize execution of an agreement with Kuba, Inc. for procurement, installation, and warranty of payment acceptance devices; and
- 4. Authorize execution of an agreement with Kuba Inc. for ongoing support services for payment acceptance devices; and
- 5. Authorize execution of an agreement with Littlepay, Inc. for transit processor services; and
- 6. Authorize execution of an agreement with Token Transit, Inc. for integration and ongoing support of digital pass and fare purchases; and
- 7. Authorize the Finance Director to negotiate and execute an agreement with Elavon, Inc. for merchant processing services as part of the system configuration process.

## POLICY CONTEXT

On January 23, 2024, Council held a Study Session to review the draft Transit Innovation Study<sup>1</sup>. The Study Session included a review of 17 recommendations intended to enhance mobility, restore ridership, and improve technology. The second highest ranked recommendation was to purse open loop payments through California's Integrated Travel Project. An open-loop payment system allows riders to pay with contactless payment

<sup>&</sup>lt;sup>1</sup> <u>Item 7a. Study Session: Transit Innovation Study Review</u>

options like chip-enabled bank cards as well as with Google Pay and Apple Pay through on-board payment acceptance devices. Council directed staff to finalize the report and to begin implementation. The recommendations in this report are consistent with Council's direction and the implementation of the Transit Innovation Study recommendations.

Under the City's <u>Municipal Code 3.24.060(E)</u>, bid procedures may be waived and procurement obtained from a single sole-source when the purchase will be made cooperatively with one, or more, other units of government. The recommendations in this report are consistent with this section as the open-loop payment system agreements reflect pre-negotiated prices based on statewide contracts.

## **REPORT-IN-BRIEF**

SLO Transit's <u>Transit Innovation Study</u> (Section 4.2) recommends pursuing open-loop payments in coordination with San Luis Obispo Council of Governments (SLOCOG) and San Luis Obispo Regional Transit Authority (RTA) through California's Integrated Travel Project. SLOCOG applied for and was approved to allocate funding for the implementation of a region-wide open-loop payment system project. In August 2024, a working group was formed to develop and release a scope of work, review vendor proposals, and discuss integrations with existing systems needed for project implementation.

Staff is recommending amending an existing cooperative agreement with SLOCOG to include the open-loop payment project so the City can be reimbursed for associated costs. Staff is also recommending approving agreements with multiple vendors for hardware and software needed to fully implement the project. The recommended actions listed above will authorize these requested agreements.

## DISCUSSION

## **Background**

The California Integrated Travel Project (Cal-ITP) was launched in 2019 by the California State Transportation Agency (CalSTA) and the California Department of Transportation (Caltrans). Cal-ITP is a statewide initiative designed to make public transportation more accessible, efficient, and user-friendly by integrating payment systems, data standards, and real-time travel information across agencies.

The primary element of the initiative is assisting transit agencies with the procurement of an "open-loop" payment system. An open-loop payment system allows riders to pay with contactless payment options like Google Pay and Apple Pay through on-board payment acceptance devices. The payment devices integrate with a transit processing software to calculate fares and allows contactless payment users to benefit from "fare capping" technology. Fare capping ensures riders never pay more than a set maximum amount for fares over a given period (daily and monthly in this case).

Cal-ITP partnered with the Department of General Services to offer multiple statewide

Master Service Agreements for the hardware and software needed to implement an open-loop payment system. The Master Service Agreements include standard terms and conditions and pre-negotiated rates that agencies can use to purchase hardware and software necessary to implement an open-loop payment system. Cal-ITP also offers free procurement and technical assistance for interested agencies.

## Senate Bill 125 Funding

On December 6, 2023, San Luis Obispo Council of Government's (SLOCOG) board approved submittal of the Senate Bill (SB) 125 allocation package to the CalSTA. The allocation package included \$2.6 million in funding for the implementation of a regionwide Cal-ITP contactless fare payment system. The funds are meant to cover initial procurement and installation costs as well as operational costs for a five-year period. As a project participant, the City is eligible for reimbursement of associated costs.

On January 14, 2025, City Council adopted Resolution No. 11538 (2025 Series)<sup>2</sup> authorizing the Mayor to execute a cooperative agreement with SLOCOG for SB 125 funds and the appropriation of funds to associated capital projects. The cooperative agreement (Attachment A) needs to be amended to include the open-loop payment system project for reimbursement of project related costs incurred by the City.

Staff is recommending Council authorize execution of Amendment No. 1 to the SB 125 cooperative agreement with SLOCOG to include the open-loop payment system project (Attachment B).

## **Open-Loop Payment Vendor Selection**

In August 2024, SLOCOG held a kick-off meeting with a working group consisting of representatives from the City, RTA, Morro Bay Transit, and Cal-ITP. This working group met regularly between September 2024 and April 2025 to develop and release a scope of work, review vendor proposals, and discuss integrations with existing systems. The scope of work solicited for proposals that included payment acceptance devices, transit processing services software, and merchant processing services.

Based on the proposals received, responses to follow-up questions, and discussions with peer agencies; the working group selected Kuba, Inc. as the preferred vendor for the payment acceptance devices, Littlepay, Inc. as the preferred vendor for the transit processing software, and Elavon, Inc. as the preferred vendor for merchant processing services. The working group believes that the selected vendors will be most appropriate to meet both agency-specific and regional fare structure needs.

Merchant processing services will be set up between thirty to sixty days before launch of the new payment system. A negotiated agreement is not available at the time this report was published; however, the Master Service Agreement<sup>3</sup> is available using the hyperlink at the bottom of this page. The Master Service Agreement includes standard terms and conditions as well as pre-negotiated rates for merchant processing services. <u>Staff is</u>,

<sup>&</sup>lt;sup>2</sup> Resolution No. 11538 (2025 Series)

<sup>&</sup>lt;sup>3</sup> Elavon, Inc. Master Service Agreement

therefore, recommending Council authorize the Finance Director to negotiate and execute an agreement with Elavon, Inc. for merchant processing services as part of the open-loop payment system configuration process.

## **Digital Pass and Fare Purchases Integration**

SLO Transit offers digital passes and fares through the Token Transit, Inc. mobile application. Digital pass and fare sales make up a 60 percent of SLO Transit's total pass sales revenue. The digital passes and fares are verified on the bus using a module provided by Token Transit that is mounted to the existing fare boxes. These modules are failing and are no longer supported by the manufacturer.

Kuba's payment acceptance devices can integrate with Token Transit's mobile application via QR code to allow for continued use of digital passes and fares. SLOCOG has agreed to cover the initial setup and on-going costs of the integration for a five-year period. The City would continue to be responsible for the per transaction fee charged by Token Transit. The City has the option to purchase new fare box mounted modules instead of integrating through the payment acceptance devices, but the cost would be higher. SLO Transit will continue to support cash payment and continue to accept prepurchased physical bus passes.

## **Execution of Agreements**

Staff is recommending Council adopt a draft Resolution (Attachment C) approving execution of agreements with Kuba Inc. (Attachments D and E) for payment acceptance devices, with Littlepay, Inc. (Attachment F) for transit processing software, with Token Transit, Inc. (Attachment G) for digital pass and fare purchase integration, and to authorize the Finance Director to negotiate and execute an agreement with Elavon, Inc. for merchant processing services.

## **Next Steps**

Once agreements are executed, it will take approximately 60 days to receive the hardware then begin installation and configuration. Staff anticipates the system will be ready for launch by the end of calendar year 2025.

## **Previous Council and Advisory Body Actions**

- January 14, 2025 Council adopted <u>Resolution No. 11538 (2025 Series)</u> authorizing the Mayor to execute a cooperative agreement with SLOCOG for Senate Bill 125 funds and the appropriation of funds to associated capital projects.
- 2. December 11, 2024 the <u>Mass Transportation Committee voted in favor</u> of recommending that, for the 2025-27 budget cycle, Council focus on all the "High Impact to Ridership" recommendations of the Transit Innovation Study which includes pursuing an open loop payment system.
- 3. January 23, 2024 Council held a <u>Study Session</u> on the draft Transit Innovation Study report and directed staff to finalize the report and begin implementation.

## **Public Engagement**

Throughout the development of the Transit Innovation Study, staff and the consultant solicited feedback from internal and external stakeholders. External stakeholders consisted of representatives from Cal Poly, Downtown SLO, San Luis Obispo Chamber of Commerce, RTA, SLOCOG, Mass Transportation Committee members, and Active Transportation Committee members.

Inclusion of an additional payment option will not negatively impact riders and the fare capping technology will benefit those riders that are unable to afford a 1-Day or monthly pass.

## CONCURRENCE

The City Attorney's Office has reviewed and provided suggested changes to the draft agreements and to the amendment to the cooperative agreement with SLOCOG except for the draft agreement with Elavon, Inc. which was not available for review at the time this report was drafted. The Attorney's Office will review and provide suggested changes, if any, as part of the negotiation process.

The Finance Department concurs with the use of Elavon, Inc. for merchant processing services. The Information Technology (IT) Department concurs that the payment acceptance devices will function with the City's overall IT infrastructure.

SLOCOG, RTA, and Morro Bay Transit are partner agencies in this regionwide effort and concur with the recommended actions in this report. On March 5, 2025, RTA's board approved execution of an amendment to their cooperative agreement with SLOCOG and execution of agreements for implementation of their open-loop payment system.

## **ENVIRONMENTAL REVIEW**

The recommended actions are not considered a "Project" under California Environmental Quality Act (CEQA) Guidelines Section 15378.

## **FISCAL IMPACT**

Budgeted: No Budget Year: 2024-25

Funding Identified: Yes

## **Fiscal Analysis:**

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
Transit Fund	\$ 0	\$ 0	\$ 0	\$ 0
SB 125 Grant	\$ 271,000	\$ 271,000	\$ 0	\$ 0
Federal				

Other:	Total	\$ 271,000	\$ 271,000	•	
Fees					

On December 6, 2023, SLOCOG's board approved submittal of the SB 125 allocation package to CalSTA. The allocation package included \$2.6 million in funding for the implementation of a regionwide Cal-ITP contactless fare payment system.

As a participant in this regionwide effort, the City's cost to implement and operate the system for a five-year period is \$271,000 based on Cal-ITP's cost estimation tool (Attachment H). After the initial five-year period, the cost of operations, maintenance, and upgrade of the hardware and software would be the responsibility of the City.

The current cooperative agreement with SLOCOG for SB 125 grant funds must be amended to add this project and estimated costs for the City to be eligible for reimbursement using SB 125 funds.

## **ALTERNATIVES**

- Council could choose not to amendment the cooperative agreement with SLOCOG for SB 125 Grant Funds. Without amending the agreement, the City would be responsible for the full costs of implementing and operating the open-loop payment system.
- 2. Council could choose not to approve agreements necessary to implement an open-loop payment system project. SLOCOG will only reimburse the City for hardware and software procured through the state's Master Service Agreements since the funding is directly tied to the Cal-ITP program.

## **ATTACHMENTS**

- A SB 125 Cooperative Agreement with SLOCOG
- B Amendment No. 1 to SB 125 Cooperative Agreement
- C Draft Resolution approving open-loop payment system agreements
- D Kuba, Inc. Draft Agreement for capital costs
- E Kuba, Inc. Draft Agreement for ongoing support services
- F Littlepay, Inc. Draft Agreement
- G Token Transit, Inc. Draft Agreement
- H Open-Loop Payment System Cost Estimation

San Luis Obispo Council of Governments Agreement No. **SLO-SB 125-01** 

## TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP) AND ZERO-EMISSION TRANSIT CAPITAL PROGRAM (ZETCP) SUBRECIPIENT COOPERATIVE AGREEMENT

THIS AGREEMENT, ENTERED INTO ON THE DATE BELOW STATED is between the San Luis Obispo Council of Governments, referred to herein as "SLOCOG", and the <u>CITY OF SAN LUIS OBISPO</u> a municipal corporation, referred to herein as the "CITY".

## **RECITALS**

**WHEREAS**, Senate Bill (SB) 862 (2014) created the TIRCP to provide grants from the Greenhouse Gas Reduction Fund (GGRF) and authorized the California State Transportation Agency (CalSTA) to administer the program; and,

WHEREAS, SB 1 (2017) directs funds to the TIRCP from the Public Transportation Account (PTA); and,

**WHEREAS**, Assembly Bill 102 (2023) and SB 125 (2023) amended the Budget Act of 2023 to appropriate funding from the state's General Fund, GGRF, and PTA to the TIRCP and ZETCP, which shall be distributed to pursuant to a population based formula to regional transportation planning agencies (RTPA) as defined in Section 13987 (j) of the Government Code; and,

**WHEREAS**, SB 125 authorizes RTPA to request use of TIRCP and ZETCP funding for high-priority transit capital projects consistent with the uses allowed in Cycle 6 of the TIRCP, zero-emission transit vehicles and supporting infrastructure, transit operating expenses that prevent service cuts, and other projects subject to compliance and requirements set forth in the SB 125 program guidelines; and,

**WHEREAS**, as a condition of ongoing disbursements of requested SB 125 funds, RTPA must submit to CalSTA reports documenting activities and progress toward project implementation, expenditures, completion, benefits in accordance with the California Air Resources Board's Funding Guidelines, data, interest earned, and other project outcomes; and,

**WHEREAS**, on December 5, 2023, the SLOCOG Board approved programming for the CITY for the PROJECTs and the amounts shown in Table 1 and authorized the Executive Director to submit the program of projects to CalSTA and adjust programming as needed and to return them to the Board for endorsement; and,

**WHEREAS**, CalSTA has reviewed SLOCOG's program of projects and determined that the minimum program requirements have been met and has approved funding allocation for the PROJECTs in Table 1.

**NOW, THEREFORE**, the parties mutually agree as follows:

- 1. The CITY agrees to administer each PROJECT and conduct the applicable environmental processes required under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act, as applicable, for each PROJECT.
- The CITY agrees to assume responsibility and accountability for the use and expenditure of funds allocated to the PROJECTS in accordance with the SB 125 guidelines and applicable statutes and must also comply with all relevant federal and state laws, regulations, policies, and procedures, and ensure that GGRF funding is utilized consistent with and required by SB 1018 (2012).
- The CITY agrees that if a project may impact a street, road or highway owned or controlled by a
  jurisdiction other than CITY (including without limitation the County, another city, or the State of
  California), SLOCOG may require the CITY to establish a project development team (PDT)
  composed of representatives of such jurisdictions and SLOCOG.

- 4. The CITY agrees to utilize, for each PROJECT, an amount of TIRCP or ZETCP funds equal to or less than that adopted by SLOCOG, and that SLOCOG's total obligation shall not exceed the amounts shown in Table 1 unless a greater amount has been authorized in advance in writing by SLOCOG.
- The CITY agrees to account for all costs for the PROJECTS to be paid by SLOCOG pursuant to this Agreement and agrees to perform all the reimbursable work for each project according to the fiscal years identified in Table 1.
- 6. The CITY agrees to provide SLOCOG with the final cost estimates for each phase of the PROJECTS prior to reimbursement. The following will be assumed and reflected in SLOCOG's SB 125 accounting spreadsheets:
  - a. If less funding than what was programmed is required for a PROJECT, cost savings will be made available for reprogramming as approved by SLOCOG.
  - b. If more funding than what was programmed is required for a PROJECT, the CITY will be solely responsible for securing the additional funding, which can be comprised of various local, regional, state, or federal funding sources.
- 7. The CITY may submit an invoice for reimbursement of funds expended for each PROJECT no more than once a month, using the attached Reimbursement Request Form (Exhibit A). All invoices must contain the following:
  - a. PROJECT number and name
  - b. A detailed description of work accomplished during the billing period which will be used to provide project status updates to the SLOCOG Board on an annual basis, at minimum.
  - c. A copy of the consultant's bill to the CITY (if applicable).
  - d. Amount expended by the CITY during the billing period, with evidence of funds expended (e.g. a copy of a CITY check to consultant or accounting documentation, etc.)
  - e. Amount requested for reimbursement by source (TIRCP or ZETCP) for the billing period
- 8. SLOCOG agrees to reimburse the CITY within 30 days of receipt of a completed reimbursement request form (Exhibit A) with all applicable attachments and signatures an amount expended by the CITY during the invoices' billing period. SLOCOG's total obligation for each PROJECT cost shall not exceed the amount shown in Table 1, unless SLOCOG has in writing authorized a greater amount.
- 9. Within two months of either the execution of this agreement or each PROJECT's completion and all work incidental thereto, whichever comes later, the CITY must provide SLOCOG certification in the form provided in Exhibit B hereto, of completion in accordance with the provisions in this Agreement, and a final invoice containing those items listed in section 7a-e. In the event that final project costs are less than those listed on Table 1, hereto, the funds shall be reallocated as approved by SLOCOG.
- 10. The CITY agrees to document and publicize the TIRCP and ZETCP in proper context when developing press releases and City Council documents, or in hosting public events such as project groundbreakings. References should be made to TIRCP, ZETCP, the California State Transportation Agency as the program sponsor, and the state programs as fund sources, as applicable, in order to ensure transparency regarding the funding of the projects.
- 11. The CITY agrees to provide SLOCOG with data needed to document and share publicly the program benefits and outcomes of the PROJECTS.
- 12. The CITY grants to the State of California and/or SLOCOG access to the CITY's books and records for the purpose of verifying that SB 125 funds paid are properly accounted for and the proceeds are expended in accordance with the terms of this Agreement. All documents shall be available for inspection by authorized CalSTA, Caltrans and/or SLOCOG agents at any time during the PROJECT development and for a four-year period from the date of completion, or for one year after the audit is completed or waived by CalSTA, Caltrans and/or SLOCOG, whichever is later.

SLOCOG

- 13. Upon completion of all work under this Agreement, ownership and title to all materials will automatically be vested in the CITY and no further agreement will be necessary to transfer ownership to the CITY.
- 14. If existing public and/or private utilities conflict with the PROJECT construction or violate the CITY's encroachment policy (as applicable), the CITY shall make all necessary arrangements with the owners of such utilities for their protection, relocation or removal. The CITY shall review the plans for protection, relocation or removal. If there are costs of such protection, relocation, or removal which the CITY must legally pay, the CITY shall pay the cost of said protection, relocation or removal, plus cost of engineering, overhead and inspection. If any protection, relocation or removal of utilities is required, such work shall be performed in accordance with CITY policies and procedures.
- 15. The CITY shall defend, indemnify and save harmless SLOCOG, its officers and employees from all and any claims, demands, damages, costs, expenses, judgments, attorneys' fees or any liability arising out of this Cooperative Agreement to the performance or attempted performance of the provisions hereof, or any project referred to in the Exhibits hereto. Nothing contained in the foregoing indemnity provision shall be construed to require CITY to indemnify SLOCOG against any responsibility of liability in contravention of Civil Code section 2782.
- 16. Both the CITY and SLOCOG shall designate a Project Coordinator who shall represent the respective agencies and through whom all communications between the parties to this agreement shall occur.
- 17. Both parties agree that if, in the course of carrying out the PROJECT, there is a disagreement among the Project Coordinators over the direction of the project, the matter will be forwarded through a three-step conflict resolution process. First, resolution will be attempted between the CITY Manager and SLOCOG Executive Director. If a dispute continues, a determination shall be made by the SLOCOG Executive Committee, and, if required, final determination by the full SLOCOG Board.
- 18. Nothing in the provisions of this Agreement is intended to create duties, obligations, or rights for third parties not signatories to this Agreement or affect the legal liability of either party of the Agreement by imposing any standard of care with respect to the maintenance of local roads different from the standard of care imposed by law.
- 19. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties thereto, and no oral understanding or agreement not incorporated herein or in the attached Table 1 shall be binding on any of the parties thereto.
- 20. This Agreement may be terminated or provisions contained therein may be altered, changed, or amended by mutual consent, in writing, of the parties hereto.
- 21. Prior to awarding a contract for any PROJECT, SLOCOG may terminate the applicable PROJECT in the Cooperative Agreement by written notice, provided SLOCOG pays the CITY for all PROJECT-related costs reasonably incurred by the CITY prior to termination. Also, prior to awarding a contract for any PROJECT, the CITY may terminate the applicable PROJECT in the Cooperative Agreement by written notice, provided the CITY pays SLOCOG for all costs reasonably incurred by SLOCOG prior to termination.

## **SIGNATURES:**

CITY OF SAN LUIS OBISPO

-DocuSigned by: Enca & Sward A5990BABC9CA464...

Erica A. Stewart, Mayor

Date: 1/17/2025 | 2:49 PM PST

SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

Pete Rodgers

Peter Rodgers, Executive Director

1/15/2025 | 4:10 PM PST Date:

ATTEST:

APPROVED AS TO FORM AND LEGAL EFFECT:

Christine Dietrick, City Attorney

1/15/2025 | 4:49 PM PST Date:

Signed by: John Ansolabeliere

Jon Ansolabehere, SLOCOG Counsel

1/15/2025 | 3:18 PM PST Date:

TABLE 1

CITY PROJECTS

for

Agreement No. SLO-SB 125-01

SLOCOG#	Project Name	TIRCP	ZETCP	FY
City of SLO-1	Six (6) Battery electric bus procurement	\$280,000	-	2023/24
City of SLO-2	Battery electric bus charging infrastructure	\$395,000	-	2023/24
City of SLO-3	Auto Vehicle Locator system replacement	\$130,000	-	2024/25
City of SLO-4	On-bus security camera system replacement	\$750,000	-	2024/25
	Total	\$1,550,000	-	

# EXHIBIT A San Luis Obispo Council of Governments TIRCP and ZETCP

### REIMBURSEMENT REQUEST FORM

Agency Name: Date:							
Contact Person:							
Project Number(s	s):						
This Invoice Cove	ers Work Complet	ed from:	/	1	to:	/	
Project Budget In	formation: (comp dget information	lete box be					
Total Spent this Invoice	\$						
	TIRCP	ZETCP		Other Non-R Spending			Total
Reimbursement by Fund Source							
Please send a check for \$  Total TIRCP & ZETCP share due this invoice  Attachments: 1) A brief description of work completed; and 2) Consultant invoices 3) Proof of payment (e.g. copy of CITY check to consultant).							
Signed:(Agency Rep.)							
Shaded boxes below for S					anataa bett		
Regional Planner Approval Accounting Initials							

#### **EXHIBIT B**

# PROJECT COMPLETION FORM for SB 125 Projects

This form notifies SLOCOG of project completion in accordance with the provisions in the Cooperative Agreement noted below. Our records indicate that the project listed below, funded all or in part with RSTP Exchange funds, has been completed:

Project Name:	
Project Number(s):	
Cooperative Agreement Date (Recipient Agence	cy):
Approved TIRCP or ZETCP amount(s):	
I	certify, on behalf of the CITY
name of authorized official	
of, that t	the project named above was completed
name of jurisdiction	
on in accordance with approximate date of completion	th the provisions set forth in the cooperative
agreement dated date jurisdiction representative	
from a cost underrun will be returned to SLC	OCOG for reprogramming in accordance with the
cooperative agreement.	
Signed:	Date:
signature of authorized official	date signed

Return completed and signed Project Completion Forms within 2 months of the completion of each project to:

SLOCOG 1114 Marsh Street San Luis Obispo, CA 93401 Attn: (Project Coordinator)

#### **EXHIBIT C**

#### **General Programming Policies**

SLOCOG's 2023 Regional Transportation Plan / Sustainable Communities Strategy identifies an overall goal to develop a multi-modal transportation system which is balanced, coordinated, safe, cost effective, environmentally sound, economically supportive, meeting all the financially reasonable transportation needs of all citizens in San Luis Obispo County. General programming policies affecting the decision making and project selection of the surface transportation system are summarized as follows:

- 1. SLOCOG will strive to be fair and equitable in the allocation of funding between the various subregions in the county and among member jurisdictions.
- 2. SLOCOG will adhere to the federal and state statutes, policies, regulations and guidelines applicable to each fund being allocated, and require recipients of grants to do the same.
- 3. SLOCOG will recommend projects for funding that are:
  - Deliverable
  - Consistent with the goals, policies, action strategies, and programs of the 2023 Regional Transportation Plan
  - Responsive to immediate funding and project needs
  - Consistent with specific criteria of a particular funding program
  - High likelihood of leveraging other funding (state, federal and/or local)
  - Approved or supported by the applicable governing body
- 4. SLOCOG will seek to implement all programs in a timely and efficient manner.
- 5. SLOCOG will seek to maximize the use of the funds for general public benefit, and will marshal other funds, when possible, to complete funded projects by prioritizing joint-funded projects.
- 6. SLOCOG will integrate social equity factors into the decision-making process by applying the findings generated from the Disadvantaged Communities Assessment.
- 7. SLOCOG will, to the extent feasible, assure the integration of all projects with jurisdiction, region and statewide transportation plans, providing a comprehensive, systematic approach to resolving transportation problems in the region.
- 8. SLOCOG will retain maximum flexibility of federal programs under the Infrastructure Investment and Jobs Act (IIJA), where feasible.
- 9. SLOCOG will retain a continuing commitment to emphasize quality and promote excellence in the development of competitive proposals, seeking to fund the best possible projects in terms of cost effectiveness, public benefit and regional and local significance.
- 10. SLOCOG may reserve discretionary funds for advance development work to ensure regionally significant projects are well scoped, alternatives assessed, accurate estimates prepared, and a finance plan for implementation is developed.
- 11. SLOCOG will maintain funding commitments for existing programmed projects if those projects have achieved the project delivery milestones set out at the time of programming. Unavoidable delays to the project delivery milestones will be considered on a case-by-case basis.
- 12. SLOCOG may commit a portion of discretionary funding to match and leverage other competitive state-wide or federal grant programs for projects of regional significance.

# TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM (TIRCP) AND ZERO-EMISSION TRANSIT CAPITAL PROGRAM (ZETCP) SUBRECIPIENT COOPERATIVE AGREEMENT Amendment No. 1 to Agreement No. SLO-SB 125-01

THIS AGREEMENT, ENTERED INTO ON THE DATE BELOW STATED is between the San Luis Obispo Council of Governments, referred to herein as "SLOCOG", and the <u>CITY OF SAN LUIS OBISPO</u>, a municipal corporation and political subdivision of the State of California, referred to herein as the "CITY".

#### **RECITALS**

**WHEREAS**, on December 5, 2023, the SLOCOG Board approved programming for the CITY for transit capital projects and authorized the Executive Director to submit the program of projects to CalSTA and adjust programming as needed and to return them to the Board for endorsement; and,

**WHEREAS**, SLOCOG and the CITY are authorized, pursuant to requirements of Assembly Bill 102 (2023) and SB 125 (2023), to enter into a Cooperative Agreement for high-priority transit capital projects consistent with the uses allowed in Cycle 6 of the TIRCP, zero-emission transit vehicles and supporting infrastructure, transit operating expenses that prevent service cuts, and other projects subject to compliance and requirements set forth in the SB 125 program guidelines; and,

**WHEREAS**, SLOCOG and the CITY entered into Agreement No. SLO-SB 125-01 ("Agreement") on January 17, 2025; and,

**WHEREAS**, SLOCOG was designated as the project sponsor for use of Transit and Intercity Rail Capital Program ("TIRCP") funds to implement and support the San Luis Obispo Region Cal-ITP Implementation Project ("Project"); and,

**NOW THEREFORE**, the parties mutually agree as follows:

- 1) Table 1 of that Agreement No. SLO-SB 125-01 is hereby amended by adding project "City of SLO-5" (Cal-ITP Implementation Project SLO Transit), with programming amounts of \$271,000 for the Project as identified in Exhibit 1 (attached hereto and incorporated herein by this reference).
- 2) That SLOCOG, as grantor of these funds, be recognized in all promotions of the Project in the Amendment. CITY shall include the recognition of SLOCOG in all project branding, signage, press releases, and other marketing materials related to the Project.
- 3) That all other terms and conditions of the original Agreement No. SLO-SB 125-01 shall remain in full force and effect unless otherwise amended per agreement.

### 

#### **EXHIBIT 1**

## CITY PROJECTS for

### Amendment No. 1 Agreement No. SLO-SB 125-01

SLOCOG#	Project Name	TIRCP	ZETCP	FY
City of SLO-5	Cal-ITP Implementation Project – SLO Transit	\$271,000	-	2024/25

### RESOLUTION NO. \_\_\_\_ (2025 SERIES)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO, CALIFORNIA, APPROVING AGREEMENTS FOR SAN LUIS OBISPO (SLO) TRANSIT'S OPEN-LOOP PAYMENT SYSTEM PROJECT

WHEREAS, in 2019, the California Integrated Travel Project (Cal-ITP) was launched by the California State Transportation Agency (CalSTA) and the California Department of Transportation (Caltrans); and

**WHEREAS,** Cal-ITP is a statewide initiative designed to make public transportation more accessible, efficient, and user-friendly by integrating payment systems, data standards, and real-time travel information across agencies; and

**WHEREAS,** Cal-ITP offers multiple statewide contracts for the hardware and software needed to implement an open-loop payment system at pre-negotiated rates; and

**WHEREAS,** on December 6, 2023, San Luis Obispo Council of Government's (SLOCOG) board approved submittal of the Senate Bill (SB) 125 allocation package to the CalSTA which included funding for the implementation of a regionwide Cal-ITP open-loop payment system project; and

**WHEREAS**, under San Luis Obispo Municipal Code §3.24.060, bid procedures may be waived and procurement obtained from a single vendor when the purchase will be made cooperatively with one or more other units of government; and

**WHEREAS,** on January 14, 2025, the City Council adopted Resolution No. 11538 (2025 Series) authorizing the execution of a cooperative agreement with SLOCOG for SB 125 funds and the appropriation of funds to associated capital projects; and

**WHEREAS,** the SB 125 cooperative agreement with SLOCOG must be amended to include the open-loop payment system project for the City to seek reimbursement from SLOCOG for project related costs incurred by the City; and

**WHEREAS,** in August 2024, SLOCOG held a kick-off meeting with a working group consisting of representatives from the City, RTA, Morro Bay Transit, and Cal-ITP to develop and release a scope of work, review vendor proposals, and discuss integrations with existing systems; and

**WHEREAS**, based on the information provided in the vendors' proposals, responses to follow-up questions, and discussions with peer agencies; the working group selected Kuba, Inc. as the preferred vendor for the payment acceptance devices, Littlepay, Inc. as the preferred vendor for the transit processing software, and Elavon, Inc. as the preferred vendor for merchant processing services; and

R		

Resolution No (2025 Serie	es)
---------------------------	-----

Page 2

**WHEREAS,** the City contracts with Token Transit, Inc. for digital pass and fare services via mobile application whereby SLO Transit riders can pay for digital pass and fare and then verify them on the bus; and

**WHEREAS,** the City wishes to integrate digital pass and fare verification between Token Transit, Inc. and the payment acceptance devices offered by Kuba, Inc. to allow for continued use of digital passes and fares by SLO Transit riders; and

**WHEREAS,** at a regularly scheduled meeting on May 20, 2025, the City Council considered recommendations by staff to approve execution of agreements necessary to implement the open-loop payment system project.

**NOW, THEREFORE, BE IT RESOLVED** that the Council of the City of San Luis Obispo does hereby approve sole source agreements for the implementation of an open-loop payment system project as follows:

**SECTION 1.** Environmental Review. The California Environmental Quality Act (CEQA) does not apply to the recommended actions in this report, because the action does not constitute a "Project" under CEQA Guidelines Section 15378.

**SECTION 2.** Approval. The City Council of the City of San Luis Obispo does hereby approve the following:

- 1. Execution of an agreement with Kuba, Inc. for procurement, installation, and warranty of payment acceptance devices; and
- 2. Execution of an agreement with Kuba, Inc. for ongoing support services for payment acceptance devices; and
- Execution of an agreement with Littlepay, Inc. for transit processor services; and
- 4. Execution of an agreement with Token Transit, Inc. for integration and ongoing support of digital pass and fare purchases; and
- Authorize the Finance Director to negotiate and execute an agreement with Elavon, Inc. for merchant processing services as part of the system configuration process.

Upon	motion of Council Member, and on the following roll call vote	,	Council Member
AYES NOES ABSE	S:		

The foregoing resolution was adopted this 20th day of May 2025.

City of San Luis Obispo, California, on \_\_\_\_\_\_.

Teresa Purrington
City Clerk

#### **USER AGREEMENT**

This User Agreement is entered into between The City of San Luis Obispo "Contracting Agency" and Kuba Inc. "Contractor". This User Agreement expressly incorporates the California Master Service Agreement (MSA) No. 5-21-70-28-02 which is incorporated herein. This User Agreement contract form serves as an appropriate equivalent to the STD 213 as required by the MSA.

**Contracting Agency:** The City of San Luis Obispo

Contractor Name: Kuba Inc.

2. The Term of this Agreement is:

San Luis Obispo, CA 93401 Whitney McDonald, City Manager

Start Date: [ENTER DATE EXPECTED TO SIGN]

Through End Date: 02/28/2027 with the ability to extend at the discretion of the State of California's Department of General Services

3. The maximum amount of this Agreement is:

> See Exhibit B for pricing on capital costs only, operating expenses are documented in a separate agreement.

**Exhibits.** The parties agree to comply with the terms and conditions of the following exhibits, 4. which are by this reference made a part of this agreement.

Exhibits	Title	Pages
Exhibit A	San Luis Obispo (SLO) Transit's Scope of Work	6
Exhibit B	Payment Provisions	2
MSA 5-21-70- 28-02	MSA 5-21-70-28-02 is hereby incorporated by reference. The MSA is available at: <a href="https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?">https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?</a> <a href="Page=ZZ_CTR_SUP_PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-02">https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?</a> <a href="Page=ZZ_CTR_SUP_PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-02">PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-02</a>	

in witness whereor, this Agreement has been executed by tr	ne parties nereto.
Contractor:	
	Date:
Kuba Inc.	
PO Box 31804	
Las Vegas, NV 89173-31804	
Brian Frank, General Manager: Kuba North America Transit	
Contracting Agency Name:	
	Date:
City of San Luis Obispo	
990 Palm Street	

#### **EXHIBIT A**

#### Scope of Work

#### 1. Incorporate MSA by Reference

MSA 5-21-70-28-02 and its amendments is hereby incorporated by reference as if attached hereto.

#### 2. Description

Three transit operators in the region will lead the project with support from the San Luis Obispo Council of Governments (SLOCOG). In 2024, the region was awarded SB125 funds to collaboratively deploy contactless payment technology across the region's operators. The goal is to select matching vendors across each transit provider.

The three transit operators that serve the SLOCOG region, and are part of this award, include San Luis Obispo Regional Transit Authority (RTA), Morro Bay Transit (MBT), and San Luis Obispo (SLO) Transit. A brief description of each transit provider follows:

#### **RTA**

The RTA was created in 1989 as a Joint Powers Authority to provide management of regional fixed-route public transportation services, as well as regional paratransit services. In 2001, the paratransit service, called RTA Runabout, began providing complementary ADA service for all five fixed-route providers operating in the region. The mission of the RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens and visitors of San Luis Obispo County. The County is located on the beautiful Central Coast of California, halfway between Los Angeles and San Francisco. The current population of the county is 284,010, including that of three small, urbanized areas (UZAs): San Luis Obispo designated in 1990; El Paso de Robles-Atascadero in 2000; and Arroyo Grande-Grover Beach in 2010. The RTA coordinates regional services with local fixed-route providers in each UZA in the County, as well as within the Santa Maria UZA (population 130,000) in nearby northern Santa Barbara County.

The RTA directly operates hourly service on four regional fixed-routes and ADA paratransit services primarily along the US-101 and SR-1 corridors, as well as express commuter services during peak travel periods. Three out of the four regional fixed routes converge on downtown San Luis Obispo, 7 days a week. The RTA regional fixed-route service has a peak pull-out of 15 buses, and provides almost 500,000 passenger-trips annually, while weekday productivity ranges from 4 to 23 boardings/hour. The RTA also operates community-based services funded by SLO County in small rural areas and is funded by the City of Paso Robles to operate its local fixed-route and a local Dial-A-Ride programs. Finally, as of January 2021, the RTA also directly operates SoCo Transit – the eight-bus local fixed-route service operated in the Beach Communities of the Five Cities Area. These services provided over 300,000 additional fixed route trips with productivity in line with what is seen on the RTA regional fixed routes. Fixed route fare revenue is approximately \$1 million per year and is expected to increase as ridership increases.

#### **MBT**

The City of Morro Bay is located on the central coast of California approximately halfway between San Francisco and Los Angeles. The City has a population of 10,531. In 1977, the City began operating a year round general public Dial-A-Ride service. The Dial-a-Ride service was replaced in October 2010 with a deviated fixed route system after recession-related reductions in State funding necessitated adaptations in how the service was provided. The deviated fixed route service operates within the City limits from 6:10 a.m. to 6:45 p.m., Monday through Friday. Service provided is on one fixed route loop throughout the City limits and deviates off route, using one bus, to pick up/drop off riders who have previously scheduled curb-to-curb trips (Call-A-Ride trips). These deviated trips are arranged the day prior to the needed curb-to-curb service; however, same day trips are also accommodated if they do not cause the fixed route to become behind schedule. Morro Bay Transit is closed on weekends and all City observed holidays.

Additionally, in 1994, the City began operating a seasonal trolley fixed route service. Over time, trolley service expanded first to two, then to three routes that came from recommendations from a parking management

plan study and Short-Range Transit Plan update. Service provided is on two fixed route loops throughout the City limits. Trolley service operates weekends only from the first weekend in June to the first weekend in October. Service begins at 10:00 a.m. each operating day and ends at 5:00 p.m. on Saturdays and Sundays.

Both the deviated fixed route and Trolley services are currently contracted out to a third party provider, however, in September 2024, the City Council approved the consolidation of MBT into the RTA system. RTA will start operating MBT June 1, 2025.

During the pandemic, service levels changed for the Trolley with cuts in the number of service routes and days operated, and for the deviated fixed route, Saturday service was stopped. Currently, the trolley routes see an average daily ridership of 110 riders per day and the deviated fixed route service sees an average daily ridership of 47 riders per day.

Ridership is split between cash fares (39%), punch passes (12%), Regional Passes (35%), Runabout rides paid through a reimbursement agreement with the RTA (4%), and free Gold pass rides (10%). MBT and Trolley fare collection is processed 100% manually by the drivers. Ridership demographics span all types of the population from child, adult, senior, those with disabilities, students K-12, college students, visitor service workers, working professionals, and visitors. Revenue from cash fares totaled \$9,882.75 and revenues from the Regional Pass and Runabout fare reimbursement program totaled \$5,579.17 for FY 23/24.

MBT service provides a connection to the RTA system at City Park as well as connections to the City's seasonal Trolley service at Centennial Stairway and along north Main Street. MBT's Trolley service links the Downtown Business District, Waterfront, State Parks in the north and south ends of the community, and the Museum of Natural History. In addition, the service provides a connection to the RTA system at City Park upon request. The connection provided by both services is an important link with the RTA system to the other communities in San Luis Obispo County, and connections to a major community college (Cuesta College), state university (California Polytechnic State University - SLO), the County seat in San Luis Obispo, as well as many links to coastal recreational venues and access to service jobs at destinations around the coast such as Hearst Castle.

MBT services may be consolidated to RTA in mid-2025. Vendors, please assume that any information in this Scope specific to MBT will remain unchanged regardless of said decision. The operators shall inform vendors if a consolidation is confirmed.

#### **SLO Transit**

San Luis Obispo (SLO) Transit was established in 1974 by the City of San Luis Obispo (City) and provides the local fixed-route public transit system for the City. The City is located along the Central Coast region of California, halfway between San Francisco and Los Angeles. The City has a population of 47,063 with an estimated additional population of 21,600 students when California Polytechnic State University (Cal Poly) is in session.

SLO Transit contracts for the operation of eight fixed routes, in a hub-and-spoke model, within the 23 square miles of the City limits and on Cal Poly's campus. SLO Transit also operates three tripper services, an express service between the university and downtown, and a trolley on Thursday nights in support of a local farmer's market. Fixed-route services operate Monday through Friday approximately from 6 am to 11 pm and Saturday and Sunday from 8 am to 8 pm during the academic year.

SLO Transit ridership demographics reflect a broad cross section of the population. While the majority of trips are campus-related (roughly 60%), SLO Transit also serves seniors, persons with disabilities, K-12 students, working professionals, visitors, and other choice riders. College students, staff, and faculty's fares are paid for by a transit service agreement between the City and the university. Revenue from cash fares exceeded \$250,000 last fiscal year. Over 575,000 passenger-trips were provided in 2024 including riders covered by transit service agreements. The number of passenger-trips and fare revenue continues to increase each year as services are expanded.

#### 3. Regional Expectations

Although each agency shall retain autonomy, work, and contract directly with vendors, there are region-level needs to note:

- RTA shall contract on behalf of MBT and their services
- The Category A vendor shall provide a single integration to Token Transit, who currently provides regional passes
- The Category B vendor shall enable regional capping a regional day-pass (\$5.50) and a regional 31-day pass (\$68) across all fixed-route services

While the scope of work submitted to vendors aims for a regional collaboration, sections of this scope of work hereafter pertain to SLO Transit only.

**4. Determining internal responsibilities for the project**Vendors should coordinate directly with the following contact during the course of the project.

#### **Alex Fuchs**

Mobility Services Business Manager afuchs@slocity.org

#### 5. **Fare Structure and Business Rules**

SLO Transit's base fare structure shall at a minimum include the following:

	SLO Transit Fixed-Route
One-way	\$1.50
Transfers	Free across SLO Transit, up to an hour
Daily Cap	\$3.25
Weekly Cap	
Monthly Cap	\$40
Regional Daily Cap	\$5.50
Regional Monthly Cap	\$68

Existing discounts (seniors, persons with disabilities, etc.) will continue to be offered on the legacy systems. When such capability is available to offer those discounts on the contactless payment system, the SLO Transit may request that the Category B provider integrate with the resulting Eligibility Verification system to do so.

#### 6. On-board Technologies

SLO Transit's fleet consists of 18 fixed route vehicles ranging from a 28-foot cutaway bus to a 40-foot double decker bus:

- 14 Gillig vehicles that are 30, 35, and 40 feet
- 1 electric 35-foot New Flyer vehicle
- 1 electric 35-foot Proterra vehicle
- 1 28-foot El Dorado cutaway vehicle
- 1 40-foot Alexander Dennis double-decker bus

Six new battery electric buses are expected to arrive in fall 2025 and another two in summer 2026 which will replace older diesel-powered buses.

Vehicles are currently leveraging Peak Transit for CAD-AVL services and are connected to the Verizon network via SIM cards.

The City of San Luis Obispo uses Chase Bank's Paymentech for merchant processing but shall leverage California's EPAY agreements to contract with an acquirer for this project.

#### 7. Items Specific to Category A (PADs)

SLO Transit shall have PADs installed near the front door of each vehicle and will be wired to the bus battery, barring vendor inspection of vehicles. The following hardware quantities are to be installed, the Category A vendor shall provide a delivery timeframe.

PADs to be installed	18
Spare PADs	5
Total	23

#### Value-add Requests

The Category A vendor shall complete the installation of PADs and will provide an extended warranty on all PADs purchased. All devices shall be equipped with hardware to read barcode/QR codes.

### 7.1 Determining whether any changes are needed to default Category A service level agreements (SLAs) in the User Agreement

SLO Transit accepts the default SLAs.

#### 8. Items Specific to Category B (Transit Processor Services)

SLO Transit shall select a single Category B vendor to process transactions made on the PADs. Please refer to sections 1-6 above for applicable business rules and technologies. The transit operators accept the vendor's customer support channels for both riders and agency personnel.

SLO Transit requires access to a data dashboard to view transaction data. Raw (CSV) format is acceptable. At a minimum, reports shall include but not be limited to:

- Revenue report (including the number of transactions and total transaction amounts)
- Operations report (including the total revenue per route per day, the number of boardings per route per stop per hour per day, and any other metrics as agreed between the Transit Agency and Transit Processor)
- KPI report (documenting all service levels in relation to the KPIs)
- Number of new customers and returning customers
- Bad debt and debt recovery reports
- Dispute and chargeback reports
- Ridership by pass per route (for example, for a pass how many trips during the month on MBT, RTA (by each route operated by RTA), and SLO Transit

#### Value-add Requests

SLO Transit does not request any value-add services at this time.

### 8.1 Determining whether any changes are needed to default Category B service level agreements (SLAs) in the User Agreement

Not offered.

### EXHIBIT B PAYMENT PROVISIONS

#### 1. RATES

The not-to-exceed pricing for MSA products and services to be provided to Transit Agencies are listed in Exhibit B.1 - Rate Sheet. All prices and fees shall be fixed for the entire MSA term including any optional extension periods unless the State approves a price adjustment in accordance with Section 6, Rate Adjustments.

#### A. Payment Acceptance Devices - Category A

For Category A Products and Services (related to capital expenses only), rates are determined for **San Luis Obispo Transit** are as follows:

Description	Unit of measure	Rate	Qty	Months	Total
Stand Alone Devices - ABT 3000	Unit	\$994.87	23		\$22,882.01
Stand Alone Devices - ABT 3000 (spares)	Unit	\$994.87	5		\$4,974.35
Mounting Poles	Unit	\$105.33	23		\$2,422.59
Installation of PAD	Unit	\$562.50	23		\$12,937.50
Implementation Service	Once-off	\$7,500	1		\$7,500.00
Integration with Transit Processor	Once-off	\$9,440.00	0		\$0.00
EMV Level 3 Certification	Once-off	\$3,146.67	0		\$0.00
Integration with 2D Bar Code Processor	Once-off	\$9,440.00	0		\$0.00
Custom development: Barcode reader (\$195 per device)	Hourly	\$137.50	39.71		\$5,460.00
Custom development: Token Transit integration implementation	Hourly	\$137.50	21.82		\$3,000.00

# 2. TRANSIT PROCESSING SERVICES RATE DETERMINATION AND PUBLICATION (Category B Only) (Not Applicable)

#### 3. TRAVEL

Transit Agencies may allow additional travel reimbursement as permitted, which must be itemized separately on the invoice. The Contractor must have prior approval by the Transit Agency for any additional travel reimbursement.

#### 4. INVOICES

#### A. Submission of Invoices

- 1) The Contractor shall submit itemized invoices to the Transit Agency contact person at the address contained in the Transit Agency's User Agreement. The information is mandatory information to be provided for all invoices:
  - a) DGS MSA Number
  - b) Transit Agency Contract Number
  - c) Transit Agency Order Number
  - d) Transit Agency Billing Code
  - e) Transit Agency Name
  - f) Transit Agency Address
  - g) Description of services ordered
  - h) Pricing information, specified by Tier or Breakpoint where applicable
- 2) The Transit Agency contact person will verify and approve, or disapprove, the invoiced items. If the Transit Agency does not approve the invoiced items, the invoice will be disputed and returned to the Contractor for correction.

#### 5. PAYMENT

Payment for services performed under this Contract will be made upon satisfactory completion of services rendered. The Contractor shall invoice Transit Agencies in arrears upon successful completion of services. Invoices for services are not due and payable, and do not constitute an obligation of the Transit Agency, until the month following the month for which charges are accrued.

The payment terms for the Capital Expenditures portion of the products and services delivered under this Contract will be paid in the percentage amounts noted below:

- 40% on Notice to proceed
- 40% on delivery
- 20% on acceptance.

The costs for the required T-clamps, plates and onsite survey are not included in the pricing table in Section 1 of this Exhibit B. Contractor shall invoice the Transit Agency for any costs related to these items separately.

Payment shall be made within 45 days in accordance with, and within the time specified in Government Code Chapter 4.5, commencing with Section 927 unless agreed otherwise in the User Agreement.

#### 6. RATE ADJUSTMENTS

Contractor may request Consumer Price Index (CPI) rate increases for services should the State decide to execute the options to extend. Rate increases may be requested no more than once annually and may only be requested following the initial five (5) year term of the Agreement. Rate increases shall be capped at three percent (3%) for a given year and may only be requested when the CPI for the "Public Transportation" goods and services category, as published by the U.S. Department of Labor, Bureau of Labor Statistics has increased one percent (1%) or greater for the previous calendar year. The website, subject to change without amendment to this Agreement, can be found at the <a href="CPI Index">CPI Index</a> (https://www.bts.gov/components-consumer-price-index-transportation).

The Contractor shall submit a written request to the DGS Contract Administrator, provide a copy of the index and other supporting documentation necessary to support the adjustment. Rates will be fixed for twelve (12) months following an approved price adjustment. Adjustments shall not be retroactive.

#### **USER AGREEMENT**

This User Agreement is entered into between The City of San Luis Obispo "Contracting Agency" and Kuba Inc. "Contractor". This User Agreement expressly incorporates the California Master Service Agreement (MSA) No. 5-21-70-28-02 which is incorporated herein. This User Agreement contract form serves as an appropriate equivalent to the STD 213 as required by the MSA.

**Contracting Agency:** The City of San Luis Obispo

Contractor Name: Kuba Inc.

2. The Term of this Agreement is:

San Luis Obispo, CA 93401 Whitney McDonald, City Manager

Start Date: [ENTER DATE EXPECTED TO SIGN]

Through End Date: 02/28/2027 with the ability to extend at the discretion of the State of California's Department of General Services

3. The maximum amount of this Agreement is:

> See Exhibit B for pricing on operating costs only, capital expenses are documented in a separate agreement.

**Exhibits.** The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this agreement.

Exhibits	Title	Pages
Exhibit A	San Luis Obispo (SLO) Transit's Scope of Work	6
Exhibit B	Payment Provisions	2
MSA 5-21-70- 28-02	MSA 5-21-70-28-02 is hereby incorporated by reference. The MSA is available at: <a href="https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?">https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?</a> <a href="Page=ZZ_CTR_SUP_PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-02">https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?</a> <a href="Page=ZZ_CTR_SUP_PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-02">PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-02</a>	

in witness whereor, This Agreement has been executed by the	ne parties nereto.
Contractor:	
	Date:
Kuba Inc.	
PO Box 31804	
Las Vegas, NV 89173-31804	
Brian Frank, General Manager: Kuba North America Transit	
Contracting Agency Name:	
	Date:
City of San Luis Obispo	_ =
990 Palm Street	

#### **EXHIBIT A**

#### Scope of Work

#### 1. Incorporate MSA by Reference

MSA 5-21-70-28-02 and its amendments is hereby incorporated by reference as if attached hereto.

#### 2. Description

Three transit operators in the region will lead the project with support from the San Luis Obispo Council of Governments (SLOCOG). In 2024, the region was awarded SB125 funds to collaboratively deploy contactless payment technology across the region's operators. The goal is to select matching vendors across each transit provider.

The three transit operators that serve the SLOCOG region, and are part of this award, include San Luis Obispo Regional Transit Authority (RTA), Morro Bay Transit (MBT), and San Luis Obispo (SLO) Transit. A brief description of each transit provider follows:

#### **RTA**

The RTA was created in 1989 as a Joint Powers Authority to provide management of regional fixed-route public transportation services, as well as regional paratransit services. In 2001, the paratransit service, called RTA Runabout, began providing complementary ADA service for all five fixed-route providers operating in the region. The mission of the RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens and visitors of San Luis Obispo County. The County is located on the beautiful Central Coast of California, halfway between Los Angeles and San Francisco. The current population of the county is 284,010, including that of three small, urbanized areas (UZAs): San Luis Obispo designated in 1990; El Paso de Robles-Atascadero in 2000; and Arroyo Grande-Grover Beach in 2010. The RTA coordinates regional services with local fixed-route providers in each UZA in the County, as well as within the Santa Maria UZA (population 130,000) in nearby northern Santa Barbara County.

The RTA directly operates hourly service on four regional fixed-routes and ADA paratransit services primarily along the US-101 and SR-1 corridors, as well as express commuter services during peak travel periods. Three out of the four regional fixed routes converge on downtown San Luis Obispo, 7 days a week. The RTA regional fixed-route service has a peak pull-out of 15 buses, and provides almost 500,000 passenger-trips annually, while weekday productivity ranges from 4 to 23 boardings/hour. The RTA also operates community-based services funded by SLO County in small rural areas and is funded by the City of Paso Robles to operate its local fixed-route and a local Dial-A-Ride programs. Finally, as of January 2021, the RTA also directly operates SoCo Transit – the eight-bus local fixed-route service operated in the Beach Communities of the Five Cities Area. These services provided over 300,000 additional fixed route trips with productivity in line with what is seen on the RTA regional fixed routes. Fixed route fare revenue is approximately \$1 million per year and is expected to increase as ridership increases.

#### **MBT**

The City of Morro Bay is located on the central coast of California approximately halfway between San Francisco and Los Angeles. The City has a population of 10,531. In 1977, the City began operating a year round general public Dial-A-Ride service. The Dial-a-Ride service was replaced in October 2010 with a deviated fixed route system after recession-related reductions in State funding necessitated adaptations in how the service was provided. The deviated fixed route service operates within the City limits from 6:10 a.m. to 6:45 p.m., Monday through Friday. Service provided is on one fixed route loop throughout the City limits and deviates off route, using one bus, to pick up/drop off riders who have previously scheduled curb-to-curb trips (Call-A-Ride trips). These deviated trips are arranged the day prior to the needed curb-to-curb service; however, same day trips are also accommodated if they do not cause the fixed route to become behind schedule. Morro Bay Transit is closed on weekends and all City observed holidays.

Additionally, in 1994, the City began operating a seasonal trolley fixed route service. Over time, trolley service expanded first to two, then to three routes that came from recommendations from a parking management

plan study and Short-Range Transit Plan update. Service provided is on two fixed route loops throughout the City limits. Trolley service operates weekends only from the first weekend in June to the first weekend in October. Service begins at 10:00 a.m. each operating day and ends at 5:00 p.m. on Saturdays and Sundays.

Both the deviated fixed route and Trolley services are currently contracted out to a third party provider, however, in September 2024, the City Council approved the consolidation of MBT into the RTA system. RTA will start operating MBT June 1, 2025.

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Ridership is split between cash fares (39%), punch passes (12%), Regional Passes (35%), Runabout rides paid through a reimbursement agreement with the RTA (4%), and free Gold pass rides (10%). MBT and Trolley fare collection is processed 100% manually by the drivers. Ridership demographics span all types of the population from child, adult, senior, those with disabilities, students K-12, college students, visitor service workers, working professionals, and visitors. Revenue from cash fares totaled \$9,882.75 and revenues from the Regional Pass and Runabout fare reimbursement program totaled \$5,579.17 for FY 23/24.

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MBT services may be consolidated to RTA in mid-2025. Vendors, please assume that any information in this Scope specific to MBT will remain unchanged regardless of said decision. The operators shall inform vendors if a consolidation is confirmed.

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While the scope of work submitted to vendors aims for a regional collaboration, sections of this scope of work hereafter pertain to SLO Transit only.

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#### **Alex Fuchs**

Mobility Services Business Manager afuchs@slocity.org

#### 5. **Fare Structure and Business Rules**

SLO Transit's base fare structure shall at a minimum include the following:

	SLO Transit Fixed-Route
One-way	\$1.50
Transfers	Free across SLO Transit, up to an hour
Daily Cap	\$3.25
Weekly Cap	
Monthly Cap	\$40
Regional Daily Cap	\$5.50
Regional Monthly Cap	\$68

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#### 6. On-board Technologies

SLO Transit's fleet consists of 18 fixed route vehicles ranging from a 28-foot cutaway bus to a 40-foot double decker bus:

- 14 Gillig vehicles that are 30, 35, and 40 feet
- 1 electric 35-foot New Flver vehicle
- 1 electric 35-foot Proterra vehicle
- 1 28-foot El Dorado cutaway vehicle
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Six new battery electric buses are expected to arrive in fall 2025 and another two in summer 2026 which will replace older diesel-powered buses.

Vehicles are currently leveraging Peak Transit for CAD-AVL services and are connected to the Verizon network via SIM cards.

The City of San Luis Obispo uses Chase Bank's Paymentech for merchant processing but shall leverage California's EPAY agreements to contract with an acquirer for this project.

#### 7. Items Specific to Category A (PADs)

SLO Transit shall have PADs installed near the front door of each vehicle and will be wired to the bus battery, barring vendor inspection of vehicles. The following hardware quantities are to be installed, the Category A vendor shall provide a delivery timeframe.

PADs to be installed	18
Spare PADs	5
Total	23

#### Value-add Requests

The Category A vendor shall complete the installation of PADs and will provide an extended warranty on all PADs purchased. All devices shall be equipped with hardware to read barcode/QR codes.

### 7.1 Determining whether any changes are needed to default Category A service level agreements (SLAs) in the User Agreement

SLO Transit accepts the default SLAs.

#### 8. Items Specific to Category B (Transit Processor Services)

SLO Transit shall select a single Category B vendor to process transactions made on the PADs. Please refer to sections 1-6 above for applicable business rules and technologies. The transit operators accept the vendor's customer support channels for both riders and agency personnel.

SLO Transit requires access to a data dashboard to view transaction data. Raw (CSV) format is acceptable. At a minimum, reports shall include but not be limited to:

- Revenue report (including the number of transactions and total transaction amounts)
- Operations report (including the total revenue per route per day, the number of boardings per route per stop per hour per day, and any other metrics as agreed between the Transit Agency and Transit Processor)
- KPI report (documenting all service levels in relation to the KPIs)
- Number of new customers and returning customers
- Bad debt and debt recovery reports
- Dispute and chargeback reports
- Ridership by pass per route (for example, for a pass how many trips during the month on MBT, RTA (by each route operated by RTA), and SLO Transit

#### Value-add Requests

SLO Transit does not request any value-add services at this time.

### 8.1 Determining whether any changes are needed to default Category B service level agreements (SLAs) in the User Agreement

Not offered.

### EXHIBIT B PAYMENT PROVISIONS

#### 1. RATES

The not-to-exceed pricing for MSA products and services to be provided to Transit Agencies are listed in Exhibit B.1 - Rate Sheet. All prices and fees shall be fixed for the entire MSA term including any optional extension periods unless the State approves a price adjustment in accordance with Section 6, Rate Adjustments.

#### A. Payment Acceptance Devices - Category A

For Category A Products and Services (related to operating expenses only), rates are determined for **San Luis Obispo Transit** are as follows:

Description	Unit of measure	Rate	Qty	Months	Total
Operations Expenses	Per device per month	\$39.50	23	60	\$54,510.00
Extended Warranty (beginning in year 2)	Per device per month	\$7.38	28	48	\$9,918.72
Custom development:					
Token Transit integration annual support (\$2,000 per year for 5 years)	Hourly	\$137.5	72.73		\$10,000.00

# 2. TRANSIT PROCESSING SERVICES RATE DETERMINATION AND PUBLICATION (Category B Only) (Not Applicable)

#### 3. TRAVEL

Transit Agencies may allow additional travel reimbursement as permitted, which must be itemized separately on the invoice. The Contractor must have prior approval by the Transit Agency for any additional travel reimbursement.

#### 4. INVOICES

#### A. Submission of Invoices

- 1) The Contractor shall submit itemized invoices to the Transit Agency contact person at the address contained in the Transit Agency's User Agreement. The information is mandatory information to be provided for all invoices:
  - a) DGS MSA Number
  - b) Transit Agency Contract Number
  - c) Transit Agency Order Number
  - d) Transit Agency Billing Code

- e) Transit Agency Name
- f) Transit Agency Address
- g) Description of services ordered
- h) Pricing information, specified by Tier or Breakpoint where applicable
- 2) The Transit Agency contact person will verify and approve, or disapprove, the invoiced items. If the Transit Agency does not approve the invoiced items, the invoice will be disputed and returned to the Contractor for correction.

#### 5. PAYMENT

Payment for services performed under this Contract will be made upon satisfactory completion of services rendered. The Contractor shall invoice Transit Agencies in arrears upon successful completion of services. Invoices for services are not due and payable, and do not constitute an obligation of the Transit Agency, until the month following the month for which charges are accrued.

The payment terms for the Capital Expenditures portion of the products and services delivered under this Contract will be paid in the percentage amounts noted below:

- 40% on Notice to proceed
- 40% on delivery
- 20% on acceptance.

The costs for the required T-clamps, plates and onsite survey are not included in the pricing table in Section 1 of this Exhibit B. Contractor shall invoice the Transit Agency for any costs related to these items separately.

Payment shall be made within 45 days in accordance with, and within the time specified in Government Code Chapter 4.5, commencing with Section 927 unless agreed otherwise in the User Agreement.

#### 6. RATE ADJUSTMENTS

Contractor may request Consumer Price Index (CPI) rate increases for services should the State decide to execute the options to extend. Rate increases may be requested no more than once annually and may only be requested following the initial five (5) year term of the Agreement. Rate increases shall be capped at three percent (3%) for a given year and may only be requested when the CPI for the "Public Transportation" goods and services category, as published by the U.S. Department of Labor, Bureau of Labor Statistics has increased one percent (1%) or greater for the previous calendar year. The website, subject to change without amendment to this Agreement, can be found at the <a href="CPI Index">CPI Index</a> (https://www.bts.gov/components-consumer-price-index-transportation).

The Contractor shall submit a written request to the DGS Contract Administrator, provide a copy of the index and other supporting documentation necessary to support the adjustment. Rates will be fixed for twelve (12) months following an approved price adjustment. Adjustments shall not be retroactive.

#### **USER AGREEMENT**

1. This User Agreement is entered into between **The City of San Luis Obispo** ("Contracting Agency") and **LITTLEPAY**, **INC.** ("Contractor"). This User Agreement expressly incorporates the California Master Service Agreement (MSA) No. 5-21-70-28-06 which is incorporated herein. This User Agreement contract form serves as an appropriate equivalent to the STD 213 as required by the MSA.

**Contracting Agency:** The City of San Luis Obispo

Contractor Name: Littlepay, Inc.

2. The Term of this Agreement is:

**Start Date: [ENTER DATE EXPECTED TO SIGN]** 

<u>Through End Date:</u> 02/27/2027 with the ability to extend at the discretion of the State of California's Department of General Services

3. The maximum amount of this Agreement is:

#### See Exhibit B for pricing

Whitney McDonald, City Manager

4. **Exhibits.** The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this agreement.

Exhibits	Title	Pages
Exhibit A	Statement of Work	6
Exhibit B	Scope of Work	5
Exhibit C	Payment Provisions	1
MSA 5-21- 70-28-06	MSA 5-21-70-28-06 is hereby incorporated by reference. The MSA is available at: <a href="https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?Page=ZZ_CTR_SUP_PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-06">https://caleprocure.ca.gov/PSRelay/ZZ_PO.ZZ_CTR_SUP_CMP.GBL?Page=ZZ_CTR_SUP_PG&amp;Action=U&amp;SETID=STATE&amp;CNTRCT_ID=5-21-70-28-06</a>	

In Witness Whereof. This Agreement has been executed by the parties hereto.

in williess whereor, this Agreement has be	en executed by the parties hereto.
Contractor:	
	Date:
Littlepay, Inc.	
915 L. Street, Suite C #441	
Sacramento, CA 95814	
By: Amin Shayan, CEO	
Contracting Agency Name:	
	Date:
City of San Luis Obispo	
990 Palm Street	
San Luis Obispo, CA 93401	

## EXHIBIT A Scope of Work

#### 1. Incorporate MSA by Reference

MSA 5-21-70-28-06 and its amendments is hereby incorporated by reference as if attached hereto.

#### 2. Description

Three transit operators in the region will lead the project with support from the San Luis Obispo Council of Governments (SLOCOG). In 2024, the region was awarded SB125 funds to collaboratively deploy contactless payment technology across the region's operators. The goal is to select matching vendors across each transit provider.

The three transit operators that serve the SLOCOG region, and are part of this award, include San Luis Obispo Regional Transit Authority (RTA), Morro Bay Transit (MBT), and San Luis Obispo (SLO) Transit. A brief description of each transit provider follows:

#### **RTA**

The RTA was created in 1989 as a Joint Powers Authority to provide management of regional fixed-route public transportation services, as well as regional paratransit services. In 2001, the paratransit service, called RTA Runabout, began providing complementary ADA service for all five fixed-route providers operating in the region. The mission of the RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens and visitors of San Luis Obispo County. The County is located on the beautiful Central Coast of California, halfway between Los Angeles and San Francisco. The current population of the county is 284,010, including that of three small urbanized areas (UZAs): San Luis Obispo designated in 1990; El Paso de Robles-Atascadero in 2000; and Arroyo Grande-Grover Beach in 2010. The RTA coordinates regional services with local fixed-route providers in each UZA in the County, as well as within the Santa Maria UZA (population 130,000) in nearby northern Santa Barbara County.

The RTA directly operates hourly service on four regional fixed-routes and ADA paratransit services primarily along the US-101 and SR-1 corridors, as well as express commuter services during peak travel periods. Three out of the four regional fixed-routes converge on downtown San Luis Obispo, 7 days a week. The RTA regional fixed-route service has a peak pull-out of 15 buses, and provides almost 500,000 passenger-trips annually, while weekday productivity ranges from 4 to 23 boardings/hour. The RTA also operates community-based services funded by SLO County in small rural areas, and is funded by the City of Paso Robles to operate its local fixed-route and a local Dial-A-Ride programs. Finally, as of January 2021, the RTA also directly operates SoCo Transit – the eight-bus local fixed-route service operated in the Beach Communities of the Five Cities Area. These services provided over 300,000 additional fixed route trips with productivity in line with what is seen on the RTA regional fixed routes. Fixed route fare revenue is approximately \$1 million per year and is expected to increase as ridership increases.

#### **MBT**

The City of Morro Bay is located on the central coast of California approximately halfway between San Francisco and Los Angeles. The City has a population of 10,531. In 1977, the City began operating a year round general public Dial-A-Ride service. The Dial-a-Ride service was replaced in October 2010 with a deviated fixed route system after recession-related reductions in State funding necessitated adaptations in how the service was provided. The deviated fixed route service operates within the City limits from 6:10 a.m. to 6:45 p.m., Monday through Friday. Service provided is on one fixed route loop throughout the City limits and deviates off route, using one bus, to pick up/drop off riders who have previously scheduled curb-to-curb trips (Call-A-Ride trips). These deviated trips are arranged the day prior to the needed curb-to-curb service; however, same day trips are also accommodated if they do not cause the fixed route to become behind schedule. Morro Bay Transit is closed on weekends and all City observed holidays.

Additionally, in 1994, the City began operating a seasonal trolley fixed route service. Over time, trolley service expanded first to two, then to three routes that came from recommendations from a parking management

plan study and Short-Range Transit Plan update. Service provided is on two fixed route loops throughout the City limits. Trolley service operates weekends only from the first weekend in June to the first weekend in October. Service begins at 10:00 a.m. each operating day and ends at 5:00 p.m. on Saturdays and Sundays.

Both the deviated fixed route and Trolley services are currently contracted out to a third party provider, however, in September 2024, the City Council approved the consolidation of MBT into the RTA system. RTA will start operating MBT June 1, 2025.

During the pandemic, service levels changed for the Trolley with cuts in the number of service routes and days operated, and for the deviated fixed route, Saturday service was stopped. Currently, the trolley routes see an average daily ridership of 110 riders per day and the deviated fixed route service sees an average daily ridership of 47 riders per day.

Ridership is split between cash fares (39%), punch passes (12%), Regional Passes (35%), Runabout rides paid through a reimbursement agreement with the RTA (4%), and free Gold pass rides (10%). MBT and Trolley fare collection is processed 100% manually by the drivers. Ridership demographics span all types of the population from child, adult, senior, those with disabilities, students K-12, college students, visitor service workers, working professionals, and visitors. Revenue from cash fares totaled \$9,882.75 and revenues from the Regional Pass and Runabout fare reimbursement program totaled \$5,579.17 for FY 23/24.

MBT service provides a connection to the RTA system at City Park as well as connections to the City's seasonal Trolley service at Centennial Stairway and along north Main Street. MBT's Trolley service links the Downtown Business District, Waterfront, State Parks in the north and south ends of the community, and the Museum of Natural History. In addition, the service provides a connection to the RTA system at City Park upon request. The connection provided by both services is an important link with the RTA system to the other communities in San Luis Obispo County, and connections to a major community college (Cuesta College), state university (California Polytechnic State University - SLO), the County seat in San Luis Obispo, as well as many links to coastal recreational venues and access to service jobs at destinations around the coast such as Hearst Castle.

MBT services may be consolidated to RTA in mid-2025. Vendors please assume that any information in this Scope specific to MBT will remain unchanged regardless of said decision. The operators shall inform vendors if a consolidation is confirmed.

#### **SLO Transit**

San Luis Obispo (SLO) Transit was established in 1974 by the City of San Luis Obispo (City) and provides the local fixed-route public transit system for the City. The City is located along the Central Coast region of California, halfway between San Francisco and Los Angeles. The City has a population of 47,063 with an estimated additional population of 21,600 students when California Polytechnic State University (Cal Poly) is in session.

SLO Transit contracts for the operation of eight fixed routes, in a hub-and-spoke model, within the 23 square miles of the City limits and on Cal Poly's campus. SLO Transit also operates three tripper services, an express service between the university and downtown, and a trolley on Thursday nights in support of a local farmer's market. Fixed-route services operate Monday through Friday approximately from 6 am to 11 pm and Saturday and Sunday from 8 am to 8 pm during the academic year.

SLO Transit ridership demographics reflect a broad cross section of the population. While the majority of trips are campus-related (roughly 60%), SLO Transit also serves seniors, persons with disabilities, K-12 students, working professionals, visitors, and other choice riders. College students, staff, and faculty's fares are paid for by a transit service agreement between the City and the university. Revenue from cash fares exceeded \$250,000 last fiscal year. Over 575,000 passenger-trips were provided in 2024 including riders covered by transit service agreements. The number of passenger-trips and fare revenue continues to increase each year as services are expanded.

### 3. Regional Expectations

Although each agency shall retain autonomy, work, and contract directly with vendors, there are region-level needs to note:

- RTA shall contract on behalf of MBT and their services
- The Category A vendor shall provide a single integration to Token Transit, who currently provides regional passes
- The Category B vendor shall enable regional capping a regional day-pass (\$5.50) and a regional 31-day pass (\$68) across all fixed-route services

While the scope of work submitted to vendors aims for a regional collaboration, sections of this scope of work hereafter pertain to SLO Transit only.

#### 4. Determining internal responsibilities for the project

Vendors should coordinate directly with the following contact during the course of the project.

#### **Alex Fuchs**

Mobility Services Business Manager afuchs@slocity.org

#### 5. Fare Structure and Business Rules

SLO Transit's base fare structure shall at a minimum include the following:

	SLO Transit
	Fixed-Route
One-way	\$1.50
Transfers	Free across SLO Transit, up to an hour
Daily Cap	\$3.25
Weekly Cap	
Monthly Cap	\$40
Regional Daily Cap	\$5.50
Regional Monthly Cap	\$68

Existing discounts (seniors, persons with disabilities, etc.) will continue to be offered on the legacy systems. When such capability is available to offer those discounts on the contactless payment system, the SLO Transit may request that the Category B provider integrate with the resulting Eligibility Verification system to do so.

#### 6. On-board Technologies

SLO Transit's fleet consists of 18 fixed route vehicles ranging from a 28-foot cutaway bus to a 40-foot double decker bus:

- 14 Gillig vehicles that are 30, 35, and 40 feet
- 1 electric 35-foot New Flyer vehicle
- 1 electric 35-foot Proterra vehicle
- 1 28-foot El Dorado cutaway vehicle
- 1 40-foot Alexander Dennis double-decker bus

Six new battery electric buses are expected to arrive in fall 2025 and another two in summer 2026 which will replace older diesel-powered buses.

Vehicles are currently leveraging Peak Transit for CAD-AVL services and are connected to the Verizon network via SIM cards.

The City of San Luis Obispo uses Chase Bank's Paymentech for merchant processing, but shall leverage California's EPAY agreements to contract with Elavon Inc for this project.

#### 7. Items Specific to Category A (PADs)

SLO Transit shall have PADs installed near the front door of each vehicle and will be wired to the bus battery, barring vendor inspection of vehicles. The following hardware quantities are to be installed, the Category A vendor shall provide a delivery timeframe.

PADs to be installed	18
Spare PADs	5
Total	23

#### Value-add Requests

The Category A vendor shall complete the installation of PADs and will provide an extended warranty on all PADs purchased. All devices shall be equipped with hardware to read barcode/QR codes.

## 7.1 Determining whether any changes are needed to default Category A service level agreements (SLAs) in the User Agreement

Not offered.

#### 8. Items Specific to Category B (Transit Processor Services)

SLO Transit shall select a single Category B vendor to process transactions made on the PADs. Please refer to sections 1-6 above for applicable business rules and technologies. The transit operators accept the vendor's customer support channels for both riders and agency personnel.

SLO Transit requires access to a data dashboard to view transaction data. Raw (CSV) format is acceptable. At a minimum, reports shall include but not be limited to:

- Revenue report (including the number of transactions and total transaction amounts)
- Operations report (including the total revenue per route per day, the number of boardings per route per stop per hour per day, and any other metrics as agreed between the Transit Agency and Transit Processor)
- KPI report (documenting all service levels in relation to the KPIs)
- Number of new customers and returning customers
- · Bad debt and debt recovery reports
- Dispute and chargeback reports
- Ridership by pass per route (for example, for a pass how many trips during the month on MBT, RTA (by each route operated by RTA), and SLO Transit)

#### Value-add Requests

SLO Transit does not request any value-add services at this time.

## 8.1 Determining whether any changes are needed to default Category B service level agreements (SLAs) in the User Agreement

SLO Transit accepts the default SLAs.

#### **EXHIBIT B**

This EXHIBIT B Scope of Work ("UASOW") forms part of the User Agreement between:

- (a) The City of San Luis Obispo a public transportation authority operating under the laws of California with a registered address of 990 Palm Street, San Luis Obispo, CA 93401 contactable for notice at the following email address: <u>afuchs@slocity.org</u> ("Transit Authority"); and
- (b) **Littlepay**, **Inc.**, a Delaware corporation with a Branch in California (File number: C4769096) with an address of 915 L. Street, Suite C #441, Sacramento, CA 95814, USA, contactable for notice at the following email address: legal@littlepay.com ("Littlepay"),

each a "party" and together the "parties".

#### **BACKGROUND**

- (A) The Transit Authority is a public transportation operator, providing public transit to Transit Customers. The Transit Authority wishes to offer Transit Customers the option to pay by way of contactless EMV Cards.
- (B) Littlepay sells payment processing and ancillary services and has been awarded a Master Services Agreement number 5-21-70-28-06 as the same may be amended in accordance with its terms from time to time ("DGS MSA") by the Department of General Services ("DGS"), State of California in Category B "Transit Processor Services". The Transit Authority wishes to procure these services in compliance with the terms and conditions agreed under the DGS MSA.
- **(C)** The Agreement entered into by the parties (which comprises the STD 213 Form and the Exhibits referred to therein, including this Exhibit B ) constitutes the "**User Agreement**" between the parties as contemplated in the DGS MSA framework.
- **(D)** The Transit Authority has separate arrangements with third parties under which it receives merchant acquiring and payment gateway services. The User Agreement manages the relationship of the Transit Authority and Littlepay, being the terms upon which Littlepay offers payment processing and any ancillary services to the Transit Authority.
- **(E)** Littlepay may subcontract certain aspects of its processing and other system management obligations herein to Littlepay Pty Ltd, a company incorporated under the laws of Australia and under common control with Littlepay.
- **(F)** Pursuant to Section 10 of Exhibit B to the DGS MSA, the DGS MSA is incorporated into the User Agreement, such that applicable general provisions in the DGS MSA that refer to "the State" shall be understood to refer to the Transit Authority.
- **(G)** In the event of any inconsistency between the User Agreement and the Card Scheme Rules, the Card Scheme Rules will prevail.

#### **AGREED TERMS**

#### 1. INTERPRETATION

1.1 The following definitions apply in this UASOW:

**Acquirer:** a bank or financial institution that allows the Transit Authority to accept Card payments from an Issuer which, for the purposes of this Agreement, is deemed to be Elavon, Inc.

**Authorization:** means an affirmative response, by or on behalf of an Issuer, to a request to effect a Transaction on a Card and that the Card has sufficient funds available for the Transaction and has not been blocked for any reason or reported by the Cardholder as lost or stolen.

**Authorization Request:** means a message sent to the card scheme to validate a Card. Authorization Requests are performed in compliance with the Card Scheme Rules and in agreement with Financial Processors.

**Business Day:** a day other than a Saturday, Sunday or public holiday in California when banks in California are open for business.

Card: means a valid and current credit, debit, prepaid, commercial or any other payment Card issued by the Issuer.

**Card Scheme:** means Mastercard, Visa or any other Card Scheme otherwise agreed in writing between the parties from time to time.

Card Scheme Rules: means the rules and operating instructions issued by particular Card Schemes from time to time.

**Cardholder:** means an individual, company, firm or other body to whom a valid Card has been issued by a financial institution which is a member of one or more of the Card Schemes. For the purposes of this Agreement, all Cardholders who use a Card to purchase services from the Transit Authority will also be a Transit Customer.

**Charges:** the standard charges for the Services (both General Services and Value Added Services, collectively) as set forth in Exhibit C to the User Agreement and any applicable Statement of Work attached hereto and any other monies that may fall due under this Agreement.

**EMV**: means, in relation to this Agreement, the Europay, MasterCard and Visa standard, a secure technology used worldwide for all payments done with credit, debit and prepaid Europay, Mastercard and Visa smart Cards.

General Services: those services described in Section 3.A.

**Issuer:** means an organization that issues Cards and whose name appears on the Card as the issuer of such Card and who is a member of a Card Scheme, that enters into a contractual relationship with a Cardholder for the issuance and use of one or more Cards.

**Mobile Inspection Device**: Equipment validating the right to travel associated with a contactless EMV payment credential.

**MVP Phase:** An initial discovery period during which only registered riders can use the service.

**Settlement:** means the payment made to the Acquirer to the value of a Transaction.

**Terminal:** means an electronic device used at the point of Transaction that has the capability to capture Card details, process electronic data, obtain an Authorization and provide Transaction receipt data.

**Transaction:** means the acceptance of a Card or information embossed on the Card, for payment for services provided to Cardholders by the Transit Authority. For the avoidance of doubt, the term Transaction also includes credits (refunds), errors, returns and adjustments.

**Transit Customer:** The end user that is purchasing a fare for transport service provided by the Transit Authority.

**Trip**: a single Transit Customer journey. If that Transit Customer journey involves making two contactless EMV Card "taps" on on-board readers, with one tap recording the boarding stage and the other recording the alighting stage for the purposes of accurate fare calculation, those taps shall constitute one Trip.

**User Documentation:** refers to a manual maintained and published by Littlepay, and is available via Littlepay's login credentials.

#### 2. SERVICES

#### A. LITTLEPAY'S CATEGORY B TRANSIT PROCESSOR SERVICES

1. In consideration of the Charges payable under the User Agreement Littlepay shall provide to the Transit Authority during the Term the Transit Processor Services as described in Section 2A.2 below (such services being the "General Services"). Littlepay shall provide the General Services subject to the terms of the User Agreement and in a manner consistent with the Customer Specific Considerations described in Appendix 1 to this UASOW.

#### 2. Littlepay General Services

Littlepay shall implement the technology, infrastructure and systems agreed between the parties from time to time as being required to facilitate the processing of contactless EMV Card payments of Transit Customers in respect of the Transit Authority's ticketing operations. Littlepay's obligations shall include, without limitation, the provision of systems and services to enable:

- (i) <u>Transaction capture</u>: Littlepay shall receive taps from Terminals where Terminals conform to the "Littlepay Device API" and have been previously integrated by Littlepay and duly certified;
- (ii) <u>Aggregation</u>: Littlepay shall, according to Card Scheme Rules and Transit Authority configurations, define a time period where multiple Transactions are aggregated together into a single Transaction that is submitted for Authorization;
- (iii) <u>Fare Capping</u>: Littlepay shall apply a maximum capped amount to the amount charged to the Cardholder for a defined period. Refer to User Documentation for the types of fare capping available;
- (iv) <u>Authorization Processing</u>: Littlepay shall, according to automated strategies, configurable settings and in compliance with Card Scheme Rules, generate the necessary Authorization Requests and exchange these with "Financial Processor(s)" (e.g. Acquirer, Gateway, Card Schemes) for approval by the Issuer;
- (v) <u>Settlement Processing</u>: Littlepay shall, according to configurable settings, generate and submit the necessary Settlement records to the Financial Processor(s);
- (vi) <u>Deny List Processing</u>: Littlepay shall manage a "Deny List" of Cards that have been declined and make the Deny List available to all Terminals on the Transit Authority's network connected to Littlepay. Once a debt is cleared, a Card is removed from the Deny List;
- (vii) <u>Debt Recovery</u>: Littlepay shall, via an automated strategy in compliance with Card Scheme Rules, re-present Authorization Requests that were initially declined at the time of Authorization;
- (viii) <u>Transit Authority Portal</u>: Littlepay shall make available to the Transit Authority an online portal to enable the required administrative functions including Transit Authority configuration, Transaction viewing, exception processing and data analytics. Refer to User Documentation for the features available;
- (ix) <u>Passenger Portal</u>: On request, Littlepay shall make available to Cardholders an online portal (Littlepay branded) for Cardholders to enter their Card details in a PCI-DSS secured manner and retrieve data related to their Card usage and associated Trips.

Littlepay operates a single cloud-based processing platform. New features will be introduced over time, and existing functions may be updated. Littlepay manages these changes entirely at its own discretion. Where new features are introduced to the standard platform, these will be made available to the Transit Authority without incurring additional Charges. Littlepay may also introduce premium

features that require additional Charges to access. Relevant updates to functionality shall be communicated to the Transit Authority on a timely basis. User Documentation is updated upon significant change and made available to the Transit Authority via an online repository.

#### 3. The General Service Charges

- (a) In order for Littlepay to provide the Services to the Transit Authority, the necessary Transit Authority Equipment and or Transit Authority Materials must be integrated by Littlepay. The Transit Authority shall bear responsibility for verifying with Littlepay whether the Transit Authority Equipment and or Transit Authority Materials has been, or needs to be, integrated beyond the Customer Specific Considerations described in Appendix 1 to this UASOW. Charges for integration, such as devices or third party components (software, portals, applications) are available on application by the Transit Authority (the "Integration" and, once integrated, become "Integrated") and will be charged as Custom Development Work in accordance with the User Agreement terms, as follows:
  - i. The parties will work together to agree the requirements of any project(s) required to update and/or improve the procedures and specifications needed for the Transit Authority to be able to interact with Littlepay's systems. This will include relevant Card Scheme specifications and Transit Authority operating instructions from the Acquirer where practicably possible;
  - ii. Littlepay shall work with a relationship manager representing the Transit Authority to provide an SOW for any such new projects or integrations, outlining the type of advice and technical support to be provided to the Transit Authority during the project within a reasonable timeframe of identifying a new project or integration to be undertaken;
  - iii. Custom Development Work will be charged by Littlepay as "one-off" charges in accordance with the Category B Hourly Rate Card in Exhibit B.1 of the MSA. When a device or third party component has completed Integration, it will be considered by the parties to be included as an Integrated Device and will not incur any further Charges.
- (b) All amounts invoiced by Littlepay under this section will become due 45 calendar days after the issuing of a valid invoice by Littlepay to the Transit Authority. Invoices for Transit processing services (under section A of Exhibit C ) shall be in US\$ and shall not be issued until the end of the month in which such charges are incurred.
- (c) If Littlepay's performance of its obligations under this Agreement is prevented or delayed by any act or omission of the Transit Authority, its agents, subcontractors, consultants or employees then, without prejudice to any other right or remedy it may have, Littlepay shall be allowed an extension of time to perform its obligations equal to the delay caused by the Transit Authority.

#### 3. TERMINATION

- 3.1 Without affecting any other right or remedy available to it, either party may terminate the User Agreement with immediate effect by giving written notice to the other party if:
  - (a) the other party commits a material breach of any term of the User Agreement and such breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of ten Business Days after being notified in writing to do so;
  - (b) the other party enters into or becomes the subject of any insolvency related procedure.
- 3.2 Without affecting any other right or remedy available to it, Littlepay may terminate this Agreement with immediate effect by giving written notice to the Transit Authority if the Transit Authority fails to pay any amount due under this Agreement on the due date for payment (45 days) as described in MSA Exhibit B (Payment and Budget Provisions) and remains in default not less than 10 Business Days after being notified in writing to make such payment.

damages in respect of any breach of the Agreement which existed at or before the date of termination or expiration.

#### **Exhibit C**

### **Pricing for mandatory & optional items**

- All pricing is in US\$.
- Pricing excludes acquirer fee. The acquirer fee will include the gateway fee. Card association and interchange fees will be passed through by the acquirer at cost.
- Fees for Transit Processing Services (A.1 and A.2 below) will be invoiced monthly. Implementation Services (if any) will be invoiced on signature, unless otherwise stated below. See section 3(b) of Exhibit B for more details.

	CAL-ITP Standard Pricing (under DGS MSA)	Transit Authority Pricing (US\$)
A.1 Transit processing services		
Transit processor services fee as % of total revenue processed	2.8%	2.25%
A.2 Transit processing services: free fare transactions		
Transit processor services fee as fixed fee (\$ per transaction processed)	\$ 0.04	\$0.02
B. Transit processor implementation services		
Implementation services (Mandatory)	\$ 5,000.00	\$5,000
C. Value added implementation services		
Supporting EMV Level 3 certification (Mandatory)	\$20.000.00	Not required when using SC Soft or Kuba devices
Custom Development Work (Optional)	Category B Hourly Rate Card	Not anticipated
D. Transit processor interface and integration services		
Integration with PAD contractor (Mandatory)	\$20,000.00	Not required when using SC Soft or Kuba devices
Integration with a payment processor (Mandatory)	\$100,000.00	Not required when using Cybersource & Elavon
Integration with eligibility verification system (Mandatory)	\$20,000.00	Not required when using Cal-ITP portal
E. Value added operations services		
Premium final charge management services (Optional) [fare calculation provided by littlepay]	1.50%	Not applicable
Premium customer support (Optional)	0.25%	Not applicable

			SLO Transit			
	Description	Unit of measure	Rate	Qty	Months	Total
	Stand Alone Devices - ABT 3000	Unit	\$994.87	23		\$22,882.01
	Stand Alone Devices - ABT 3000 (spares)	Unit	\$994.87	5		\$4,974.35
	Mounting Poles	Unit	\$105.33	23		\$2,422.59
	Installation of PAD	Unit	\$562.50	23		\$12,937.50
	Implementation Service	Once-off	\$7,500.00	1		\$7,500.00
	Integration with Transit Processor	Once-off	\$3,146.67	0		\$0.00
Category A Kuba	EMV Level 3 Certification	Once-off	\$9,440.00	0		\$0.00
Odlogory A Rubu	Custom development: Barcode reader (\$195 per device)	Hourly	\$137.50	39.71		\$5,460
	CAPEX Total					\$56,176.45
	Operations costs - ongoing support	Per device per month	\$39.50	23	60	\$54,510.00
	Extended Warranty	Per device per month	\$7.38	28	48	\$9,918.72
Category B LittlePay	Implementation Service	Once-off	\$5,000.00	1		\$5,000.00
Odlegory D Littler dy	Ongoing fees variable, see Exhibit B of co	ntracts (2.25% o	n transit proce	ssor services, \$0.	02 per free fare	e transaction)
	Project Life Total (5yrs) minus ongoing fees					\$125,605.17
Kuba Extra Fees	Integration with 2D Bar Code Processor (to be charged once, cost shared between SLO Transit and SLO RTA)	Once-off				\$ -
	Set-up fee (each agency)	Once-off				\$ 3,000.00
	Kuba Annual Support for Token	Annually	\$ 2,000.00	5		\$ 10,000.00
	Kuba Integration with Token Transit Totals:					\$ 13,000.00
	Token Transit One-Time Fee	Once-off				\$ -
	Token Transit Annual Fee - Year 1	Annually	\$600.00	18	12	\$ 10,800.00
	Token Transit Annual Fee - Year 2	Annually	\$650.00	18	12	\$ 11,700.00
Token Transit Fees	Token Transit Annual Fee - Year 3, 4, 5	Annually	\$700.00	18	36	\$ 37,800.00
70101111011110111	Token Transit Annual Fee (Includes service expansions after Year 2)	Annually	\$700.00	5	36	\$ 10,500.00
	Token Transit Sales Fee	Per device per month				\$ -
	Token Transit Estimated Fee Totals:					\$ 70,800.00
	Total plus Token Transit/Kuba integration					\$209,405.17
	Variable fees for Elavon transactions		\$ 0.03	\$1,175,838.30		\$ 35,275.15
	Variable fees for revenue processed		2.25%	\$1,145,274.72		\$ 25,768.68
	Total plus estimated ongoing variable fees					\$270,449.00



#### Agency Order Terms 2025-03-09

These Agency Order Terms 2025-03-09 are for the purchase by Agency of a subscription to the Services specified below. Provision of the Services is subject to the Master Platform Terms and any additional terms referenced below and incorporated herein (these Agency Order Terms together with the Master Platform Terms, may be referred to as the "Agreement") between the customer specified below ("Agency") and Token Transit, Inc. ("TT"). These Agency Order Terms are effective, upon signature of both Agency and TT (the "Agency Order Terms Effective Date").

These Agency Order Terms 2025-03-09 supplement (e.g., by adding Additional Services) any prior Agency Order Terms documents and such prior Agency Order Terms documents remain in full force and effect except as supplemented by these Agency Order Terms 2025-03-09, unless otherwise indicated below.

Agency Name: City of San Luis Obispo	Agency Physical Address:  990 Palm Street, San Luis Obispo, CA 93401  Agency Billing Address (if different than physical address):
Primary Agency Contact:	Invoice Contact:
Name: Alex Fuchs Email: afuchs@slocity.org Phone: 805-783-7877	Name: Jesse Stanley Email: jstanley@slocity.org Phone: 805-781-7012

#### Services (descriptions in Section 1 of the Master Platform Terms):

Agency's Target Service Launch Date (as the parties may amend in writing, email to suffice): Sep 1, 2025

**Territory:** United States **Core**: included (required)

#### Fees:

Fees for services are below and as detailed in Exhibit A to this agreement.

**QR Scanning Integration with Kuba:** \$600/vehicle annual recurring fee with initial annual fee due within thirty (30) days of the Service Launch Date.

Passes: Fees are calculated as follows:

For each transaction for use on Agency's transit system during the Term, TT will retain a Passes Fee of (i) 8% of the gross total proceeds of the transaction processed by the Services for each transaction that is greater than or equal to \$2.00 and (ii) \$.06 + 7% of the gross total proceeds of the transaction processed by the Services for each transaction that is less than \$2.00.

#### Technical Services (if applicable):

All fees indicated do not include any taxes, if applicable, which are the sole responsibility of Agency.

#### **Master Platform Terms:**

#### https://agency.tokentransit.com/legal/agency-master-platform-terms-20240403.pdf

The Master Platform Terms govern Agency's use of TT's platform services, and include reference to the terms of service between Agency and the third-party payment processor responsible for processing and settling payments to Agency. By entering into this Agreement, Agency is agreeing to those terms of service. The Master Platform Terms version referenced above supersedes and replaces any prior agreement (including any prior version of the Master Platform Terms) between Agency and TT, if any.

#### Additional Terms (if applicable):

Agency has a contract with Kuba to provide QR Code Readers. Agency has installed or will install QR Code Readers on all required vehicles.

Agency will provide Kuba with the complete Token Transit QR Code Specification and Kuba will implement the specification.

Kuba will be responsible for implementation and maintenance of the QR code scanning functionality including approving or denying the QR code according to the Token Transit specification and any validation data reporting.

Section 5.1 (Confidential Information) of the Master Platform Terms is amended by adding the following sentence at the end of Section 5.1: "For the avoidance of doubt, 'Confidential Information' does not include this Agreement or any attachments, exhibits, or addenda."

Section 8.2 (Agency Indemnification) of the Master Platform Terms is amended by deleting provisions (b) through (e) and replacing them in their entirety with the following: "(b) any unauthorized use or disclosure of TT Rider Data by Agency; (c) Agency's obligations pursuant to or claims arising out of the Payment Processor terms of service; or (d) breach of Agency's obligation with respect to Additional Services."



Section 9.1 (Disclaimer of Damages) of the Master Platform Terms is amended by adding the following at the end of the section: "The foregoing limitations on liability shall not apply to either Party's willful misconduct, fraud, or gross negligence."

Section 10.1 (Term) part (a) of the Master Platform Terms is amended by replacing "twelve (12)" months with "five (5) years".

Section 11.1 (Notice of Modification) is amended by adding the following at the end of Section 11.1: "Upon receiving notice of modifications, Agency may elect to terminate the Agreement immediately for convenience if such modifications are materially adverse to Agency, notwithstanding Section 10.2 (Termination)."

Section 12.1 (Applicable Law and Jurisdiction) is amended by replacing San Francisco with "San Luis Obispo County".

No terms included in any purchase order, acknowledgment or other non-TT ordering document shall apply to the Services. The pricing and Services presented in these Agency Order Terms are TT confidential information (to the maximum extent permitted under applicable law). All fees indicated above do not include any taxes, if applicable, which are the sole responsibility of Agency.

[SIGNATURES ON NEXT PAGE]



By signing below, the parties through their duly authorized representatives agree to the terms as documented in these Agency Order Terms.

Token Transit, Inc. (TT)	City of San Luis Obispo (Agency)
Ву:	Ву:
Name: Zachary Browne	Name: Whitney McDonald
Zacifally blowne	Willing McDollaid
Title:	Title:
Founder	City Manager
Date:	Date:



Token Transit 2261 Market Street STE 5999 San Francisco, CA 94114 415-918-6770

## Quote

#### Submitted on 4/23/25

**Token Transit Contact** 

Zack Browne zachary@tokentransit.com 608-770-5514

To:

SLO Transit

**Project Name** 

Token Transit Fare Collection -Early Customer Pricing

**Project Term Length** 5 Years

**Quote Valid Until** 

July 1, 2025

Quote for

QR Scanning Integration with Kuba & Mobile Ticketing

**Start Date** September 1, 2025

**Payment Term** 

Upfront net 30 days for annual recurring costs

Description	Unit Price (USD)	Qty	Years	Total price
Mobile Ticketing Software Maintenance and Support (Annual recurring cost)	<del>\$2,500</del>	1	5	\$12,500.00
Maintenance & Support of Token Transit app	Included	-	-	
Data & reporting (Token Transit Portal)	Included	-	-	
Unlimited fare modifications	Included	-	-	
Send-a-pass and Community Pass Program functionality	Included	-	-	
Fare capping	Included	-	-	
Mobile & Physical Ticketing Payment Processing & Customer Support	10% of trans			eater or equal to \$2.00; actions less than \$2.00
Early Customer Pricing*	8% of trans			eater or equal to \$2.00; sactions less than \$2.00
Fare payment processing of mobile and physical fares	Included	-	-	
Send-a-pass and Community Pass Program functionality	Included	-	-	
Rider Support: front line for rider support	Included	-	-	
Customer Success: ongoing support	Included	-	-	
Special discounted pricing is offered for SLO Transit due to their legacy status as a Token Transit customer.				
QR Scanning Integration with Kuba Validators (Annual recurring cost)				
Year 1	\$600.00	18	1	\$10,800.00
Year 2	\$650.00	18	1	\$11,700.00
Year 3, Year 4, and Year 5	\$700.00	18	3	\$37,800.00
Validation Software: Software that supports scanning on Kuba fareboxes with secure, dynamic QR code	Included	-	-	
Customer Success: Project management of validation integration, onboarding, and other agency-focused support	Included	-	-	
Customer Support: front line rider support for integration	Included	-	-	
* Kuba may charge additional fees for integrating with Token Transit.				
				\$ <del>72,800.00</del>
	early customer disc	ount*		-\$12,500.00
To	tal Cost - 5 \	ears/		\$60,300.00

Note: Summary of total costs include annual reocurring costs; no transaction fees.

Department: 4
Cost Center: 2005
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

FROM: Emily Jackson, Finance Director

Prepared By: Debbie Malicoat, Deputy Finance Director

Tavy Garcia, Senior Accountant

SUBJECT: ACCEPTANCE OF THE FEDERAL SINGLE AUDIT FOR FISCAL YEAR

2023-24

#### RECOMMENDATION

Review and accept the Federal Single Audit Report for Fiscal Year 2023-24.

#### **POLICY CONTEXT**

The City's Charter under Section 810 requires the employment of an independent, certified public accountant to examine the City's financial statements.

#### DISCUSSION

#### **Background**

The City's independent auditing firm, Badawi and Associates, have prepared the Single Audit Report which provides several items. First, it provides a report on the City's internal controls related to financial reporting. Second, it provides a schedule of expenditures that were funded by Federal Grants and the City's compliance with applicable Federal regulators. Third, it provides a schedule of findings and questioned costs, if any. Findings are areas of improvement when it comes to the internal controls that are designed to manage the risk of how the City's assets are safeguarded, and its finances are accurately reported, which then translates into the proper administration of Federal funding.

For the 2023-24 fiscal year, there are two findings and no questioned costs. The City's responses to the auditor's findings are incorporated into the Single Audit Report (Attachment A). The auditor's comments generally reflect the difficulties encountered when implementing the Enterprise Resource Planning/Human Capital Management (ERP/HCM) cloud-based Oracle system and both are continuations from the prior year. The City is currently working to resolve these issues, utilizing an Oracle consultant for the necessary reconfigurations. The lack of any new findings reflects the significant time and effort that has been dedicated to ongoing configuration work.

#### **Public Engagement**

The City's Single Audit Report fulfills a legal requirement and does not have a public engagement component outside the presentation before the Council during a public session.

#### **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act does not apply to the recommended action in this report, because the action does not constitute a "Project" under CEQA Guidelines Sec. 15378.

#### **FISCAL IMPACT**

Budgeted: Yes Budget Year: 2024-25

Funding Identified: Yes

#### **Fiscal Analysis:**

The City budgets the cost for the auditing firm annually. The cost is appropriated with the annual budget adoption and encompasses the Annual Comprehensive Financial Report (ACFR), Transportation Development Act (TDA), Single Audit, and the Whale Rock Reservoir audit. The current fiscal year contains a budget of \$75,000 for the previous fiscal year audit. Actual costs were \$67,491 in accordance with the City's contract with the auditing firm, no additional funding is requested at this time.

#### **ALTERNATIVES**

There are no viable alternatives to accepting the Single Audit Report for the fiscal year 2023-24; it is prepared in conformance with a variety of accounting, Federal, and State reporting requirements and represents the professional evaluation and analysis by the City's independent auditors.

#### **ATTACHMENTS**

A - Single Audit Report, Fiscal Year Ended June 30, 2024

# City of San Luis Obispo

San Luis Obispo, California

Single Audit Reports

For the year ended June 30, 2024

### City of San Luis Obispo Single Audit Reports For the year ended June 30, 2024 Table of Contents

	Page
Report on Internal Control over Financial Reporting and on	
Compliance and Other Matters Based on an Audit of Financial Statements  Performed in Accordance with Government Auditing Standards	1
Report on Compliance for Each Major Federal Program and on Internal Control over Compliance in Accordance with the Uniform Guidance	2
And on the Schedule of Expenditures of Federal AwardsSchedule of Expenditures of Federal Awards	
Notes to the Schedule of Expenditures of Federal Awards	
Schedule of Findings and Questioned Costs	



## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditor's Report

To the Honorable Mayor and Members of City Council of the City of San Luis Obispo San Luis Obispo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Luis Obispo, California (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 24, 2024.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2024-001 to be material weaknesses.

To the Honorable Mayor and Members of City Council of the City of San Luis Obispo San Luis Obispo, California Page 2

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and questioned costs as item 2024-002 to be significant deficiencies.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### City of San Luis Obispo's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our engagement and described in the accompanying schedule of findings and questioned costs. City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Badawi & Associates, CPAs Berkeley, California

Jadanie & Associates

December 24, 2024



## REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Independent Auditor's Report

To the Honorable Mayor and Members of City Council of the City of San Luis Obispo San Luis Obispo, California

#### Report on Compliance for Each Major Federal Program

#### Opinion on Each Major Federal Program

We have audited the City of San Luis Obispo, California's (City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

#### Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States(*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements*, *Cost Principles*, *and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

To the Honorable Mayor and Members of City Council of the City of San Luis Obispo
San Luis Obispo, California
Page 2

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

#### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

To the Honorable Mayor and Members of City Council of the City of San Luis Obispo
San Luis Obispo, California
Page 3

#### Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 24, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used

To the Honorable Mayor and Members of City Council of the City of San Luis Obispo
San Luis Obispo, California
Page 4

to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Badawi & Associates, CPAs

Berkeley, California

March 31, 2025 except for the schedule of expenditures of federal awards on pages 7, which are as of December 24, 2024

## City of San Luis Obispo Schedule of Expenditures of Federal Awards

For the year ended June 30, 2024

	Assistance Listing	Pass-through	Program
Grantor Agency and Grant Title	Number	Number	Expenditures
CDBG - Entitlement Grants-Cluster			
Department of Housing and Urban Development  Passed Through the county of San Luis Obispo  Community Development Block Grants/Entitlement Grants	14.218		\$ 417,368
Total CDBG - Entitlement Grants-Cluster			417,368
U.S. Department of Justice  Direct award:			
Bulletproof Vest Partnership Program Edward Byrne Memorial Justice Assistance Grant Program	16.607 16.738		8,766 16,271
Total U.S. Department of Justice			25,037
U.S. Department of Transportation  Direct award:			
Federal Transit Formula Grants	20.507		3,486,773
Total Federal Transit Cluster-Cluster			3,486,773
Passed Through the California department of transportation Highway Planning and Construction	20.205		103,654
Total U.S. Department of Transportation			3,590,427
Department of the Treasury			
Direct award:			
Coronavirus State and Local Fiscal Recovery Funds Coronavirus State and Local Fiscal Recovery Funds Total Department of the Treasury	21.027		10,396,711
U.S. Department of Health and Human Services			10,370,711
Passed Through the California department of Community Services and Development Low Income Household Water Assistance Program	93.499		17,487
Total U.S. Department of Health and Human Services			17,487
U.S. Department of Homeland Security			
Direct award:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)  Passed Through the California 's Office of Emergency Management	97.036		358,157
Hazard Mitigation Grant - California Office of Emergency Management	97.039		974,845
Direct award: Assistance to Firefighters Grant	97.044		123,790
Total U.S. Department of Homeland Security	97.U <del>1</del> 4		1,456,792
- · · · · · · · · · · · · · · · · · · ·			
Total Expenditures of Federal Awards			\$ 15,903,822

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#### City of San Luis Obispo Notes to the Schedule of Expenditures of Federal Awards For the year ended June 30, 2024

#### A. Reporting Entity

The City is a California charter city. It was incorporated on February 19, 1856 and chartered on May 1, 1876. It is organized in accordance with the Council-Mayor-City Manager form of government. With a population of approximately 47,788, the City provides a broad range of municipal services, including police and fire protection, parks and recreation, water and sewer utilities, street maintenance, public transportation, parking, planning, and building and safety.

#### **B.** Basis of Accounting

Funds received under the various grant programs have been recorded within the special revenue funds of the City. The City utilizes the modified accrual method of accounting for the special revenue funds. Modified accrual accounting recognizes revenues when they become available and measurable and, with a few exceptions, recognizes expenditures when liabilities are incurred. The accompanying Schedule of Expenditures of Federal Awards (Schedule) has been prepared on the modified accrual basis of accounting.

#### C. Relationship of Schedule of Expenditures of Federal Awards to Financial Statements

The accompanying Schedule presents the activity of all federal financial assistance programs of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through the State of California is included in the Schedule.

The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the City.

#### D. Pass-Through Entities' Identifying Number

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

#### E. Indirect Costs

The City did not elect to use the 10% de minimis indirect cost rate.

#### **Financial Statements**

Types of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

• Significant deficiency(ies) identified? Yes

Any noncompliance material to the financial statements noted?

No

#### **Federal Awards**

Internal control over major programs:

Material weakness(es) identified?

• Significant deficiency(ies) identified? None noted

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in Accordance with section 200.516(a)

No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster		xpenditures
21.027 97.039	Coronavirus State & Local Fiscal Recovery Funds Hazard Mitigation Grant	\$	10,396,711 974,845
	Total Expenditures of All Major Federal Programs	\$	11,371,556
	Total Expenditures of Federal Awards	\$	15,903,822
	Percentage of Total Expenditures of Federal Awards		71.5%

Dollar threshold used to distinguish between type A and type B program \$750,000

Auditee qualified as low-risk auditee under section 200.520?

No

#### **Section II - Current Year Findings**

#### A. Financial Statement Audit Finding

#### 2024-001 Journal Entries Posting (Material Weakness)

*Criteria:* The access to post journal entries in the general ledger should be restricted. Journal entries should be independently prepared, reviewed before being posted to the general ledger.

*Condition:* During the review of the City's journal entry approval matrix and JE testing, we noted the posting from the subledger to GL do not require approvals at the general ledger level nor at the subledger level. Considering the number of employees who can post entries through subledger without review and the fact that corrections to payroll, payable, revenue/receivables, cash management, capital assets all can be posted through subledger and do not require approval, it increased the risk of unauthorized or incorrect journals getting posted into general ledger.

Cause: The City didn't have control in place to ensure all journal entries are properly reviewed before posting.

*Effect:* Journal entries recorded in the City's accounting system may be inaccurate, unapproved, or unsupported.

**Recommendation:** We recommend that the City limit the number of employees who can post journal entries in the subledger and general ledger and implement system control to ensure all journal entries are reviewed before posting.

#### Management's response:

City management agrees with the recommendation and continues working with the internal IT team and consultants to modify the Oracle ERP system's workflow to include approval for system-generated adjusting entries, which are currently posted automatically.

Approval for manually generated journal entries was implemented in FY 2021-22 and remains in place. While the City has approval controls for manual entries, a solution for system-generated adjustments is still in progress. This goal is considered partially implemented by the City.

#### Section II - Current Year Findings, continued

#### A. Financial Statement Audit Finding, continued

#### 2024-002 Payroll Module Implementation (Significant Deficiency)

*Criteria:* An effectively implemented payroll system should process the payroll accurately, and an effective internal control system over payroll requires timely and accurate payroll processing.

Condition: During the performance of the audit, we noted that -

- The Oracle payroll module has overtime configuration implemented incorrectly, and the City has to manually track the payroll in a spreadsheet and correct the error as it occurs since the implementation.
- The configuration of payroll journal entries posting was implemented incorrectly which caused the variance between the bank record and the City's general ledger.

Cause: The Oracle payroll module has not been implemented correctly.

*Effect*: Errors and fraud can go undetected in payroll processing with a large volume of manual corrections needed.

**Recommendation:** We recommend the City to work with the third-party vendor to correct the implementation of payroll module.

#### Management's Response:

City Management agrees with the finding and has engaged a consultant to reconfigure the payroll module to correct overtime calculations. Significant progress has been made in identifying and testing solutions, with full implementation expected during the 2024-25 fiscal year.

In the interim, the City continues to monitor payroll, manually correcting overtime issues each pay period. To enhance accuracy, staff has developed comprehensive training on time card entry and created Oracle Guided Learnings (OGLs) for real-time payroll module training. Additionally, the City has implemented the mandatory "Redwood" Oracle user interface upgrade, improving usability and time-tracking accuracy.

Configuration of the payroll journal entries was a one-time occurrence that has since been corrected.

#### Section II - Current Year Findings, continued

#### B. Federal Award Program Audit Finding

No findings or questioned costs were noted in the current year.

#### Section III - Prior Year Findings

#### A. Financial Statement Audit Finding

#### 2023-001 Journal Entries Posting (Material Weakness)

*Criteria:* The access to post journal entries in the general ledger should be restricted. Journal entries should be independently prepared, reviewed before being posted to the general ledger.

**Condition:** During the review of the City's journal entry approval matrix and JE testing, we noted the posting from the subledger to GL do not require approvals at the general ledger level nor at the subledger level. Considering the number of employees who can post entries through subledger without review and the fact that corrections to payroll, payable, revenue/receivables, cash management, capital assets all can be posted through subledger and do not require approval, it increased the risk of unauthorized or incorrect journals getting posted into general ledger.

Cause: The City didn't have control in place to ensure all journal entries are properly reviewed before posting.

*Effect*: Journal entries recorded in the City's accounting system may be inaccurate, unapproved, or unsupported.

**Recommendation:** We recommend that the City limit the number of employees who can post journal entries in the subledger and general ledger and implement system control to ensure all journal entries are reviewed before posting.

*Status:* Not implemented. See current year finding 2024-001.

#### Section III - Prior Year Findings, continued

#### A. Financial Statement Audit Finding, continued

#### 2023-002 Payroll Module Implementation (Significant Deficiency)

*Criteria:* An effectively implemented payroll system should process the payroll accurately, and an effective internal control system over payroll requires timely and accurate payroll processing.

Condition: During the performance of the audit, we noted that -

- The Oracle payroll module has overtime configuration implemented incorrectly, and the City has to manually track the payroll in a spreadsheet and correct the error as it occurs since the implementation.
- The configuration of payroll journal entries posting was implemented incorrectly which caused the variance between the bank record and the City's general ledger.

Cause: The Oracle payroll module has not been implemented correctly.

*Effect*: Errors and fraud can go undetected in payroll processing with a large volume of manual corrections needed.

**Recommendation:** We recommend the City to work with the third-party vendor to correct the implementation of payroll module.

Status: Not Implemented. See current year finding 2024-002

City of San Luis Obispo Single Audit Reports Schedule of Findings and Questioned Costs For the year ended June 30, 2024

# Section III - Prior Year Findings, continued

# B. Federal Award Audit Finding

No findings or questioned costs were noted in the prior year.

**Department:** Parks and Recreation

Cost Center: 7001
For Agenda of: 5/20/2025
Placement: Consent
Estimated Time: N/A

FROM: Greg Avakian, Parks & Recreation Director

Prepared By: Devin Hyfield, Recreation Manager

SUBJECT: AUTHORIZE RELEASE OF RFP FOR MISSION PLAZA CAFÉ KIOSK

#### RECOMMENDATION

1. Authorize the release of a Request for Proposal for a food and beverage vendor at the Mission Plaza; and

2. Authorize the City Manager to award the contract and execute a vendor lease agreement with the selected vendor in a form approved by the City Attorney.

#### **POLICY CONTEXT**

With the adoption of the 2021-23 Financial Plan, Council established a Major City Goal of Economic Recovery, Resiliency, and Fiscal Sustainability. Within that Major City Goal is the strategic approach to Downtown Vitality with efforts to focus on supporting infrastructure investments. The Mission Plaza improvements are included in the infrastructure investments the City is pursuing to meet the Major City Goal by activating a public space, providing services to the public, and increasing safety of the plaza. The Café Kiosk is part of an approved capital improvement plan project in the adopted 2023-25 Financial Plan that continues to support the Major City Goal of Economic Resiliency, Cultural Vitality, and Fiscal Sustainability.

#### **DISCUSSION**

#### Background

In 2017, the City Council reviewed and adopted the Mission Plaza Concept Plan. A major component of the Concept Plan is to replace the existing restroom and install a new café kiosk to provide concessionaire services and support more activation in the plaza. RRM Design Group was selected in 2018 to lead the entitlements process and prepare design documents for the improvements. After several advisory body meetings which included Parks and Recreation Commission and the Planning Commission, a Council Study Session was conducted in February 2020 to provide direction for the final scope of the Mission Plaza project. At that meeting, Council provided direction on conceptual designs for the project site and confirmed their support for continuing the project. The inclusion of the Café Kiosk was identified by Council as a significant component of the current Mission Plaza Improvement project, and permanent structure was preferred over mobile food operations. Furthermore, a café kiosk provided the opportunity to lease the space to

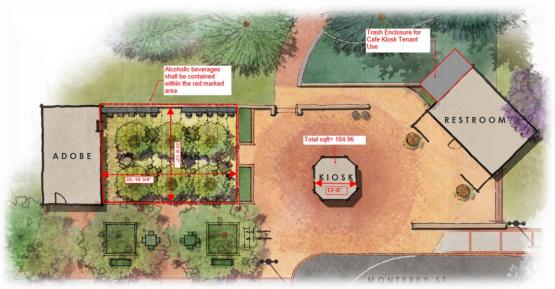
a food and beverage business and achieve a more permanent presence in the plaza, which was beneficial for activating the space.

# **Project**

The project includes the replacement of the existing restroom within the Mission Plaza with a new restroom, construction of a café kiosk, creation of an outdoor seating area (including tables and chairs), an informational art and events stand, and associated site improvements surrounding these buildings. The project also includes improving accessibility (ADA) and enhancing safety through site lighting and security cameras.

Staff is requesting authorization to advertise a Request for Proposal (RFP) for a food and beverage vendor to lease the Café Kiosk, which includes the outdoor dining space. Staff would like to secure a vendor for the space prior to completion of construction for the vendor to include functional operational improvements to the kiosk prior to opening and providing services.





# Support Special Events and Potential for Alcohol Sales within Mission Plaza

On an annual basis, the City approves between sixty (60) and ninety (90) special events within Mission Plaza and the "Dogleg" - section of Broad and Monterey streets adjacent to Mission Plaza. Most special events have vendors that pay a "vendor booth fee" to the event organizers or the event organizers sell food or beverages as a revenue generator. Staff conducted outreach with representatives of SLO Chamber and Downtown SLO to obtain input on key areas for consideration of an appropriate concessionaire vendor and methods to support the variety of events held within Mission Plaza. The potential of the permanent concessionaire of the Café Kiosk may create some unforeseen circumstances where both the kiosk vendor and the event organizer may sell similar items or products. Staff are including within the RFP the option for the vendor of the Café Kiosk to provide a business operation plan for consideration during scheduled events, such as hours of operation, allowance of alcohol sales, including the option to support the events or close operations during a scheduled event.

The City is allowing for the option for sale of alcohol within the concessionaire zone in adherence to all San Luis Obispo County Alcohol Beverage Control (ABC) licensing and regulation requirements. Contained in the RFP is a requirement for the applicant to include an operational plan for the sale of alcohol, including appropriate timeframes to allow the sale of alcohol, vendor oversight, and all regulatory requirements to adhere to the ABC regulations. The vendor will be solely responsible for all fees and permit requirements, including any modifications to the outdoor dining area to meet ABC regulations.

# **Previous Council or Advisory Body Action**

On September 5, 2017, the Mission Plaza Concept Plan was adopted by City Council and staff proceeded with the Mission Plaza Restroom and Kiosk project design. The project designs were presented to key advisory bodies and then presented to City Council for a study session on February 18, 2020. The conceptual design was presented to the Cultural Heritage Committee on April 25, 2022. The project was reviewed by the Community Development Director through the Architectural Review application and the conceptual project plans were approved on June 1, 2022, based on findings and subject to project conditions that have been incorporated into the final construction documents. On June 20, 2023, the City Council authorized inviting bids for the Mission Plaza Enhancements, Specification Number 91439-01, which broke ground in January 2025.

# **Public Engagement**

This project received public input throughout the process through the variety of advisory body meetings, Council Study Sessions, and project bid award listed above. The project has received funding in each financial plan since the 2015-17 Financial plan. The City engages the public during each financial plan process. Additionally, Staff have provided opportunity for input and concurrence by members of the SLO Chamber of Commerce and Downtown SLO specific to the vendor operations of a café kiosk.

# **RFP PROCESS**

Upon authorization to advertise the RFP for a food and beverage business and lease of the Mission Plaza Café Kiosk, staff will advertise for the standard 5-week time frame. An opportunity for applicant questions with staff from both Public Works and Parks and Recreation Department is included within the advertising timeframe. Applications will be reviewed for qualifications and identified for an interview and selection meeting. This meeting will be comprised of appropriate City Staff and key City partners such as SLO Chamber of Commerce and Downtown SLO. Lease negotiations will involve staff from Parks and Recreation, City Attorney's Office, and the Finance Department. The award of the successful vendor and approved lease agreement will be authorized by City Manager and City Attorney. Upon successful award, the selected vendor will submit final interior and operational construction documents to Public Works. The vendor is responsible for obtaining associated permits and construction costs for completion of the interior and provide anticipated timeline for opening operations.

#### CONCURRENCE

There is concurrence from the Community Development Department through the architecture review process and during review and approval of the project for building permit issuance. This project and the opportunity to lease the Café Kiosk to food and beverage vendor also has concurrence from the Administration and IT Department as they have reviewed the project throughout the design process, Economic Development team, and from the Finance Department through the review of the concessionaire RFP process and facility leasing. Concurrence by community partners from the Downtown SLO and the SLO Chamber of Commerce has been obtained through staff involvement and identified inclusion of both agencies for the review and evaluation of the submitted vendors during the RFP selection process.

#### **ENVIRONMENTAL REVIEW**

Environmental review for construction of the kiosk was considered by the Council during the June 20, 2023 City Council meeting. The recommended action to release an RFP and execute a contract and lease with the selected vendor is not subject to the provisions of the California Environmental Quality Act (CEQA) because it is not a "project" as defined in CEQA Guidelines 15378.

#### FISCAL IMPACT

Budgeted: No Budget Year: 2025-26

Funding Identified: No

# **Fiscal Analysis:**

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$	\$	\$	\$
State				
Federal				
Fees				
Other:				
Total	\$0	\$0	\$0	\$0

The City is currently constructing the café kiosk as part of the Mission Plaza Enhancement Project, Specification 91439-01. The cafe kiosk interior will include coiling windows, steel frame walls, concrete sub floor, sinks, connections for water, gas, electricity, and data. It will be the responsibility of the selected vendor to fund and provide interior walls, flooring, counters, appliances, interior paint, and any other tenant improvement to create the operation space at their expense. The initial café kiosk lease rate is proposed to be at \$2.50/sf per month for the 138-sf kiosk space and a flat fee of \$500 per month for the 885-sf outdoor dining zone. The City will provide the outdoor tables and chairs, any additions will be the responsibility of the vendor. The lease amount is comparable to local rates based on a survey conducted by Economic Development in April 2025 which provided square foot ranges between \$2.50 - \$3.90 for similar rents/leases.

# **ALTERNATIVES**

- Council could decide not to approve the Request For Proposal to lease the Cafe Kiosk to a food and beverage service vendor. Should Council peruse this option, Staff request direction for alternate activation of the kiosk.
- Council could direct modifications to the proposed vendor agreement. Council
  could modify lease term and/or other components of the RFP or proposed contract,
  such as not allow sales of alcohol.

#### **ATTACHMENTS**

A - DRAFT Request of Proposal for Food and Beverage Vendor of the Mission Café Kiosk



# **Notice Requesting Proposals for Food/Beverage Vendor Company**

The City of San Luis Obispo is requesting sealed proposals for a food and beverage vendor company for the Mission Plaza Café Kiosk.

All firms interested in receiving further correspondence regarding this Request for Proposals (RFP) will be required to complete a free registration using BidNet Direct (www.bidnetdirect.com/).

All proposals must be received by the City in a sealed envelope or via BidNet Direct by [DATE] at 3 p.m., when they will then be opened electronically via BidNet Direct on the proposal end date and time.

The preferred method for bid submission is electronic via BidNet Direct. However, if you wish to submit a paper copy, please submit it in a sealed envelope plainly marked "Proposal for Food and Beverage Vendor Company," to the Department of Finance, at 990 Palm Street, San Luis Obispo, CA, 93401, at or before 3pm on [DATE]

Project packages and additional information may be obtained at the City's BidNet Direct website at www.BidNetDirect.com.

For technical help with BidNet Direct please contact BidNet Direct tech support at 800-835-4603.



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#### A. INTRODUCTION

#### **Background:**

The City of San Luis Obispo is pleased to offer an opportunity for a well-qualified business entity to operate and maintain a café kiosk that will serve as a vibrant community hub in Mission Plaza. Mission Plaza, owned and operated by the City of San Luis Obispo, is located in the heart of downtown San Luis Obispo and serves as a dynamic center for arts, culture, history and community engagement. The Mission Plaza Enhancement Project is currently under construction and is scheduled to be completed in Fall 2025. The project will feature a new 138 sq ft interior café kiosk and an approximately 885 sq ft outdoor dining area. Mission Plaza hosts between 60 and 90 events per year, attracting attendances between 100 and 3000 per event including:

- Concerts in the Plaza (summer season)
- Holiday in the Plaza
- Children's Day in the Plaza
- Pride in the Plaza
- Marketplace Events
- Awareness Events
- Cultural Events
- Graduations
- Weddings

Proposers must demonstrate the ability to operate a high-quality food and beverage business, clearly articulate achievable plans for an innovative and profitable operation and be in full compliance with applicable laws and regulations.

#### **Criteria for Proposal:**

In responding to this request for proposal, the proposer should provide the following:

- 1. The café kiosk will be constructed by the City to a degree for the selected vendor to then establish additional upgrades for the interior to be fully operational. Please provide details on what types of internal site improvements your establishment will plan for the interior of the café kiosk based on the attached plans. Provide information on the types of improvements needed and an approximate cost for the improvements to operate the service. Include the timeline for design, permits, and construction, as well as the anticipated opening for services.
- 2. Ability to obtain a business license from the City of San Luis Obispo.
- 3. Indicate the proposed hours of operation for the food/beverage service to provide community opportunities for food and beverage and activation of the plaza area.
- 4. Proposer must comply with California Health and Safety Code's regulations for food vendors and San Luis County Health code requirements.
- 5. There is potential for the operator to be approved for the sale of alcohol. Please provide a description of

- alcohol service management in accordance with San Luis Obispo County and Alcohol Beverage Control (ABC) license requirements and regulations.
- 6. Ability to obtain necessary insurance certificates to cover general liability and alcohol liability, if a license to serve alcohol is planned by the proposer.
- 7. Ability to meet the qualifications to obtain the appropriate alcohol license (e.g., Type 41) to serve alcohol through Alcohol Beverage Control (ABC).
- 8. Describe the background and experience of the vendor in providing food and beverage services. Indicate the amount of experience in alcohol sales, if applicable.
- 9. Provide a sample menu of the types of food that will be served and a price range. Menu may include items for breakfast, lunch, afternoon snacks and dinner which feature options to meet the wide variety of downtown clientele from locals to tourists to special events. Vendor has the ability to determine hours of operation or support during scheduled special events.
- 10. Describe how the food service areas will be maintained and cleaned and a high degree of customer service attained.
- 11. Describe how your business will operate sustainably through a commitment to proper waste separation, reusable materials, and potential operations that include less reliance on fossil fuels.
- 12. Provide three references with direct knowledge of the proposer's ability to provide the service being proposed.
- 13. The City will consider a long-term lease agreement with the proposer, subject to negotiation of terms agreeable to both parties. Financial compensation for improvements made on site to comply with health and safety regulations may be negotiated as a part of the agreement. Proposals should indicate preliminary terms for the agreement to be given to the City, and length of the agreement.

#### **B. SCOPE OF WORK**

Lessee will be responsible for maintaining daily cleaning of the concession kiosk, surrounding area of the kiosk, and outdoor seating area. This includes proper trash disposal and securing outdoor seating area (tables and chairs) on a daily basis. Lessee is responsible for obtaining all relevant City and County health permits and licenses. Lessee will not be responsible for the maintenance of the on-site restrooms but will be required to notify the relevant City staff of any issues related to vandalism, cleanness or maintenance of the on-site restrooms and outdoor dining area as needed.

Included in the RFP is the opportunity for the proposed Lessee to design and build the interior finishing work of the Kiosk to ensure appropriate operations suitable to the submitted business plan.

City will provide water, 100-amp 120/240v single phase 3-wire panel, no circuits provided, park trash containers and dumpster (see Exhibit A for location), maintain pedestrian access areas around the concession area, and service the adjacent restrooms.

#### City improvements for the café kiosk will include: (refer to Appendix A for detailed construction plan set)

- 138 square feet interior
- Walls to be open steel stud on 6-inch concrete curb, no drywall or insulation
- Floor to be densified sealed concrete, slope to center floor drain
- Open ceiling to roof. Height at top of wall 11'-4"
- Door hardware
- All fixed windows with coiling counter door at each
- Up to three water connection points
- Floor drain with trap primer at center of floor
- 2 floor sinks
- 35 gallons per minute (GPM) floor mounted grease interceptor
- 1" water service with 3-each 34" connections at walls.
- Exterior sheet metal serving countertops
- Exterior lighting
- Exterior trash enclosure for sole use by tenant
- No fire sprinklers or fire protection
- No hood ventilation
- Electrical Service: 100 amp 120/240v single phase 3 wire panel
  - o ¾" conduit from 4 junction boxes under slab to electric panel. No circuits provided
  - o 3/4" conduit from 3 junction boxes over head to AT&T panel. No data provided
  - No security or fire alarm

#### City improvements for the outdoor seating area (885 sf) will include:

- 36" x 36" Dining Height Outdoor Tables
  - o initial order of 6 tables and 24 chairs
- Decorative picket fence enclosure: 42" in height
- Trash receptacles

#### Lessee improvements of interior of concession kiosk will include:

- Vision for workspace layout
- Walls
- Flooring
- Service Windows
- Interior counters
- Storage/ Cabinets
- Appliances
- · Gas heaters (portable, non-fixed) are allowed in outdoor seating area

#### **C. PROJECT SCHEDULE**

Preliminary Schedule	Tasks
Advertise RFP	• May 22, 2025
Questions Deadline	• June 23, 2025
Bid Closed	• June 26, 2025
Proposal Evaluation	Week of July 15, 2025

Interview Finalists	•	July 21-31, 2025
Award Contract	•	August 2025
TI Schedule	•	TBD by Vendor and Public Works

#### D. GENERAL TERMS AND CONDITIONS

#### **PROPOSAL REQUIREMENTS**

- 1. **Requirement to Meet All Provisions.** Each individual or firm submitting a proposal (bidder) shall meet all the terms, and conditions of the Request for Proposals (RFP) project package. By virtue of its proposal submittal, the bidder acknowledges agreement with and acceptance of all provisions of the RFP specifications.
- 2. **Proposal Submittal**. Each proposal must be submitted on the form(s) provided in the specifications and accompanied by any other required submittals or supplemental materials. Proposal documents shall be submitted electronically via BidNet. However, if you can't submit electronically, please send your bid copy in a sealed envelope to the Department of Finance, City of San Luis Obispo, 990 Palm Street, San Luis Obispo, CA, 93401. To guard against premature opening, the proposal should be clearly labeled with the proposal title, project number, name of bidder, and date and time of proposal opening. No FAX submittals will be accepted.
- 3. **Insurance Certificate**. Each proposal must include a certificate of insurance showing:
  - a. The insurance carrier and its A.M. Best rating.
  - b. Scope of coverage and limits.
  - c. Deductibles and self-insured retention.

The purpose of this submittal is to generally assess the adequacy of the bidder's insurance coverage during proposal evaluation; as discussed under paragraph 12 below, endorsements are not required until contract award. The City's insurance requirements are detailed in Section E.

- 4.
- 5. **Proposal Withdrawal and Opening**. A bidder may withdraw its proposal, without prejudice prior to the time specified for the proposal opening, by submitting a written request to the Director of Finance for its withdrawal, in which event the proposal will be returned to the bidder unopened. No proposal received after the time specified or at any place other than that stated in the "Notice Inviting Bids/Requesting Proposals" will be considered. All proposals will be opened and declared publicly. Bidders or their representatives are invited to be present at the opening of the proposals.
- 6. **Submittal of One Proposal Only**. No individual or business entity of any kind shall be allowed to make or file, or to be interested as the primary submitter in more than one proposal, except an alternative proposal when specifically requested; however, an individual or business entity that has submitted a subproposal to a bidder submitting a proposal, or who has quoted prices on materials to such bidder, is not thereby disqualified from submitting a sub-proposal or from quoting prices to other bidders submitting proposals.

7. **Communications.** All timely requests for information submitted in writing will receive a written response from the City. Telephone communications with City staff are not encouraged but will be permitted. However, any such oral communication shall not be binding on the City.

#### **CONTRACT AWARD AND EXECUTION**

- 8. **Proposal Retention and Award**. The City reserves the right to retain all proposals for a period of 60 days for examination and comparison. The City also reserves the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, to reject or delete one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations. See the "special terms and conditions" in Section C of these specifications for proposal evaluation and contract award criteria.
- 9. **Competency and Responsibility of Bidder.** The City reserves full discretion to determine the competence and responsibility, professionally and/or financially, of bidders. Bidders will provide, in a timely manner, all information that the City deems necessary to make such a decision.
- 10. **Contract Requirement.** The bidder to whom award is made (Lessee) shall execute a written contract/vendor lease agreement with the City within ten (10) calendar days after notice of the award. The contract shall be made in substantially the same form adopted by the City and incorporated in these specifications.

#### **CONTRACT PERFORMANCE**

1. The City's contract terms and conditions that Lessee will be expected to execute and be bound by are attached hereto as Exhibit B.

- 1. **Contract Award.** Subject to the reservations set forth in Paragraph 9 of Section D (General Terms and Conditions) of these specifications, the contract will be awarded to the most qualified and appropriate business entity to fulfil the needs of service.
- 2. **Sales Tax Reimbursement.** For sales occurring within the City of San Luis Obispo, the City receives sales tax revenues. Therefore, for bids from retail firms located in the City at the time of proposal closing for which sales tax is allocated to the City, 1% of the taxable amount of the bid will be deducted from the proposal by the City in calculating and determining the lowest responsible, responsive proposer.
- 3. **Labor Actions.** In the event that the successful proposer is experiencing a labor action at the time of contract award (or if its suppliers or subLessees are experiencing such a labor action), the City reserves the right to declare said proposer is no longer the lowest responsible, responsive proposer and to accept the next acceptable low proposal from a proposer that is not experiencing a labor action, and to declare it to be the lowest responsible, responsive proposer.
- 4. **Failure to Accept Contract.** The following will occur if the proposer to whom the award is made (Lessee) fails to enter into the contract: the award will be annulled; any bid security will be forfeited in accordance with the special terms and conditions if a proposer's bond or security is required; and an award may be made to the next lowest responsible, responsive proposer who shall fulfill every stipulation as if it were the party to whom the first award was made.
- 5. **Contract Extension.** The term of the contract may be extended by mutual consent for an additional two-years, and annually thereafter, for a total of four years.
- 6. **Non-Exclusive Contract.** The City reserves the right to purchase the items listed in the Detail Proposal Submittal Form, as well as any supplemental items, from other vendors during the contract term.
- 7. **Delivery.** Prices quoted for all supplies or equipment to be provided under the terms and conditions of this RFP package shall include delivery charges, to be delivered F.O.B. San Luis Obispo by the successful proposer and received by the City within 90 days after authorization to proceed by the City.
- 8. **Start and Completion of Work.** Work on this project shall begin immediately after contract execution and shall be completed within 90 calendar days thereafter, unless otherwise negotiated with City by mutual agreement.
- 9. **Change in Work.** The City reserves the right to change quantities of any item after contract award. If the total quantity of any changed item varies by 25% or less, there shall be no change in the agreed upon unit price for that item. Unit pricing for any quantity changes per item in excess of 25% shall be subject to negotiation with the Lessee.

- 10. **Submittal of References.** Each proposer shall submit a statement of qualifications and references on the form provided in the RFP package.
- 11. **Statement of Contract Disqualifications.** Each proposer shall submit a statement regarding any past governmental agency bidding or contract disqualifications on the form provided in the RFP package.



#### **PROPOSAL CONTENT**

1. **Proposal Content**. Your proposal must include the following information:

#### **Submittal Forms**

- a. Proposal submittal summary.
- b. Certificate of insurance.
- c. References from at least three landlords, property owners, etc. for whom you have provided similar services.

#### Qualifications

- d. Experience of your business and those of employees in offering the relevant services to the Scope of Services outlined and described in the request.
- e. Experience and qualifications of the individuals who would be assigned to this concession, including any sub-Lessees, with their corollary experience highlighted and specific roles in this concessionaire clearly described.
- f. Statement and explanation of any instances where your business has been removed from a previous restaurant location.

#### **Work Program**

- g. Detailed business plan for operating a kiosk/concessionaire and providing services at the Mission Plaza kiosk. Describe how your business will work with Special Events held in Mission Plaza, including, for example, whether your business will support the events or close operations during the events
- h. If alcohol sale is proposed, provide alcohol service management plan.
- i. Detailed operation plan and service schedule.
- j. Estimated daily and weekly hours of operation.
- k. Detailed budget by service including Lessee Improvements and lease payments.
- Timeline for implementation.
- m. Services or data to be provided by the City.
- n. Services and deliverables provided by the Lessee.
- o. Description of assumptions critical to development of the response which may impact cost or scope

### **Requested Changes to Terms and Conditions**

p. The City desires to begin work soon after selecting the preferred Lessee and expects the Lessee to execute the City's lease and lease and all of the terms therein, as set forth in Exhibit B. To expedite the contracting process, each submittal shall include requested redlined changes to terms and conditions, if necessary. Please be advised that Lessee's requested changes to the City's terms and conditions will be considered by City staff when scoring and determining the competency and responsibility of the proposer.

#### **Proposal Length**

- q. Proposal length should only be as long as required to be responsive to the RFP, including attachments and supplemental materials.
- 2. **Proposal Evaluation and Selection**. Proposals will be evaluated by a review committee and evaluated on the following criteria:
  - a. Understanding of the work required by the City.
  - b. Quality, clarity and responsiveness of the proposal.
  - c. Demonstrated competence and professional qualifications necessary for successfully performing the work required by the City.
  - d. Recent team experience in successfully performing similar services.
  - e. Creativity of the proposed approach in completing the work.
  - f. Value
  - g. References.
  - h. Background and experience of the specific individuals managing and assigned to this project. Information about how your company mitigates the environmental impact of its services, such as greenhouse gas emissions, amount of waste generated, water and energy use, or other areas related to your products and services.

As reflected above, contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of the City. After evaluating the proposals and discussing them further with the finalists or the tentatively selected Lessee, the City reserves the right to further negotiate the proposed work and/or method and amount of compensation.

- 3. **Ownership of Materials.** All original drawings, plan documents and other materials prepared by or in possession of the Lessee as part of the work or services under these specifications shall become the permanent property of the City and shall be delivered to the City upon demand.
- 4. **Release of Reports and Information.** Any reports, information, data, or other material given to, prepared by or assembled by the Lessee as part of the work or services under these specifications shall be the property of the City and shall not be made available to any individual or organization by the Lessee without the prior written approval of the City.
- 5. **Copies of Reports and Information.** If the City requests additional copies of reports, drawings, specifications, or any other material in addition to what the Lessee is required to furnish in limited quantities as part of the work or services under these specifications, the Lessee shall provide such additional copies as are requested, and City shall compensate the Lessee for the costs of duplicating of such copies at the Lessee's direct expense.
- 6. **Required Deliverable Products.** The Lessee will be required to provide:
  - a. One electronic submission digital-ready original .pdf of all final documents. If you wish to file a paper copy, please submit in sealed envelope to the address provided in the RFP.

b. Corresponding computer files compatible with the following programs whenever possible unless otherwise directed by the project manager:

Word Processing: MS Word
Spreadsheets: MS Excel
Desktop Publishing: InDesign
Virtual Models: Sketch Up

Digital Maps: Geodatabase shape files in

State Plan Coordinate System as

specified by City GIS staff

c. City staff will review any documents or materials provided by the Lessee and, where necessary, the Lessee will be required to respond to staff comments and make such changes as deemed appropriate.

#### **ALTERNATIVE PROPOSALS**

- 7. **Alternative Proposals**. The proposer may submit an alternative proposal (or proposals) that it believes will also meet the City's project objectives but in a different way. In this case, the proposer must provide an analysis of the advantages and disadvantages of each of the alternative and discuss under what circumstances the City would prefer one alternative to the other(s).
- 8. **Attendance at Meetings and Hearings**. As part of the work scope and included in the contract price is attendance by the Lessee at up to [number] public meetings to present and discuss its findings and recommendations. Lessee shall attend as many "working" meetings with staff as necessary in performing work-scope tasks.
- 9. Accuracy of Specifications. The specifications for this project are believed by the City to be accurate and to contain no affirmative misrepresentation or any concealment of fact. Bidders are cautioned to undertake an independent analysis of any test results in the specifications, as City does not guaranty the accuracy of its interpretation of test results contained in the specifications package. In preparing its proposal, the bidder and all subLessees named in its proposal shall bear sole responsibility for proposal preparation errors resulting from any misstatements or omissions in the plans and specifications that could easily have been ascertained by examining either the project site or accurate test data in the City's possession. Although the effect of ambiguities or defects in the plans and specifications will be as determined by law, any patent ambiguity or defect shall give rise to a duty of bidder to inquire prior to proposal submittal. Failure to so inquire shall cause any such ambiguity or defect to be construed against the bidder. An ambiguity or defect shall be considered patent if it is of such a nature that the bidder, assuming reasonable skill, ability and diligence on its part, knew or should have known of the existence of the ambiguity or defect. Furthermore, failure of the bidder or subLessees to notify City in writing of specification or plan defects or ambiguities prior to proposal submittal shall waive any right to assert said defects or ambiguities subsequent to submittal of the proposal.

To the extent that these specifications constitute performance specifications, the City shall not be liable for costs incurred by the successful bidder to achieve the project's objective or standard beyond the amounts provided there for in the proposal.

In the event that, after awarding the contract, any dispute arises as a result of any actual or alleged

ambiguity or defect in the plans and/or specifications, or any other matter whatsoever, Lessee shall immediately notify the City in writing, and the Lessee and all subLessees shall continue to perform, irrespective of whether or not the ambiguity or defect is major, material, minor or trivial, and irrespective of whether or not a change order, time extension, or additional compensation has been granted by City. Failure to provide the hereinbefore described written notice within one (1) working day of Lessee's becoming aware of the facts giving rise to the dispute shall constitute a waiver of the right to assert the causative role of the defect or ambiguity in the plans or specifications concerning the dispute.



# I: PROPOSAL SUBMITTAL FORM - SAMPLE

The undersigned declares that she or he:

- Has carefully examined the RFP which is hereby made a part of this proposal.
- Is thoroughly familiar with its contents.
- Is authorized to represent the proposing firm.
- Agrees to perform the work as set forth in this proposal.
- q Certificate of insurance attached; insurance company's A.M. Best rating:

Firm	Name and Address
Contact	Phone
gnature of Authorized Representative	
	Date

	the services included within the scope of the specifications unde
e present business name:  escribe fully the last three contracts performed by your firm that demonstrate your ability to provide services included with the scope of the specifications. Attach additional pages if required. The Citserves the right to contact each of the references listed for additional information regarding your firm califications.	
ference No. 1:	
Agency Name	
Contact Name	
Telephone & Email	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	
eference No. 2:  Agency Name	
Contact Name	
Telephone & Email	
Street Address	
City, State, Zip Code	
Description of services provided including contract amount, when provided and project outcome	

Reference No. 3		
Agency Name		
Contact Name		
Telephone & Email		
Street Address		
City, State, Zip Code		
Description of services provided including contract amount, when provided and project outcome		

### STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

The proposer shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

■ Do you have any disqualification as described in the above paragraph to declare?
Yes q No q
If yes, explain the circumstances.
Executed onatunder penalty of perjury of the laws of the State of California, that the foregoing is true and correct.
Signature of Authorized Proposer Representative

# CITY OF SAN LUIS OBISPO AGREEMENT FOR PURCHASES OF SERVICES

This Agreement is r	nade and entered into in the City of San Luis Obispo on, by and
· ·	Luis Obispo, a municipal corporation, hereinafter referred to as City, and referred to as Lessee.
	WITNESSETH:
WHEREAS, on [date sentence below.]	e], City requested proposals for [], [Remove if no RFP and use 2 <sup>n</sup>
WHEREAS, the City	wishes to []; and
WHEREAS, [] which has been accepted by	is qualified to perform this type of service and has submitted a proposal to do so y City.
NOW THEREFORE, i contained, the parties here	n consideration of their mutual promises, obligations and covenants hereinafte to agree as follows:
NOW THEREFORE, i contained, the parties here	n consideration of their mutual promises, obligations and covenants hereinafte to agree as follows:
	f this Agreement shall be from the date this Agreement is made and entered ve, for two (2) years.
Beverage Services Agreement, attach Exhibit B. The City' Agreement, attach fees and scope of v	and Lessee's proposal are hereby incorporated in and made a part of this are as Exhibit A. The City's standard terms and conditions are attached as insurance requirements are hereby incorporated in and made part of this ed as Exhibit C. To the extent that there are any conflicts between the Lessee's work and the City's terms and conditions as stated herein, the City's terms and evail unless specifically agreed otherwise in writing signed by both Parties.
3. CITY'S OBLIGATION in Section B, where	S. City will make available the kiosk space specific to the improvements stated noted, "City improvements for the café kiosk will include: (refer to Appendix Auction plan set)" and "City improvements for the outdoor seating area will uction plan set)"
mentioned to be ma	<b>OBLIGATIONS</b> . For and in consideration of the agreements hereinbefore ade and performed by City, Lessee agrees with City to do everything required by ssee proposal set forth in Exhibit <b>B</b> .

be in writing and shall be effective only upon approval by the City Manager.

5. **AMENDMENTS**. Any amendment, modification or variation from the terms of this Agreement shall

6. **COMPLETE AGREEMENT**. This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No oral agreement, understanding or representation not reduced to writing and specifically incorporated

- herein shall be of any force or effect, nor shall any such oral agreement, understanding or representation be binding upon the parties hereto.
- 7. **GOVERNING LAW**. Any action arising out of this Agreement shall be brought in the Superior Court of San Luis Obispo County, California, regardless of where else venue may lie. The validity, interpretation, construction and performance of this Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the Parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.
- 8. **NOTICE**. All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows:

City	City of San Luis Obispo
	990 Palm Street
	San Luis Obispo, CA 93401
	Attn:

Lessee

AUTHORITY TO EXECUTE AGREEMENT. Both City and Lessee do covenant that everyone executing
this agreement on behalf of each party is a person duly authorized and empowered to execute
Agreements for such party.

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

CITY OF SAN LUIS OBISPO:	
Ву:	
City Manager	
APPROVED AS TO FORM:	LESSEE:
	By:
City Attorney	Name of CAO / President
	Its: CAO / President

# **EXHIBIT A**





#### **EXHIBIT B**

#### **GENERAL TERMS AND CONDITIONS**

- 1. **Business License & Tax.** The Contractor must have a valid City of San Luis Obispo business license & tax certificate before execution of the contract. Additional information regarding the City's business tax program may be obtained by calling (805) 781-7134.
- 2. **Ability to Perform.** The Contractor warrants that it possesses, or has arranged through subcontracts, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with all federal, state, county, city, and special district laws, ordinances, and regulations.
- 3. **Laws to be Observed.** The Contractor shall keep itself fully informed of and shall observe and comply with all applicable state and federal laws and county and City of San Luis Obispo ordinances, regulations and adopted codes during its performance of the work.
- 4. **Payment of Taxes.** The contract prices shall include full compensation for all taxes that the Contractor is required to pay.
- 5. **Permits and Licenses.** The Contractor shall procure all permits and licenses, pay all charges and fees, and give all notices necessary.
- 6. **Safety Provisions.** The Contractor shall conform to the rules and regulations pertaining to safety established by OSHA and the California Division of Industrial Safety.
- 7. **Public and Employee Safety.** Whenever the Contractor's operations create a condition hazardous to the public or City employees, it shall, at its expense and without cost to the City, furnish, erect and maintain such fences, temporary railings, barricades, lights, signs and other devices and take such other protective measures as are necessary to prevent accidents or damage or injury to the public and employees.
- 8. **Preservation of City Property.** The Contractor shall provide and install suitable safeguards, approved by the City, to protect City property from injury or damage. If City property is injured or damaged resulting from the Contractor's operations, it shall be replaced or restored at the Contractor's expense. The facilities shall be replaced or restored to a condition as good as when the Contractor began work.
- 9. **Immigration Act of 1986.** The Contractor warrants on behalf of itself and all

subcontractors engaged for the performance of this work that only persons authorized to work in the United State pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.

- 10. **Non-Discrimination.** In the performance of this work, the Contractor agrees that it will not engage in, nor permit such subcontractors as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.
- 11. **Work Delays.** Should the Contractor be obstructed or delayed in the work required to be done hereunder by changes in the work or by any default, act, or omission of the City, or by strikes, fire, earthquake, or any other Act of God, or by the inability to obtain materials, equipment, or labor due to federal government restrictions arising out of defense or war programs, then the time of completion may, at the City's sole option, be extended for such periods as may be agreed upon by the City and the Contractor. In the event that there is insufficient time to grant such extensions prior to the completion date of the contract, the City may, at the time of acceptance of the work, waive liquidated damages that may have accrued for failure to complete on time, due to any of the above, after hearing evidence as to the reasons for such delay, and making a finding as to the causes of same.
- 12. **Inspection.** The Contractor shall furnish City with every reasonable opportunity for City to ascertain that the services of the Contractor are being performed in accordance with the requirements and intentions of this contract. All work done, and all materials furnished, if any, shall be subject to the City's inspection and approval. The inspection of such work shall not relieve Contractor of any of its obligations to fulfill its contract requirements.
- 13. Interests of Contractor. The Contractor covenants that it presently has no interest, and shall not acquire any interest—direct, indirect or otherwise—that would conflict in any manner or degree with the performance of the work hereunder. The Contractor further covenants that, in the performance of this work, no subcontractor or person having such an interest shall be employed. The Contractor certifies that no one who has or will have any financial interest in performing this work is an officer or employee of the City. It is hereby expressly agreed that, in the performance of the work hereunder, the Contractor shall at all times be deemed an independent Contractor and not an agent or employee of the City.
- 14. Hold Harmless and Indemnification.
- (a) **Non-design, non-construction Professional Services**: To the fullest extent permitted by law (including, but not limited to California Civil Code Sections 2782 and 2782.8), Consultant shall indemnify, defend, and hold harmless the City, and its elected officials, officers, employees, volunteers, and agents ("City Indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable legal counsels' fees and costs of litigation ("claims"), arising out of the Consultant's performance or Consultant's failure to perform its obligations under this Agreement or out of the operations conducted by Consultant, including the City's active or passive negligence, except for such loss or damage arising from the sole negligence or willful misconduct of the City. In the event the City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Consultant's performance of this Agreement, the Consultant shall provide a defense to the City Indemnitees or at the City's option, reimburse the City Indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims.

- (b) **Non-design, construction Professional Services**: To the extent the Scope of Services involve a "construction contract" as that phrase is used in Civil Code Section 2783, this paragraph shall apply in place of paragraph A. To the fullest extent permitted by law (including, but not limited to California Civil Code Sections 2782 and 2782.8), Consultant shall indemnify, defend, and hold harmless the City, and its elected officials, officers, employees, volunteers, and agents ("City Indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable legal counsels' fees and costs of litigation ("claims"), arising out of the Consultant's performance or Consultant's failure to perform its obligations under this Agreement or out of the operations conducted by Consultant, except for such loss or damage arising from the active negligence, sole negligence or willful misconduct of the City. In the event the City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Consultant's performance of this Agreement, the Consultant shall provide a defense to the City Indemnitees or at the City's option, reimburse the City Indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims.
- (c) Design Professional Services: In the event Consultant is a "design professional", and the Scope of Services require Consultant to provide "design professional services" as those phrases are used in Civil Code Section 2782.8, this paragraph shall apply in place of paragraphs A or B. To the fullest extent permitted by law (including, but not limited to California Civil Code Sections 2782 and 2782.8) Consultant shall indemnify, defend and hold harmless the City and its elected officials, officers, employees, volunteers and agents ("City Indemnitees"), from and against all claims, damages, injuries, losses, and expenses including costs, attorney fees, expert consultant and expert witness fees arising out of, pertaining to or relating to, the negligence, recklessness or willful misconduct of Consultant, except to the extent caused by the sole negligence, active negligence or willful misconduct of the City. Negligence, recklessness or willful misconduct of any subcontractor employed by Consultant shall be conclusively deemed to be the negligence, recklessness or willful misconduct of Consultant unless adequately corrected by Consultant. In the event the City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Consultant's performance of this Agreement, the Consultant shall provide a defense to the City Indemnitees or at the City's option, reimburse the City Indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims. In no event shall the cost to defend charged to Consultant

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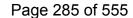
under this paragraph exceed Consultant's proportionate percentage of fault. However, notwithstanding the previous sentence, in the event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, Consultant shall meet and confer with other parties regarding unpaid defense costs.

- (d) The review, acceptance or approval of the Consultant's work or work product by any indemnified party shall not affect, relieve or reduce the Consultant's indemnification or defense obligations. This Section survives completion of the services or the termination of this contract. The provisions of this Section are not limited by and do not affect the provisions of this contract relating to insurance. Contractor's indemnification obligations under this section extend to any claims arising out of or related to the negligence, recklessness, or willful misconduct of any sub-consultants/subcontractors.
  - 15. **Contract Assignment.** The Contractor shall not assign, transfer, convey or otherwise dispose of the contract, or its right, title or interest, or its power to execute such a contract to any individual or business entity of any kind without the previous written consent of the City.
  - 16. **Safe Harbor.** Contractor/Consultant's duties and services under this agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Contractor/consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Contractor/consultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Contractor pursuant to this agreement."
  - 17. **Termination for Convenience.** The City may terminate all or part of this Agreement for any or no reason at any time by giving 30 days written notice to Contractor. Should the City terminate this Agreement for convenience, the City shall be liable as follows: (a) for standard or off-the-shelf products, a reasonable restocking charge not to exceed ten (10) percent of the total purchase price; (b) for custom products, the less of a reasonable price for the raw materials, components work in progress and any finished units on hand or the price per unit reflected on this Agreement. For termination of any services pursuant to this Agreement, the City's liability will be the lesser of a reasonable price for the services rendered prior to termination, or the price for the services reflected on this Agreement. Upon termination notice from the City, Contractor must, unless otherwise directed, cease work and follow the City's directions as to work in progress and finished goods.
  - 18. **Termination.** If, during the term of the contract, the City determines that the Contractor is not faithfully abiding by any term or condition contained herein, the City may notify the Contractor in writing of such defect or failure to perform. This notice must give the Contractor a 10 (ten) calendar day notice of time thereafter in which to perform said work or cure the deficiency.

If the Contractor has not performed the work or cured the deficiency within the ten days specified in the notice, such shall constitute a breach of the contract and the City may terminate the contract immediately by written notice to the Contractor to said effect. Thereafter, neither party shall have any further duties, obligations, responsibilities, or rights under the contract except, however, any and all obligations of the Contractor's surety shall remain in full force and effect, and shall not be extinguished, reduced, or in any manner waived by the terminations thereof.

In said event, the Contractor shall be entitled to the reasonable value of its services performed from the beginning date in which the breach occurs up to the day it received the City's Notice of Termination, minus any offset from such payment representing the City's damages from such breach. "Reasonable value" includes fees or charges for goods or services as of the last milestone or task satisfactorily delivered or completed by the Contractor as may be set forth in the Agreement payment schedule; compensation for any other work, services or goods performed or provided by the Contractor shall be based solely on the City's assessment of the value of the work-in-progress in completing the overall work scope.

The City reserves the right to delay any such payment until completion or confirmed abandonment of the project, as may be determined in the City's sole discretion, so as to permit a full and complete accounting of costs. In no event, however, shall the Contractor be entitled to receive in excess of the compensation quoted in its proposal



#### **EXHIBIT C - INSURANCE REQUIREMENTS**

Facility Use - Concessions

The Lessee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Lessee, its agents, representatives, employees or subLessees.

#### **Minimum Scope of Insurance**. Coverage shall be at least as broad as:

- 1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
- 2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
- 3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

#### Minimum Limits of Insurance. Lessee shall maintain limits no less than:

- General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. If alcohol is sold, <u>coverage must</u> include full liquor liability.
- 2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
- 3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

**Deductibles and Self-Insured Retentions**. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Lessee shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

**Other Insurance Provisions.** The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- 1. The City, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Lessee; products and completed operations of the Lessee; premises owned, occupied or used by the Lessee; or automobiles owned leased, hired or borrowed by the Lessee. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, official, employees, agents or volunteers.
- 2. For any claims related to this project, the Lessee's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
- 3. The Lessee's insurance shall apply separately to each insured against whom claim is made or

suit is brought, except with respect to the limits of the insurer's liability.

4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty

(30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

**Acceptability of Insurers**. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

**Verification of Coverage**. Lessee shall furnish the City with a certificate of insurance showing required coverage. Original endorsements effecting general liability and automobile liability coverage are also required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

**SubLessees.** Lessee shall include all subLessees as insured under its policies or shall furnish separate certificates and endorsements for each subLessee. All coverages for subLessees shall be subject to all of the requirements stated herein.

**Department:** Public Works

Cost Center: 5006
For Agenda of: 5/20/2024
Placement: Business

**Estimated Time: 45** 

FROM: Matt Horn, Public Works Director

Prepared By: Greg Cruce, Deputy Director – Maintenance Operations

SUBJECT: REVIEW THE PROCESS AND PROCEDURE FOR ISSUING NOTICES

TO CORRECT TO PRIVATE PROPERTY OWNERS FOR UNSAFE SIDEWALK OR FRONTAGE CONDITIONS, AND AUTHORIZE STAFF TO ISSUE NOTICES TO CORRECT TO SPECIFIC PRIVATE PROPERTY OWNERS FOR THE DETERIORATED CONDITIONS OF FRONTAGES

#### RECOMMENDATION

- 1. Adopt a Draft Resolution formalizing the City's procedures for issuing Informal and Formal Notices to Correct for sidewalk and frontage improvement deficiencies; and
- 2. Adopt a Draft Resolution approving the issuance of Formal Notices to Correct to the property owners of 360 Chorro Street, 368 Chorro Street, 878 Islay Street, 859 Mission Street, 867 Mission Street, 875 Mission Street, and 1543 Morro Street, and authorizing the City to execute the required work if the property owner fails to commence the work within 14 days after the first Formal Notice to Correct is sent; and
- 3. Authorize the Public Works Director to waive issuance of a Formal Notice to Correct if the property owner takes corrective action before the notice is formally issued.
- 4. Appropriate \$178,102 from the CIP Reserves to fund the sidewalk reconstruction work.

## **POLICY CONTEXT**

Section 12.16.020 of the City of San Luis Obispo Municipal Code incorporates Division 7, Part 3, Chapter 22 of the California Streets and Highways Code. Pursuant to this Code, property owners whose lots front any portion of a public street or place — or abut an area maintained as a park or parking strip between the property line and the street — are responsible for maintaining the adjacent sidewalks. Property owners must ensure that sidewalks are kept in a condition that does not endanger persons or property and does not interfere with the public's convenient use of these areas. This obligation applies except where a condition has been created or maintained by another party acting under a legal right, permit, or authorization granted by the City, in which case that party assumes the responsibility for maintenance.

In 2013, the City Council adopted a formal <u>Sidewalk Inspection Program</u> that established a practice of inspecting the City's sidewalks on a regular basis, thresholds for damaged sidewalks that require repair or replacement, and prescriptive measures for correction of identified conditions. Council authorization is not required for issuance of a formal Notice of Correction. However, once the formal Notice is issued, the <u>Streets & Highways Code</u> § <u>5614</u> removes much of the City's discretion regarding the subsequent timeline and procedural requirements – for both the property owner and the City – so staff is seeking authorization from the Council to proceed. The timeline, required procedures, and voluntary procedures are discussed in more detail in the background section of this report.

The City maintains a Capital Projects Reserve Fund in the amount of 20% of capital improvement plan budget from the Local Revenue Measure for the purposes of offsetting unanticipated cost increases, unforeseen conditions, and urgent unanticipated projects to provide continued investment in infrastructure maintenance and enhancement. Use and allocations of funds from the Capital Projects Reserve Fund will be made to Capital Projects including Major Facility Replacement upon Council approval as necessary during any fiscal year.

#### **REPORT-IN-BRIEF**

This report provides a summary of the City's efforts to address sidewalk deficiencies on private property, in accordance with San Luis Obispo Municipal Code Section 12.16.020 and the California Streets & Highways Code. City staff are requesting Council authorization to issue Formal Notices to Correct for eight properties with unresolved sidewalk hazards. These locations have been the subject of repeated community complaints and were found to contain substantial damage that presents risks to public safety and legal liability to the City.

Staff have made extensive efforts to achieve voluntary compliance, issuing at least two Informal Notices to each property owner and offering flexible timelines to complete the work. In some cases, outreach began as early as 2021. Despite these efforts, the required repairs or replacements have not been completed. The eight sidewalk segments are located throughout the City and represent a total estimated repair cost of \$178,102. If the work is not completed by the property owners following issuance of a Formal Notice, in compliance with the Streets & Highway Code the City needs to complete the repairs and consider cost recovery through a future public hearing.

This report also outlines the City's informal and formal sidewalk correction procedures, consistent with the Streets & Highways Code §§ 5610–5618 and §§ 5625–5629. If authorized, staff will initiate formal noticing, and, if necessary, complete the work and return to Council to affirm the costs and place liens on affected parcels. Funding for this work is proposed from the City's CIP Reserve account. All recovered costs will be returned to the reserve fund upon collection.

The City prioritizes voluntary compliance as the first step in addressing sidewalk deficiencies. Because the California Streets and Highways Code establishes specific procedures and timelines once a Formal Notice to Correct (NOC) is issued, the City

begins the process by issuing an Informal NOC. This report includes a table in the discussion portion of the report that compares the City process to what is required by the Streets & Highway Code. We are currently in Step 4 Council Authorization of this process.

#### DISCUSSION

## **Background**

### **Notice to Correct Process & Procedure**

The Streets Maintenance Program, part of the Public Works Department, is responsible for managing the City's Sidewalk Inspection Program, which includes proactive inspections across all pavement zones. The City is divided into nine pavement zones. Zones 1 through 8 are inspected on an approximately eight-year cycle, while Zone 9, which includes the downtown area, is inspected annually prior to the holiday season.

Staff inspects all sections of sidewalks within the public right-of-way in each zone and documents any identified damage. If the damage is caused by a City street tree, staff will complete temporary repairs to mitigate the hazard and plan for permanent repairs. If the damage is not caused by a City street tree, Streets Maintenance will, when conditions allow, perform temporary repairs to mitigate the hazard and issue an Informal Notice to Correct (NOC) to the adjacent property owner to ensure that a permanent repair is completed.

The Streets Superintendent uses the damage thresholds outlined in the <u>City's Sidewalk Inspection Program</u> (documented under <u>Section II Sidewalk Review</u>) to determine whether repairs or replacements are needed. In all cases, staff seeks to work collaboratively with property owners to achieve voluntary compliance. For minor damage, repairs may be sufficient to correct the defect; however, severely deteriorated sections—such as those shown in Figure 1—are beyond repair and must be replaced. The Superintendent of Streets is responsible for determining the appropriate level of repair or replacement, which is specified in Formal Notices to Correct.



Sidewalk Inspection Action Thresholds

- Vertical displacements ¾" or greater
- Sidewalk slopes that exceed 5:1
- Cracks and holes with gaps of ½" or greater

In addition to identifying sidewalk hazards through proactive inspections, the City also receives reports of sidewalk deficiencies through Ask SLO and similar community reporting tools.

The following procedure was developed by City staff in 2019 to standardize the informal notice process and encourage cooperation, avoid adversarial enforcement, provide flexibility and due process. The Informal NOC notifies the property owner of the relevant code requirements and their responsibility to correct conditions along the frontage of their property. The notice acknowledges that receiving such a letter may be unexpected and outlines the following recommended timeline for corrective action:

- Within 30 calendar days: Acknowledge receipt of the notice.
- Within 60 calendar days: Submit repair plans to the City for review and issuance of an encroachment permit.
- Within 90 calendar days: Obtain an encroachment permit.
- Within 120 calendar days: Complete the work to the satisfaction of the City.

The notice also recognizes that sidewalk repairs can be costly and invites property owners to propose alternate timelines for the City's consideration.

If a property owner does not respond to the notice or engage in the process within 180 days of receiving the first Informal Notice to Correct (NOC), a second Informal NOC will be issued. This second notice provides the property owner with a new deadline—no less than 90 days—to begin the required work.

If no action is taken within that timeframe, staff will seek City Council authorization to proceed with a Formal NOC. If the property owner demonstrates meaningful progress, the item will be removed from the Council agenda, and staff will continue working with the property owner to achieve voluntary compliance. If progress is not made, staff will present the specific sidewalk conditions to the City Council. The presentation also provides an opportunity for the property owner and the public to offer testimony. If the Council

authorizes issuance of a Formal NOC, the California Streets and Highways Code (SHC) mandates that the property owner must begin the required work within 14 days after the first Formal NOC is served in accordance with Streets & Highways Code §§ 5611-5614.

If the work does not begin within that statutorily mandated 14-day timeframe, the City will complete the repairs and return to Council for a public hearing to affirm the costs and the recovery from the property owner (SHC §§5616-5618.) At that hearing, staff will present a report detailing the completed work, the total repair costs, the affected property, and the proposed assessment against the property owner to recover those costs. The Council may modify or confirm staff's report.

In accordance with SHC, if the City Council authorizes the assessment and the property owner does not pay within five days, a lien will be placed on the property following the procedures in <a href="SHC §§ 5625–5627">SHC §§ 5625–5627</a>. Alternatively, the Council may choose to have the lien collected through the County as part of the property tax bill (<a href="SHC § 5628">SHC § 5628</a>), or allow the property owner to repay the amount in up to five annual installments (<a href="SCH § 5628.1">SCH § 5628.1</a>). These decisions are not required at this time and would be made later in the process, specifically during Steps 7 and 8 outlined below.

The table below shows the steps in the City process as compared to the requirements of the Streets & Highways Code.

Step	City of San Luis Obispo Process	Streets and Highways Code (SHC) Requirement
1. Inspection	Streets Maintenance Program inspects sidewalks proactively by zone (Zones 1–8 every 8 years, Zone 9 annually).	No requirement for proactive inspection. SHC is complaint-driven or based on observed conditions (SHC § 5611).
2. Informal Notice to Correct	First notice sent with voluntary timeline: - 30 days: Acknowledge notice - 60 days: Submit plans - 90 days: Obtain permit - 120 days: Complete work	Not required or defined in SHC. This is a <b>local best practice</b> to promote voluntary compliance before formal enforcement begins.
3. Second Informal NOC	If no action within 180 days, second notice issued with an additional 90-day deadline.	Not required in SHC. Again, this is a <b>City-added step</b> before triggering formal process.
4. Council Authorization	If still no response, staff seeks Council approval to initiate the formal SHC process.	SHC does not require Council authorization. Authority rests with Superintendent of Streets to issue notice (SHC § 5611).
5. Formal Notice to Correct	Send after Council approval. The notice must include repairs, method and materials required. A second notice must be sent	Required: - SHC §§ 5611–5614 Superintendent of Streets issues notice that must include repairs, method and materials required. A

Step	City of San Luis Obispo Process	Streets and Highways Code (SHC) Requirement
	out 7 days after the first notice. Work must commence within 14 days of the first notice.	second notice must be sent out 7 days after the first notice. Work must commence within 14 days of the first notice.
6. City Performs Repairs	Contractor the City selects completes the repairs. City tracks costs and prepares for cost recovery.	Allowed under SHC § 5615 if owner fails to act. The Superintendent of Streets completes the repairs directly.
7. Hearing on Costs	Public hearing before Council to present completed work and costs.	Required under SHC § 5616–5618. The City must notify the property owner and hold a hearing to confirm costs and allow for objections.
8. Assessment & Lien	If unpaid after hearing: - Costs become a <b>special assessment</b> and lien May be added to tax rolls or paid in installments.	Required and detailed in SHC §§ 5625–5629: - Costs become a special assessment and lien.

It should be noted that the Steps shown in the table above are a combination of requirements of the SHC. Steps 1 through 4 are not required by the SHC or other applicable City codes or standards. The City prioritizes voluntary compliance as the first step in addressing sidewalk deficiencies. Because the SHC establishes specific procedures and timelines once a Formal Notice to Correct (NOC) is issued, the City begins the process by issuing an Informal NOC. We are currently in Step 4 Council Authorization of this process.

### **Specific Locations**

Issuing Notices to Correct (NOCs) falls within the scope of the Street Maintenance Program in the Public Works Department. During the 2023–24 fiscal year, the program faced staffing shortages, resulting in a backlog of unresolved NOC cases. With the program now fully staffed, staff resumed work on ten previously inactive cases in the fall of 2024. Of those, two have been resolved, and eight remain open as of the preparation of this report. It is important to note that all cases currently before the Council originated from community member complaints, not from proactive enforcement. All identified problems with the sidewalk are related to concrete failures. These concrete failures have displaced the sidewalk horizontally and vertically which create trip and fall risks for sidewalk users and increased liability concerns for the City. To mitigate this user risk and liability for the City the sidewalk must be replaced.

Attachment A provides detailed information for each outstanding NOC case, including photographs, a timeline of correspondence, and estimated replacement costs should Council authorize issuance of the formal NOCs and the property owners fail to take corrective action. In every case, property owners received at least two Informal NOCs

and supporting documentation via both certified and standard mail. Additionally, many property owners—or their representatives—have communicated with staff by phone or email, and some have met with staff on-site to discuss the conditions. On-site discussions included repair methods and limits, and reasoning for the determination. One of the property owners who met with staff objects to the determination and feels the sidewalk is not out of compliance and does not pose a safety risk. Another property owner stated the determination is subjective and not supported by data, or direct reference to applicable standards. Other property owners acknowledge the requirement and need but have had challenges obtaining a contractor or funding to complete the work. To date, three of the properties have been issued encroachment permits for the corrective work.

## **Next Steps**

If the Council authorizes the staff recommendations, the next step will be to issue Formal Notices to Correct (NOCs) to all property owners who have not yet taken the required corrective actions. These notices will be delivered via certified and standard mail and will also be physically posted on the property. If work has not commenced within seven days of the first notice, a second Formal NOC will be issued.

In accordance with the <u>California Streets and Highways Code (§ 5614)</u>, property owners have 14 days from the issuance of the first Formal NOC to begin the necessary work. If the work is not initiated within this timeframe, the City will proceed with repairs using its Job Order Contract (JOC) contractor, who was selected through the public bidding process.

For four of the eight properties, the sidewalk repairs involve shared approaches. In these cases, the repair estimates reflect the full cost of the shared work, with costs split between the adjacent properties. All estimates include a standard 15% contingency to account for unforeseen construction needs. Although shared, each site will be billed independently if work is performed by the JOC contractor.

Once the repairs are completed, staff will return to Council for a public hearing. At that time, staff will present a summary of the completed work, the cost of repairs, a description of the affected properties, and the proposed assessments for each parcel. The Council may modify or confirm staff's report of costs. The Council may then authorize staff to pursue cost recovery. If a property owner fails to pay the assessed amount, the Council may authorize placing a lien on the property in the amount of the unpaid costs, as discussed above.

## **Public Engagement**

All impacted property owners have been sent multiple notices by standard and certified mail, email communication, and in some instances met with staff on-site.

### **CONCURRENCE**

The recommended actions are supported by the Administration Department and the City Attorney's Office.

#### **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (CEQA) does not apply to the recommended action in this report, because the action does not constitute a "Project" under CEQA Guidelines Section 15378.

If the City chooses to move forward with replacement of sidewalks as recommended by this report, the work would be categorically except from CEQA under CEQA Guidelines Section 15301 (maintenance or repair of existing public or private structures involving negligible or no expansion of existing or former use) and Section 15304 (minor alteration to land involving minor trenching and backfilling where the surface is restored.)

### FISCAL IMPACT

Budgeted: No Budget Year: 2024-25

Funding Identified: Yes

**Fiscal Analysis:** 

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$331,377	\$178,102	\$153,275	\$0
State				
Federal				
Fees				
Other:				
Total	\$331,377	\$178,102	\$153,275	\$0

Staff is recommending funding this work using the CIP Reserve account. The current balance of the CIP Reserve account is \$331,377, and the cumulative cost to complete the work at all locations is \$178,102, leaving a balance of \$153,275 in the CIP Reserve account. If Council authorizes staff to pursue cost recovery at the future second public hearing, all recovered costs would be returned to the CIP Reserve account upon collection.

#### **ALTERNATIVES**

**Council could direct revisions to the informal NOC process.** Staff welcomes Council's input and direction on this process.

Council could decide not to authorize issuance of formal NOCs. Council could direct staff to continue working with property owners to obtain voluntary compliance. As seen in

Attachment A, staff have been working with many of the property owners since 2023 (in one case, since 2021) and have been unable to obtain voluntary compliance.

Council could decide not to authorize use of CIP reserve funds to complete the repairs if owners fail to do so. Once the formal NOC is issued under the SHC, the City is required to complete the necessary repairs/replacement if the owners fail to do so. Other than the CIP reserve, no other funding source has been identified for completing this work. If Council does not approve of the use of CIP reserves staff would review other projects to determine if this need is a higher priority and return to Council with a different funding recommendation.

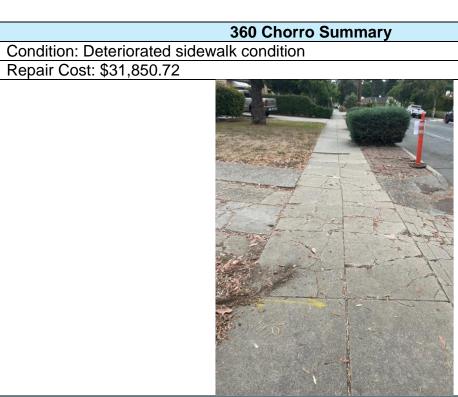
The Council may direct staff to complete curb, gutter, and sidewalk replacement outside the process outlined in the Streets and Highways Code. Under this approach, staff would continue to coordinate with property owners to schedule the necessary work. The City would hire a contractor to perform the replacements and cover the full cost of construction. Property owners would not be required to contribute funding, and no further Council action would be needed. However, this approach could reduce future voluntary compliance from property owners with deficient sidewalks and may lead to increased long-term maintenance costs for the City.

### **ATTACHMENTS**

- A NOC Location Specifics and Timelines
- B Streets and Highway Code
- C Draft Resolution Authorizing Informal and Formal NOC Process
- D Draft Resolution Authorizing Staff to Issue Formal NOCs
- E Costs and Correspondences for 360 Chorro St
- F Costs and Correspondences for 368 Chorro St
- G Costs and Correspondences for 3195 S. Higuera
- H Costs and Correspondence for 878 Islay
- I Costs and Correspondences for 859 Mission St
- J Correspondences with 867 Mission St
- K Correspondences with 875 Mission St
- L Correspondence with 1543 Morro St



Communications		
Date	Event	
10/6/2021	Informal Notice to Correct Sidewalk letter sent	
3/7/2022	Second Informal Notice to Correct Sidewalk letter sent	
2/21/2023	Third Informal Notice to Correct Sidewalk letter sent	
7/15/2024	Notice to correct letter sent as final attempt to resolve voluntary	
9/2024	Communication between property owner's attorney and staff	
2/10/2025	Fourth Informal Notice to repair Sidewalk letter sent	



	Communications
10/16/2023	Notice to Correct Sidewalk letter sent
2/10/2025	Second Informal Notice to repair Sidewalk letter sent



	Communications
10/16/2023	Notice to Correct Sidewalk letter sent
3/2024	Email communication between property owner rep.
	and staff
7/242024	Met with property owner on-site to discuss
2/10/2025	Second Informal Notice to repair Sidewalk letter sent
3/2025	Communication to staff, looking for contractor
4/2025	Streets forwarded permit information to contractor



Communications	
10/17/2023	First Informal NOC sent
2/10/2025	Second Informal NOC sent

# **867 Mission Summary Timeline**

Condition: Deteriorated sidewalk condition

Cost: \$11,195.39 (Approach is shared by two properties, work to be billed separately)



Communications		
10/17/2023	First Informal NOC	
11/2023	Emails regarding the meeting with the property	
	owner	
2/10/2025	Second Informal NOC	
3/18/2025	Staff met with Property Owner on-site	
875 Mission Summary Timeline		

Condition: Deteriorated sidewalk condition

Cost: \$11,195.39 (Approach is shared by two properties, work to be billed separately)



Communications		
10/17/2023	Notice to Correct Sidewalk letter sent	
2/10/2025 Second Informal Notice to repair Sidewalk lett		
	sent	
3/2025	Email communication with property owner	
4/7/2025	Met with property owner on-site to discuss	

## 1543 Morro

Condition: Deteriorating sidewalk condition

Repair Cost: \$13,809.14 (Approach is shared by two properties, work to be billed

separately)



Communications		
11/5/2024	First Informal NOC sent	
2/10/2025	Second Informal NOC sent	
3/7/2025	Property owners' contractor communication with staff	

878 Islay Summary Timeline

Condition: Deteriorated sidewalk condition

Repair Cost: \$ 13,809.14 (Approach is shared by two properties, work to be billed

separately)



Communications	
8/19/2024	First Informal NOC sent
10/16/2024	Staff met with Property Owner on-site
11/18/2024	Property Owner emailed requesting the City to start
	the formal process and lien the property
2/10/2025	Second Informal NOC sent

Streets and Highways Code - SHC
DIVISION 7. THE IMPROVEMENT ACT OF 1911 [5000 - 6794]
PART 3. PERFORMING THE WORK [5100 - 5954]
CHAPTER 22. Maintenance of Sidewalks [5600 - 5630]

### ARTICLE 1. General Provisions [5600 - 5602]

#### **5600.**

As used in this chapter "sidewalk" includes a park or parking strip maintained in the area between the property line and the street line and also includes curbing, bulkheads, retaining walls or other works for the protection of any sidewalk or of any such park or parking strip.

#### 5601.

This chapter shall only apply to maintenance and repair proceedings, whether upon work originally done under this division or otherwise, and shall not be used for the construction of new improvements. The "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" shall not apply to proceedings taken under this chapter.

#### 5602.

This chapter constitutes a separate and alternate procedure for performing the work specified herein and, except for the provisions of Part 5 of this division, no other provisions of this division shall apply to proceedings instituted hereunder.

### **ARTICLE 2. Repairs [5610 - 5618]**

### 5610.

The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

#### <u>5611.</u>

When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

#### 5612.

Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

#### 5613.

The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article, but shall not extend the time for commencing repairs specified in Section 5614.

#### 5614.

The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

#### <u>5614.1.</u>

The legislative body may adopt a resolution determining that bonds shall be issued and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

#### 5615.

If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held and assessment and collection procedures are conducted.

#### 5616.

Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

#### 5617.

Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

#### **5618.**

Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.

#### ARTICLE 3. Collection of Cost of Repair [5625 - 5630]

#### 5625.

The cost of the repair may be assessed by the legislative body against the parcel of property fronting upon the sidewalk upon which such repair was made, and such cost so assessed, if not paid within five days after its confirmation by the legislative body, shall constitute a special assessment against that parcel of property, and shall be a lien on the property for the amount thereof which lien shall continue until the assessment and all interest thereon is paid, or until it is discharged of record.

#### <u>5626.</u>

The superintendent of streets may file in the office of the county recorder of the county in which the parcel of property is located, a certificate substantially in the following form:

#### NOTICE OF LIEN

Pursuant to the authority vested in me by the Improvement Act of 1911, I did, on the \_\_\_\_ day of \_\_\_\_, 19\_, cause the sidewalk, curb, or park or parking strip, bulkheads, retaining walls, or other

works (as the case may be) in front of the reat property hereinafter described, to be repaired and
improved, and the legislative body of said city (county, or city and county) did, on the day of
, 19_, by Resolution No assess the cost of such repair upon the real property hereinafter
described, and the same has not been paid nor any part thereof, and the said city (county, or city
and county), does hereby claim a lien on said real property in the sum of dollars (\$), and
the same shall be a lien upon said real property until the said sum, with interest at the rate of
percent per annum, from the said day of, 19_ (insert date of confirmation of assessment)
has been paid in full and discharged of record.
The real property hereinbefore mentioned and upon which a lien is claimed, is that certain piece or parcel of land lying and being in the (name of city, or city and county) the county of, State of, and particularly described as follows:
(Description of property)
Dated this day of, 19
Superintendent of Streets

#### 5627.

From and after the date of the recording of the notice of lien, all persons shall be deemed to have had notice of the contents thereof. The notice of lien may include claims against one or more separate parcels of property, whether contiguous or not, together with the amount due, respectively, from each such parcel. The statute of limitation shall not run against the right of the city to enforce the payment of the lien. If any such lien is not paid the city may file and maintain an action to foreclose such lien in the same manner and under the same procedure, so far as applicable, as that under which delinquent bonds are foreclosed under this division.

#### <u>5628.</u>

As an alternative method of collection of the amount of the lien, the legislative body, after confirmation of the report of the superintendent of streets, may order the notice of lien to be turned over to the assessor and the tax collector of the city, whereupon it shall be the duty of those officers to add the amount of the assessment to the next regular bill for taxes levied against the lot or parcel of land. If city taxes are collected by the county officials, the notice of lien shall be delivered to the county auditor, who shall enter the amount thereof on the county assessment book opposite the description of the particular property and the amount shall be collected together with all other taxes thereon against the property. The notice of lien shall be delivered to the county auditor before the date fixed by law for the delivery of the assessment book to the county board of equalization.

#### 5628.1.

The legislative body shall have the power, in its discretion, to determine that the payment of assessments of one hundred dollars (\$100) or more may be made in annual installments, not to

exceed five, and that the payment of assessments so deferred shall bear interest on the unpaid balance at a rate to be determined by the legislative body, not to exceed the rate permitted for bonds by Section 53531 of the Government Code. Interest shall begin to run on the 31st day after the confirmation of the assessments by the legislative body. Determinations of the legislative body shall be expressed by resolution at any time prior to the confirmation of the assessments.

#### 5629.

Thereafter the amount of the lien shall be collected at the same time and in the same manner as ordinary city taxes are collected, and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale in case of delinquency as provided for ordinary city taxes. All laws applicable to the levy, collection and enforcement of city taxes and county taxes are hereby made applicable to such special assessment taxes.

#### 5629.1.

If bonds are to be issued to represent the security of the unpaid assessments, upon confirmation of the report by the legislative body the superintendent of streets shall give notice to pay by mail and by publication substantially in the manner provided by Sections 4320 and 4321 of this code. The period for payment in cash stated therein shall be 30 days following the date of confirmation of the report. Upon completion of the cash payment period, the superintendent of streets shall file with the county recorder a certificate substantially in the form set out in Section 5626, giving notice therein that interest is payable at a rate to be fixed upon the sale of bonds, which rate shall not exceed the rate permitted for bonds by Section 53531 of the Government Code, and shall begin to run on the 31st day after the confirmation of the report. Thereafter the provisions of Part 5 (commencing with Section 6400) shall be applicable and payments on assessments at bond shall be made as therein provided. The bonds may be issued and sold as the legislative body directs and may be dated at any time after the expiration of the cash payment period.

#### <u>5630.</u>

Whenever the property fronting on a sidewalk required to be maintained and repaired pursuant to the provisions of this chapter lies within one city or unincorporated territory of a county, and the sidewalk required to be so maintained and repaired lies within another city or unincorporated territory of a county, the superintendent of streets of the city or county having jurisdiction over the sidewalk shall have full authority to serve notices to repair and do all work contemplated by Articles 2 and 3 of this chapter, notwithstanding the fact that the property fronting on the sidewalk lies within another city or unincorporated territory of a county. The legislative body of the city or county within which the sidewalk has been repaired pursuant to the provisions of this chapter shall have jurisdiction to levy an assessment to pay the cost of any such sidewalk repairs against the parcel of property fronting on said sidewalk, notwithstanding the fact that said property lies within another city or unincorporated territory of a county and said assessment shall be a lien on said property for the amount thereof until the assessment and all interest thereon is paid or until it is discharged of record.

The provisions of Sections 5628 and 5629 of this code shall be applicable to the collection and enforcement of all liens levied pursuant to the provisions of this section and the amount so

collected shall be paid to the treasurer of the city or county as the case may be which conducted the proceedings.												

## RESOLUTION NO. \_\_\_\_\_ (2025 SERIES)

A RESOLUTION OF THE CITY COUNCIL OF SAN LUIS OBISPO, CALIFORNIA, FORMALIZING THE CITY'S PROCEDURES FOR ISSUING INFORMAL AND FORMAL NOTICES TO CORRECT SIDEWALK AND FRONTAGE IMPROVEMENT DEFICIENCIES

**WHEREAS,** Section 12.16.020 of the San Luis Obispo Municipal Code incorporates Division 7, Part 3, Chapter 22 of the California Streets and Highways Code, which establishes the responsibility of property owners to maintain sidewalks and frontage improvements adjacent to their property in a safe condition; and

WHEREAS, the City of San Luis Obispo has adopted a Sidewalk Inspection Program and developed a structured process to notify property owners of unsafe sidewalk or frontage conditions and to encourage voluntary compliance through an informal process before initiating formal procedures under state law; and

WHEREAS, the City's informal process includes the issuance of at least two Informal Notices to Correct (NOCs) which outline recommended corrective timelines and encourage communication and flexibility, followed by a presentation to City Council if voluntary compliance is not achieved; and

WHEREAS, under the Streets and Highways Code §§ 5610–5618, once a Formal Notice to Correct is issued, property owners have 14 days to commence repairs, after which the City is authorized to complete the work and pursue cost recovery if the property owner fails to act; and

**WHEREAS**, City Council support is sought to initiate the formal process for properties that have failed to respond to informal notices and to direct staff to complete repairs and initiate cost recovery proceedings if necessary; and

**WHEREAS**, the sidewalk deficiencies on the subject properties pose risks to public safety and have not been remedied despite multiple efforts at outreach and accommodation by City staff.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of San Luis Obispo as follows:

**SECTION 1. Findings.** The City Council finds that the informal process described in the staff report, including issuance of two Informal NOCs and efforts to achieve voluntary compliance, constitutes a reasonable and necessary local practice to encourage cooperation and provide flexibility to property owners while maintaining public safety.

**SECTION 2. Authorization of Process.** The City Council hereby affirms the City's two-phase process for correcting sidewalk and frontage improvement deficiencies:

- Informal Phase: Proactive inspections, initial and second Informal Notices to Correct, outreach to property owners, and allowance for voluntary correction within a structured timeline.
- Formal Phase: If no corrective action is taken, issuance of a Formal Notice to Correct pursuant to Streets and Highways Code §§ 5611–5614, execution of repairs by City staff or contractors if repairs are not initiated within 14 days, and initiation of cost recovery through public hearing and special assessment as permitted under §§ 5616–5629.

**SECTION 3.** Waiver Provision. The Public Works Director is authorized to waive issuance of a Formal Notice to Correct if the property owner takes corrective action before the notice is formally issued.

	, seconded by	
and on the following roll call vote:		
AYES:		
NOES:		
ABSENT:		
The forgoing resolution was adopted this	s day of	2021.
	Mayor Erica A. Stewart	
ATTEST:		
Teresa Purrington. City Clerk		
APPROVED AS TO FORM:		
J. Christine Dietrick, City Attorney		
IN WITNESS WHEREOF. I have hereunto	set my hand and affixed the official seal o	f the
City of San Luis Obispo, California, on		
	Teresa Purrington, City Cler	k

## RESOLUTION NO. \_\_\_\_\_ (2025 SERIES)

A RESOLUTION OF THE CITY COUNCIL OF SAN LUIS OBISPO, CALIFORNIA, AUTHORIZING STAFF TO ISSUE A FORMAL NOTICE OF CORRECTION FOR THE REPLACEMENT OF SIDEWALK ADJACENT TO THE PROPERTIES AT 360 CHORRO, 368 CHORRO, 3195 SOUTH HIGUERA, 878 ISLAY, 859 MISSION, 867 MISSION, 875 MISSION, AND 1543 MORRO, AND TO COMPLETE THE WORK SHOULD THE ADJACENT PROPERTY OWNERS FAIL TO TAKE ACTION WITHIN 14 DAYS AFTER BEING ISSUED A FORMAL NOTICE TO CORRECT, PURSUANT TO SAN LUIS OBISPO MUNICIPAL CODE 12.16.020

WHEREAS, Municipal Code Section 12.16.020, by adoption of the procedures set forth in the Streets and Highways Code Division 7, Chapter 22, requires that a property owner maintain and, when necessary, replace the sidewalk adjacent to their property so that the sidewalk will not endanger persons or property or interfere with the public convenience in the use of such sidewalk; and

WHEREAS, the portions of sidewalk adjacent to the properties located at 360 Chorro, 368 Chorro, 3195 South Higuera, 878 Islay, 859 Mission, 867 Mission, 875 Mission, and 1543 Morro (the "subject properties") are in a condition of significant disrepair and pose a danger to persons and property and interfere with use of the sidewalks; and

**WHEREAS**, since issuance of the original Informal Notice to Correct, the owners of the subject properties have received no fewer than two separate notices from the City informing them of their responsibility to repair and maintain the improvements fronting their property and to compel the repair and/or replacement of such improvements; and

**WHEREAS,** the owners of the subject properties have failed to take the necessary action to replace the damaged and non-compliant sidewalks adjacent to their properties; and

**WHEREAS**, at least 90 days have passed since the second informal Notices to Correct were served upon the owners of each of the subject properties; and

**WHEREAS,** on May 20, 2025, Council received a staff presentation on the current specifics of the sidewalk conditions at the subject properties; and

**WHEREAS,** the City Council has considered all evidence, including staff's presentation and the testimony of the property owners and interested parties.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of San Luis Obispo that:

**SECTION 1. Findings.** The above statements are true and constitute the findings of the City Council.

**SECTION 2. Action.** Staff is hereby authorized to issue Formal Notices to Correct to the Property Owners of 360 Chorro, 368 Chorro, 3195 South Higuera, 878 Islay, 859 Mission, 867 Mission, 875 Mission, and 1543 Morro, in accordance with the requirements set forth in Streets & Highways Code §§5611-5614. If work does not commence within fourteen days following the first Formal Notice to Correct, City staff is authorized to execute the work and return to the City Council upon completion of the work to report on costs and for Council's consideration of pursuit of cost recovery.

Upon motion offollowing roll call vote:	, seconded by	, and on the
AYES: NOES: ABSENT:		
The forgoing resolution was adopted thi	is day of	2025.
	Mayor Erica A. Stewart	
ATTEST:		
Teresa Purrington City Clerk	_	
APPROVED AS TO FORM:		
J. Christine Dietrick City Attorney		
IN WITNESS WHEREOF, I have hereur City of San Luis Obispo, California, on _		
	Teresa Pu City Clerk	<u> </u>

# **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

Task Order Details														
Location	Work Order No.		Nearest Address	Descr	ription									
1		360 Chorro		Driveway Replacement										
	Estimated Costs			Description of Pr										

Estimate	ed Costs	
Unit Price Work	\$ 26,188.	75
Asphalt Material	\$ 353.	52
Extra Work	\$ -	
Contingency	\$ 5,308.	45
*Total	\$ 31,850.	72

Description of Project:
Replacement of Driveway and sidewalk, creating ada compliance.

<sup>\*</sup>For cost in excess of \$100,000 attach City Manager Report approving purchase.

	Unit P	rice Contract W	ork						_	-
Itom No	Item Description	Unit of		Unit Price	Estimated	ı	Stimated	Actual	Final	Cost
Item No.	Edge Grind	Measure SQFT	\$	10.25	Quantity	\$	Cost	Quantity	\$	_
	1.75" Thin Maintenance Overlay	SQFT	\$ \$	13.33		\$			\$	
	2" AC Grind & AC Overlay-1/2" Aggregate	SQFT	\$	41.00		\$	_		\$	_
	6" AC Pavement - Excavation & Restoration	SQFT	\$	9.23		\$	-		\$	_
5CCO1	10" AC Pavement - Excavation & Restoration	SQFT	\$	13.33	50	\$	666.25		\$	-
6CCO1	8" PCC with 3" max AC Cap - Excavation & Restoration	SQFT	\$	29.73		\$	-		\$	-
7CCO1	Class II Aggregate	TON	\$	87.13		\$	-		\$	-
8CCO1	Trench Backfill Sand	TON	\$	76.88		\$	-		\$	-
9CCO1	AC Dike - Caltrans A87B	LF	\$	23.58		\$	-		\$	-
	Pavement Reinforcing Fabric	SQYD	\$	71.75		\$	-		\$	-
	Geo Textile Grid	SQYD	\$	51.25		\$	-		\$	-
	Fog Seal	SQYD	\$	25.63		\$	-		\$	-
	Pavement Marking-Caltrans A24	SQFT	\$	18.45		\$ \$	-		\$ \$	
	12" White Line Limit Line Traffic Stripe-Caltrans A20A Detail 1	LF LF	\$	20.50 20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$			\$	
	Traffic Stripe - Caltrans A20A Detail 2  Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$	-		\$	
	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$	-		\$	_
	Traffic Stripe - Caltrans A20B Detail 22	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 29	LF	\$	23.58		\$	-		\$	-
21CCO1	Traffic Stripe - Caltrans A20D Detail 38	LF	\$	23.58		\$	-		\$	-
22CCO1	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$	-		\$	-
23CCO1	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$	-		\$	-
	Reflective Pavement Marker-All Types	EA	\$	35.88		\$	-		\$	-
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$	-		\$	-
	Bike Lane Buffer	LF	\$	30.75		\$	-		\$	-
	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$	-		\$	-
28CCO1	·	LF	\$	15.38		\$	-		\$	-
	Remove Pavement Marking	SQFT	\$	15.38		\$	-		\$	-
30CCO1		SQFT	\$	71.75 61.50	100	\$ \$	6,150.00		\$ \$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT	\$	51.25	100	\$	6,130.00		\$	
	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT) Remove & Replace Curb and Gutter - Std. 4030	SQFT LF	۶ \$	92.25		\$	-		\$	
	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$			\$	
35CCO1		SQFT	\$	205.00		\$	-		\$	
	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	300	\$	10,762.50		\$	_
	Mission Style PCC Coloring and Salt Finish	SQFT	\$	6.15		\$	-		\$	_
	Mission Style Tile Installation per Std. 4220	LF	\$	71.75		\$	-		\$	-
	Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$	-		\$	-
40CCO1	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$	-		\$	-
41CCO1	Repaint Curb	LF	\$	6.15					\$	-
42CCO1	Furnish & Install Metal Post - Std. 7210	EA	\$	666.25		\$	-		\$	-
43CCO1	Furnish & Install Metal Post - Std. 7215	EA	\$	717.50		\$	-		\$	-
	Furnish and Install Sign	EA	\$	512.50		\$	-		\$	-
	Reconstruct Guardrail - Caltrans A77A1	LF	\$	512.50		\$	-		\$	-
	Furnish and Install Tree Well - Std. 8130, 4'x4'	EA	\$			\$	-		\$	-
	Furnish and Install Tree Well - Std. 8130, 5'x5'	EA EA	\$			\$ \$	-		\$ \$	-
	Furnish and Install Tree Well - Std. 8130, 6'x6' Enlarge Tree Grate Opening	EA EA	\$	7,175.00 256.25		\$	-		\$	
	Catch Basin - Std. 3350	EA	-	15,375.00		\$			\$	
	Catch Basin - Std. 3355	EA		18,450.00		\$	-		\$	
	Catch Basin - Std. 3355A	EA		12,300.00		\$	_		\$	_
	Catch Basin - Std. 3360	EA		18,450.00		\$	-		\$	_
	Adjust Utility Cover - Std. 6040	EA	\$	768.75		\$	-		\$	-
	Manhole Frame and Cover Replacement - Std. 6040	EA	\$			\$	-		\$	-
	Manhole Replacement - Std. 3530 or 6610	EA		13,325.00		\$	-		\$	-
57CCO1	Manhole Coating	EA		30,750.00		\$	-		\$	-
58CCO1	Construct Well / Cleanout - G5 - Std. 6710	EA	\$	1,230.00		\$	-		\$	-
59CCO1	Potholing (Depth - 0' to 4')	EA	\$	666.25		\$	-		\$	-
60CCO1	Potholing (Depth - 4' to 8')	EA	\$	973.75		\$	-		\$	-
	Potholing (Depth - 8'+)	EA	\$	1,332.50		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF	\$	205.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Requir		\$	410.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 8.5'+) Shoring Required	LF	\$	666.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig A	HR	\$	133.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig B	HR	\$	256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig C	HR HP	\$	205.00		\$ \$	-		\$ \$	
	Traffic Control - Eng. Std. Appendix G – Fig D Traffic Control - Eng. Std. Appendix G – Fig E	HR HR	\$	256.25 153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig E  Traffic Control - Eng. Std. Appendix G – Fig F	HR HR	\$	205.00		\$	-		\$	
	Traffic Control - Eng. Std. Appendix G – Fig F  Traffic Control - Eng. Std. Appendix G – Fig G	HR	۶ \$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig G	HR	\$	153.75		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig I	HR	\$	205.00		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig J	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig K	HR	\$	169.13		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig M	HR	\$	133.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig N	HR	\$	256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig O	HR	\$	287.00		\$	-		\$	-
80CCO1	Traffic Control - Eng. Std. Appendix G – Fig P	HR	\$	102.50	48	\$	4,920.00		\$	-

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 26,188.75	Actual Cost	\$ -

Estimate		Asphalt Cond	rete Mate	rial								
Estimate				Tons	U	nit Price		Cost	15%	6 Markup	Sit	e Total
				3.0	7 \$	100.00	\$	307.41	\$	46.11	\$	353.52
									Estim	ate Total	\$	353.52
Actual		Ticket Number and Plant		Tons		nit Price		Cost	15%	6 Markup	Tic	et Total
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222	Location Y			Install B							\$	-
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222b	Location Y			Install B							\$	
2220	LOCALION Y			IIIStali B							Ş	-
									Act	tual Total	\$	-

	Task Order - Paving Estimate																							
	Edge Adjust																							
	Work			No.							Area	AC Depth		Grind	Reinforcing	Utility					Traffic Control			
Location	Order	Address		Patches	L <sub>1</sub> (ft)		L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(SF)		PCC/AC	(SF)	Fabric (SY)	Cover (EA)	Tons of AC		Striping Detail	(ft/SF/EA)	#1	#2	Hours	Notes
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													Task (	Order - Cond	rete Estimate	:				
					Total	Total	Tree Well Length			Other	Other			Mission				Cross		
	Work			No.	Length	Width	(Deduction)			(Deduction)	(Deduction)			Style Tile	Curb and	Curb Ramp		Gutter	Driveway	Repaint
Location	Order	Address	•	Patches	L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	Tree Wells	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(ft²)	Style	(ft)	Gutter (ft)	(SF)	Domes (SF)	(SF)	Ramp (SF)	Curb (ft)
1		360 Chorro Street	Driveway Replacement	1	10	10						100.0							300	
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								Replacement Tr	ree Wells			100.0	Regular						300	
								4'					Mission			•				

Enlarge

Mission

Page 321 of 555

Metal Sign				
Posts and Sign				
(EA)	Traffic Control	Hours	Notes	Cover Page Description
	Minor	48		
	Р	48		
	Minor	/19		

Minor 48

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48



919 Palm Street, San Luis Obispo. CA 93401-3218 805-781-7200 slocity.org

February 10, 2025

Daniel Battagin 5219 19<sup>th</sup> Ave NE Seattle WA 98105

Subject: Second Informal Notice to Repair Sidewalk - 360 Chorro St., San Luis Obispo

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property located at 360 Chorro in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/16/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is complete by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

No 5x

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

## Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

## When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1 14 13

City of San Luis Obispo 25 Prado Road San Luis Obispo, CA 9340



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

## What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

#### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they <u>may also</u> be found liable if it is determined that their negligence caused someone to be harmed.

## When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

## What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

## Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

# Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24.010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24,120 and 12.24.150 of the Municipal Code.

## What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep- watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

## If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



October 16, 2023

Daniel Battagin 5219 19<sup>th</sup> Ave NE Seattle WA 98105 93405

Subject: Notice to Correct Sidewalk & Driveway Apron at 360 Chorro St.

Dear Property Owner,

The sidewalk and driveway apron adjacent to your property at 360 Chorro St. in the City of San Luis Obispo must be repaired. This is the section of sidewalk at 360 Chorro St. is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter, and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Daniel Battagin

12.16.020 Property owner's responsibility – City Municipal Code
The maintenance, repair, and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.
- Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Aaron Anderson
Acting Streets Maintenance Supervisor
aanderso@slocity.org 805-781-7043

#### Attachments:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22, Article 2
- Photos
- 3. Sidewalk & Parkway Strip Maintenance brochure

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

**5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

<u>5612.</u> Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

<u>5613.</u> The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card

notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

**5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

5615. If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

5618. Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.



#### SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Daniel Battagin 5219 19th Ave N.E Seattle, WA, 98105

9590 9402 8995 4122 4043 81

A Adiata Number (Transfer from service label)

7019 2280 0000 9413 7366

#### COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

C. D

Agent

Addressee

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No

- Service Type
- ☐ Adult Signature
  ☐ Adult Signature Restricted Delivery
  ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
  ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
  - ed Mail Restricted Delivery

- ☐ Priority Mall Express®
  ☐ Registered Mail™
- ☐ Registered Mall Restricted
  Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Defivery

Pageti831roff555

**USPS TRACKING#** 





First-Class Mail Postage & Fees Paid USPS Permit No. G-10

9590 9402 8995 4122 4043 81

United States Postal Service

Sender: Please print your name, address, and ZIP+4® in this box

City of San Luis Obispo Public Works

25 Prado Road San Luis Obispo, CA, 93401

Nehemiah Stephenson



## **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

			Order Details	
Location	Work Order No.	Nearest Address	Description	•
1		368 Chorro	Driveway Replacement	

Estimated Costs										
Unit Price Work	\$	19,321.25								
Asphalt Material	\$	353.52								
Extra Work	\$	-								
Contingency	\$	3,934.95								
*Total	\$	23,609.72								

Description of Project:
Replacement of Driveway and sidewalk, creating ada compliance.
, , , , , , , , , , , , , , , , , , ,

<sup>\*</sup>For cost in excess of \$100,000 attach City Manager Report approving purchase.

	Unit Pric	ce Contract W	ork					
Item No.	Item Description	Unit of Measure		Unit Price	Estimated Quantity	Estimated Cost	Actual Quantity	Final Cost
1CCO1	Edge Grind	SQFT	\$	10.25		\$ -		\$ -
1	1.75" Thin Maintenance Overlay	SQFT	\$	13.33		\$ -		\$ -
3CCO1	, , 55 5	SQFT	\$	41.00		\$ -		\$ -
5CCO1	6" AC Pavement - Excavation & Restoration  10" AC Pavement - Excavation & Restoration	SQFT SQFT	\$	9.23 13.33	50	\$ - \$ 666.25		\$ - \$ -
6CCO1	8" PCC with 3" max AC Cap - Excavation & Restoration	SQFT	\$	29.73	30	\$ 000.23		\$ -
1	Class II Aggregate	TON	\$	87.13		\$ -		\$ -
1	Trench Backfill Sand	TON	\$	76.88		\$ -		\$ -
9CCO1	AC Dike - Caltrans A87B	LF	\$	23.58		\$ -		\$ -
1	Pavement Reinforcing Fabric	SQYD	\$	71.75		\$ -		\$ -
1	Geo Textile Grid Fog Seal	SQYD SQYD	\$	51.25 25.63		\$ - \$ -		\$ - \$ -
1	Pavement Marking-Caltrans A24	SQFT	۶ \$	18.45		\$ -		\$ -
1	12" White Line Limit Line	LF	\$	20.50		\$ -		\$ -
15CCO1	Traffic Stripe-Caltrans A20A Detail 1	LF	\$	20.50		\$ -		\$ -
16CCO1	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$ -		\$ -
1	Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$ -		\$ -
1	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$ -		\$ -
1	Traffic Stripe - Caltrans A20B Detail 22 Traffic Stripe - Caltrans A20D Detail 29	LF LF	\$	23.58 23.58		\$ - \$ -		\$ - \$ -
1	Traffic Stripe - Caltrans A20D Detail 25	LF	\$	23.58		\$ -		\$ -
1	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$ -		\$ -
	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$ -		\$ -
1	Reflective Pavement Marker-All Types	EA	\$	35.88		\$ -		\$ -
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$ -		\$ -
1	Bike Lane Buffer	LF	\$	30.75		\$ -		\$ -
1	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$ -		\$ -
1	Remove Traffic Stripe Remove Pavement Marking	LF SQFT	\$	15.38 15.38		\$ - \$ -		\$ - \$ -
1	Remove & Replace Sidewalk - Std. 4110 (Area Under 60 SQFT)	SQFT	\$	71.75	50	\$ 3,587.50		\$ -
1	Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT	\$	61.50	30	\$ 5,567.50		\$ -
1	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT)	SQFT	\$	51.25		\$ -		\$ -
33CCO1	Remove & Replace Curb and Gutter - Std. 4030	LF	\$	92.25		\$ -		\$ -
34CCO1	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$ -		\$ -
1	Remove & Replace Cross Gutter - Std. 4310	SQFT	\$	205.00		\$ -		\$ -
1	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	180	\$ 6,457.50		\$ -
1	Mission Style PCC Coloring and Salt Finish Mission Style Tile Installation per Std. 4220	SQFT LF	\$	6.15 71.75		\$ - \$ -		\$ - \$ -
1	Mission Style Tile Installation per Std. 4220 Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$ -		\$ -
1	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$ -		\$ -
1	Repaint Curb	LF	\$	6.15		, ·		\$ -
42CCO1	Furnish & Install Metal Post - Std. 7210	EA	\$	666.25		\$ -		\$ -
1	Furnish & Install Metal Post - Std. 7215	EA	\$	717.50		\$ -		\$ -
	Furnish and Install Sign	EA	\$	512.50		\$ -		\$ -
1	Reconstruct Guardrail - Caltrans A77A1	LF	\$	512.50		\$ -		\$ -
1	Furnish and Install Tree Well - Std. 8130, 4'x4' Furnish and Install Tree Well - Std. 8130, 5'x5'	EA EA	\$	5,125.00 5,945.00		\$ - \$ -		\$ - \$ -
1	Furnish and Install Tree Well - Std. 8130, 6'x6'	EA	\$	7,175.00		\$ -		\$ -
1	Enlarge Tree Grate Opening	EA	\$	256.25		\$ -		\$ -
1	Catch Basin - Std. 3350	EA	\$	15,375.00		\$ -		\$ -
51CCO1	Catch Basin - Std. 3355	EA	\$	18,450.00		\$ -		\$ -
1	Catch Basin - Std. 3355A	EA		12,300.00		\$ -		\$ -
1	Catch Basin - Std. 3360	EA		18,450.00		\$ -		\$ -
1	Adjust Utility Cover - Std. 6040  Manhole Frame and Cover Replacement - Std. 6040	EΑ	\$	768.75		\$ - \$ -		\$ - \$ -
1	Manhole Frame and Cover Replacement - Std. 6040  Manhole Replacement - Std. 3530 or 6610	EA EA	\$	2,562.50 13,325.00		\$ -		\$ - \$ -
	Manhole Coating	EA		30,750.00		\$ -		\$ -
1	Construct Well / Cleanout - G5 - Std. 6710	EA	\$	1,230.00		\$ -		\$ -
59CCO1	Potholing (Depth - 0' to 4')	EA	\$	666.25		\$ -		\$ -
1	Potholing (Depth - 4' to 8')	EA	\$	973.75		\$ -		\$ -
1	Potholing (Depth - 8'+)	EA	\$	1,332.50		\$ -		\$ -
1	Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF al IE	\$	205.00		\$ -		\$ -
1	Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Require Pipe Excavation & Restoration (Depth - 8.5'+) Shoring Required	d LF LF	\$	410.00 666.25		\$ - \$ -		\$ - \$ -
1	Traffic Control - Eng. Std. Appendix G – Fig A	HR	۶ \$	133.25		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig B	HR	\$	256.25		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig C	HR	\$	205.00		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig D	HR	\$	256.25		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig E	HR	\$	153.75		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig F	HR	\$	205.00		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G - Fig G	HR ⊔p	\$	205.00		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig H Traffic Control - Eng. Std. Appendix G – Fig I	HR HR	\$	153.75 205.00		\$ - \$ -		\$ - \$ -
1	Traffic Control - Eng. Std. Appendix G – Fig J	HR	۶ \$	205.00		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig K	HR	\$	169.13		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig M	HR	\$	133.25		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig N	HR	\$	256.25		\$ -		\$ -
1	Traffic Control - Eng. Std. Appendix G – Fig O	HR	\$	287.00		\$ -		\$ -
80CCO1	Traffic Control - Eng. Std. Appendix G – Fig P	HR	\$	102.50	48	\$ 4,920.00		\$ -

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 19,321.25	Actual Cost	\$ -

Estimate		Asphalt C	oncrete Mate	rial						
Estimate				Tons	Unit Pri	ce	Cost	15% Marku	р 9	ite Total
				3.07	\$ 100	.00 \$	307.41	\$ 46.13	. \$	353.52
								Estimate Tota	al \$	353.52
Actual				_						
		Ticket Number and Plant	_	Tons	Unit Pri		Cost	15% Marku		cket Total
1234 Plant	t				-	- \$	-	\$ -	\$	-
1234 Plant	t				\$	- \$	-	\$ -	\$	-
1234 Plant	t				\$	- \$	-	\$ - \$ -	\$	-
1234 Plant	t				\$	\$	-	\$ -	\$	-
								Actual Tota	I \$	-
		Ex	ctra Work							
Estimate										
Est. No.		Location				Task				Cost
111	Location X			Install A					\$	-
222	Location Y			Install B					\$	-
							1	Estimated Total	al \$	-
Actual										
EW No.		Location				Task				Cost
111a	Location X			Install A					\$	-
222b	Location Y			Install B					\$	-
								Actual Total	al Ś	-

	Task Order - Paving Estimate																							
				I		T	T							Edge		Adjust								
	Work			No.							Area	AC Depth		Grind	Reinforcing	Utility					Traffic Control			
Location	Order	Address	Description	Patches	L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(SF)		PCC/AC	(SF)	Fabric (SY)	Cover (EA)	Tons of AC		Striping Detail	(ft/SF/EA)	#1	#2	Hours	Notes
1		368 Chorro Street	Pave Out		25	2					50.0	10					3.1	3.5						
												1.75	_					3.5	Fog Seal		M	inor		
												2							A24			A		
												6							12" White Line			В		
											50.0	10							1			C		
												PCC/AC							2			D		
																			8			E		
																			9		1	F		
																			22		1	G		
																			29			Н		
																			38		1	I .		
																			39		1	J		
																			39A		1	K		
																			Markers		1	L		
																			Crosswalk		] :	М		
																			Bike Lane Buffer		1	N		
																			Green Bike Lane Coating		1	0		
																			Remove Traffic Stripe		1	P		
																			Remove Marking		1			
																					4			

	Task Order - Concrete Estimate																			
					Total	Total	Tree Well Length			Other	Other			Mission				Cross		
	Work			No.	Length	Width	(Deduction)			(Deduction)	(Deduction)		Mission	Style Tile	Curb and	Curb Ramp		Gutter	Driveway	Repaint
Location	Order	Address	Description	Patches	<del></del>	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	Tree Wells	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(ft <sup>2</sup> )	Style	(ft)	Gutter (ft)	(SF)	Domes (SF)	(SF)	Ramp (SF)	Curb (ft)
1		368 Chorro Street	Driveway Replacement	1	10	5						50.0							180	
																<del> </del>			<del>                                     </del>	
								Replacement Tr	ee Wells	1		50.0	Regular						180	
								4'					Mission							

Enlarge

Page 337 of 555

Metal Sign				
Posts and Sign				
(EA)	Traffic Control	Hours	Notes	Cover Page Description
	Minor	48		
	Р	48		
	Minor	/19		

Minor 48

A
B
C
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H
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M
N
O
P
48



919 Palm Street, San Luis Obispo. CA 93401-3218 805-781-7200 slocity org

February 10, 2025

Christopher and Anne Hodges 302 Cuesta Drive San Luis Obispo, CA 93401

Subject: Second Informal Notice to Repair Sidewalk – 368 Chorro St., San Luis Obispo

Dear Property Owner:

The sidewalk adjacent to your property located at 368 Chorro in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/16/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson Maintenance Superintendent Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

## Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

## When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="https://www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1 14 13

City of San Luis Obispo 25 Prado Road San Luis Obispo, CA 93401



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

## What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

#### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they may also be found liable if it is determined that their negligence caused someone to be harmed.

# When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

## What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

## Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

# Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24.010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24.120 and 12.24.150 of the Municipal Code.

## What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep- watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

## If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



October 16, 2023

Christopher and Anne Hodges 2009 Revocable Trust 302 Cuesta Dr. San Luis Obispo, CA 93401

Subject: Notice to Correct Sidewalk & Driveway Apron

APN: 001-191-003

Dear Property Owner,

The sidewalk and driveway apron adjacent to your property at 368 Chorro St. in the City of San Luis Obispo must be repaired. This is the section of sidewalk at 368 Chorro St., and the neighboring driveway apron at 368 Chorro St. is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter, and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Christopher and Anne Hodges 2009 Revocable Trust

12.16.020 Property owner's responsibility – City Municipal Code

The maintenance, repair, and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.

 Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Aaron Anderson
Acting Streets Maintenance Supervisor
aanderso@slocity.org 805-781-4043

#### Attachments:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22, Article 2
- 2. Photos
- 3. Sidewalk & Parkway Strip Maintenance brochure

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

**5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

**5611.** When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

<u>5612.</u> Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known

address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

5613. The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

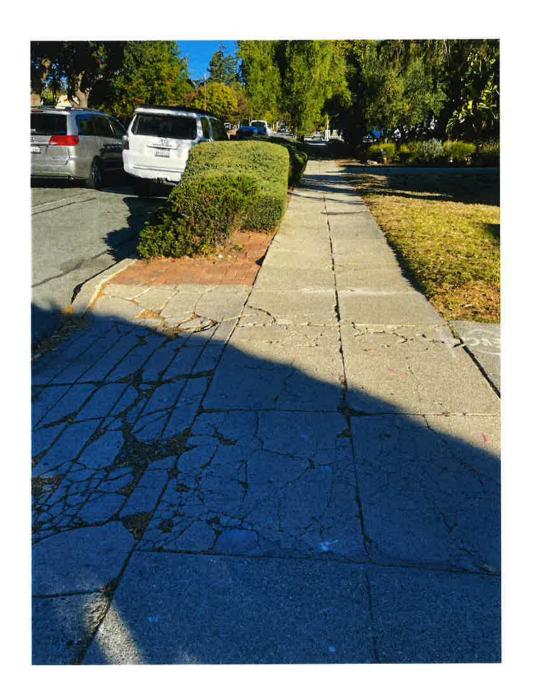
**5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

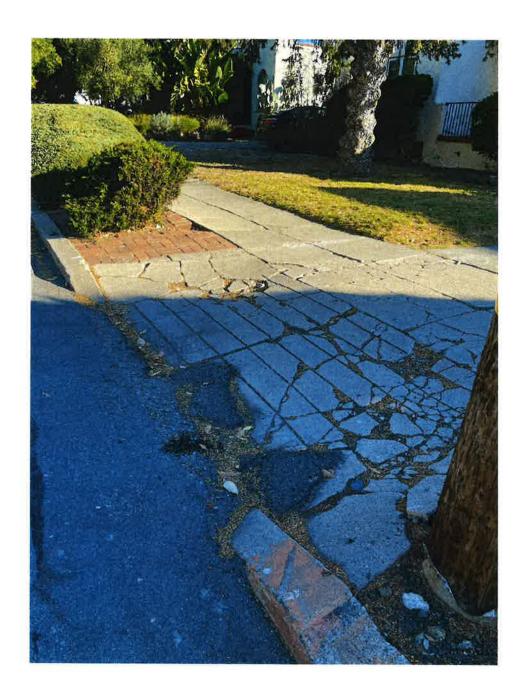
**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

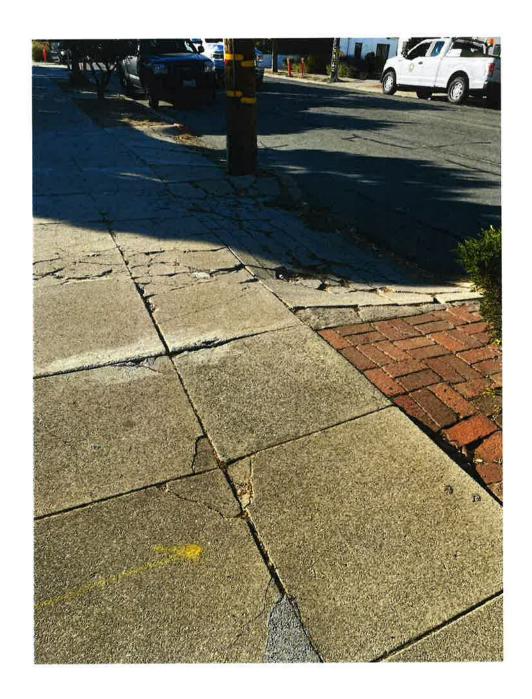
**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.







From:

Collins, Andrew

Sent:

Tuesday, April 16, 2024 2:53 PM

To:

Subject:

FW: 368 Chorro St

**Attachments:** 

Lincoln at Chorro.pdf

Greetings Mr. Rourke,

I have been asked to provide you with the requested clarifications regarding your 3/14/24 email (below). A question-and-answer format will be used to facilitate a response.

Q: The section you cited (12.16.020) does not mention driveway replacement, only curb gutter and sidewalk.

A: The referenced municipal code (12.16.020) does not mention driveway replacement, or curb, or gutter. It simply states that the City of SLO has adopted the State's Streets and Highways Code for maintenance, repair, and collection of costs of such appurtenances.

12.16.020

Property owner's responsibility.









The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Q: The streets and highway code you cite only mentions sidewalks. I don't see any authority to require the driveway replacement, can you provide that?

A: There appears to be a misunderstanding on this topic. Having reviewed the Notice of Correction sent to the property owner dated October 16, 2023, there is no mention of driveway replacement.

The Notice of Correction reads; "The sidewalk and driveway apron adjacent to your property at 368 Chorro St. in the City of San Luis Obispo must be repaired.

This is the section of sidewalk at 368 Chorro St., and the neighboring <mark>driveway apron</mark> at 368 Chorro St. is considered a dangerous condition that must be mitigated."

It is the driveway apron as an integral part of the "sidewalk area" that has been found deficient, not the driveway proper behind the line of the designated sidewalk area.

The driveway apron as being integral to the "sidewalk area" is clarified in City municipal code 12.16.010, in both paragraphs 3 and 7 which state:

### **12.16.010 Definitions.**



A. As used in this chapter, unless it is plainly evident from the context thereof that a different meaning is intended, the following teens shall have the meaning specified after each word:

- "City" means the city of San Luis Obispo, California.
- "Curbline" means the top of the vertical face of the curb.
- "Driveway" means any approach to or from the street over and upon the curb, gutter or sidewalk area to permit vehicular traffic into the abutting property.
- 4. "Director" means the public works director or his or her authorized representative.
- "Owner" means any person, firm or corporation, or the agent or representative of any person, firm or corporation, in which is vested the title to any parcel of real property posted under the ordinance codified in this chapter.
- 6. "Repair" means and includes the construction, reconstruction, repair, replacement, restoration or improvement of any sidewalk area.
- 7. "Sidewalk area" means end includes a park or parking strip maintained in the area between the property line and the curbline and also includes a driveway, curbing, bulkhead, retaining wall, sidewalk or other works for the protection of any sidewalk or walkway or any such park or parking strip located in any public street, way or thoroughfare within the city.

Q: The sidewalk while cracked seems very flat and unlikely to cause any more dangerous conditions than most of the sidewalk in the neighborhood.

A: While I have not been on site with a ruler to measure the deviations, the images from the notice of correction show significant structural damage with missing pieces of concrete with past attempts at patching. Staff are generally looking for deviations of more than ¾ of and inch in height, or obvious structural issues, or any conditions that may cause a trip hazard.

Judging by the image alone, it appears to show past patching attempts, significant structural damage, and void areas that create deviations in elevations that could pose a trip hazard.



#### Q: How does the city fix sidewalks?

A: This has two main answers.

1. In cases where the sidewalk fronts city owned property, or, the sidewalk damage was caused by a city owned street tree.

For minor construction, city employees will attempt a temporary grind, patch, ramp of the area.

If additional work is required, city staff will use industry standards to remove and install new right of way appurtenances.

For major construction, the city will often work with qualified contractors, in conjunction with engineering inspectors and plan-sets to complete right of way repairs.

2. In cases where the sidewalk fronts private/commercial property and the sidewalk damage is **not** caused by a city owned street tree.

The city will often attempt minor repairs through grind/patch/ramp approach.

The city will also review pending projects to see if any large projects are planned for the area that might affect any noted existing deviation.

The final option is to send notice of corrections to alert the property owner of their legal obligation regarding the topic area(s).

## Q: Why does it feel efforts here would be less effective than in other places?

A: My apologies. I don't quite understand the question.

It appears the general area was the topic of a citizen's complaint, with a resulting city inspection, and resulting correction notices.

## Q: Can you provide a copy of the citizens complaint?

A: Yes. A redacted version is attached.

I hope this answers your questions and provides you with the information sought. If you have any questions please feel free to contact me.

Thank you.

#### **Andrew Collins**

Accessibility and Process Improvement Manager



Public Works
919 Palm Street, San Luis Obispo, CA 93401-3218
E acollins@slocity.org
T 805.781.7014

slocity.org

**⊙** □ **()**  $\times$  in

Stay connected with the City by signing up for e-notifications

From: John Rourke

Sent: Thursday, March 14, 2024 8:38 PM

To: Anderson, Aaron <aanderso@slocity.org>;

Subject: 368 Chorro St

This message is from an External Source. Use caution when deciding to open attachments, click links, or respond.

Hi Aaron,

Anne and Chris asked me to reach out regarding the improvements you requested to the property. The section you cited (12.16.020) does not mention driveway replacement, only curb gutter and sidewalk. The streets and highway code you cite only mentions sidewalks. I don't see any authority to require the driveway replacement, can you provide that? The sidewalk while cracked seems very flat and unlikely to cause any more dangerous conditions than most of the sidewalk in the neighborhood. How does the city fix sidewalks? Why does it feel efforts here would be less effective than in other places? Can you provide a copy of the citizens complaint?

Thanks John

#### SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Christopher and Anne Hodges 302 Westadr. Sanwis Opispo CA-93401

9590 9402 8995 4122 4043 74

- 2. Article Number (Transfer from service label)
- 7019 2280 0000 9413 7373

#### COMPLETE THIS SECTION ON DELIVERY

A. Signature

X A Addressee

- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1?
   If YES, enter delivery address below:

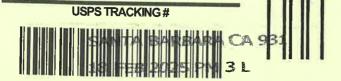
- 3. Service Type
- □ Adult Signature
   □ Adult Signature Restricted Delivery
- Certified Mail®

  Certified Mail Restricted Delivery
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery Restricted Delivery
- sured Mail Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™

□ No

- ☐ Registered Mail Restricted
  Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery



First-Class Mail Postage & Fees Paid USPS Permit No. G-10

9590 9402 8995 4122 4043 74

United States Postal Service • Sender: Please print your name, address, and ZIP+4® in this box•

City of San Luis Obispo

Public Works

25 Prado Road

San Luis Obispo, CA, 93401

Neremiah Stephenson

ປ້າປ່າກຳປ່າກປ່າກປ່າກປ່າກປ່າກປ່າກປາກປ່ານປ່າກປາກປ່າກປາກປ່າກປາກປ່າກປາກປ່າກປາກປາກປ່າກປາກປາກປາກປາກປາກປາກປາກປາກປາກປ Page 356 of 555 From: <u>Collins, Andrew</u>

To:

**Subject:** FW: 368 Chorro St

**Date:** Tuesday, April 16, 2024 2:53:03 PM

Attachments: image001.png

image002.png image003.png image004.png image005.png image006.png image007.png image008.png image009.png Lincoln at Chorro.pdf

#### Greetings Mr. Rourke,

I have been asked to provide you with the requested clarifications regarding your 3/14/24 email (below).

A question-and-answer format will be used to facilitate a response.

# Q: The section you cited (12.16.020) does not mention driveway replacement, only curb gutter and sidewalk.

**A**: The referenced municipal code (12.16.020) does not mention driveway replacement, or curb, or gutter.

It simply states that the City of SLO has adopted the State's Streets and Highways Code for maintenance, repair, and collection of costs of such appurtenances.



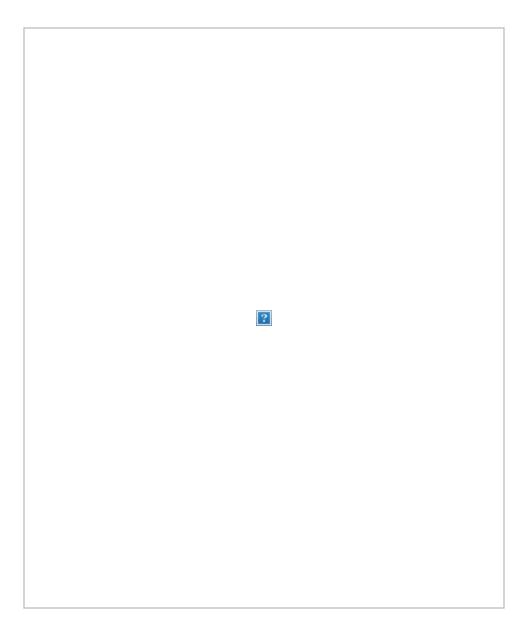
# Q: The streets and highway code you cite only mentions sidewalks. I don't see any authority to require the driveway replacement, can you provide that?

**A**: There appears to be a misunderstanding on this topic. Having reviewed the Notice of Correction sent to the property owner dated October 16, 2023, there is no mention of driveway replacement.

**The Notice of Correction reads**; "The sidewalk and driveway apron adjacent to your property at 368 Chorro St. in the City of San Luis Obispo must be repaired.

This is the section of sidewalk at 368 Chorro St., and the neighboring driveway apron at 368 Chorro St. is considered a dangerous condition that must be mitigated."

It is the driveway **apron** as an integral part of the "sidewalk area" that has been found deficient, not the driveway proper behind the line of the designated sidewalk area. The driveway apron as being integral to the "sidewalk area" is clarified in City municipal code 12.16.010, in both paragraphs 3 and 7 which state:

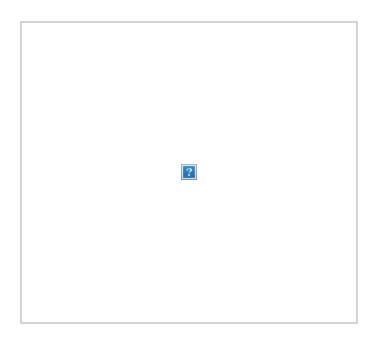


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#### **Q**: How does the city fix sidewalks?

**A**: This has two main answers.

1. In cases where the sidewalk fronts city owned property, or, the sidewalk damage was caused by a city owned street tree.

For minor construction, city employees will attempt a temporary grind, patch, ramp of the area.

If additional work is required, city staff will use industry standards to remove and install new right of way appurtenances.

For major construction, the city will often work with qualified contractors, in conjunction with engineering inspectors and plan-sets to complete right of way repairs.

2. In cases where the sidewalk fronts private/commercial property and the sidewalk damage is **not** caused by a city owned street tree.

The city will often attempt minor repairs through grind/patch/ramp approach.

The city will also review pending projects to see if any large projects are planned for the area that might affect any noted existing deviation.

The final option is to send notice of corrections to alert the property owner of their legal obligation regarding the topic area(s).

#### **Q**: Why does it feel efforts here would be less effective than in other places?

**A:** My apologies. I don't quite understand the question.

It appears the general area was the topic of a citizen's complaint, with a resulting city inspection, and resulting correction notices.

#### **Q**: Can you provide a copy of the citizens complaint?

A: Yes. A redacted version is attached.

I hope this answers your questions and provides you with the information sought. If you have any questions please feel free to contact me.

Thank you.

#### **Andrew Collins**

Accessibility and Process Improvement Manager

City of San Luis Obispo

**Public Works** 

919 Palm Street, San Luis Obispo, CA 93401-3218

E acollins@slocity.org

**T** 805.781.7014

slocity.org



Stay connected with the City by signing up for e-notifications

From: John Rourke <

**Sent:** Thursday, March 14, 2024 8:38 PM **To:** Anderson, Aaron <<u>aanderso@slocity.org</u>>;

**Subject:** 368 Chorro St

This message is from an External Source. Use caution when deciding to open attachments, click links, or respond.

Hi Aaron,

Anne and Chris asked me to reach out regarding the improvements you requested to the property. The section you cited (12.16.020) does not mention driveway replacement, only curb gutter and sidewalk. The streets and highway code you cite only mentions sidewalks. I don't see any authority to require the driveway replacement, can you provide that? The sidewalk while cracked seems very flat and unlikely to cause any more dangerous conditions than most of the sidewalk in the neighborhood. How does the city fix sidewalks? Why does it feel efforts here would be less effective than in other places? Can you provide a copy of the citizens complaint?

Thanks

John

### **Streets and Sidewalk Maintenance JOC - PAYMENT**

City of San Luis Obispo



Task Order Completion Date:

Task Order Authorization Amount:

Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

Contractor Name: R. Burke Corp

Contact: Robert Burke

Address: PO Box 3810

City, State Zip San Luis Obispo, CA 93401

Phone: 805-546-8288

		Task Order Details		
cation	Work Order No.	Nearest Address	Description	
1		3195 South Higuera	Sidewalk Repair	

Work Perfo	rmed
Unit Price Work	\$ -
Asphalt Material	\$ -
Extra Work	\$ -
*Total	\$ -

Amount		Vender	
\$	-	160768	

<sup>\*</sup>For cost in excess of \$60,000 attach City Manager Report approving purchase

Contractor Signature

Date



919 Palm Street, San Luis Obispo, CA 93401-3218 805 781 7200 slocity org

February 10, 2025

MADDALENA ROLAND 1329 Broad Street San Luis Obispo, CA 93401

Subject: Second Informal Notice to Repair Sidewalk – 3195 South Higuera, San Luis Obispo

Dear Property Owner:

The sidewalk adjacent to your property located at 3195 South Higuera in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

■ San Luis Obispo Municipal Code 12.16.020 — Property Owner's Responsibility

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you several notices on 10/6/2021, 3/7/2022, 2/21/2023, and 7/15/2024, with the request to complete the necessary work within 120 days to the satisfaction of the City. Your Attorney has also been in contact with staff to acknowledge the notices and requirement but has not submitted the necessary documents as he verbally committed to. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected.

You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

# Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30" from an intersection. (Municipal Code 10.60 and 17,16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

### When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="https://www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1 14 13

City of San Luis Obispo 25 Prado Road San Luis Obispo. CA 93401



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

# What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they <u>may also</u> be found liable if it is determined that their negligence caused someone to be harmed.

## When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

### What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

# Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

# ls the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24.010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12,24.110, 12,24,120 and 12.24.150 of the Municipal Code.

# What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep- watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

# If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



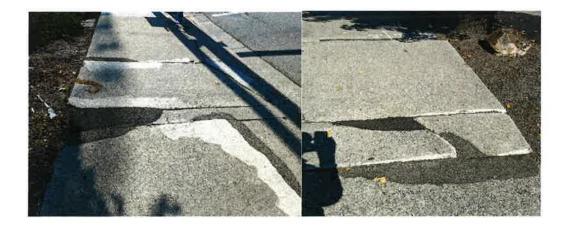
October 6, 2021

Maddalena Roland C Exemption Trust 1329 Broad St, San Luis Obispo CA 93401

Subject: Informal Notice to Repair Sidewalk – 3195 S Higuera.

Dear Property Owner:

The sidewalk adjacent to your property located at 3195 S Higuera in the City of San Luis Obispo must be repaired. This sidewalk is considered a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs, and the City is requiring you to complete the permanent repairs.



The City of San Luis Obispo's Municipal Code identifies the curb, gutter and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Maddalena Roland C Exemption Trust.

12.16.020 Property owner's responsibility – City Municipal Code

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendars days of this letter, you must acknowledge receipt of this letter or by emailing jkline@slocity.org
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for issuance of encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.
- Within 120 calendar days of this letter you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly, if you prefer to propose alternate timeframes for consideration please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request, could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Jeff Kline Streets Maintenance Supervisor

### Attachments:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22, Article 2
- 2. Sidewalk & Parkway Strip Maintenance, Property Owner Responsibilities.

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

- **5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.
- **5611.** When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.
- **5612.** Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.
- **5613.** The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.
- 5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.
- **5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

**5617.** Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.



March 7, 2022

Maddalena Roland C Exemption Trust 1329 Broad St, San Luis Obispo CA 93401

Subject: Notice to Correct Sidewalk adjacent to 3195 South Higuera.

Dear Property Owner:

On October 6, 2021, the City sent you an Informal Notice to Repair the Sidewalk adjacent to your property at 3195 South Higuera, please see the enclosed letter for reference. As of the date of this letter, the City has not received the requested repair plan which is necessary to issue an encroachment permit.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Maddalena Roland C Exemption Trust.

12.16.020 Property owner's responsibility – City Municipal Code
The maintenance, repair and collection of the cost of repair shall be governed by the
procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways
Code of the state. (Prior code § 7330.1)

This sidewalk is considered a dangerous condition and must be mitigated. Please submit the necessary documents to the Public Works Department no later than April 8, 2022, to obtain an Encroachment Permit for the required repairs. Failure to comply with this request, could lead to the City facilitating the repairs through its Job Order Contract (JOC) and invoicing the property owner for the cost of the repairs. Failure to pay for the repair cost would result in a lien being assessed to the property in accordance with the Streets and Highways Code. If the City completes the repairs through the JOC, it shall be noted the total cost of the repairs will include prevailing wage requirements set forth by the Department of Industrial Relations.

I look forward to working with you to resolve this dangerous condition. If you have any questions, please feel free to contact me at jkline@slocity.org.

Sincerely,

Jeff Kline Streets Maintenance Supervisor

Cc: Public Works Administration City Attorney's Office

### Attachments:

- 1. Previous Correspondences (October 6, 2021)
- 2. Sidewalk Photos
- Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22
   Sidewalk & Parkway Strip Maintenance, Property Owner Responsibilities.

3195 South Higuera – Sidewalk photos





STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

- **5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.
- **5611.** When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.
- **5612.** Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.
- **5613.** The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.
- 5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.
- **5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

**5617.** Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.

# STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 [5000 - 6794]

(Division 7 added by Stats. 1941, Ch. 79.)

PART 3. PERFORMING THE WORK [5100 - 5954]

( Part 3 added by Stats. 1941, Ch. 79. )

CHAPTER 22. Maintenance of Sidewalks [5600 - 5630]

(Chapter 22 added by Stats. 1941, Ch. 79.)

### ARTICLE 3. Collection of Cost of Repair [5625 - 5630]

(Article 3 added by Stats. 1941, Ch. 79.)

5625.

The cost of the repair may be assessed by the legislative body against the parcel of property fronting upon the sidewalk upon which such repair was made, and such cost so assessed, if not paid within five days after its confirmation by the legislative body, shall constitute a special assessment against that parcel of property, and shall be a lien on the property for the amount thereof which lien shall continue until the assessment and all interest thereon is paid, or until it is discharged of record. (Added by Stats. 1941, Ch. 79.)

5626.

The superintendent of streets may file in the office of the county recorder of the county in which the parcel of property is located, a certificate substantially in the following form:

### NOTICE OF LIEN

Pursuant to the authority vested in me by the Improvement Act of 1911, I did, on the day of, 19_, cause the sidewalk, curb, or park or parking strip, bulkheads, retaining walls, or other works (as the case may be) in front of the real property hereinafter described, to be repaired and improved, and the legislative body of said city (county, or city and county) did, on the day of, 19_, by Resolution No assess the cost of such repair upon the real property hereinafter described, and the same has not been paid nor any part thereof, and the said city (county, or city and county), does hereby claim a lien on said real property in the sum of dollars (\$), and the same shall be a lien upon said real property until the said sum, with interest at the rate of percent per annum, from the said day of, 19_ (insert date of confirmation of assessment), has been paid in full and discharged of record. The real property hereinbefore mentioned and upon which a lien is claimed, is that certain piece or parcel of land lying and being in the (name of city, or city and county) the county of, State of, and particularly described as follows:
TOHOWS.
(Description of property)  Dated this day of , 19 .

### Superintendent of Streets

(Amended by Stats. 1986, Ch. 507, Sec. 1.)

### 5627.

From and after the date of the recording of the notice of lien, all persons shall be deemed to have had notice of the contents thereof. The notice of lien may include claims against one or more separate parcels of property, whether contiguous or not, together with the amount due, respectively, from each such parcel. The statute of limitation shall not run against the right of the city to enforce the payment of the lien. If any such lien is not paid the city may file and maintain an action to foreclose such lien in the same manner and under the same procedure, so far as applicable, as that under which delinquent bonds are foreclosed under this division.

(Added by Stats. 1941, Ch. 79.)

### 5628.

As an alternative method of collection of the amount of the lien, the legislative body, after confirmation of the report of the superintendent of streets, may order the notice of lien to be turned over to the assessor and the tax collector of the city, whereupon it shall be the duty of those officers to add the amount of the assessment to the next regular bill for taxes levied against the lot or parcel of land. If city taxes are collected by the county officials, the notice of lien shall be delivered to the county auditor, who shall enter the amount thereof on the county assessment book opposite the description of the particular property and the amount shall be collected together with all other taxes thereon against the property. The notice of lien shall be delivered to the county auditor before the date fixed by law for the delivery of the assessment book to the county board of equalization.

(Added by Stats. 1941, Ch. 79.)

### 5628.1.

The legislative body shall have the power, in its discretion, to determine that the payment of assessments of one hundred dollars (\$100) or more may be made in annual installments, not to exceed five, and that the payment of assessments so deferred shall bear interest on the unpaid balance at a rate to be determined by the legislative body, not to exceed the rate permitted for bonds by Section 53531 of the Government Code. Interest shall begin to run on the 31st day after the confirmation of the assessments by the legislative body. Determinations of the legislative body shall be expressed by resolution at any time prior to the confirmation of the assessments.

(Amended by Stats. 1986, Ch. 507, Sec. 2.)

### 5629.

Thereafter the amount of the lien shall be collected at the same time and in the same manner as ordinary city taxes are collected, and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale in case of delinquency as provided for ordinary city taxes. All laws applicable to the levy, collection and enforcement of city taxes and county taxes are hereby made applicable to such special assessment taxes. (Added by Stats. 1941, Ch. 79.)

### 5629.1.

If bonds are to be issued to represent the security of the unpaid assessments, upon confirmation of the report by the legislative body the superintendent of streets shall give notice to pay by mail and by publication substantially in the manner provided by Sections 4320 and 4321 of this code. The period for payment in cash stated therein shall be 30 days following the date of confirmation of the report. Upon completion of the cash payment period, the superintendent of streets shall file with the county recorder a certificate substantially in the form set out in Section 5626, giving notice therein that interest is payable at a rate to be fixed upon the sale of bonds, which rate shall not exceed the rate permitted for bonds by Section 53531 of the Government Code, and shall begin to run on the 31st day after the confirmation of the report. Thereafter the provisions of Part 5 (commencing with Section 6400) shall be applicable and payments on assessments at bond shall be made as therein provided. The bonds may be issued and sold as the legislative body directs and may be dated at any time after the expiration of the cash payment period.

(Amended by Stats. 1986, Ch. 507, Sec. 3.)

### 5630.

Whenever the property fronting on a sidewalk required to be maintained and repaired pursuant to the provisions of this chapter lies within one city or unincorporated territory of a county, and the sidewalk required to be so maintained and repaired lies within another city or unincorporated territory of a county, the superintendent of streets of the city or county having jurisdiction over the sidewalk shall have full authority to serve notices to repair and do all work contemplated by Articles 2 and 3 of this chapter, notwithstanding the fact that the property fronting on the sidewalk lies within another city or unincorporated territory of a county. The legislative body of the city or county within which the sidewalk has been repaired pursuant to the provisions of this chapter shall have jurisdiction to levy an assessment to pay the cost of any such sidewalk repairs against the parcel of property fronting on said sidewalk, notwithstanding the fact that said property lies within another city or unincorporated territory of a county and said assessment shall be a lien on said property for the amount thereof until the assessment and all interest thereon is paid or until it is discharged of record.

The provisions of Sections 5628 and 5629 of this code shall be applicable to the collection and enforcement of all liens levied pursuant to the provisions of this section and the amount so collected shall be paid to the treasurer of the city or county as the case may be which conducted the proceedings. (Added by Stats. 1945, Ch. 541.)



February 21, 2023

Maddalena Roland C Exemption Trust 1329 Broad St, San Luis Obispo CA 93401

Subject: Third Notice to Correct Sidewalk adjacent to 3195 South Higuera.

Dear Property Owner:

On October 6, 2021, the City sent an Informal Notice to Repair the Sidewalk adjacent to your property at 3195 South Higuera. A second notice of correction was sent on March 7<sup>th</sup> Please see the enclosed letter for reference. As of the date of this current letter, the City has not received the requested repair plan which is necessary to issue an encroachment permit.

As detailed in previous communications, to mitigate the identified hazard the City will begin the process of repairing the surface structures under the job order contract program. The cost of which will be prevailing wage and all materials to repair the surface structures. In the eventuality that the total cost of repair to the detailed surface structures is not reimbursed to the city by the property owner, city staff will proceed to City Council in September of 2022 for the purpose of filing a lien against the property as detailed in streets and highway code, division 7, chapter 22, sections 5610 - 5618 as detailed in full in the following sections of this letter.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Maddalena Roland C Exemption Trust.

12.16.020 Property owner's responsibility – City Municipal Code
The maintenance, repair and collection of the cost of repair shall be governed by the
procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways
Code of the state. (Prior code § 7330.1)

This sidewalk is considered a dangerous condition and must be mitigated. Please submit the necessary documents to the Public Works Department no later than April 8, 2022, to obtain an Encroachment Permit for the required repairs. Failure to comply with this request, could lead to the City facilitating the repairs through its Job Order Contract (JOC) and invoicing the property owner for the cost of the repairs. Failure to pay for the repair cost would result in a lien being assessed to the property in accordance with the Streets and Highways Code. If the City completes the repairs through the JOC, it shall be noted the total cost of the repairs will include prevailing wage requirements set forth by the Department of Industrial Relations.

I look forward to working with you to resolve this dangerous condition. If you have any questions, please feel free to contact me at jkline@slocity.org.

Sincerely,

Jeff Kline Streets Maintenance Supervisor

Cc: Public Works Administration City Attorney's Office

### Attachments:

- 1. Previous Correspondences (October 6, 2021)
- 2. Sidewalk Photos
- 3. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22
- 4. Sidewalk & Parkway Strip Maintenance, Property Owner Responsibilities.

3195 South Higuera – Sidewalk photos





STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

- **5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.
- 5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.
- **5612.** Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.
- **5613.** The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.
- 5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.
- **5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

**5617.** Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.

# STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 [5000 - 6794]

(Division 7 added by Stats. 1941, Ch. 79.)

PART 3. PERFORMING THE WORK [5100 - 5954]

( Part 3 added by Stats. 1941, Ch. 79. )

CHAPTER 22. Maintenance of Sidewalks [5600 - 5630]

(Chapter 22 added by Stats. 1941, Ch. 79.)

### ARTICLE 3. Collection of Cost of Repair [5625 - 5630]

(Article 3 added by Stats. 1941, Ch. 79.)

5625.

The cost of the repair may be assessed by the legislative body against the parcel of property fronting upon the sidewalk upon which such repair was made, and such cost so assessed, if not paid within five days after its confirmation by the legislative body, shall constitute a special assessment against that parcel of property, and shall be a lien on the property for the amount thereof which lien shall continue until the assessment and all interest thereon is paid, or until it is discharged of record. (Added by Stats. 1941, Ch. 79.)

5626.

The superintendent of streets may file in the office of the county recorder of the county in which the parcel of property is located, a certificate substantially in the following form:

### NOTICE OF LIEN

Pursuant to the authority vested in me by the Improvement Act of 1911, I did, on the day of, 20_, cause the sidewalk, curb, or park or parking strip, bulkheads, retaining walls, or other works (as the case may be) in front of the real property hereinafter described, to be repaired and improved, and the legislative body of said city (county, or city and county) did, on the day of, 20_, by Resolution No assess the cost of such repair upon the real property hereinafter described, and the same has not been paid nor any part thereof, and the said city (county, or city and county), does hereby claim a lien on said real property in the sum of dollars (\$), and the same shall be a lien upon said real property until the said sum, with interest at the rate of percent per annum, from the said day of, 20_ (insert date of confirmation of assessment), has been paid in full and discharged of record. The real property hereinbefore mentioned and upon which a lien is claimed, is that certain piece or parcel of land lying and being in the (name of city, or city and county) the county of, State of, and particularly described as follows:
(Description of property)  Dated this day of, 20

### Superintendent of Streets

(Amended by Stats. 1986, Ch. 507, Sec. 1.)

### 5627.

From and after the date of the recording of the notice of lien, all persons shall be deemed to have had notice of the contents thereof. The notice of lien may include claims against one or more separate parcels of property, whether contiguous or not, together with the amount due, respectively, from each such parcel. The statute of limitation shall not run against the right of the city to enforce the payment of the lien. If any such lien is not paid the city may file and maintain an action to foreclose such lien in the same manner and under the same procedure, so far as applicable, as that under which delinquent bonds are foreclosed under this division.

(Added by Stats. 1941, Ch. 79.)

### 5628.

As an alternative method of collection of the amount of the lien, the legislative body, after confirmation of the report of the superintendent of streets, may order the notice of lien to be turned over to the assessor and the tax collector of the city, whereupon it shall be the duty of those officers to add the amount of the assessment to the next regular bill for taxes levied against the lot or parcel of land. If city taxes are collected by the county officials, the notice of lien shall be delivered to the county auditor, who shall enter the amount thereof on the county assessment book opposite the description of the particular property and the amount shall be collected together with all other taxes thereon against the property. The notice of lien shall be delivered to the county auditor before the date fixed by law for the delivery of the assessment book to the county board of equalization. (Added by Stats. 1941, Ch. 79.)

### 5628.1.

The legislative body shall have the power, in its discretion, to determine that the payment of assessments of one hundred dollars (\$100) or more may be made in annual installments, not to exceed five, and that the payment of assessments so deferred shall bear interest on the unpaid balance at a rate to be determined by the legislative body, not to exceed the rate permitted for bonds by Section 53531 of the Government Code. Interest shall begin to run on the 31st day after the confirmation of the assessments by the legislative body. Determinations of the legislative body shall be expressed by resolution at any time prior to the confirmation of the assessments. (Amended by Stats. 1986, Ch. 507, Sec. 2.)

### 5629.

Thereafter the amount of the lien shall be collected at the same time and in the same manner as ordinary city taxes are collected, and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale in case of delinquency as provided for ordinary city taxes. All laws applicable to the levy, collection and enforcement of city taxes and county taxes are hereby made applicable to such special assessment taxes. (Added by Stats. 1941, Ch. 79.)

### 5629.1.

If bonds are to be issued to represent the security of the unpaid assessments, upon confirmation of the report by the legislative body the superintendent of streets shall give notice to pay by mail and by publication substantially in the manner provided by Sections 4320 and 4321 of this code. The period for payment in cash stated therein shall be 30 days following the date of confirmation of the report. Upon completion of the cash payment period, the superintendent of streets shall file with the county recorder a certificate substantially in the form set out in Section 5626, giving notice therein that interest is payable at a rate to be fixed upon the sale of bonds, which rate shall not exceed the rate permitted for bonds by Section 53531 of the Government Code, and shall begin to run on the 31st day after the confirmation of the report. Thereafter the provisions of Part 5 (commencing with Section 6400) shall be applicable and payments on assessments at bond shall be made as therein provided. The bonds may be issued and sold as the legislative body directs and may be dated at any time after the expiration of the cash payment period.

(Amended by Stats. 1986, Ch. 507, Sec. 3.)

### 5630.

Whenever the property fronting on a sidewalk required to be maintained and repaired pursuant to the provisions of this chapter lies within one city or unincorporated territory of a county, and the sidewalk required to be so maintained and repaired lies within another city or unincorporated territory of a county, the superintendent of streets of the city or county having jurisdiction over the sidewalk shall have full authority to serve notices to repair and do all work contemplated by Articles 2 and 3 of this chapter, notwithstanding the fact that the property fronting on the sidewalk lies within another city or unincorporated territory of a county. The legislative body of the city or county within which the sidewalk has been repaired pursuant to the provisions of this chapter shall have jurisdiction to levy an assessment to pay the cost of any such sidewalk repairs against the parcel of property fronting on said sidewalk, notwithstanding the fact that said property lies within another city or unincorporated territory of a county and said assessment shall be a lien on said property for the amount thereof until the assessment and all interest thereon is paid or until it is discharged of record.

The provisions of Sections 5628 and 5629 of this code shall be applicable to the collection and enforcement of all liens levied pursuant to the provisions of this section and the amount so collected shall be paid to the treasurer of the city or county as the case may be which conducted the proceedings. (Added by Stats. 1945, Ch. 541.)



July 15, 2024

Maddalena Roland C Exemption Trust 1329 Broad St, San Luis Obispo CA 93401

Subject: Notice to Correct Sidewalk adjacent to 3195 South Higuera

Dear Property Owner:

In October of 2021, the City sent you a Notice to Correct the sidewalk adjacent to your property at 3195 South Higuera that has been damaged by trees located on your property. An additional notice was in March of 2022, and you and/or your representative met onsite with City staff to discuss the need to repair the sidewalk to City Standards. As of the dates of this letter, the needed repairs have not been made.

This letter is the third attempt to resolve this matter voluntary. If you fail to complete the repairs voluntarily, the City will facilitate the necessary work through its Job Order Contract (JOC) and invoice you for the cost of the repairs. Please know completing the work will lead to increased project cost due to prevailing wage requirements set forth by the Department of Industrial Relations. An item has been added to October 1, 2024 City Council Agenda to seek authorization for the City to complete the repairs and seek reimbursement. Routing for Council Agenda Reports starts 30 days before the Council meeting.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Maddalena Roland C Exemption Trust.

12.16.020 Property owner's responsibility – City Municipal Code
 The maintenance, repair and collection of the cost of repair shall be
 governed by the procedure set forth in Division 7, Part 3, Chapter 22
 of the Streets and Highways Code of the state. (Prior code § 7330.1)

You must submit a complete Encroachment Permit application for the required repairs to the Public Works Department (919 Palm Street) no later than September 1, 2024. Failure to meet this deadline will result in proceeding with City Council approval to complete the repairs.

I look forward to working with you to resolve this. If you have any questions, please feel free to contact me at gcruce@slocity.org.

Sincerely,

Greg Cruce
Deputy Director - Maintenance Operations

Cc:
Public Works Administration
Streets Maintenance
Address File
City Attorney's Office

### Attachments:

- 1. Previous Correspondences (October 6, 2021)
- 2. Sidewalk Photos
- 3. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22
- 4. Sidewalk & Parkway Strip Maintenance, Property Owner Responsibilities.

3195 South Higuera – Sidewalk photos





STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

- **5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.
- **5611.** When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.
- **5612.** Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.
- **5613.** The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.
- **5614.** The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.
- **5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

5615. If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

**5617.** Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.

### STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 [5000 - 6794]

(Division 7 added by Stats. 1941, Ch. 79.)

PART 3. PERFORMING THE WORK [5100 - 5954]

( Part 3 added by Stats. 1941, Ch. 79. )

CHAPTER 22. Maintenance of Sidewalks [5600 - 5630]

(Chapter 22 added by Stats. 1941, Ch. 79.)

### ARTICLE 3. Collection of Cost of Repair [5625 - 5630]

(Article 3 added by Stats. 1941, Ch. 79.)

5625.

The cost of the repair may be assessed by the legislative body against the parcel of property fronting upon the sidewalk upon which such repair was made, and such cost so assessed, if not paid within five days after its confirmation by the legislative body, shall constitute a special assessment against that parcel of property, and shall be a lien on the property for the amount thereof which lien shall continue until the assessment and all interest thereon is paid, or until it is discharged of record. (Added by Stats. 1941, Ch. 79.)

### 5626.

The superintendent of streets may file in the office of the county recorder of the county in which the parcel of property is located, a certificate substantially in the following form:

NOTICE OF LIEN
Pursuant to the authority vested in me by the Improvement Act of 1911, I did,
on the day of, 19_, cause the sidewalk, curb, or park or parking
strip, bulkheads, retaining walls, or other works (as the case may be) in front of
the real property hereinafter described, to be repaired and improved, and the
legislative body of said city (county, or city and county) did, on the day of
, 19_, by Resolution No assess the cost of such repair upon the real
property hereinafter described, and the same has not been paid nor any part
thereof, and the said city (county, or city and county), does hereby claim a lien
on said real property in the sum of dollars (\$), and the same shall be
a lien upon said real property until the said sum, with interest at the rate of
percent per annum, from the said day of, 19_ (insert date of
confirmation of assessment), has been paid in full and discharged of record.
The real property hereinbefore mentioned and upon which a lien is claimed, is
that certain piece or parcel of land lying and being in the (name of city, or city
and county) the county of, State of, and particularly described as
follows:
(Description of property)
Dated this day of, 19

### Superintendent of Streets

(Amended by Stats. 1986, Ch. 507, Sec. 1.)

### 5627.

From and after the date of the recording of the notice of lien, all persons shall be deemed to have had notice of the contents thereof. The notice of lien may include claims against one or more separate parcels of property, whether contiguous or not, together with the amount due, respectively, from each such parcel. The statute of limitation shall not run against the right of the city to enforce the payment of the lien. If any such lien is not paid the city may file and maintain an action to foreclose such lien in the same manner and under the same procedure, so far as applicable, as that under which delinquent bonds are foreclosed under this division.

(Added by Stats. 1941, Ch. 79.)

### 5628.

As an alternative method of collection of the amount of the lien, the legislative body, after confirmation of the report of the superintendent of streets, may order the notice of lien to be turned over to the assessor and the tax collector of the city, whereupon it shall be the duty of those officers to add the amount of the assessment to the next regular bill for taxes levied against the lot or parcel of land. If city taxes are collected by the county officials, the notice of lien shall be delivered to the county auditor, who shall enter the amount thereof on the county assessment book opposite the description of the particular property and the amount shall be collected together with all other taxes thereon against the property. The notice of lien shall be delivered to the county auditor before the date fixed by law for the delivery of the assessment book to the county board of equalization.

(Added by Stats. 1941, Ch. 79.)

### 5628.1.

The legislative body shall have the power, in its discretion, to determine that the payment of assessments of one hundred dollars (\$100) or more may be made in annual installments, not to exceed five, and that the payment of assessments so deferred shall bear interest on the unpaid balance at a rate to be determined by the legislative body, not to exceed the rate permitted for bonds by Section 53531 of the Government Code. Interest shall begin to run on the 31st day after the confirmation of the assessments by the legislative body. Determinations of the legislative body shall be expressed by resolution at any time prior to the confirmation of the assessments. (Amended by Stats. 1986, Ch. 507, Sec. 2.)

### 5629.

Thereafter the amount of the lien shall be collected at the same time and in the same manner as ordinary city taxes are collected, and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale in case of delinquency as provided for ordinary city taxes. All laws applicable to the levy, collection and enforcement of city taxes and county taxes are hereby made applicable to such special assessment taxes. (Added by Stats. 1941, Ch. 79.)

### 5629.1.

If bonds are to be issued to represent the security of the unpaid assessments. upon confirmation of the report by the legislative body the superintendent of streets shall give notice to pay by mail and by publication substantially in the manner provided by Sections 4320 and 4321 of this code. The period for payment in cash stated therein shall be 30 days following the date of confirmation of the report. Upon completion of the cash payment period, the superintendent of streets shall file with the county recorder a certificate substantially in the form set out in Section 5626, giving notice therein that interest is payable at a rate to be fixed upon the sale of bonds, which rate shall not exceed the rate permitted for bonds by Section 53531 of the Government Code, and shall begin to run on the 31st day after the confirmation of the report. Thereafter the provisions of Part 5 (commencing with Section 6400) shall be applicable and payments on assessments at bond shall be made as therein provided. The bonds may be issued and sold as the legislative body directs and may be dated at any time after the expiration of the cash payment period.

(Amended by Stats. 1986, Ch. 507, Sec. 3.)

### 5630.

Whenever the property fronting on a sidewalk required to be maintained and repaired pursuant to the provisions of this chapter lies within one city or unincorporated territory of a county, and the sidewalk required to be so maintained and repaired lies within another city or unincorporated territory of a county, the superintendent of streets of the city or county having jurisdiction over the sidewalk shall have full authority to serve notices to repair and do all work contemplated by Articles 2 and 3 of this chapter, notwithstanding the fact that the property fronting on the sidewalk lies within another city or unincorporated territory of a county. The legislative body of the city or county within which the sidewalk has been repaired pursuant to the provisions of this chapter shall have jurisdiction to levy an assessment to pay the cost of any such sidewalk repairs against the parcel of property fronting on said sidewalk, notwithstanding the fact that said property lies within another city or unincorporated territory of a county and said assessment shall be a lien on said property for the amount thereof until the assessment and all interest thereon is paid or until it is discharged of record.

The provisions of Sections 5628 and 5629 of this code shall be applicable to the collection and enforcement of all liens levied pursuant to the provisions of this section and the amount so collected shall be paid to the treasurer of the city or county as the case may be which conducted the proceedings. (Added by Stats. 1945, Ch. 541.)

From:

Cruce, Grea

Sent:

Monday, December 2, 2024 10:21 AM

To:

Cc:

Stephenson, Nemo; Gault, Walter

Subject:

RE: 3195 South Higuera

Good morning, Terry,

I received your voicemail indicating your client was working on the tree removal application. I checked with the City Arborist and verified it has not been submitted yet. Please update with this timeline and the encroachment permit timeline.

Thank you,

## **Greg Cruce**

Deputy Director - Maintenance Operations Public Works Department 805.781.7264 gcruce@slocity.org

From: Cruce, Greg

Sent: Wednesday, November 13, 2024 12:58 PM

To:

Cc: Stephenson, Nemo <nstephenson@slocity.org>

Subject: RE: 3195 South Higuera

Terry,

Can you please update me on the status. If I don't hear back from you by 11/22/2024, I'll be posting the property and putting back on the Council schedule for repairs to be made by the City, per the Streets and Highways Code.

Thanks,

## **Greg Cruce**

Deputy Director - Maintenance Operations Public Works Department 805.781.7264 gcruce@slocity.org

From: Cruce, Greg

Sent: Tuesday, October 29, 2024 9:23 AM

To: \_\_\_\_\_

Subject: RE: 3195 South Higuera

Good morning, Terry,

I wanted to check on the status of the encroachment permit. Please update me on the timeline.

Thanks,

# **Greg Cruce**

Deputy Director - Maintenance Operations
Public Works Department
805.781.7264
gcruce@slocity.org

From: I

Sent: Monday, September 30, 2024 9:59 AM

To: pterryschubert@gmail.com; Cruce, Greg <gcruce@slocity.org>

Subject: Re: 3195 South Higuera

This message is from an External Source. I	Use caution when deciding to open attachments, click links, o	or respond
--	---	------------

Greg.

Received, hank you.

Terry

P. Terence Schubert, Esq. 1254 Marsh Street San Luis Obispo. California 93401

On Friday, September 27, 2024 at 02:06:56 PM PDT, Cruce, Greg <gcruce@slocity.org> wrote:

Heilo Terry,

Thank you again for your call today regarding the sidewalk repair and tree removal at 3195 S. Higuera. Below are links to the necessary permits for the tree removals and encroachment permit.

## Tree Removal Application

## **Encroachment Permit**

Again, this item is scheduled to be heard by Council on 2/4/2025, so work will need to start by 1/4/2025 so it can be pulled from the agenda. Please let me know if you have any questions.

Thanks,

# **Greg Cruce**

Deputy Director - Maintenance Operations



Public Works Maintenance Operations 990 Palm Street, San Luis Obispo, CA 93401-3249

E gcruce@slocity.org T 805.781.7264

slocity.org



Stay connected with the City by signing up for e-notifications

From: <u>Cruce, Greg</u>

To:

Cc: Stephenson, Nemo; Gault, Walter
Subject: RE: 3195 South Higuera

**Date:** Monday, December 2, 2024 10:20:00 AM

Attachments: <u>image001.pnq</u>

image002.png image003.png image004.png image005.png image006.png

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From:
Sent: Monday, September 30, 2024 9:59 AM
To:; Cruce, Greg < <u>gcruce@slocity.org</u> >
Subject: Re: 3195 South Higuera
This message is from an <b>External Source</b> . Use caution when deciding to open attachments, click links, or respond.
Greg,
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Terry
P. Terence Schubert, Esq.
1254 Marsh Street
San Luis Obispo, California 93401

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Thanks,

## **Greg Cruce**

Deputy Director - Maintenance Operations

City of San Luis Obispo



Public Works

Maintenance Operations

990 Palm Street, San Luis Obispo, CA 93401-3249

E gcruce@slocity.org

**T** 805.781.7264

slocity.org







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#### **SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

moddalena koland 1329 broad Street San wisobismo, on, 93401

9590 9402 8995 4122 4043 98

2. Article Number (Transfer from service label)

7019 2280 0000 <del>9</del>913 7359

# COMPLETE THIS SECTION ON DELIVERY

A. Signature

X \_

☐ Agent
☐ Addressee
C. Date of Delivery

B. Received by (Printed Name)

П No

D. Is delivery address different from item 1?
 If YES, enter delivery address below:

- 3. Service Type
- □ Adult Signature
   □ Adult Signature Restricted Delivery
- Certified Mail®
  Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- Insured Mail
  Insured Mail Restricted Delivery
  fover \$500)

- ☐ Priority Mail Express®
  ☐ Registered Mail™
- ☐ Registered Mall Restricted
  Delivery
- ☐ Signature Confirmation™
  ☐ Signature Confirmation
  - Restricted Delivery

Paget405rof6555

PS Form 3811, July 2020 PSN 7530-02-000-9053



First-Class Mail Postage & Fees Paid USPS Permit No. G-10

9590 9402 8995 4122 4043 98

# United States Postal Service

Sender: Please print your name, address, and ZIP+4° in this box

# City of San Luis Obispo Public Works

25 Prado Road San Luis Obispo, CA, 93401

Nehemiah stephenson

1-791425

Page 406 of 555

# **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

Replacement of Driveway and sidewalk, creating ada compliance.

		T	ask Order Details
Location	Work Order No.	Nearest Address	Description
1	WORK Urger No.	1543 Morro & 878 Islay	Driveway Replacement
	Estimated Costs		Description of Project:

00		,		
*Total	\$	27,618.28		
*For cost in excess of \$10	0,000	attach City Mana	ager Report approving pur	chase.

22,908.75

106.48

4,603.05

Unit Price Work \$

Asphalt Material \$ Extra Work \$ Contingency \$

	Unit Price	Contract W	ork			_				
Itom N-	Item Description	Unit of		Unit Price	Estimated	Es	timated	Actual	Final	Cost
Item No.	·	Measure			Quantity	,	Cost	Quantity		
	Edge Grind	SQFT	\$	10.25		\$	-		\$	-
	1.75" Thin Maintenance Overlay	SQFT	\$	13.33		\$	-		\$ \$	-
	2" AC Grind & AC Overlay-1/2" Aggregate	SQFT		41.00			-			-
	6" AC Payement - Excavation & Restoration	SQFT	\$	9.23		\$	-		\$	-
6CCO1	10" AC Pavement - Excavation & Restoration	SQFT SQFT	\$	13.33 29.73	50	\$	1,486.25		\$ \$	-
	8" PCC with 3" max AC Cap - Excavation & Restoration		\$ \$	87.13	50	\$	1,460.25		\$	
7CCO1		TON	\$			\$	-		\$	-
	Trench Backfill Sand	TON		76.88			-			-
	AC Dike - Caltrans A87B	LF	\$ \$	23.58		\$ \$	-		\$ \$	-
	Pavement Reinforcing Fabric	SQYD		71.75			-			-
	Geo Textile Grid	SQYD	\$	51.25		\$	-		\$	-
	Fog Seal	SQYD	\$	25.63		\$	-		\$	-
	Pavement Marking-Caltrans A24	SQFT	\$	18.45		\$	-		\$	-
	12" White Line Limit Line	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe-Caltrans A20A Detail 1	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20B Detail 22	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 29	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 38	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$	-		\$	-
	Reflective Pavement Marker-All Types	EA	\$	35.88		\$	-		\$	-
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$	-		\$	-
	Bike Lane Buffer	LF	\$	30.75		\$	-		\$	-
	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$	-		\$	-
	Remove Traffic Stripe	LF	\$	15.38		\$	-		\$	-
	Remove Pavement Marking	SQFT	\$	15.38		\$	-		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area Under 60 SQFT)	SQFT	\$	71.75		\$	-		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT	\$	61.50	100	\$	6,150.00		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT)	SQFT	\$	51.25		\$	-		\$	-
	Remove & Replace Curb and Gutter - Std. 4030	LF	\$	92.25		\$	-		\$	-
	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$	-		\$	-
	Remove & Replace Cross Gutter - Std. 4310	SQFT	\$	205.00		\$	-		\$	-
	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	300		10,762.50		\$	-
	Mission Style PCC Coloring and Salt Finish	SQFT	\$	6.15		\$	-		\$	-
	Mission Style Tile Installation per Std. 4220	LF	\$	71.75		\$	-		\$	-
	Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$	-		\$	-
	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$	-		\$	-
	Repaint Curb	LF	\$	6.15					\$	-
	Furnish & Install Metal Post - Std. 7210	EA	\$	666.25		\$	-		\$	-
	Furnish & Install Metal Post - Std. 7215	EA	\$	717.50		\$	-		\$	-
44CCO1	Furnish and Install Sign	EA	\$	512.50		\$	-		\$	-
45CCO1	Reconstruct Guardrail - Caltrans A77A1	LF	\$	512.50		\$	-		\$	-
46CCO1	Furnish and Install Tree Well - Std. 8130, 4'x4'	EA	\$	5,125.00		\$	-		\$	-
47CCO1	Furnish and Install Tree Well - Std. 8130, 5'x5'	EA	\$	5,945.00		\$	-		\$	-
48CCO1	Furnish and Install Tree Well - Std. 8130, 6'x6'	EA	\$	7,175.00		\$	-		\$	-
49CCO1	Enlarge Tree Grate Opening	EA	\$	256.25		\$	-		\$	-
50CCO1	Catch Basin - Std. 3350	EA	\$	15,375.00		\$	-		\$	-
51CCO1	Catch Basin - Std. 3355	EA	\$	18,450.00		\$	-		\$	-
52CCO1	Catch Basin - Std. 3355A	EA	\$	12,300.00		\$	-		\$	-
53CCO1	Catch Basin - Std. 3360	EA	\$	18,450.00		\$	-		\$	-
54CCO1	Adjust Utility Cover - Std. 6040	EA	\$	768.75		\$	-		\$	-
	Manhole Frame and Cover Replacement - Std. 6040	EA	\$	2,562.50		\$	-		\$	-
56CCO1	Manhole Replacement - Std. 3530 or 6610	EA	\$	13,325.00		\$	-		\$	-
57CCO1	Manhole Coating	EA	\$	30,750.00		\$	-		\$	-
58CCO1	Construct Well / Cleanout - G5 - Std. 6710	EA	\$	1,230.00		\$	-		\$	-
59CCO1	Potholing (Depth - 0' to 4')	EA	\$	666.25		\$	-		\$	-
60CCO1	Potholing (Depth - 4' to 8')	EA	\$	973.75		\$	-		\$	-
61CCO1	Potholing (Depth - 8'+)	EA	\$	1,332.50		\$	-		\$	-
62CCO1	Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF	\$	205.00		\$	-		\$	-
63CCO1	Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Required	LF	\$	410.00		\$	-		\$	-
64CCO1	Pipe Excavation & Restoration (Depth - 8.5'+) Shoring Required	LF	\$	666.25		\$	-		\$	-
65CCO1	Traffic Control - Eng. Std. Appendix G – Fig A	HR	\$	133.25		\$	-		\$	-
66CCO1	Traffic Control - Eng. Std. Appendix G – Fig B	HR	\$	256.25		\$	-		\$	-
67CCO1	Traffic Control - Eng. Std. Appendix G – Fig C	HR	\$	205.00		\$	-		\$	-
68CCO1	Traffic Control - Eng. Std. Appendix G – Fig D	HR	\$	256.25		\$	-		\$	-
69CCO1	Traffic Control - Eng. Std. Appendix G – Fig E	HR	\$	153.75		\$	-		\$	-
70CCO1	Traffic Control - Eng. Std. Appendix G – Fig F	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig G	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig H	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig I	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig J	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig K	HR	\$	169.13		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig M	HR	\$	133.25		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig N	HR	\$	256.25		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig O	HR	\$	287.00		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig P	HR	\$	102.50	8	\$	820.00		\$	_
300001	Traine Control Eng. Sta. Appendix 0 - Fig r	1111	ب	102.50	0	7	020.00		4	-

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 22,908.75	Actual Cost	\$ -

Estimate		Asphalt Cond	rete Materi	al								
Estimate				Tons	Unit	Price		Cost	15%	Markup	Sit	e Total
				0.93	\$	100.00	\$	92.59	\$	13.89	\$	106.48
									Estima	ate Total	\$	106.48
Actual		Ticket Number and Plant		Tons	Unit	Price		Cost	15%	Markup	Tick	et Total
1234 Plant	t			10110	\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$		\$	-	\$	-
1234 Plant	t				\$	-	\$		\$	-	\$	-
1234 Plant	t				\$	-	\$		\$	-	\$	-
									Actu	ial Total	\$	-
		Extra	Work									
Estimate												
Est. No.		Location				Ta	isk					Cost
111	Location X		I	Install A							\$	-
222	Location Y		I	Install B							\$	-
								Е	stimat	ed Total	Ś	_
Actual												
EW No.		Location				Ta	sk					Cost
111a	Location X		I	Install A							\$	-
222b	Location Y		ı	Install B							\$	-
									Act	ual Total	\$	-

														Tas	Order - Pa	ving Estimate	2							
				Т	П	П							Ι	Edge		Adjust	-							
	Work			No.								AC Depth		Grind	Reinforcing	Utility						Traffic Control		
Location	Order	Address	Description	Patches	L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)		(in)		(SF)	Fabric (SY)	Cover (EA)	Tons of AC	Adjusted	Striping Detail	(ft/SF/EA)	#1	#2	Hours	Notes
1		1543 Morro	Pave Out		25	2					50.0		Yes											
			•									1.75							Fog Seal		М	inor		
												2							A24		1	A		
												6							12" White Line			В		
												10							1			С		
											50.0								2			D		
																			8			E		
																			9			F		
																			22			G		
																			29			Н		
																			38			I .		
																			39			j		
																			39A			K		-
																			Markers		1	 I		
																			Crosswalk			M		1
																			Bike Lane Buffer		-	N		
																			Green Bike Lane Coating		1	0		
																						P		
																			Remove Traffic Stripe			F		1
																			Remove Marking		I			

	Task Order - Concrete Estimate																								
							Tree Well Length	Tree Well Width	Number	Other	Other			Mission				Cross			Metal Sign				
	Work			No.	Length	Width	(Deduction)	(Deduction)		(Deduction)		Area			Curb and		Truncated		Driveway		Posts and Sign				
Location	Order	Address	Description	Patches	L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	Wells	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(ft <sup>2</sup> )	Style	(ft)	Gutter (ft)	(SF)	Domes (SF)	(SF)	Ramp (SF)	Curb (ft)	(EA)	Traffic Control	Hours	Notes	Cover Page Description
1		1543 Morro Street	Driveway Replacement		10	10						100.0							300			Minor	48		
																						P	8		
								Replacement Tr	ee Wells	_		100.0	Regular						300			Minor	48		
								4'					Mission									A			
								5'														В			
								6'		]												C			
								Enlarge		1												D			
								•		-												E			
																								7	



February 10, 2025

ED SOMMERS 3111 FLANNERY RD SAN PABLO, CA,94806

Subject: Second Informal Notice to Repair Sidewalk – 878 Islay Street, San Luis Obispo

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property located at 878 Islay Street in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/17/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Nan 5x

**Public Works Department** 

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

**Highways Code** 

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

# Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

# When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="https://www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1.14.13

City of San Luis Obispo 25 Prado Road San Luis Obispo, CA 93401



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

# What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

## Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they may also be found liable if it is determined that their negligence caused someone to be harmed.

# When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

# What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

# Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

# Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24,010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24.120 and 12.24,150 of the Municipal Code.

# What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep-watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

# If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



August 19th, 2024

Attention: Owner of 878 Islay St, San Luis Obispo, CA 3111 FLANNERY RD SAN PABLO, CA, 94806

Subject: Notice to Correct Sidewalk adjacent to 878 Islay St APN: 003-538-015

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property at 878 Islay in the City of San Luis Obispo must be repaired. This section of sidewalk at 878 Islay St. is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Maddalena Roland C Exemption Trust.

12.16.020 Property owner's responsibility – City Municipal Code
 The maintenance, repair and collection of the cost of repair shall be
 governed by the procedure set forth in Division 7, Part 3, Chapter 22
 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.
- Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Nemo Stephenson Maintenance Superintendent Nstephenson@slocity.org 805-783-7813

Cc:

Public Works Administration Streets Maintenance

#### Attachments:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22
- 2. Sidewalk Photos
- 3. Sidewalk & Parkway Strip Maintenance, Property Owner Responsibilities.

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK

# CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

**5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

<u>5612.</u> Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

5613. The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

**5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

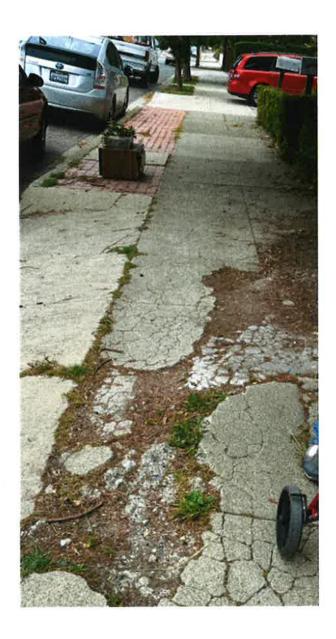
<u>5615.</u> If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the

last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.



From:
-------

edandm <edandm@comcast.net> Monday, October 21, 2024 10:07 AM

Sent:

Monday, October 21, Cruce, Greg

To: Subject:

RE: 878 Islay

This message is from an External Source. Use caution when deciding to open attachments, click links, or respond.

Thank you. I'll ask next door for the property manager name and get it to you. Thanks again. Ed somers.

Sent from my Galaxy

----- Original message -----

From: "Cruce, Greg" <gcruce@slocity.org>

Date: 10/21/24 9:20 AM (GMT-08:00)

To: edandm@comcast.net

Cc: "Stephenson, Nemo" <nstephenson@slocity.org>, "Weidler, Hayley" <hweidler@slocity.org>

Subject: 878 Islay

Hello Ed.

Thank you for meeting me and Nemo Stephenson on-site last week to discuss the sidewalk condition at 878 Islay. I've attached the Informal Notice to Correct for the deteriorated sidewalk. Attached is the original notice that was sent and returned. Please keep me posted on your timeline after you speak to your relative and have a better on funding. We did reach out to California West regarding the adjacent property, and they do not manage this property. Once we find the property owner, we'll do our best to connect you folks to potentially teaming up on the repairs to reduce cost.

Please let me know if you have any questions.

Thanks,

**Greg Cruce** 

Deputy Director - Maintenance Operations

x	

Public Works
Maintenance Operations
990 Palm Street, San Luis Obispo, CA 93401-3249
E gcruce@slocity.org
T 805.781.7264

slocity.org

×××××

Stay connected with the City by signing up for e-notifications

From: edandm
To: Cruce, Greg

**Subject:** Greg. Good morning. I have not been able to raise the money to fix the sidewalk in front of 878 Islay. You

should probably start formal procedures . I think the city assigns the work to a contractor and the cost is put on

my property tax bill.

**Date:** Monday, November 18, 2024 9:52:53 AM

This message is from an **External Source**. Use caution when deciding to open attachments, click links, or respond.

I'm sorry I don't yet have the name of next doors magement Co. I have not seen my neighbor lately.

Sorry to drop extra work on you.

Thank you for your consideration of my circumstances.

Can you send any mail notifications to my 3111 Flannery rd. San Pablo 94806

Address and my 878 Islay st. SLO 93401 address.

Thank you,

Edward M. Somers jr.

Sent from my Galaxy

# **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number: 1000199
Task Order No:

Replacement of Driveway and sidewalk, creating ada compliance.

		T	ask Order Details	
Location	Work Order No.	Nearest Address	Description	
Location 1				
	Estimated Costs		Description of Project:	

Unit Price Work	\$ 17,578.75
Asphalt Material	\$ -
Extra Work	\$ -
Contingency	\$ 3,515.75
*Total	\$ 21,094.50

<sup>\*</sup>For cost in excess of \$100,000 attach City Manager Report approving purchase.

•	Unit Pric	e Contract We	ork							
Item No.	Item Description	Unit of		Unit Price	Estimated	E	stimated	Actual	Final	l Cost
	Edge Grind	Measure SQFT	\$	10.25	Quantity	\$	Cost	Quantity	\$	
	1.75" Thin Maintenance Overlay	SQFT	\$	13.33		\$	-		\$	-
	2" AC Grind & AC Overlay-1/2" Aggregate	SQFT	\$	41.00		\$	-		\$	-
	6" AC Pavement - Excavation & Restoration	SQFT	\$	9.23		\$	-		\$	-
5CCO1	10" AC Pavement - Excavation & Restoration	SQFT	\$	13.33		\$	-		\$	-
6CCO1	8" PCC with 3" max AC Cap - Excavation & Restoration	SQFT	\$	29.73		\$	-		\$	-
7CCO1	Class II Aggregate	TON	\$	87.13		\$	-		\$	-
8CCO1	Trench Backfill Sand	TON	\$	76.88		\$	-		\$	-
		LF	\$	23.58		\$	-		\$	-
	Pavement Reinforcing Fabric	SQYD	\$	71.75		\$	-		\$	-
	Geo Textile Grid	SQYD	\$	51.25		\$	-		\$	-
	Fog Seal	SQYD	\$	25.63		\$	-		\$	-
	Pavement Marking-Caltrans A24 12" White Line Limit Line	SQFT LF	\$ \$	18.45 20.50		\$	-		\$ \$	
	Traffic Stripe-Caltrans A20A Detail 1	LF	\$	20.50		\$			\$	-
	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$	_		\$	_
	Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$	-		\$	_
	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20B Detail 22	LF	\$	23.58		\$	-		\$	-
20CCO1	Traffic Stripe - Caltrans A20D Detail 29	LF	\$	23.58		\$	-		\$	-
21CCO1	Traffic Stripe - Caltrans A20D Detail 38	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$	-		\$	-
	Reflective Pavement Marker-All Types	EA	\$	35.88		\$	-		\$	-
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$	-		\$	-
	Bike Lane Buffer	LF	\$	30.75		\$	-		\$	-
	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$	-		\$	-
	Remove Traffic Stripe Remove Pavement Marking	LF	\$	15.38		\$	-		\$	-
30CCO1		SQFT SQFT	\$ \$	15.38 71.75	50	\$	3,587.50		\$ \$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT	\$	61.50	30	\$	3,367.30		\$	
	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT)	SQFT	\$	51.25		\$	_		\$	_
	Remove & Replace Curb and Gutter - Std. 4030	LF	\$	92.25		\$	-		\$	_
	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$	-		\$	-
35CCO1	•	SQFT	\$	205.00		\$	-		\$	-
36CCO1	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	150	\$	5,381.25		\$	-
37CCO1	Mission Style PCC Coloring and Salt Finish	SQFT	\$	6.15		\$	-		\$	-
38CCO1	Mission Style Tile Installation per Std. 4220	LF	\$	71.75		\$	-		\$	-
	Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$	-		\$	-
	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$	-		\$	-
	Repaint Curb	LF	\$	6.15					\$	-
	Furnish & Install Metal Post - Std. 7210	EA EA	\$ \$	666.25 717.50		\$	-		\$ \$	-
	Furnish & Install Metal Post - Std. 7215 Furnish and Install Sign	EA	\$	512.50		\$	-		\$	
	Reconstruct Guardrail - Caltrans A77A1	LF	\$	512.50		\$			\$	-
	Furnish and Install Tree Well - Std. 8130, 4'x4'	EA	\$	5,125.00		\$	_		\$	_
	Furnish and Install Tree Well - Std. 8130, 5'x5'	EA	\$	5,945.00		\$	-		\$	_
	Furnish and Install Tree Well - Std. 8130, 6'x6'	EA	\$	7,175.00		\$	-		\$	-
49CCO1	Enlarge Tree Grate Opening	EA	\$	256.25		\$	-		\$	-
50CCO1	Catch Basin - Std. 3350	EA	\$	15,375.00		\$	-		\$	-
51CCO1	Catch Basin - Std. 3355	EA	\$	18,450.00		\$	-		\$	-
	Catch Basin - Std. 3355A	EA		12,300.00		\$	-		\$	-
	Catch Basin - Std. 3360	EA	\$	18,450.00		\$	-		\$	-
	Adjust Utility Cover - Std. 6040	EA	\$	768.75		\$	-		\$	-
	Manhole Frame and Cover Replacement - Std. 6040	EA	\$	2,562.50		\$	-		\$	-
	Manhole Replacement - Std. 3530 or 6610	EA		13,325.00		\$	-		\$	-
	Manhole Coating	EA EA		30,750.00		\$	-		\$ \$	-
	Construct Well / Cleanout - G5 - Std. 6710 Potholing (Depth - 0' to 4')	EA EA	\$	1,230.00 666.25		\$	-		\$	-
	Potholing (Depth - 4' to 8')	EA	\$	973.75		\$	-		\$	-
	Potholing (Depth - 4' to 8')	EA	\$	1,332.50		\$	-		\$	_
	Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF	\$	205.00		\$	-		\$	_
	Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Required		\$	410.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 8.5'+) Shoring Required	LF	\$	666.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig A	HR	\$	133.25		\$	-		\$	-
66CCO1	Traffic Control - Eng. Std. Appendix G – Fig B	HR	\$	256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig C	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig D	HR	\$	256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig E	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig F	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig G	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig H	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G - Fig I	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig J Traffic Control - Eng. Std. Appendix G – Fig K	HR HR	\$ \$	205.00 169.13		\$	-		\$ \$	-
	Traffic Control - Eng. Std. Appendix G – Fig K Traffic Control - Eng. Std. Appendix G – Fig L	HR HR	\$	169.13 358.75		\$	-		\$	-
100001	- · · · · -	HR	\$	133.25		\$	-		\$	_
77CCO1	Traffic Control - Eng. Std. Annendix G — Fig. M									
	Traffic Control - Eng. Std. Appendix G – Fig M Traffic Control - Eng. Std. Appendix G – Fig N	HR					-			-
78CCO1	Traffic Control - Eng. Std. Appendix G – Fig M  Traffic Control - Eng. Std. Appendix G – Fig N  Traffic Control - Eng. Std. Appendix G – Fig O		\$	256.25 287.00		\$ \$	-		\$	-

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 17,578.75	Actual Cost	\$ -

Estimate		Asphalt Co	ncrete Mater	ial								
Estimate				Tons	U	nit Price		Cost	15% [	Markup	Site	e Total
					\$	100.00	\$	-	\$	-	\$	-
									Estima	te Total	\$	-
Actual		Ticket Number and Plant		Tons	U	nit Price		Cost	15% [	Markup	Tick	et Total
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
									Actua	al Total	\$	-
		Ext	ra Work									
Estimate												
Est. No.		Location				T	ask					Cost
111	Location X			Install A							\$	-
222	Location Y			Install B							\$	-
									Estimate	d Total	\$	-
Actual												
EW No.		Location				T	ask				(	Cost
111a	Location X			Install A							\$	-
222b	Location Y			Install B							\$	-
									Actu	al Total	\$	-

														Tasl	k Order - Pav	ving Estimat	e							
				T			T							Edge		Adjust								
	Work			No.							Area	AC Depth		Grind	Reinforcing	Utility					Traffic Control			
Location	Order	Address	Description	Patches	L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(SF)	(in)	PCC/AC	(SF)	Fabric (SY)	Cover (EA)	Tons of AC		Striping Detail	(ft/SF/EA)	#1	#2	Hours	Notes
1		859 Mission Street	Pave Out		25	2					50.0	6					1.9	2.1						
												1.75						2.1	Fog Seal		M	inor		
												2							A24		1	A		
											50.0	6							12" White Line		1	В		
												10							1		_	С		
												PCC/AC							2		_	D		
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																			Markers			L		
																			Crosswalk		]	М		
																			Bike Lane Buffer			N		
																			Green Bike Lane Coating			0		
																			Remove Traffic Stripe			P		
																			Remove Marking					
																					-			

													Task (	Order - Cond	rete Estimate	:				
					Total	Total	Tree Well Length			Other	Other			Mission				Cross		
	Work			No.	Length	Width	(Deduction)			(Deduction)	(Deduction)	Area		Style Tile	Curb and	Curb Ramp		Gutter	Driveway	Repaint
Location	Order	Address	Description	Patches		W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	Tree Wells	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(ft²)	Style	(ft)	Gutter (ft)	(SF)	Domes (SF)	(SF)	Ramp (SF)	Curb (ft)
1		859 Mission Street	Driveway Replacement	1	10	5						50.0							150	
	Replacement Tree Wells										50.0	Regular						150		
								. 41		1			Mississ							

Enlarge

Metal Sign				
Posts and Sign				
(EA)	Traffic Control		Notes	Cover Page Description
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	Р	48		
	Minor	40		

Minor 48

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919 Palm Street, San Luis Obispo. CA 93401-3218 805,781,7200 slocity.org

February 10, 2025

Eric Michaels 1221 Avenue of Americas New York, NY 10020

Subject: Second Informal Notice to Repair Sidewalk – 859 Mission Street, San Luis Obispo

**Dear Property Owner:** 

The sidewalk and driveway apron adjacent to your property located at 859 Mission Street in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/17/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Nan SK

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

## Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

### When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="https://www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1.14.13

City of San Luis Obispo 25 Prado Road San Luis Obispo, CA 9340



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

### What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they may also be found liable if it is determined that their negligence caused someone to be harmed.

### When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

### What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

### Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

## Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24.010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24.120 and 12.24.150 of the Municipal Code.

## What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep- watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

## If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



October 17, 2023

Eric Michaels 1221 Avenue of Americas New York, NY 10020

Subject: Notice to Correct Sidewalk & Driveway Apron

APN: 001-105-007

Dear Property Owner,

The sidewalk and driveway apron adjacent to your property at 859 Mission St. in the City of San Luis Obispo must be repaired. This is the section of sidewalk at 859 Mission St., and the neighboring driveway apron at 859 Mission St. is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter, and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Eric Michaels

12.16.020 Property owner's responsibility – City Municipal Code

The maintenance, repair, and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.

• Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Aaron Anderson
Acting Streets Maintenance Supervisor
aanderso@slocity.org 805-781-4043

#### Attachments:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22, Article 2
- 2. Photos
- 3. Sidewalk & Parkway Strip Maintenance brochure

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

**5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

**5612.** Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

5613. The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

<u>5614.1.</u> The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

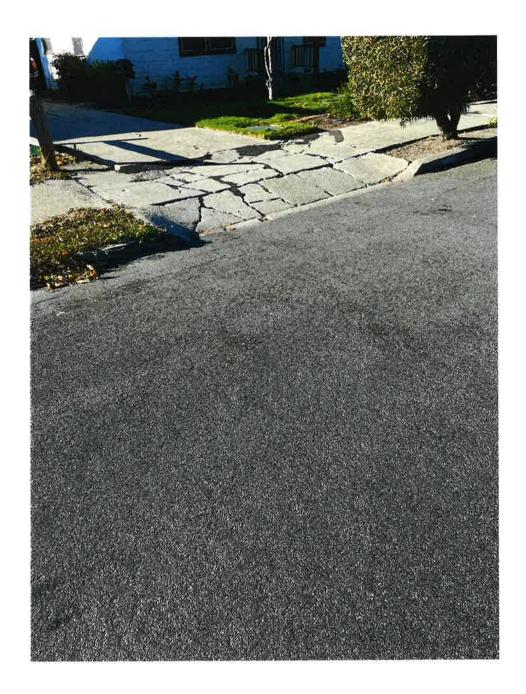
**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

<u>5616.</u> Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

<u>5618.</u> Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of

the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.



### **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

		Task	Order Details	
Location	Work Order No.	Nearest Address		Description
1		7 & 875 Mission	Driveway Replacement	

Estimate	d Costs	
Unit Price Work	\$	18,552.50
Asphalt Material	\$	106.48
Extra Work	\$	-
Contingency	\$	3,731.80
*Total	\$	22,390.78

Description of Project:
Replacement of Driveway and sidewalk, creating ada compliance.

<sup>\*</sup>For cost in excess of \$100,000 attach City Manager Report approving purchase.

	Unit Price	e Contract Wo	ork							-
Itam No	Item Description	Unit of		Unit Price	Estimated	E	stimated	Actual	Fina	l Cost
1CCO1	Edge Grind	Measure SQFT	\$	10.25	Quantity	\$	Cost	Quantity	\$	_
	1.75" Thin Maintenance Overlay	SQFT	\$	13.33		\$			\$	
		SQFT	\$	41.00		\$			\$	-
	6" AC Pavement - Excavation & Restoration	SQFT	\$	9.23		\$	-		\$	_
5CCO1	10" AC Pavement - Excavation & Restoration	SQFT	\$	13.33		\$	-		\$	-
6CCO1	8" PCC with 3" max AC Cap - Excavation & Restoration	SQFT	\$	29.73	50	\$	1,486.25		\$	-
7CCO1	Class II Aggregate	TON	\$	87.13		\$	-		\$	-
8CCO1	Trench Backfill Sand	TON	\$	76.88		\$	-		\$	-
9CCO1	AC Dike - Caltrans A87B	LF	\$	23.58		\$	-		\$	-
	Pavement Reinforcing Fabric	SQYD	\$	71.75		\$	-		\$	-
	Geo Textile Grid	SQYD	\$	51.25		\$	-		\$	-
	Fog Seal	SQYD	\$	25.63		\$	-		\$	-
	Pavement Marking-Caltrans A24	SQFT	\$	18.45		\$	-		\$	-
	12" White Line Limit Line Traffic Stripe-Caltrans A20A Detail 1	LF LF	\$ \$	20.50 20.50		\$ \$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$			\$	
	Traffic Stripe - Caltrans A20A Detail 2  Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$	-		\$	_
	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$	-		\$	_
	Traffic Stripe - Caltrans A20B Detail 22	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 29	LF	\$	23.58		\$	-		\$	-
21CCO1	Traffic Stripe - Caltrans A20D Detail 38	LF	\$	23.58		\$	-		\$	-
22CCO1	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$	-		\$	-
23CCO1	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$	-		\$	-
	Reflective Pavement Marker-All Types	EA	\$	35.88		\$	-		\$	-
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$	-		\$	-
	Bike Lane Buffer	LF	\$	30.75		\$	-		\$	-
	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$	-		\$	-
28CCO1	•	LF	\$	15.38		\$	-		\$	-
	Remove Pavement Marking	SQFT	\$	15.38	50	\$	2 507 50		\$	-
30CCO1	Remove & Replace Sidewalk - Std. 4110 (Area Under 60 SQFT) Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT SQFT	\$ \$	71.75 61.50	50	\$ \$	3,587.50		\$ \$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT)	SQFT	\$	51.25		\$			\$	_
	Remove & Replace Curb and Gutter - Std. 4030	LF	\$	92.25		\$	_		\$	_
	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$	-		\$	_
35CCO1		SQFT	\$	205.00		\$	-		\$	-
36CCO1	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	250	\$	8,968.75		\$	-
37CCO1	Mission Style PCC Coloring and Salt Finish	SQFT	\$	6.15		\$	-		\$	-
38CCO1	Mission Style Tile Installation per Std. 4220	LF	\$	71.75		\$	-		\$	-
	Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$	-		\$	-
	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$	-		\$	-
	Repaint Curb	LF	\$	6.15		١.			\$	-
	Furnish & Install Metal Post - Std. 7210	EA	\$	666.25		\$	-		\$	-
	Furnish & Install Metal Post - Std. 7215	EA	\$	717.50		\$	-		\$	-
	Furnish and Install Sign Reconstruct Guardrail - Caltrans A77A1	EA LF	\$	512.50 512.50		\$	-		\$	-
	Furnish and Install Tree Well - Std. 8130, 4'x4'	EA	\$	5,125.00		\$	-		\$	
	Furnish and Install Tree Well - Std. 8130, 5'x5'	EA	\$	5,945.00		\$			\$	
	Furnish and Install Tree Well - Std. 8130, 6'x6'	EA	\$	7,175.00		\$	-		\$	_
	Enlarge Tree Grate Opening	EA	\$	256.25		\$	-		\$	-
	Catch Basin - Std. 3350	EA	\$	15,375.00		\$	-		\$	-
51CCO1	Catch Basin - Std. 3355	EA	\$	18,450.00		\$	-		\$	-
52CCO1	Catch Basin - Std. 3355A	EA	\$	12,300.00		\$	-		\$	-
53CCO1	Catch Basin - Std. 3360	EA	\$	18,450.00		\$	-		\$	-
	Adjust Utility Cover - Std. 6040	EA	\$	768.75		\$	-		\$	-
	Manhole Frame and Cover Replacement - Std. 6040	EA	\$	2,562.50		\$	-		\$	-
	Manhole Replacement - Std. 3530 or 6610	EA		13,325.00		\$	-		\$	-
	Manhole Coating	EA		30,750.00		\$	-		\$	-
	Construct Well / Cleanout - G5 - Std. 6710	EA	\$	1,230.00		\$	-		\$	-
	Potholing (Depth - 0' to 4')	EA EA	\$	666.25 973.75		\$ \$	-		\$ \$	-
	Potholing (Depth - 4' to 8') Potholing (Depth - 8'+)	EA EA		973.75 1,332.50		\$	-		\$	-
	Potholing (Depth - 8'+) Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF	\$	205.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 0 to 2.5 )  Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Required		\$	410.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 2.5 to 8.5 / Shoring Required	LF	\$	666.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig A	HR	\$	133.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig B	HR	\$	256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig C	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig D	HR	\$	256.25		\$	-		\$	-
69CCO1	Traffic Control - Eng. Std. Appendix G – Fig E	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig F	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig G	HR	\$	205.00		\$	-		\$	-
72CCO1	Traffic Control - Eng. Std. Appendix G – Fig H	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig I	HR	\$	205.00		\$	-		\$	-
73CCO1	tractic Control Lng Std Annondis C Fig.1	HR	\$	205.00		\$	-		\$	-
73CCO1 74CCO1	Traffic Control - Eng. Std. Appendix G – Fig J		4	400						
73CCO1 74CCO1 75CCO1	Traffic Control - Eng. Std. Appendix G – Fig K	HR	\$	169.13		\$	-		\$	-
73CCO1 74CCO1 75CCO1 76CCO1	Traffic Control - Eng. Std. Appendix G – Fig K Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$	-		\$	-
73CCO1 74CCO1 75CCO1 76CCO1 77CCO1	Traffic Control - Eng. Std. Appendix G – Fig K Traffic Control - Eng. Std. Appendix G – Fig L Traffic Control - Eng. Std. Appendix G – Fig M	HR HR	\$ \$	358.75 133.25		\$ \$	-		\$ \$	-
73CCO1 74CCO1 75CCO1 76CCO1 77CCO1 78CCO1	Traffic Control - Eng. Std. Appendix G – Fig K Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$	- - -		\$	-

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 18,552.50	Actual Cost	\$ -

Estimate		Asphalt	Concrete Materia	al								
Estimate				Tons	Uni	it Price		Cost	15%	Markup	Sit	e Total
				0.93	\$	100.00	\$	92.59	\$	13.89	\$	106.48
									Estim	ate Total	\$	106.48
Actual		Ticket Number and Plant		_					450		<b>-</b>	
		licket Number and Plant		Tons		it Price		Cost		Markup		cet Total
1234 Plant					\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
									Act	ual Total	\$	-
		1	xtra Work									
Estimate												
Est. No.		Location				Ta	ask					Cost
111	Location X		Ir	nstall A							\$	-
222	Location Y		Ir	nstall B							\$	-
								F	stima	ted Total	Ś	_
Actual										.cca .otai	Y	
EW No.		Location				Ta	ask					Cost
111a	Location X	Location	I.	nstall A		16	, J.N.				\$	-
222b				nstall B							\$	
2220	Location Y		ir ir	nstall B							<b>\$</b>	-
									Act	tual Total	\$	-

														Task	Order - Par	ving Estimat	e							
				Т		Т							1	Edge	10.00	Adjust	<u> </u>				I	1		
	Work			No.							Area	AC Depth		Grind	Reinforcing					Striping	Traffic Control	Traffic Control		
Location	Order	Address	Description		L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)							Tons of AC	Adjusted	Striping Detail	(ft/SF/EA)		#2	Hours	Notes
1		867 Mission	Pave Out		25			-	-		50.0		Yes											
-																1								
			•	•	•		•			•		1.75	-						Fog Seal		М	linor		
												2			-				A24		1	A		
												6							12" White Line		1	В		
												10							1		1	C		
											50.0	PCC/AC							2		1	D		
																			8		1	E		1
																			9		1	F		1
																			22		1	G		
																			29		1	Н		
																			38		1	1		
																			39		1	J		
																			39A		1	K		
																			Markers		1	L		
																			Crosswalk		1	M		
																			Bike Lane Buffer		4	N		
																			Green Bike Lane Coating		4	0		1
																			Remove Traffic Stripe		+	P		
																			Remove Marking		1			1
																			Memove Iviai Killg		1			

													Task	Order - Cond	rete Estimate	:				
					Total	Total	Tree Well Length			Other	Other			Mission				Cross		
	Work			No.	Length	Width	(Deduction)			(Deduction)	(Deduction)		Mission	Style Tile	Curb and	Curb Ramp		Gutter	Driveway	Repaint
Location	Order	Address	•	Patches	<del></del>	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	Tree Wells	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(ft <sup>2</sup> )	Style	(ft)	Gutter (ft)	(SF)	Domes (SF)	(SF)	Ramp (SF)	Curb (ft)
1		867 Mission	Driveway Replacement	1	10	5						50.0							250	
																<del>                                     </del>				
																<del> </del>				
								Replacement Tr	oo Wolle			F0.0	Dagular						250	
								replacement if	ee wells	1		50.0	Regular						250	
								4'					Mission							

Enlarge

Page 445 of 555

Metal Sign				
Posts and Sign				
(EA)	Traffic Control	Hours	Notes	Cover Page Description
	Minor	48		
	Р	8		
	Minor	/19		



919 Palm Street, San Luis Obispo, CA 93401-3218 805,781,7200 slocity.org

February 10, 2025

INGODWE Trust 867 Mission St. San Luis Obispo, CA 93405

Subject: Second Informal Notice to Repair Sidewalk – 867 Mission St., San Luis Obispo

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property located at 867 Mission St in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/17/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

## Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30" from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

### When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1 14:13

City of San Luis Obispo 25 Prado Road San Luis Obispo, CA 9340



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

### What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they may also be found liable if it is determined that their negligence caused someone to be harmed.

### When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface,

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

### What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

### Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

### Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24,010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12,24,110, 12,24,120 and 12,24,150 of the Municipal Code.

## What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep-watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

### If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



October 17, 2023

INGODWE Trust 867 Mission St. San Luis Obispo, CA 93405

Subject: Notice to Correct Sidewalk & Driveway Apron

APN: 001-105-008

Dear Property Owner,

The sidewalk and driveway apron adjacent to your property at 867 Mission St. in the City of San Luis Obispo must be repaired. This is the section of sidewalk at 867 Mission St., and the neighboring driveway apron at 867 Mission St. is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter, and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, INGODWE Trust

12.16.020 Property owner's responsibility - City Municipal Code

The maintenance, repair, and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.

 Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Aaron Anderson
Acting Streets Maintenance Supervisor
aanderso@slocity.org 805-781-4043

#### Attachments:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22, Article 2
- 2. Photos
- 3. Sidewalk & Parkway Strip Maintenance brochure

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

**5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

<u>5612.</u> Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

5613. The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

<u>5614.1.</u> The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

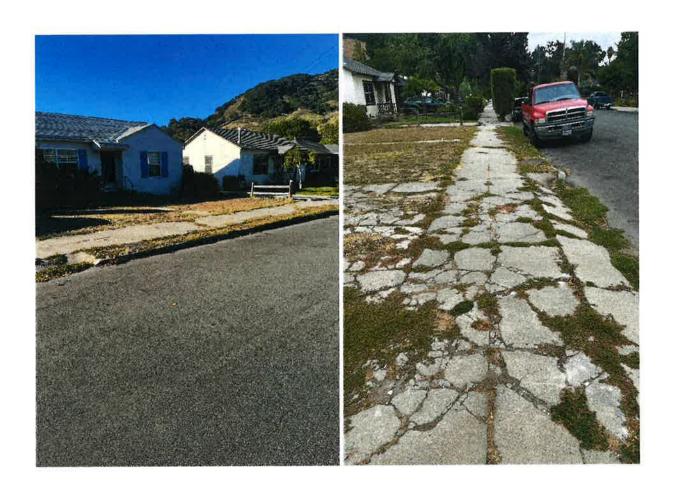
**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

<u>5616.</u> Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

<u>5618.</u> Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of

the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.



From: <u>Stephenson, Nemo</u>

 To:
 "K K"

 Cc:
 Cruce, Greg

Subject: RE: 867 Mission Street (sidewalk)

Date: Wednesday, March 19, 2025 3:52:00 PM

Attachments: <u>image001.png</u>

image002.png image003.png image004.png image005.png image006.png

Good afternoon Mr. and Mrs. Kelley,

Thank you for making time to meet with us yesterday to discuss the Notice to Correct and sidewalk conditions adjacent to your property at 867 Mission St. During our site visit, you informed us you do not agree with staff's determination and asked what the appropriate next steps were to resolve this. In this email, I'll include contact information for the Public Works Director, Assistant City Manager, and City Manager. You can contact them directly to inform them of any concerns you have. As mentioned yesterday, there will also be an opportunity to speak directly to Council prior to or at the May 20, 2025, meeting when this item is scheduled for a public hearing.

Matt Horn, Director of Public Works <a href="mhorn@slocity.org">mhorn@slocity.org</a> Scott Collins, Assistant City Manager <a href="mailto:scotty.org">scollins@slocity.org</a> Whitney McDonald, City Manager <a href="mailto:www.www.umanager.org">www.umanager.org</a>

I appreciate your time and please feel free to contact me with additional questions.

### **Nemo Stephenson**

Maintenance Superintendent City of San Luis Obispo



**Public Works** 

Signals and Streets

25 Prado Road, San Luis Obispo, CA 93401-7314

E nstephenson@slocity.org

**T** 805.783.7813

C 805.439.7016

slocity.org



Stay connected with the City by signing up for <u>e-notifications</u>

From: Stephenson, Nemo

Sent: Wednesday, March 12, 2025 8:53 AM

To:

Cc: Cruce, Greg <gcruce@slocity.org>; Gutierrez, Anthony <AGutierrez2@slocity.org>

**Subject:** RE: 867 Mission Street (sidewalk)

Good morning Mr. and Mrs. Kelley,

Thank you for making time to meet with us.

I am confirming that we will meet with you on March 18<sup>th</sup>, 2025, at 10:00am at the address of 867 Mission St, San Luis Obispo.

Have a great rest of your week,

### **Nemo Stephenson**

	Maintenance Superintendent
	City of San Luis Obispo
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Public Works

Signals and Streets

25 Prado Road, San Luis Obispo, CA 93401-7314

E <u>nstephenson@slocity.org</u>

**T** 805.783.7813 **C** 805.439.7016

slocity.org



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From: K K

**Sent:** Tuesday, March 11, 2025 5:59 PM

**To:** Stephenson, Nemo <<u>nstephenson@slocity.org</u>>

**Subject:** Re: 867 Mission Street (sidewalk)

Mr. Stephenson,

Thank you for your response. We would like to meet you in front of our home at 867 Mission St on March 18th, 2024 at 10am per your message to further discuss the sidewalk topic.

Please confirm this works for you and we will add to our calendar.

Thank you,

The Kelleys

**From:** Stephenson, Nemo < <a href="mailto:nstephenson@slocity.org">nstephenson@slocity.org</a>>

Sent: Thursday, March 6, 2025 1:23 PM

To: K K

**Cc:** Cruce, Greg <gcruce@slocity.org> **Subject:** RE: 867 Mission Street (sidewalk)

Kalvin and Cynthia Kelley,

I am responding to confirm receipt of your email and answer your questions regarding the Notice of Correction.

The Notice of Correction letter that was sent to you on 2/10/2025, is a second notice to make sidewalk repairs adjacent to your property. Public Works Department staff sent you the first Informal Notice to Correct on 10/17/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. I understand you met with Mr. Anderson who was filling in as Supervisor in an interim basis, and I will be your point of contact moving forward. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected.

I am providing Q&A as follows:

- 1. We are requesting information on who we can meet with from the city to discuss opposing perspectives.
  - 1. I would be happy to meet with you to discuss the repairs being required.
- 2. Is there a dispute coordinator? What are the formal channels that a resident has available?
  - 1. Greg Cruce is the Deputy Director of Maintenance Operations. He and I can schedule a meeting with you to coordinate any dispute. We would like the opportunity to discuss available options residents have.
- 3. Does the city manager address such issues?
  - The City Manager appoints Department Heads who staff report to. The
    City Manager does not have daily direct involvement with issues like this
    but is aware of policy. My recommendation would be to meet with Public
    Works staff (myself and Greg Cruce) and elevate any concerns after this
    meeting to the Public Works Director, Matt Horn.
- 4. Please let us know in writing what is available to residents.
  - 1. Meeting with myself as the Maintenance Superintendent and the Public Works Deputy Director is a great option to work towards a resolution.

We are available to meet with you on the following dates and times. If these times are inconvenient, please give us some alternative options.

- 1. Tuesday 3/18/25 at 10:00am
- 2. Wednesday 3/19/25 at 3:00pm

For your review, I have also included a copy of the City Council Agenda packet from 2013 when the City Council adopted the current sidewalk program.

Thank you,

Nehemiah Stephenson

### Nemo Stephenson

Maintenance Superintendent City of San Luis Obispo



Public Works

Signals and Streets

25 Prado Road, San Luis Obispo, CA 93401-7314

E <u>nstephenson@slocity.org</u>

**T** 805.783.7813

**C** 805.439.7016

slocity.org



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From: K K <

Sent: Wednesday, March 5, 2025 12:31 PM

**To:** Stephenson, Nemo < <a href="mailto:nstephenson@slocity.org">nstephenson@slocity.org</a>>

**Subject:** 867 Mission Street (sidewalk)

This message is from an **External Source**. Use caution when deciding to open attachments, click links, or respond.

To: Nehimiah Stephenson, Maintenance Superintendent City of San Luis Obispo Public Works

From: Kalvin and Cynthia Kelley (InGodwe Trust)

Subject: 867 Mission Street (sidewalk)

Dear Mr. Stephenson,

We are writing in response to the letter we received from you dated February 10, 2025. The letter states that our sidewalk and driveway apron are in a "dangerous condition" and the City's Streets Maintenance Program has made temporary repairs. Our formal reply is that we do not agree with either of these statements. Our sidewalk is **not** in a dangerous condition. It does not "endanger persons or property" nor does it "interfere with public convenience." We stated this in our written response to a similar letter from Aaron Anderson, Acting Streets Maintenance Supervisor, dated October 17, 2023. The 2023 letter had two photos attached. One photo showed the front of our house with the focus on the road condition rather than our sidewalk. The other photo's focus was on our neighbor's driveway apron, rather than on ours. We met with Mr. Anderson in person at our location in November, 2023 for him to point out any "dangerous conditions" within our property lines, but he was unable to identify any. We considered the matter closed so we were surprised to receive another letter basically stating the same facts as the first letter. Your letter also stated the city has made temporary repairs on our sidewalk, which is not accurate. No work has been done by the city on our sidewalk section.

We are requesting information on who we can meet with from the city to discuss opposing perspectives. Is there a dispute coordinator? What are the formal channels that a resident has available? Does the city manager address such issues? Please let us know in writing what is available to residents.

Can you also please confirm receipt of this letter?

Thank you,

Kalvin and Cynthia Kelley

From: Anderson, Aaron To: Subject: Date:

RE: Sidewalk letter receipt and extension request. Wednesday, November 15, 2023 1:47:16 PM

Sounds good!

Thanks

----- Original message -----From: "Anderson, Aaron"

Date: 11/15/23 1:39 PM (GMT-08:00)

To: {1 1

Subject: RE: Sidewalk letter receipt and extension request.

Hello,

I'm in a meeting until about 2 PM. I may be able to come by directly after and will call you to confirm. I'll be in touch soon.

From:

Sent: Wednesday, November 15, 2023 1:31 PM

**To:** Anderson, Aaron

**Subject:** RE: Sidewalk letter receipt and extension request.

Aaron,

Thanks for the message. We can meet now until 2:30 pm today. Are you still available?

Thanks

The Kelley's

----- Original message -----

From: "Anderson, Aaron" < <u>aanderso@slocity.org</u>>

Date: 11/15/23 9:54 AM (GMT-08:00)

To:

Subject: RE: Sidewalk letter receipt and extension request.

Kalvin & Cynthia,

I'd be happy to meet you at your property and answer any questions you have. I have some availability today from 2:30 -4:30 PM and Thursday from 8 AM-10:30 AM and Thursday

afternoon from 1 PM - 4 PM. If any of these times work for you please let me know, or we can schedule something for next week.

Best,

Aaron Anderson

From:

**Sent:** Tuesday, November 14, 2023 3:35 PM **To:** Anderson, Aaron <a href="mailto:aanderso@slocity.org">aanderso@slocity.org</a>

Subject: Sidewalk letter receipt and extension request.

This message is from an External Source. Use caution when deciding to open attachments, click links, or respond.

Dear Aaron Anderson,

We are writing this letter for a few reasons:

- 1. To acknowledgement receipt of your sidewalk letter for 867 Mission Street, San Luis Obispo, CA 93405
- 2. Ask for clarification from your department, as we do not agree that our sidewalk "endangers persons or property" nor does it "interfere with public convenience." We would like to request a meeting, on location, with a representative from your department to better understand the definitions, and or standards, by which our sidewalk is measured. Please call or write us regarding dates and times of availability for a department representative. (see contact information below)
- 3. To propose alternate timeframes for consideration if it is determined that repairs must be made. The timelines proposed by your office are short given the time of year, scope of work, and cost involved. We would like to request the maximum timeframe postponement.
- 4. To point out that our driveway is shared with a neighbor and coordination with another family will certainly cause delays.

Would you also please confirm receipt of this email so we know you received this message.

Respectfully,

Kalvin and Cynthia Kelley

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## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

INGODWE Trust 867 Mission 8t. San wis odispo, CA, 93405



2. Article Number (Transfer from service label)

7019 2280 0000 9413 7397

PS Form 3811, July 2020 PSN 7530-02-000-9053

A. Signature	☐ Agent ☐ Addressee
B. Received by (Printed Name)  D. Is delivery address different from If YES, enter delivery address by	C. Date of Delivery

- Certified Mail Restricted Delivery
- Collect on Delivery Collect on Delivery Restricted Delivery
- Insured Mall
- Insured Mail Restricted Delivery (over \$500)
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt





9590 9402 <u>8995 4122 4044 11</u>

United States Postal Service

Sender: Please print your name, address, and ZIP+4® in this box

City of San Luis Obispo Public Works

25 Prado Road

San Luis Obispo, CA, 93401

Nehrmiah Stephenson

### **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

		Task	Order Details					
Location	Work Order No.	Nearest Address	Description					
1		867 & 875 Mission	Driveway Replacement					

Estimated Costs					
Unit Price Work	\$	18,552.50			
Asphalt Material	\$	106.48			
Extra Work	\$	-			
Contingency	\$	3,731.80			
*Total	\$	22,390.78			

Description of Project:				
Replacement of Driveway and sidewalk, creating ada compliance.				
, , , , , , , , , , , , , , , , , , ,				

<sup>\*</sup>For cost in excess of \$100,000 attach City Manager Report approving purchase.

	Unit P	rice Contract W	ork						-	
Itam No	Item Description	Unit of		Unit Price	Estimated	E	stimated	Actual	Fina	l Cost
Item No.	Edge Grind	Measure SQFT	\$	10.25	Quantity	\$	Cost	Quantity	\$	_
	1.75" Thin Maintenance Overlay	SQFT	\$ \$	13.33		\$			\$	-
3CCO1		SQFT	\$	41.00		\$	-		\$	-
	6" AC Pavement - Excavation & Restoration	SQFT	\$	9.23		\$			\$	-
5CCO1	10" AC Pavement - Excavation & Restoration	SQFT	\$	13.33		\$	-		\$	-
6CCO1	8" PCC with 3" max AC Cap - Excavation & Restoration	SQFT	\$	29.73	50	\$	1,486.25		\$	-
7CCO1	Class II Aggregate	TON	\$	87.13		\$	-		\$	-
8CCO1	Trench Backfill Sand	TON	\$	76.88		\$	-		\$	-
9CCO1	AC Dike - Caltrans A87B	LF	\$	23.58		\$	-		\$	-
	Pavement Reinforcing Fabric	SQYD	\$	71.75		\$	-		\$	-
	Geo Textile Grid	SQYD	\$	51.25		\$	-		\$	-
	Fog Seal	SQYD	\$	25.63		\$	-		\$	-
	Pavement Marking-Caltrans A24	SQFT	\$	18.45		\$	-		\$	-
	12" White Line Limit Line Traffic Stripe-Caltrans A20A Detail 1	LF LF	\$	20.50 20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$			\$	-
	Traffic Stripe - Caltrans A20A Detail 2  Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$	-		\$	_
	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$			\$	-
	Traffic Stripe - Caltrans A20B Detail 22	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 29	LF	\$	23.58		\$	-		\$	-
21CCO1	Traffic Stripe - Caltrans A20D Detail 38	LF	\$	23.58		\$	-		\$	-
22CCO1	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$	-		\$	-
23CCO1	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$	-		\$	-
	Reflective Pavement Marker-All Types	EA	\$	35.88		\$	-		\$	-
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$	-		\$	-
	Bike Lane Buffer	LF	\$	30.75		\$	-		\$	-
	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$	-		\$	-
28CCO1	· · · · · · · · · · · · · · · · · · ·	LF	\$	15.38		\$	-		\$	-
	Remove Pavement Marking	SQFT	\$	15.38	50	\$	-		\$	-
30CCO1		SQFT	\$	71.75	50	\$	3,587.50		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT	\$	61.50 51.25		\$	-		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT) Remove & Replace Curb and Gutter - Std. 4030	SQFT LF	۶ \$	92.25		\$	-		\$	-
	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$			\$	-
35CCO1		SQFT	\$	205.00		\$	-		\$	-
	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	250	\$	8,968.75		\$	_
	Mission Style PCC Coloring and Salt Finish	SQFT	\$	6.15		\$	-		\$	-
	Mission Style Tile Installation per Std. 4220	LF	\$	71.75		\$	-		\$	-
	Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$	-		\$	-
40CCO1	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$	-		\$	-
41CCO1	Repaint Curb	LF	\$	6.15					\$	-
42CCO1	Furnish & Install Metal Post - Std. 7210	EA	\$	666.25		\$	-		\$	-
43CCO1	Furnish & Install Metal Post - Std. 7215	EA	\$	717.50		\$	-		\$	-
	Furnish and Install Sign	EA	\$	512.50		\$	-		\$	-
	Reconstruct Guardrail - Caltrans A77A1	LF	\$	512.50		\$	-		\$	-
	Furnish and Install Tree Well - Std. 8130, 4'x4'	EA	\$	5,125.00		\$	-		\$	-
	Furnish and Install Tree Well - Std. 8130, 5'x5'	EA EA	\$	5,945.00		\$	-		\$	-
	Furnish and Install Tree Well - Std. 8130, 6'x6' Enlarge Tree Grate Opening	EA	\$	7,175.00 256.25		\$	-		\$	-
	Catch Basin - Std. 3350	EA	-	15,375.00		\$			\$	_
	Catch Basin - Std. 3355	EA		18,450.00		\$	-		\$	_
	Catch Basin - Std. 3355A	EA		12,300.00		\$	-		\$	-
	Catch Basin - Std. 3360	EA		18,450.00		\$	-		\$	-
	Adjust Utility Cover - Std. 6040	EA	\$	768.75		\$	-		\$	-
	Manhole Frame and Cover Replacement - Std. 6040	EA	\$	2,562.50		\$	-		\$	-
56CCO1	Manhole Replacement - Std. 3530 or 6610	EA	\$	13,325.00		\$	-		\$	-
57CCO1	Manhole Coating	EA	\$	30,750.00		\$	-		\$	-
58CCO1	Construct Well / Cleanout - G5 - Std. 6710	EA	\$	1,230.00		\$	-		\$	-
	Potholing (Depth - 0' to 4')	EA	\$	666.25		\$	-		\$	-
	Potholing (Depth - 4' to 8')	EA	\$	973.75		\$	-		\$	-
	Potholing (Depth - 8'+)	EA	\$	1,332.50		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF	\$	205.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Requi		\$	410.00		\$	-		\$	-
	Pipe Excavation & Restoration (Depth - 8.5'+) Shoring Required	LF	\$	666.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G - Fig A	HR	\$	133.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G - Fig B  Traffic Control - Eng. Std. Appendix G - Fig C	HR HD	\$	256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig C Traffic Control - Eng. Std. Appendix G – Fig D	HR HR	\$	205.00 256.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig D  Traffic Control - Eng. Std. Appendix G – Fig E	HR HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig E	HR	\$	205.00		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig G	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig G  Traffic Control - Eng. Std. Appendix G – Fig H	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig I	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig J	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig K	HR	\$	169.13		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig M	HR	\$	133.25		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig N	HR	\$	256.25		\$	-		\$	-
79CCO1	Traffic Control - Eng. Std. Appendix G – Fig O	HR	\$	287.00		\$	-		\$	-
80CCO1	Traffic Control - Eng. Std. Appendix G – Fig P	HR	\$	102.50	8	\$	820.00		\$	-

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 18,552.50	Actual Cost	\$ -

		Asphalt Con	crete Material									
Estimate				Tons	Unit	t Price		Cost	15%	Markup	Sit	e Total
				0.93		100.00	\$	92.59		13.89		106.48
									Estim	ate Total	\$	106.48
Actual				_					4=0		<b>-</b> : .	
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Enlarge

Page 471 of 555

Metal Sign				
Posts and Sign				
(EA)	Traffic Control	Hours	Notes	Cover Page Description
	Minor	48		
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	Minor	/19		

 From:

To: <u>Stephenson, Nemo</u>

Cc: Cruce, Greg

Subject: Re: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

**Date:** Monday, March 31, 2025 12:47:59 PM

Attachments: <u>image001.png</u>

image002.png image003.png image004.png image005.png image006.png

Hello Nemo,

Congratulations on the birth of your child.

FYI: I am traveling on business this week returning late Friday evening, 4/4.

Greg - If you can be available, I can meet with you on Monday, 4/7. Please advise if this works for you.

Best regards,

Randy Treur

c:

On Fri, Mar 28, 2025 at 7:48 AM Stephenson, Nemo <<u>nstephenson@slocity.org</u>> wrote:

Good morning Mr. and Mrs. Treur,

I am writing to follow up about the Notice of Correction (NOC) on the sidewalk adjacent to 875 Mission Street.

When we last spoke, you were going to confirm a date that we could do a meeting onsite. I have not received any correspondence from you on that meeting.

I am now on paternity leave for a couple weeks. I have Greg Cruce on this email who would be happy to have that meeting with you during my absence. Greg is my supervisor and the Deputy Director of Maintenance Operations.

Thanks,

Nehemiah Stephenson

## Nemo Stephenson

Maintenance Superintendent

City of San Luis Obispo



Public Works

Signals and Streets

25 Prado Road, San Luis Obispo, CA 93401-7314

E <u>nstephenson@slocity.org</u>

**T** 805.783.7813

**C** 805.439.7016

slocity.org







Stay connected with the City by signing up for e-notifications

From: Stephenson, Nemo

**Sent:** Monday, March 17, 2025 2:35 PM

To: Randy Treur <

**Cc:** Cruce, Greg <gcruce@slocity.org>

**Subject:** RE: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

Hello Randy,

Thank you for confirming receipt of the Notice of Correction (NOC) on the sidewalk adjacent to 875 Mission Street.

We would be happy to meet with you at 875 Mission Street. At that time, we will provide a detailed assessment of the necessary repairs with clarity on the NOC.

We know that these types of repairs can be costly and present a financial burden. We can discuss the repair scope and scheduling requirements when we meet with you.

I appreciate the phone call earlier today. During that conversation, you mentioned possibly meeting on Wednesday 3/26 or Thursday 3/27. Let me know at your earliest convenience, what days and times your available for a meeting.

Thanks,

Nehemiah Stephenson

# Nemo Stephenson

Maintenance Superintendent

City of San Luis Obispo



Public Works

Signals and Streets

25 Prado Road, San Luis Obispo, CA 93401-7314

E nstephenson@slocity.org

**T** 805.783.7813

**C** 805.439.7016









Stay connected with the City by signing up for e-notifications

From: Randy Treur

**Sent:** Sunday, March 16, 2025 2:20 PM

**To:** Stephenson, Nemo <<u>nstephenson@slocity.org</u>>;

**Subject:** Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

This message is from an External Source. Use caution when deciding to open attachments, click links, or respond.

Dear Nehemiah,

I hope this message finds you well. My name is Randy Treur, and I am the owner and resident of 875 Mission Street. I apologize for the delay in responding to your recent notice regarding the sidewalk in front of my property. I would like to address the following points:

## 1. Clarity on Non-Conformances

While the initial notice included a photograph indicating that the sidewalk may appear

cosmetically flawed, it is unclear which specific code violations or non-conformances are being cited. The cracks in the sidewalk are filled, and the surface remains flat, seemingly well under the 0.75-inch standard that I understand is part of the relevant codes or guidelines.

# 2. Request for Detailed Assessment

The notice from the city appears to rely on a general assessment without providing alternative recommendations or a detailed evaluation of the exact issues. I respectfully request more specific information to better understand any necessary repairs and ensure compliance with city standards.

# 3. Financial Timing

As we are currently in tax season, this is a challenging time to incur significant additional expenses. I would appreciate any guidance or flexibility you can offer regarding the scheduling and scope of potential repairs.

I am open to discussing this matter further to find a mutually agreeable solution. Please feel free to contact me at a your earliest convenience. Thank you for your time, and I look forward to working with your team toward a positive resolution.

Sincerely,

Randy Treur



919 Palm Street, San Luis Obispo, CA 93401-3218 805,781,7200 slocity.org

February 10, 2025

Treur Family Trust 875 Mission St. San Luis Obispo CA, 93405

Subject: Second Informal Notice to Repair Sidewalk – 875 Mission St., San Luis Obispo

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property located at 875 Mission St in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/17/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Non SK

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

# Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

# When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="https://www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1.14.13

City of San Luis Cotspo 25 Prado Road San Luis Obispo, CA 93401



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

# What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials

#### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they <u>may also</u> be found liable if it is determined that their negligence caused someone to be harmed.

# When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

# What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

# Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

# Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24,010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24.120 and 12.24.150 of the Municipal Code.

# What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep-watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

# If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



October 17, 2023

Treur Family Trust 875 Mission St. San Luis Obispo CA, 93405

Subject: Notice to Correct Sidewalk & Driveway Apron

APN: 011-105-009

Dear Property Owner,

The sidewalk and driveway apron adjacent to your property at 875 Mission St. in the City of San Luis Obispo must be repaired. This is the section of sidewalk at 875 Mission St., and the neighboring driveway apron at 875 Mission St. is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter, and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Treur Family Trust

12.16.020 Property owner's responsibility - City Municipal Code

The maintenance, repair, and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.

 Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Aaron Anderson
Acting Streets Maintenance Supervisor
aanderso@slocity.org 805-781-4043

#### **Attachments**:

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22, Article 2
- 2. Photos
- 3. Sidewalk & Parkway Strip Maintenance brochure

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

**5610.** The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

**5612.** Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known

address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

**5613.** The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

<u>5614.</u> The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

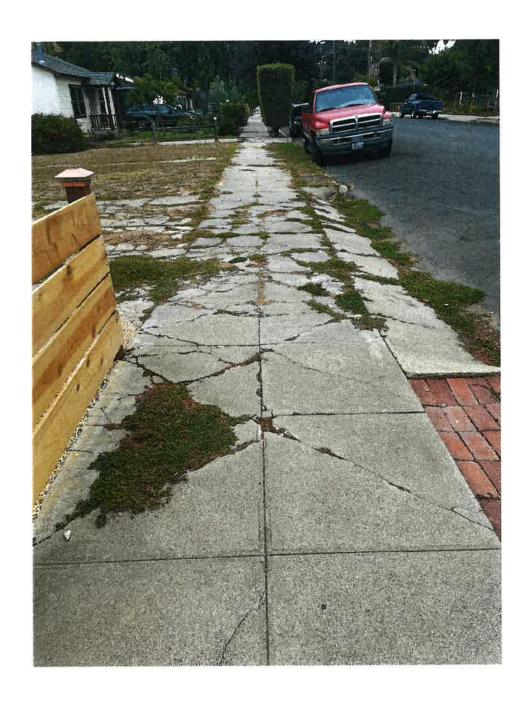
<u>5614.1.</u> The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.





#### SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1 Article Addressed to:

Treur family trust 175 mission st San Wisobiso Ch



9590 9402 8995 4122 4044 28

2. Article Number (Transfer from service label)

,074 ETAL 0000 0822 6TO

#### COMPLETE THIS SECTION ON DELIVERY

A. Signature

B. Received by (Printed Name)

□ Agent ☐ Addressee

C. Date of Delivery

☐ Yes D. Is delivery address different from item 1? If YES, enter delivery address below: ☐ No

- 3. Service Type
- □ Adult Signature ☐ Adult Signature Restricted Delivery
- Pertified Mail® Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery Insured Mail
- Insured Mail Restricted Delivery (over \$500)

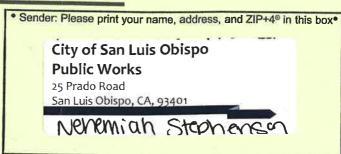
- ☐ Priority Mail Express® ☐ Registered Mall™
- ☐ Registered Mall Restricted Delivery
- ☐ Signature Confirmation™ Signature Confirmation Restricted Delivery



First-Class Mail Postage & Fees Paid USPS Permit No. G-10

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United States
Postal Service



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To: <u>Weidler, Hayley</u>

**Subject:** FW: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

**Date:** Wednesday, April 9, 2025 1:44:44 PM

**Attachments:** 01-22-2013 c2 sidewalk inspection program.pdf

image001.png image002.png image003.png image004.png image005.png image006.png Sidewalk Brochure.pdf

## **Greg Cruce**

Deputy Director - Maintenance Operations Public Works Department 805.781.7264 gcruce@slocity.org

From: Cruce, Greg

Sent: Wednesday, April 9, 2025 10:23 AM

**To:** 

**Cc:** Gutierrez, Anthony <AGutierrez2@slocity.org>; Stephenson, Nemo <nstephenson@slocity.org>;

Yanez, James <jyanez@slocity.org>; Nelson, Brian <BNelson@slocity.org> **Subject:** RE: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

## Hello Randy,

Thanks for meeting with me earlier this week to discuss the frontage improvements adjacent to your residence at 867 Mission. I wanted to send you the addition information we spoke about and next steps since the brush chipper noise made it hard to communicate.

The attached document is the Council approved Sidewalk Inspection Program, which is used as a guide for identifying repairs/replacements. As I mentioned, cracks and gaps over ½" need to be addressed. In the case of the sidewalk deterioration in front of your residence, it's been determined the concrete is beyond repair and replacement in conformance with <u>City Standards</u> is necessary.

## **Next Steps:**

On May 20<sup>th</sup>, 2025, there will be a public hearing before the City Council. Staff will walk Council through the Informal and Formal Notice to Correct (NOC) process and present the specifics on approximately six properties that have been issued notices. Staff's recommendation is for Council to authorize staff to issue a Formal Notice to Correct to all properties within the agenda packet, which includes 875 and 867 Mission Street. If Council authorizes staff to issue a Formal NOC, the property would be posted, and a Formal NOC would be sent with a second Formal NOC issued seven days later. If work has not commenced within 14 days after the first Formal

NOC, the City would complete the work, as required by the Streets and Highway Code.

Once the work is completed, staff would return to the City Council to record the completion of work and total costs. It will be staff's recommendation for Council to authorize cost recovery, and if approved, an invoice would be sent to the adjacent property owners where the City completed the work. If not paid, the City would lien the property in accordance with the Streets and Highway Code.

A cost estimate has been prepared by the Engineering Division, should the work need to be completed by the City. The estimate to replace the entire approach that serves 875 and 867 Mission Street is \$22,390.78, so the approximate cost for the section adjacent to your property is \$11,195.39. If a Formal NOC is authorized and the City completes the work, separate work tickets for each property would be initiated to keep costs separate.

Should you choose to hire a private contractor, there is a possibility of completing the work at a reduced cost since prevailing wage would not be required. Also, a full plan set is not required for a licensed contractor to obtain the necessary permit, a site plan and description of work typically suffices with an acknowledgement the work will be completed to City Standards.

I'll will be on vacation next week, 4/14 - 4/18, and unavailable during this time. Please let me know if you have any questions.

Sincerely,

## **Greg Cruce**

Deputy Director - Maintenance Operations Public Works Department 805.781.7264 gcruce@slocity.org

From: Randy Treur <

**Sent:** Monday, March 31, 2025 3:46 PM **To:** Cruce, Greg <gcruce@slocity.org>

Cc: Gutierrez, Anthony < AGutierrez 2@slocity.org >

**Subject:** Re: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

Sounds good. See you then.

On Mon, Mar 31, 2025 at 2:10 PM Cruce, Greg <gcruce@slocity.org> wrote:

Hi Randy,

Thanks for the email, we can meet at 11:00 am on 4/7. We'll see you then.

**Greg Cruce** 

Deputy Director - Maintenance Operations Public Works Department 805.781.7264 gcruce@slocity.org

From: Randy Treur <

**Sent:** Monday, March 31, 2025 1:15 PM **To:** Cruce, Greg <<u>gcruce@slocity.org</u>>

**Subject:** Re: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

Hi Greg,

Thanks for the quick response. I can be available from 9:30am - 11:30am, next Monday, on 4/7. You can send a text when you are on your way. Let me know if some other time is preferred.

On another note. I am doing some landscaping and need to have some DG dropped. I would like to drop on Friday and would then move it on Saturday. If dumped in the street, in front of my house, will I need an Encroachment Permit?

Thanks for your help.

Randy Treur

c:(

On Mon, Mar 31, 2025 at 12:50 PM Cruce, Greg <gcruce@slocity.org> wrote:

Hello Randy,

I have good availability on Monday, 4/7 before 3:00 pm. Please let me know a time that works for you and we'll meet on-site.

Thanks,

#### **Greg Cruce**

Deputy Director - Maintenance Operations
Public Works Department
805.781.7264
gcruce@slocity.org

From: Randy Treur <

**Sent:** Monday, March 31, 2025 12:48 PM

**To:** Stephenson, Nemo < <a href="mailto:nstephenson@slocity.org">nstephenson@slocity.org</a>>

Cruce, Greg <gcruce@slocity.org>

**Subject:** Re: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

Hello Nemo,

Congratulations on the birth of your child.

FYI: I am traveling on business this week returning late Friday evening, 4/4.

Greg - If you can be available, I can meet with you on Monday, 4/7. Please advise if this works for you.

Best regards,

Randy Treur

c:

On Fri, Mar 28, 2025 at 7:48 AM Stephenson, Nemo <<u>nstephenson@slocity.org</u>> wrote:

Good morning Mr. and Mrs. Treur,

I am writing to follow up about the Notice of Correction (NOC) on the sidewalk adjacent to 875 Mission Street.

When we last spoke, you were going to confirm a date that we could do a meeting on-site. I have not received any correspondence from you on that meeting.

I am now on paternity leave for a couple weeks. I have Greg Cruce on this email who would be happy to have that meeting with you during my absence. Greg is my supervisor and the Deputy Director of Maintenance Operations.

Thanks, Nehemiah Stephenson

# Nemo Stephenson

Maintenance Superintendent



Public Works
Signals and Streets
25 Prado Road, San Luis Obispo, CA 93401-7314
Enstephenson@slocity.org
T 805.783.7813
C 805.439.7016



Stay connected with the City by signing up for e-notifications

From: Stephenson, Nemo

**Sent:** Monday, March 17, 2025 2:35 PM

**To:** Randy Treur <

**Cc:** Cruce, Greg <gcruce@slocity.org>

**Subject:** RE: Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

Hello Randy,

Thank you for confirming receipt of the Notice of Correction (NOC) on the sidewalk adjacent to 875 Mission Street.

We would be happy to meet with you at 875 Mission Street. At that time, we will provide a detailed assessment of the necessary repairs with clarity on the NOC.

We know that these types of repairs can be costly and present a financial burden. We can discuss the repair scope and scheduling requirements when we meet with you.

I appreciate the phone call earlier today. During that conversation, you mentioned possibly meeting on Wednesday 3/26 or Thursday 3/27. Let me know at your earliest convenience, what days and times your available for a meeting.

Thanks, Nehemiah Stephenson

# Nemo Stephenson

Maintenance Superintendent



Public Works Signals and Streets 25 Prado Road, San Luis Obispo, CA 93401-7314

E <u>nstephenson@slocity.org</u>

**T** 805.783.7813 **C** 805.439.7016

slocity.org



Stay connected with the City by signing up for e-notifications

From: Randy Treur <

**Sent:** Sunday, March 16, 2025 2:20 PM

**To:** Stephenson, Nemo <<u>nstephenson@slocity.org</u>>;

**Subject:** Notice to Repair Sidewalk - 875 Mission St. San Luis Obispo

This message is from an **External Source**. Use caution when deciding to open attachments, click links, or respond.

Dear Nehemiah,

I hope this message finds you well. My name is Randy Treur, and I am the owner and resident of 875 Mission Street. I apologize for the delay in responding to your recent notice regarding the sidewalk in front of my property. I would like to address the following points:

# 1. Clarity on Non-Conformances

While the initial notice included a photograph indicating that the sidewalk may appear cosmetically flawed, it is unclear which specific code violations or non-conformances are being cited. The cracks in the sidewalk are filled, and the surface remains flat, seemingly well under the 0.75-inch standard that I understand is part of the relevant codes or guidelines.

## 2. Request for Detailed Assessment

The notice from the city appears to rely on a general assessment without providing alternative recommendations or a detailed evaluation of the exact issues. I respectfully request more specific information to better understand any necessary repairs and ensure compliance with city standards.

#### 3. Financial Timing

As we are currently in tax season, this is a challenging time to incur significant additional expenses. I would appreciate any guidance or flexibility you can offer regarding the scheduling and scope of potential repairs.

I am open to discussing this matter further to find a mutually agreeable solution. Please feel free to contact me at \_\_\_\_\_\_ ' at your earliest convenience. Thank you for your time, and I look forward to working with your team toward a positive resolution.

Sincerely,

## Randy Treur



# council agenda report

Meeting Date	k		
1-22	2-13	3	
item Number	C		
	<u></u>	5	

#### CITY OF SAN LUIS OBISPO

FROM: Daryl Grigsby, Director of Public Works Prepared By: Jennifer Rice, Administrative Assistant I

SUBJECT: ADOPTION OF A SIDEWALK INSPECTION PROGRAM FOR THE CITY OF

SAN LUIS OBISPO

#### RECOMMENDATION

Adopt a Sidewalk Inspection Program for the City of San Luis Obispo.

## DISCUSSION

The Public Works Department has an established practice of inspecting the City's sidewalks on a regular basis. This inspection enables the City to proactively repair damaged sidewalk panels and thus enhance public safety. Every two to three years, California Joint Powers Insurance Authority (CJPIA) conducts a risk management evaluation for the City of San Luis Obispo and provides recommendations based on those findings. During a review, the CJPIA recommended that the City formally adopt its Sidewalk Inspection Program (Attachment 1).

Adoption of such a program reduces risks of trip and fall incidents and injury to residents and visitors as a result of displaced sidewalks. Regular inspections, reporting defects, and timely repairs constitute a Best Management Practice relative to sidewalk maintenance. This program will provide additional information that will be helpful to property owners and the City in terms of prioritizing repairs; however, it does not eliminate the property owner's responsibility to maintain sidewalks on their property per San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22 (Attachment 2, 3, and 4).

The proposed guideline documents standard instructions for conducting sidewalk inspections and management of records. Most of the procedures outlined in this program have been in practice by City Street Maintenance staff for several years. The primary adjustment in this program from past practice is to increase inspection frequencies for those locations considered at greater risk for trip and fall incidents (such as senior centers and hospitals) from every 8 years to every twelve months. This inspection frequency was recommended by the CJPIA. Currently, because of the high pedestrian traffic volumes, only the downtown area sidewalks are inspected on an annual basis. The remainder of the City is inspected once every 8 years. In addition to regular inspections, staff also responds promptly to reported hazards and areas where trip and falls have been reported in all areas of the City.

Adoption of this program refines the current sidewalk inspection practices for formal adoption in order to meet CJPIA guidelines. This type of program will benefit the City's defense of liability claims arising from incidents that occur on City sidewalks. In accordance with CJPIA policies, agencies that have an effective Sidewalk Inspection and Maintenance Program in place have

experienced as much as a 25% reduction in the cost of liability coverage, and improved the ability of the CJPIA to mount an effective defense to counter trip and fall claims.

#### CONCURRENCE

This program was reviewed and approved by the City's Risk Manager and CJPIA staff.

#### FISCAL IMPACT

This inspection program will assist in protecting the City in the event claims are made for inadequate maintenance of the sidewalks and thus will reduce risk and liability. The City's budget for sidewalk repair has fluctuated over the last decade in response to changing financial climates. This budget has ranged anywhere from \$20,000 to \$60,000 annually.

The 2011-13 Financial Plan has allocated \$35,000 annually for sidewalk repairs at various locations (Appendix B, Pages 3-172 through 3-174.). Currently, there is \$52,125 available in this project account to continue to support sidewalk repairs.

Funding to support Streets Maintenance program staff to provide sidewalk inspections is included as part of the annual operating budgets. Should additional capital or operating costs impacts occur that cannot be absorbed into existing budgets, staff will return to Council to seek direction. Adjustment in service levels for sidewalk maintenance would be best addressed during the Financial Planning process.

## **ALTERNATIVE**

Deny Adoption of Sidewalk Inspection Program. The City Council could choose to deny the adoption of a Sidewalk Inspection Program. However, staff does not recommend this alternative. The creation of the formal inspection program is consistent with CJPIA recommendations and has shown to be an effective program avoids potentially costly liability risks and protects the health and safety of community members and visitors. Informally, staff has been inspecting and repairing various sidewalks to reduce liability claims for the past decade. Additionally, no increased funding is needed at this time for a formal adoption of a Sidewalk Inspection program.

## **ATTACHMENTS**

- 1. City of San Luis Obispo Sidewalk Inspection Program
- 2. San Luis Obispo Municipal Code Section 12.16.020
- 3. Highway Code Division 7, Part 3, Chapter 22
- 4. City of San Luis Obispo Sidewalk and Parkway Strip Maintenance Brochure

# CITY OF SAN LUIS OBISPO ~ SIDEWALK INSPECTION PROGRAM DRAFT

#### I PURPOSE

The Sidewalk Inspection Program is intended to minimize risks of trip and fall incidents and injury to residents and visitors of the City due to the deterioration of sidewalks, expansion of roots, and ground settlements, by regularly inspecting, reporting, and scheduling repairs of damaged sidewalks. This guideline provides standard instructions for conducting sidewalk inspections and management of the records.

The Sidewalk Inspection Program is one phase of sidewalk maintenance involving the proactive inspection of sidewalks on a regular schedule. This is in addition to the Service Request Program, available to the public and City employees to report a sidewalk concern to the Streets and Sidewalks Maintenance program. Problems reported through the Service Request Program are given a higher priority and are addressed as soon as possible. A report of a trip and fall is given the highest priority for repair.

The City has a Pavement Management Plan that established 9 separate zones. Staff uses these zones to schedule paving projects through the Capital Improvement Plan. The Sidewalk Inspection Program works in conjunction with the Pavement Management Plan to determine the severity of displaced sidewalks caused by City street trees, and ensure sidewalk work occurs in advance of paving projects. Work is completed within the limits of the annual maintenance budgets and not all potential hazards will be addressed.

#### II SIDEWALK REVIEW

- 1. Sidewalk inspections, in accordance with this program, should be done approximately every twelve months in the downtown (Area 9) and around senior centers and hospitals, and once every twelve months in one of the 8 remaining pavement areas. Pavement areas are inspected in coordination with the paving program.
- 2. Consideration regarding cost, time, severity, location, and history are taken into account when prioritizing areas for annual review, and for repair or replacement. Repairs on high volume sidewalks or sidewalks with anticipated challenged pedestrians will yield higher benefits due to the higher volume or ability of pedestrian traffic. High volume pedestrian traffic areas or areas frequented by populations potentially more vulnerable to falls, such as the downtown area or in the vicinity of hospitals and senior centers, could present a greater risk and so these areas are identified for annual review. This may lead to a decision to eliminate a "trivial defect" on a heavily used sidewalk in addition to more substantial defects.
- 3. An average vertical displacement between sidewalk abutments that is used to evaluate a "trivial defect" is ¾ inch. Vertical displacements less than ¾ inch should be noted for appropriate action. All potential hazards must be evaluated whether the potential hazards are critical or considered trivial defects. Trivial defects should be noted and addressed when funding allows.
- 4. All inspections shall document the following situations:
  - 4. a) Vertical displacements that exceed ¾ inch should be documented and scheduled for repair. Any displacement less than ¾ inch should be noted and evaluated for possible hazards.

Rev 11-29-12

# CITY OF SAN LUIS OBISPO ~ SIDEWALK INSPECTION PROGRAM DRAFT

- 4. b) For each location where a sidewalk deficiency is noted, provide a rating on the deviation from 1 to 4. The rating is as follows:
  - (1) Displacement is less than 3/4 inch
  - (2) Displacement is between \( \frac{1}{4} \) inch and 1 \( \frac{1}{2} \) inches
  - (3) Displacement is between 1 ½ inches and 2 ½ inches
  - (4) Displacement is greater than 2 ½ inches
- 5. Sidewalks with slopes that exceed a 5:1 ratio should be documented and scheduled for repair.
- 6. Cracks that have a gap of half an inch should be filled.
- 7. Holes that are half an inch or greater in depth and diameter should be filled.
- 8. Check for any damage around traffic signals, utility poles, ground utility boxes, street lights and regulatory sign posts.
- 9. Enforce repair of any sidewalk damaged as a result of a contractors' activities in the right-of-way.
- 10. Require sidewalk repairs to be made as part of private development activities on abutting properties where a substantial remodel, new building, or work on existing curb, gutter, and/or sidewalk is occurring.

#### III DATA COLLECTION

- 1. Data Collection is done via a tablet device for direct data entry and plotting of sites by coordinates.
- 2. Capture the following information in the inspection:
  - 2. a) Date
  - 2. b) Inspector Name
  - 2. c) Damage type per program (spalling, separation, displacement, etc.)
  - 2, d) If tree related
  - 2. e) Priority
  - 2. f) Approximate width, length, and displacement
- 3. Download the field data collection of information after every day in the field.
- 4. Keep track of the streets that have been inspected, use a city map and color or highlight the street segments that have been completed at the end of the day. Retain this record.

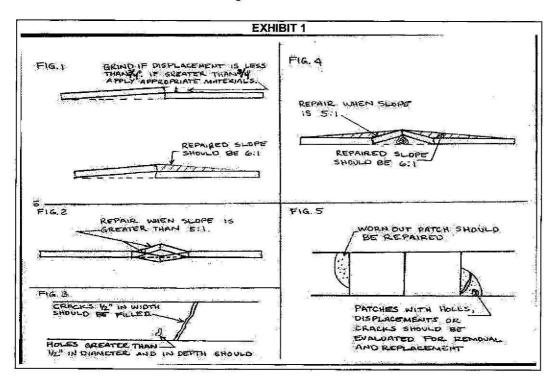
## IV REPAIR SOLUTIONS

- 1. Grind down displacement if less than ¾ inch or apply appropriate materials to minimize displacement (Exhibit 1, Figure 1).
- 2. When the sidewalk is buckled and the ratio is greater than 5:1, use appropriate materials to repair sidewalk with a ratio of 6:1 (Exhibit 1, Figure 2).

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# CITY OF SAN LUIS OBISPO ~ SIDEWALK INSPECTION PROGRAM DRAFT

- 3. Cracks and holes should be filled with appropriate materials (Exhibit 1, Figure 3).
- 4. If the sidewalk is displaced by tree roots, repair with appropriate materials and slope with 6:1 ratio (Exhibit 1, Figure 4).
- 5. Repaired patches that continue to have cracks and displacements may have to be removed and replaced (Exhibit 1, Figure 5).
- 6. If the buckled sidewalk has numerous large cracks caused by a City Street Tree, remove existing sidewalk and tree roots, and replace concrete.



## V RECORDING REPAIRS

- Downloads from data collection will be picked up by maintenance crew for appropriate action and each point closed out after work is completed.
- 2. When repairs are made, final data entry is to be completed for the individual record.
- 3. The following information is captured in the record.
  - 3. a) Type of repair made
  - 3. b) Date repair made
  - 3. c) Lead worker on repair
  - 3. d) Duration of repair effort
- 4. Data records are stored on the City's network in accordance with data retention guidelines.

# San Luis Obispo Municipal Code Section 12.16.020

# 12.16.020 Property owner's responsibility.

The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

# STREETS AND HIGHWAYS CODE SECTION 5600-5602, 5610-5618, 5625-5630

5600. As used in this chapter "sidewalk" includes a park or parking strip maintained in the area between the property line and the street line and also includes curbing, bulkheads, retaining walls or other works for the protection of any sidewalk or of any such park or parking strip.

5601. This chapter shall only apply to maintenance and repair proceedings, whether upon work originally done under this division or otherwise, and shall not be used for the construction of new improvements. The "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" shall not apply to proceedings taken under this chapter.

5602. This chapter constitutes a separate and alternate procedure for performing the work specified herein and, except for the provisions of Part 5 of this division, no other provisions of this division shall apply to proceedings instituted hereunder.

5610. The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

5612. Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

5613. The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on

the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article, but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

5614.1. The legislative body may adopt a resolution determining that bonds shall be issued and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments, payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

5615. If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held and assessment and collection procedures are conducted.

5616. Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

5617. Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost

thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

5618. Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.

5625. The cost of the repair may be assessed by the legislative body against the parcel of property fronting upon the sidewalk upon which such repair was made, and such cost so assessed, if not paid within five days after its confirmation by the legislative body, shall constitute a special assessment against that parcel of property, and shall be a lien on the property for the amount thereof which lien shall continue until the assessment and all interest thereon is paid, or until it is discharged of record.

5626. The superintendent of streets may file in the office of the county recorder of the county in which the parcel of property is located, a certificate substantially in the following form:

#### NOTICE OF LIEN

Pursuant to the authority vested in me by the Improvement Act of 1911, I did, on the \_\_\_\_ day of \_\_\_\_, 19\_, cause the sidewalk, curb, or park or parking strip, bulkheads, retaining walls, or other works (as the case may be) in front of the real property hereinafter described, to be repaired and improved, and the legislative body of said city (county, or city and county) did, on the \_\_\_\_ day of \_\_\_\_, 19\_, by Resolution No. \_\_\_\_ assess the cost of such repair upon the real property hereinafter described, and the same has not been paid nor any part thereof, and the said city (county, or city and county), does hereby claim a lien on said real property in the sum of dollars (\$\_\_\_\_), and the same shall be a lien upon said real property until the said sum, with interest at the rate of \_\_\_\_ percent per annum, from the said \_\_\_\_\_ day of \_\_\_\_, 19\_ (insert date of confirmation of assessment), has been paid in full and discharged of record.

The real property hereinbefore mentioned and upon which a lien is claimed, is that certain piece or parcel of land lying and being in the (name of city, or city and county) the county of \_\_\_\_\_, State of

, and particularly described as follows:

(Description of property)

Dated this \_\_\_\_ day of \_\_\_\_, 19\_\_\_. Superintendent of Streets

5627. From and after the date of the recording of the notice of lien, all persons shall be deemed to have had notice of the contents thereof. The notice of lien may include claims against one or more separate parcels of property, whether contiguous or not, together with the amount due,

respectively, from each such parcel. The statute of limitation shall not run against the right of the city to enforce the payment of the lien. If any such lien is not paid the city may file and maintain an action to foreclose such lien in the same manner and under the same procedure, so far as applicable, as that under which delinquent bonds are foreclosed under this division.

5628. As an alternative method of collection of the amount of the lien, the legislative body, after confirmation of the report of the superintendent of streets, may order the notice of lien to be turned over to the assessor and the tax collector of the city, whereupon it shall be the duty of those officers to add the amount of the assessment to the next regular bill for taxes levied against the lot or parcel of land. If city taxes are collected by the county officials, the notice of lien shall be delivered to the county auditor, who shall enter the amount thereof on the county assessment book opposite the description of the particular property and the amount shall be collected together with all other taxes thereon against the property. The notice of lien shall be delivered to the county auditor before the date fixed by law for the delivery of the assessment book to the county board of equalization.

5628.1. The legislative body shall have the power, in its discretion, to determine that the payment of assessments of one hundred dollars (\$100) or more may be made in annual installments, not to exceed five, and that the payment of assessments so deferred shall bear interest on the unpaid balance at a rate to be determined by the legislative body, not to exceed the rate permitted for bonds by Section 53531 of the Government Code. Interest shall begin to run on the 31st day after the confirmation of the assessments by the legislative body. Determinations of the legislative body shall be expressed by resolution at any time prior to the confirmation of the assessments.

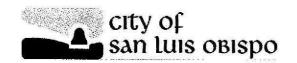
5629. Thereafter the amount of the lien shall be collected at the same time and in the same manner as ordinary city taxes are collected, and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale in case of delinquency as provided for ordinary city taxes. All laws applicable to the levy, collection and enforcement of city taxes and county taxes are hereby made applicable to such special assessment taxes.

5629.1. If bonds are to be issued to represent the security of the unpaid assessments, upon confirmation of the report by the legislative body the superintendent of streets shall give notice to pay by mail and by publication substantially in the manner provided by Sections 4320 and 4321 of this code. The period for payment in cash stated therein shall be 30 days following the date of confirmation of the report. Upon completion of the cash payment period, the superintendent of streets shall file with the county recorder a certificate substantially in the form set out in Section 5626, giving notice therein that interest is payable at a rate to be fixed upon the sale of bonds, which rate shall not exceed the rate permitted for bonds by Section 53531 of the Government Code, and shall begin to run on the 31st day after the confirmation of the report. Thereafter the provisions of Part 5 (commencing with Section 6400) shall be applicable and payments on assessments at bond shall be made as therein provided. The bonds may be

issued and sold as the legislative body directs and may be dated at any time after the expiration of the cash payment period.

5630. Whenever the property fronting on a sidewalk required to be maintained and repaired pursuant to the provisions of this chapter lies within one city or unincorporated territory of a county, and the sidewalk required to be so maintained and repaired lies within another city or unincorporated territory of a county, the superintendent of streets of the city or county having jurisdiction over the sidewalk shall have full authority to serve notices to repair and do all work contemplated by Articles 2 and 3 of this chapter, notwithstanding the fact that the property fronting on the sidewalk lies within another city or unincorporated territory of a county. The legislative body of the city or county within which the sidewalk has been repaired pursuant to the provisions of this chapter shall have jurisdiction to levy an assessment to pay the cost of any such sidewalk repairs against the parcel of property fronting on said sidewalk, notwithstanding the fact that said property lies within another city or unincorporated territory of a county and said assessment shall be a lien on said property for the amount thereof until the assessment and all interest thereon is paid or until it is discharged of

The provisions of Sections 5628 and 5629 of this code shall be applicable to the collection and enforcement of all liens levied pursuant to the provisions of this section and the amount so collected shall be paid to the treasurer of the city or county as the case may be which conducted the proceedings.



# sidewalk & parkway strip maintenance

# property owner responsibilities

department of public works 805-781-7220 805-781-7015

The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

## What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

#### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they <u>may also</u> be found liable if it is determined that their negligence caused someone to be harmed.

### When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger to users, or the
  owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

## What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

## Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

## Is the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24.010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner. Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24.120 and 12.24.150 of the Municipal Code.

## What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep-watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

# If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered into a work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

# Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property
  owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

### When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="https://www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

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CORRESPONDENCE
Date 1/22/13 Item# CA

# council memorandum city clerk

January 22, 2013

TO:

City Council

VIA:

Katie Lichtig, City Manager

FROM:

Monica Irons, Director of Human Resource

Greg Zocher, Human Resources Manger,

SUBJECT:

January 22<sup>nd</sup> Agenda Item: Sidewalk Inspection Program

Council Member Andrew Carter requested information regarding costs associated with "trip and fall" claims filed against the City. In reviewing claims history for the last five fiscal years (2007 through 2012), the City has received a total of 24 claims for "trip and fall" injuries. The total incurred and anticipated costs on those 24 claims will be approximately \$866,000. The average severity on those claims was \$36,000 which is slightly higher than the California Joint Powers Insurance Authority pool severity average of \$34,000. Assuming, on average, five trip and fall claims each year with an average severity of \$36,000 the City spends approximately \$173,000 per year on "trip and fall" claims.

# RECEIVED

Goodwin, Heather

SLO CHY CLERK

m:

To:

Grimes, Maeve

Tuesday, January 22, 2013 4:12 PM

Goodwin, Heather

FW: Sidewalk Program Agenda Item

AGENDA
CORRESPONDENCE
Date 1/83/13 Item#C2

Please forward for tonight.

Thank you

Subject:

Maeve Kennedy Grimes City Clerk

City of San Luis Obispo 990 Palm Street San Luis Obispo, CA 93401 Phone: (805) 781-7102

Email: mgrimes@slocity.org

----Original Message-----From: Carter, Andrew

Sent: Tuesday, January 22, 2013 2:33 PM

To: Grimes, Maeve

Cc: Grigsby, Daryl; Lichtig, Katie

ect: FW: Sidewalk Program Agenda Item

Public File

Andrew Carter Council Member City of San Luis Obispo

From: <a href="mailto:reschmidt@rain.org">rschmidt@rain.org</a> [rschmidt@rain.org] Sent: Tuesday, January 22, 2013 11:54 AM

To: Marx, Jan; Carter, Andrew; dcarpen@slocity.org; Ashbaugh, John; Smith, Kathy

Subject: Sidewalk Program Agenda Item

Dear Council Members,

Re: the sidewalk inspection program.

This is totally infuriating and an insult to every resident of this city – especially to those like myself who have fallen on ill-maintained city-owned sidewalks (Murray median) and have to live lifelong with the consequences.

It is nothing more than an official rationale for doing nothing to repair neighborhood sidewalks.

is asking you to endorse their slovenly do-nothing approach to neighborhood sidewalks. You MUST NOT ENDORSE has linstead, you must direct staff to get on with repairing what needs to be repaired, and not to invent ridiculous

"programs" like this that claim to be about reducing risk but which are actually rationales for unethical treatment of residents.

he report to you is so full of nonsense and lies, it's hard to know how to even deal with it. For example:

"A report of a trip and fall is given the highest priority for repair."

This is an outright lie. Nothing substantive has been done to the Murray median where I fell, despite more contacts to the city and to YOU DIRECTLY than I can count. Staff has even lied to you and claimed the opposite. In fact, we've been told we'll just have to wait for repairs to the sidewalk till it's time to rebuild Murray's automobile portion, which is years off.

(Linking sidewalk repair to street repaving is idiotic -- there's no nexus.)

• "The Sidewalk Inspection Program is one phase of sidewalk maintenance involving the proactive inspection of sidewalks on a regular schedule."

What a lot of nonsense. Inspecting once every 8 years is "proactive?" Give me a break. You should fire people who write this sort of trash.

- But fear not, while neighborhoods get looked at once every 8 years, downtown will get annual inspections. Bravo! This is just more of the city's "free lunch" approach to how it allocates its resources: handouts to the rich and powerful and sticking the rest of us with the bill, and the pain and suffering.
- "An average vertical displacement between sidewalk abutments that is used to evaluate a "trivial defect" is 3/4 inch." A % inch displacement is not trivial in the least. It's exactly the sort of thing people trip on huge displacements are obvious, and can be avoided, but these aren't noticed, and are plenty to catch the toe or heel of a shoe and send someone flying. That's what happened to me. To neglect to note such defects "for appropriate action" is dereliction of city's responsibility.
- "This inspection program will assist in protecting the City in the event claims are made for inadequate maintenance of the sidewalks and thus will reduce risk and liability." Now we're getting down to what it's really all about persiflage to create a paper trail to fend off insurance claims from people injured by the city's malfeasance. The city should be ashamed.

THE CITY DOESN'T NEED THIS FANCY PAPERTRAIL DO-NOTHING NEIGHBORHOOD SIDEWALK INSPECTION PROGRAM.

WHAT IT NEEDS IS FOR THE COUNCIL TO TELL STAFF TO GET TO WORK FIXING NEIGHBORHOOD SIDEWALK DEFECTS NOW!, AND TO PROVIDE THEM THE FUNDS TO DO IT.

**FIX THE SIDEWALKS NOW!** 

Richard Schmidt

# **Streets and Sidewalk Maintenance JOC - AUTHORIZATION**

City of San Luis Obispo



Public Works Department 919 Palm St. San Luis Obispo, CA 93401-3218

Specification Number:	1000199
Task Order No:	

		Tasi	k Order Details
Location	Work Order No.	Nearest Address	Description
1		1543 Morro & 878 Islay	Driveway Replacement
	Estimated Costs		Description of Project:
Unit	Price Work \$	22,908.75	Replacement of Driveway and sidewalk, creating ada compliance.

Estimate	d Costs
Unit Price Work	
Asphalt Material	\$ 106.48
Extra Work	\$ -
Contingency	\$ 4,603.05
*Total	\$ 27,618.28

<sup>\*</sup>For cost in excess of \$100,000 attach City Manager Report approving purchase.

	Unit Price	Contract W	ork			_				
Itom N-	Item Description	Unit of		Unit Price	Estimated	Es	timated	Actual	Final	Cost
Item No.	·	Measure			Quantity	,	Cost	Quantity		
	Edge Grind	SQFT	\$	10.25		\$	-		\$	-
	1.75" Thin Maintenance Overlay	SQFT	\$	13.33		\$	-		\$ \$	-
	2" AC Grind & AC Overlay-1/2" Aggregate	SQFT		41.00			-			-
	6" AC Payement - Excavation & Restoration	SQFT	\$	9.23		\$	-		\$	-
6CCO1	10" AC Pavement - Excavation & Restoration	SQFT SQFT	\$	13.33 29.73	50	\$	1,486.25		\$ \$	-
	8" PCC with 3" max AC Cap - Excavation & Restoration		\$ \$	87.13	50	\$	1,460.25		\$	
7CCO1		TON	\$			\$	-		\$	-
	Trench Backfill Sand	TON		76.88			-			-
	AC Dike - Caltrans A87B	LF	\$ \$	23.58		\$ \$	-		\$ \$	-
	Pavement Reinforcing Fabric	SQYD		71.75			-			-
	Geo Textile Grid	SQYD	\$	51.25		\$	-		\$	-
	Fog Seal	SQYD	\$	25.63		\$	-		\$	-
	Pavement Marking-Caltrans A24	SQFT	\$	18.45		\$	-		\$	-
	12" White Line Limit Line	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe-Caltrans A20A Detail 1	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 2	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 8	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20A Detail 9	LF	\$	20.50		\$	-		\$	-
	Traffic Stripe - Caltrans A20B Detail 22	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 29	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 38	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 39	LF	\$	23.58		\$	-		\$	-
	Traffic Stripe - Caltrans A20D Detail 39A	LF	\$	23.58		\$	-		\$	-
	Reflective Pavement Marker-All Types	EA	\$	35.88		\$	-		\$	-
	Hi-Vis-Crosswalk-STD 7350	LF	\$	307.50		\$	-		\$	-
	Bike Lane Buffer	LF	\$	30.75		\$	-		\$	-
	Green Bike Lane Coating-STD 7360	SQFT	\$	51.25		\$	-		\$	-
	Remove Traffic Stripe	LF	\$	15.38		\$	-		\$	-
	Remove Pavement Marking	SQFT	\$	15.38		\$	-		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area Under 60 SQFT)	SQFT	\$	71.75		\$	-		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - 60 to 180 SQFT)	SQFT	\$	61.50	100	\$	6,150.00		\$	-
	Remove & Replace Sidewalk - Std. 4110 (Area - over 180 SQFT)	SQFT	\$	51.25		\$	-		\$	-
	Remove & Replace Curb and Gutter - Std. 4030	LF	\$	92.25		\$	-		\$	-
	Remove & Replace Curb Ramp - Std. 4440	SQFT	\$	24.60		\$	-		\$	-
	Remove & Replace Cross Gutter - Std. 4310	SQFT	\$	205.00		\$	-		\$	-
	Remove & Replace Driveway Ramp - Std. 2110,2111,2115,2116	SQFT	\$	35.88	300		10,762.50		\$	-
	Mission Style PCC Coloring and Salt Finish	SQFT	\$	6.15		\$	-		\$	-
	Mission Style Tile Installation per Std. 4220	LF	\$	71.75		\$	-		\$	-
	Single Mission Tile Installation - Std. 4220	EA	\$	82.00		\$	-		\$	-
	Replace Truncated Domes - Std. 4440	SQFT	\$	71.75		\$	-		\$	-
	Repaint Curb	LF	\$	6.15					\$	-
	Furnish & Install Metal Post - Std. 7210	EA	\$	666.25		\$	-		\$	-
43CCO1	Furnish & Install Metal Post - Std. 7215	EA	\$	717.50		\$	-		\$	-
44CCO1	Furnish and Install Sign	EA	\$	512.50		\$	-		\$	-
45CCO1	Reconstruct Guardrail - Caltrans A77A1	LF	\$	512.50		\$	-		\$	-
46CCO1	Furnish and Install Tree Well - Std. 8130, 4'x4'	EA	\$	5,125.00		\$	-		\$	-
47CCO1	Furnish and Install Tree Well - Std. 8130, 5'x5'	EA	\$	5,945.00		\$	-		\$	-
48CCO1	Furnish and Install Tree Well - Std. 8130, 6'x6'	EA	\$	7,175.00		\$	-		\$	-
49CCO1	Enlarge Tree Grate Opening	EA	\$	256.25		\$	-		\$	-
50CCO1	Catch Basin - Std. 3350	EA	\$	15,375.00		\$	-		\$	-
51CCO1	Catch Basin - Std. 3355	EA	\$	18,450.00		\$	-		\$	-
52CCO1	Catch Basin - Std. 3355A	EA	\$	12,300.00		\$	-		\$	-
53CCO1	Catch Basin - Std. 3360	EA	\$	18,450.00		\$	-		\$	-
54CCO1	Adjust Utility Cover - Std. 6040	EA	\$	768.75		\$	-		\$	-
	Manhole Frame and Cover Replacement - Std. 6040	EA	\$	2,562.50		\$	-		\$	-
56CCO1	Manhole Replacement - Std. 3530 or 6610	EA	\$	13,325.00		\$	-		\$	-
57CCO1	Manhole Coating	EA	\$	30,750.00		\$	-		\$	-
58CCO1	Construct Well / Cleanout - G5 - Std. 6710	EA	\$	1,230.00		\$	-		\$	-
59CCO1	Potholing (Depth - 0' to 4')	EA	\$	666.25		\$	-		\$	-
60CCO1	Potholing (Depth - 4' to 8')	EA	\$	973.75		\$	-		\$	-
61CCO1	Potholing (Depth - 8'+)	EA	\$	1,332.50		\$	-		\$	-
62CCO1	Pipe Excavation & Restoration (Depth - 0' to 2.5')	LF	\$	205.00		\$	-		\$	-
63CCO1	Pipe Excavation & Restoration (Depth - 2.5' to 8.5') Shoring Required	LF	\$	410.00		\$	-		\$	-
64CCO1	Pipe Excavation & Restoration (Depth - 8.5'+) Shoring Required	LF	\$	666.25		\$	-		\$	-
65CCO1	Traffic Control - Eng. Std. Appendix G – Fig A	HR	\$	133.25		\$	-		\$	-
66CCO1	Traffic Control - Eng. Std. Appendix G – Fig B	HR	\$	256.25		\$	-		\$	-
67CCO1	Traffic Control - Eng. Std. Appendix G – Fig C	HR	\$	205.00		\$	-		\$	-
68CCO1	Traffic Control - Eng. Std. Appendix G – Fig D	HR	\$	256.25		\$	-		\$	-
69CCO1	Traffic Control - Eng. Std. Appendix G – Fig E	HR	\$	153.75		\$	-		\$	-
70CCO1	Traffic Control - Eng. Std. Appendix G – Fig F	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig G	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig H	HR	\$	153.75		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig I	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig J	HR	\$	205.00		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig K	HR	\$	169.13		\$	-		\$	-
	Traffic Control - Eng. Std. Appendix G – Fig L	HR	\$	358.75		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig M	HR	\$	133.25		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig N	HR	\$	256.25		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig O	HR	\$	287.00		\$	-		\$	_
	Traffic Control - Eng. Std. Appendix G – Fig P	HR	\$	102.50	8	\$	820.00		\$	_
300001	Traine Control Eng. Sta. Appendix 0 - Fig r	1111	ب	102.50	0	7	020.00		4	-

81CCO1	Minor Traffic Control	HR	\$ 76.88	48	\$ 3,690.00		\$ -
82CCO1	Abandon and Grout (E) Sanitary Sewer with Flowable Fill	CY	\$ 153.75		\$ -		\$ -
83CCO1	2" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 61.50		\$ -		\$ -
84CCO1	4" SCH 40 Conduit, 2-Sac Concrete Capped	LF	\$ 66.63		\$ -		\$ -
85CCO1	2" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 66.63		\$ -		\$ -
86CCO1	4" SCH 40 Conduit, City Standard 6035 - Trench Detail	LF	\$ 71.75		\$ -		\$ -
87CCO1	Electrical Pull Box, PG&E Type #2 (17"x30"x26")	LF	\$ 1,025.00		\$ -		\$ -
	Pexco City Post (EAC Mount), 36" Height, white w/ 3 Grey						
88CCO1	retroreflective strips ( or approved equal)	LF	\$ 256.25		\$ -		\$ -
	Pexco City Post (EAC Mount), 18" Height, white w/ 3 Yellow						
89CCO1	retroreflective strips ( or approved equal)	LF	\$ 230.63		\$ -		\$ -
			Е	stimated Cost	\$ 22,908.75	Actual Cost	\$ -

Estimate		Asphalt	Concrete Materi	al								
Estimate				Tons	Unit	Price		Cost	15%	Markup	Sit	e Total
				0.93	\$	100.00	\$	92.59	\$	13.89	\$	106.48
									Estim	ate Total	\$	106.48
Actual		Ticket Number and Plant		_					4=0		<u> </u>	
		licket Number and Plant	_	Tons		Price		Cost		Markup		cet Fotal
1234 Plant					\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
1234 Plant	t				\$	-	\$	-	\$	-	\$	-
									Act	ual Total	\$	-
		ı	xtra Work									
Estimate												
Est. No.		Location				Ta	ısk					Cost
111	Location X		1	Install A							\$	-
222	Location Y		1	Install B							\$	-
								F	stima	ted Total	Ś	_
Actual								-	.5	teu rotai	Ψ.	
EW No.		Location				т.	ısk					Cost
111a	Location X	Location		Install A		16	ıσκ					
											\$	-
222b	Location Y			Install B							\$	-
ı									Act	tual Total	\$	-

Task Order - Paving Estimate																								
						1	Т		Π				l	Edge		Adjust						I		
	Work			No.										Grind	Reinforcing	Utility				Striping	Traffic Control	Traffic Control		
Location	Order	Address		Patches	L <sub>1</sub> (ft)		L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)		(in)		(SF)	Fabric (SY)	Cover (EA)	Tons of AC	Adjusted	Striping Detail	(ft/SF/EA)	#1	#2	Hours	Notes
1		1543 Morro	Pave Out		25	2					50.0		Yes											
							-																	
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												6							12" White Line		1	R R		
												10							12 Willte Lille		-	C		
											50.0	PCC/AC							2		-	D		
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																			9		1	F		
																			22		1 .	G		
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	Markers										1	 I												
	Croswalk											1 .	M											
	Bike Lane Buffer												N											
																			Green Bike Lane Coating		4	0		
																			Remove Traffic Stripe		1	– P		
																			Remove Marking		1			I
																			Memove Iviai Kirig		1			

													Task	Order - Con	crete Estimate	•									
					Total	Total	Tree Well Length	Tree Well Width	Number	Other	Other			Mission				Cross			Metal Sign				
	Work			No.		Width	(Deduction)	(Deduction)	of Tree	(Deduction)	(Deduction)	Area	Mission	Style Tile	Curb and		Truncated		Driveway		Posts and Sign				
Location	Order	Address	Description	Patches	L <sub>1</sub> (ft)	W <sub>1</sub> (ft)	L <sub>2</sub> (ft)	W <sub>2</sub> (ft)	Wells	L <sub>3</sub> (ft)	W <sub>3</sub> (ft)	(ft <sup>2</sup> )	Style	(ft)	Gutter (ft)	(SF)	Domes (SF)	(SF)	Ramp (SF)	Curb (ft)	(EA)	Traffic Control	Hours	Notes	Cover Page Description
1		1543 Morro Street	Driveway Replacement		10	10						100.0							300			Minor	48		
																						P	8		
								Replacement Tr	ee Wells			100.0	Regular						300			Minor	48		
								4'					Mission									A			
								5'														В			
								6'														С			
								Enlarge														D			
																						E			
																						F		I	



February 10, 2025

WEIPERT FAMILY TRUST 675 RANCHO OAKS DR SLO, CA 93401-8145

Subject: Second Informal Notice to Repair Sidewalk – 1543 Morro Street, San Luis Obispo

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property located at 1543 Morro Street in the City of San Luis Obispo has been identified as a dangerous condition and must be mitigated. The City's Streets Maintenance Program has made temporary repairs; however, you as the adjacent property owner are responsible for the permanent repairs in compliance with the City's Engineering Standards.

The City of San Luis Obispo's Municipal Code identifies the improvements between the street line and property line as being the maintenance responsibility of the adjacent property owner.

San Luis Obispo Municipal Code 12.16.020 – Property Owner's Responsibility The maintenance, repair and collection of the cost of repair shall be governed by the procedure set forth in Division 7, Part 3, Chapter 22 of the Streets and Highways Code of the state. (Prior code § 7330.1)

Public Works Department staff sent you the first Informal Notice to Correct on 10/17/2023, with the request to complete the necessary work within 120 days to the satisfaction of the City. After a review of the file and inspection of the property, staff has noted the conditions have not been corrected. You shall obtain an Encroachment Permit no later than 4/1/2025 and complete the repairs within 30 days of this of the permit issuance.

Failure to comply with the above-stated dates will result in the City issuing a formal Notice to Correct and the work being completed by the City's contractor. It should be noted, if the work is completed by a City contractor, the work is subject to prevailing wage requirements.

A hearing has been added to the 5/20/2025 City Council agenda to seek approval for the necessary work and to pursue reimbursement through a special assessment and lien, should the work not be completed by the above stated date.

Please feel free to contact me with any questions at nstephenson@slocity.org.

Sincerely,

Nehimiah Stephenson

Maintenance Superintendent

Public Works Department

Attachments: Previous Correspondences, Photos, Sidewalk Brochure, Applicable Streets and

Highways Code

Areas of less severe damage are completed as the next priority, working around the City in a systematic fashion in advance of the paving program. That can mean the sidewalk will not be replaced for several years. Damage other than that caused by street trees needs to be completed by the property owner.

# Related to sidewalk repair is clearance and visibility. When is maintenance required?

- Visibility When parkway strip shrubbery interferes with the ability of a driver to see pedestrians or approaching traffic, either from a driveway or an intersection, trimming of shrubs must be completed by the property owner. Shrubs must be trimmed to a maximum height of 36", for a minimum distance of 30' from an intersection. (Municipal Code 10.60 and 17.16.020)
- Walkway and Gutter Clearance Trimming of ground cover or shrubs is required when the plants extend onto or over the sidewalk, gutter, or street.
- Parkway Strip Condition All tree stumps, large rocks, trash and holes must be removed by the property owner. The parkway strip must be level and holes must be filled and leveled with dirt or other material.

# When is a permit required for landscape maintenance work?

If the sidewalk or the street must be closed for the work, a permit is required from Public Works. Call (805)781-7015 for additional information. If a tree is to be removed, a tree removal permit must be obtained. Applications for tree removal are available on the City's web site on the Public Works page <a href="www.slocity.org">www.slocity.org</a> or call 781-7220 for additional information.

Rev 1.14.13

City of San Luis Obispo 25 Prado Road San Luis Obispo, CA 9340



# CITY OF SAN LUIS OBISPO

# Sidewalk & Parkway Strip Maintenance

Property Owner Responsibilities

Department of Public Works

805-781-7220 805-781-7015 The City receives many requests from citizens to make repairs to sidewalks. This brochure provides general information to the public on this subject.

# What is the sidewalk, parkway, and curb and gutter?

The sidewalk, parkway strip, and curb & gutter are typically made of concrete and located next to the street on the front and/or side portion of your property. The curb and gutter are located at the edge of the street pavement. The sidewalk is either separated from the curb by a parkway strip, or is located adjacent to the curb. Parkways are sometimes planted or filled in with brick or other materials.

#### Who is responsible for maintenance?

The property owner is responsible for properly maintaining this area (see San Luis Obispo Municipal Code Section 12.16.020 and Streets and Highway Code Division 7, Part 3, Chapter 22). This responsibility includes maintenance of damaged or displaced concrete and abatement of weeds or debris. While the City may be liable for injuries to pedestrians that are determined to have resulted from a dangerous condition of a public sidewalk, property owners should be aware that they <u>may also</u> be found liable if it is determined that their negligence caused someone to be harmed.

# When should property owners consider doing sidewalk replacement?

Replacement of the sidewalk, curb and gutter concrete should be considered when one or more of the following exists:

- When there is a vertical difference in height between sections of the sidewalk or concrete parkway strip of 3/4" or more.
- If the concrete has broken apart.
- In any instance where the owner has reason to know that the condition presents a danger

to users, or the owner has observed someone trip because of damage to the surface.

In addition to damaged sections of sidewalk, curb and gutter replacement is typically required when sidewalks and driveways are replaced, unless the sidewalk is separated from the curb by a parkway. Patching should be completed when horizontal openings greater than 1/2" exist.

# What are the options available for completing the work?

The City recommends construction of curbs, gutters, and sidewalks in City streets be performed by a properly licensed and insured contractor. A permit is required for concrete repair. Call (805)781-7015 for permit requirements.

# Are there inspections and standards for concrete repair work?

Yes, all work and materials must be in conformance with the City of San Luis Obispo Engineering Standards for Public Works Construction.

Before placing any concrete, you must have any tree root removal approved, and the saw cut, forms, and base inspected. After approval, a City-approved concrete mix must be used. The surface finish must be a light broom finish with score marks. After the work is completed, you must call for a final inspection.

A permit is required for all concrete work in the public right-of-way. Engineering Standards for construction are available on the City's web site on the Public Works page www.slocity.org. For information on obtaining a permit call (805)781-7015.

# ls the property owner responsible for repairs if the concrete damage is caused by a tree?

The City encourages street trees in front of residences. (Municipal Code 12.24.010) The property owner is responsible for the maintenance of the street tree but the City will repair the sidewalk when the concrete has been damaged by a street tree, as funding is available, and timed with the area rotation program. Concrete damaged by trees other than street trees is the responsibility of the property owner, Maintenance, trimming and replacement of street trees and shrubs is governed by Chapter 12.24.110, 12.24.120 and 12.24.150 of the Municipal Code.

# What measures should be taken to minimize concrete displacement by tree roots?

Certain species of trees may raise concrete if preventative maintenance is not performed. To reduce the chance of future concrete displacement, trees can be root-pruned. Care must be taken when root pruning to avoid damaging underground utilities or destabilizing or harming the tree. This work must be completed by a licensed arborist. Also, deep- watering the tree, that is, applying a slow trickle of water over a 24-hour period, encourages deeper root growth which reduces the chance of sidewalk damage.

# If a problem is reported to the City, how long does it take for a repair?

When a report is made to the City, it is entered in to the work order program. Subject to the availability of resources and personnel, the City will attempt to review the site within a week of entry of the work order. If a temporary repair, such as grinding or ramping the area can be made, the City will generally attempt to complete that work within two weeks. Severe damage caused by a street tree, which cannot be repaired adequately, will be reconstructed as soon as resources and available personnel allow.



November 5th, 2024

Attention: Owner of 1543 Morro St, San Luis Obispo, CA 675 RANCHO OAKS DR SLO, CA 93401-8145

Subject: Notice to Correct Sidewalk adjacent to 1543 Morro St APN: 003-538-016

Dear Property Owner:

The sidewalk and driveway apron adjacent to your property at 1543 Morro in the City of San Luis Obispo must be repaired. This section of sidewalk at 1543 Morro is considered a dangerous condition that must be mitigated. The condition of the concrete has deteriorated so severely that a temporary repair effort by Public Works staff would fail in a very short time and make the sidewalk more of a hazard. This sidewalk was brought to our attention by a citizen complaint.

The City of San Luis Obispo's Municipal Code identifies the curb, gutter and sidewalk adjacent to your property as being the maintenance responsibility of the property owner, in this case, Maddalena Roland C Exemption Trust.

12.16.020 Property owner's responsibility – City Municipal Code
 The maintenance, repair and collection of the cost of repair shall be
 governed by the procedure set forth in Division 7, Part 3, Chapter 22
 of the Streets and Highways Code of the state. (Prior code § 7330.1)

The appropriate sections of the Streets and Highway Code are included as an attachment to this letter. Below are some incremental timeframes to complete the work.

- Within 30 calendar days of this letter, you must acknowledge receipt of this letter.
- Within 60 calendar days of this letter, you must submit to the City the necessary repair plans for the issuance of an encroachment permit.
- Within 90 calendar days of this letter, you must obtain an encroachment permit from the City to complete the necessary repair work.
- Within 120 calendar days of this letter, you must complete the necessary repair work to the satisfaction of the City.

This repair work can be costly; if you prefer to propose alternate timeframes for consideration, please submit those in writing to me within 30 calendar days of this letter. Failure to comply with this request could lead to formal Notices to Correct being issued with accelerated repair timeframes as required by the Streets and Highways Code.

Sincerely,

Nemo Stephenson Maintenance Superintendent Nstephenson@slocity.org 805-783-7813

Cc: Public Works Administration Streets Maintenance

#### Attachments

- 1. Attachment 1 Streets and Highway Code Division 7, Part 3, Chapter 22
- 2. Sidewalk Photos
- 3. Sidewalk & Parkway Strip Maintenance, Property Owner Responsibilities.

STREETS AND HIGHWAYS CODE - SHC DIVISION 7. THE IMPROVEMENT ACT OF 1911 PART 3. PERFORMING THE WORK CHAPTER 22. Maintenance of Sidewalks ARTICLE 2. Repairs

5610. The owners of lots or portions of lots fronting on any portion of a public street or place when that street or place is improved or if and when the area between the property line of the adjacent property and the street line is maintained as a park or parking strip, shall maintain any sidewalk in such condition that the sidewalk will not endanger persons or property and maintain it in a condition which will not interfere with the public convenience in the use of those works or areas save and except as to those conditions created or maintained in, upon, along, or in connection with such sidewalk by any person other than the owner, under and by virtue of any permit or right granted to him by law or by the city authorities in charge thereof, and such persons shall be under a like duty in relation thereto.

5611. When any portion of the sidewalk is out of repair or pending reconstruction and in condition to endanger persons or property or in condition to interfere with the public convenience in the use of such sidewalk, the superintendent of streets shall notify the owner or person in possession of the property fronting on that portion of such sidewalk so out of repair, to repair the sidewalk.

<u>5612.</u> Notice to repair may be given by delivering a written notice personally to the owner or to the person in possession of the property facing upon the sidewalk so out of repair, or by mailing a postal card, postage prepaid, to the person in possession of such property, or to the owner thereof at his last known address as the same appears on the last equalized assessment rolls of such city or to the name and address of the person owning such property as shown in the records of the office of the clerk.

**5613.** The postal card shall contain a notice to repair the sidewalk so out of repair, and the superintendent of streets shall, immediately upon the mailing of the notice, cause a copy thereof printed on a card of not less than 8 inches by 10 inches in size, to be posted in a conspicuous place on the property. In lieu of posting a copy of the mailed notice on the property as provided in this section, the superintendent of streets may, not less than seven days nor more than 10 days after the mailing of the first postal card notice, mail an additional postal card, postage prepaid, marked "Second Notice," to the person to whom the first postal card notice was addressed. The second notice shall otherwise contain the material required by this article but shall not extend the time for commencing repairs specified in Section 5614.

5614. The notice shall particularly specify what work is required to be done, and how it is to be done, and what materials shall be used in the repair and shall further specify that if the repair is not commenced within two weeks after notice is given and diligently and without interruption prosecuted to completion, the superintendent of streets shall make such repair, and the cost of the same shall be a lien on the property.

**5614.1.** The legislative body may adopt a resolution determining that bonds shall be issued, and assessments collected and enforced pursuant to Part 5 of this division. In such event, the notice to repair shall specify that bonds shall be issued to represent the security of the unpaid assessments,

payable over a period of not to exceed six years, and shall further recite a maximum rate of interest to be paid on the indebtedness, which shall not exceed 7 percent a year, payable semiannually.

**5615.** If the repair is not commenced and prosecuted to completion with due diligence, as required by the notice, the superintendent of streets shall forthwith repair the sidewalk. Upon the written request of the owner of the property facing the sidewalk so out of repair, as ascertained from the last equalized assessment roll of the city, or as shown in the records of the office of the clerk, the superintendent may repair any other portion of the sidewalk fronting on the property that is designated by the owner. The superintendent shall have power to prescribe the form of the written request. The cost of repair work done by request pursuant to this section shall be a part of the cost of repairs for which, pursuant to this chapter, subsequent notices are given, hearings held, and assessment and collection procedures are conducted.

**5616.** Upon the completion of the repair, the superintendent of streets shall cause notice of the cost of the repair to be given in the manner specified in this article for the giving of notice to repair, which notice shall specify the day, hour and place when the legislative body will hear and pass upon a report by the superintendent of streets of the cost of the repair together with any objections or protests, if any, which may be raised by any property owner liable to be assessed for the cost of such repair and any other interested persons. If bonds are to be issued, the notice shall also contain the information required by Section 5614.1.

<u>5617.</u> Upon the completion of the repair, the superintendent of streets shall prepare and file with the legislative body a report specifying the repairs which have been made, the cost of the repairs, a description of the real property in front of which the repairs have been made and the assessment against each lot or parcel of land proposed to be levied to pay the cost thereof. Any such report may include repairs to any number of parcels of property, whether contiguous to each other or not.

**5618.** Upon the day and hour fixed for the hearing the legislative body shall hear and pass upon the report of the superintendent of streets, together with any objections or protests which may be raised by any of the property owners liable to be assessed for the work of making such repair and any other interested persons. Thereupon the legislative body may make such revision, correction or modifications in the report as it may deem just, after which, by motion or resolution, the report as submitted, or as revised, corrected or modified, shall be confirmed. The legislative body may adjourn the hearings from time to time. The decisions of the legislative body on all protests and objections which may be made, shall be final and conclusive.

1543 Morro – Sidewalk photos'





#### SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Weipert Family Trust
675 Ranchio Caks Dr.
San Wis Obispo, CA,
93401

9590 9402 8995 4122 4044 04

2. Article Number (Transfer from service label)

7019 2280 0000 9413 7342

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ( ) Q Q Q J

☐ Agent

B. Received by (Printed Name)

2-15 -

D. Is delivery address different from item 1?

If YES, enter delivery address below:

- 3. Service Type
- □ Adult Signature
   □ Adult Signature Restricted Delivery
- Certified Mail®

  Cortified Mail Restricted Delivery
- ☐ Collect on Delivery
  ☐ Collect on Delivery Restricted Delivery
- Insured Mail
  Insured Mail Restricted Delivery
  fover \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail Restricted
  Delivery
- ☐ Signature Confirmation™
  ☐ Signature Confirmation
- Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Paget580rof555

USPS TRACKING#

SANTA CLARITA ICA 913

15 FEB 2025 PN 3 L

First-Class Mail Postage & Fees Paid USPS Permit No. G-10

9590 9402 8995 4122 4044 04

# **United States Postal Service**

• Sender: Please print your name, address, and ZIP+4® in this box•

City of San Luis Obispo
Public Works

25 Prado Road
San Luis Obispo, CA, 93401

Nenemian Stephanson

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**Department:** Administration

Cost Center: 1021
For Agenda of: 5/20/2025
Placement: Business
Estimated Time: 60 Minutes

**FROM:** Greg Hermann, Deputy City Manager

Prepared By: Teresa Purrington, City Clerk

SUBJECT: CONSIDER CREATING A COMMITTEE TO REVIEW THE CITY'S

ELECTION CAMPAIGN REGULATIONS AND/OR COUNCIL AND

ADVISORY BODY COMPENSATION

#### RECOMMENDATION

Discuss and provide direction on the following:

- 1. Election Campaign Regulations:
  - a) Form an Election Campaign Regulations Committee to review whether the maximum allowable contribution should be increased to \$500 to align with Senate Bill 1243 (Dodd);
  - b) Or direct staff to return in April 2026 with an Ordinance amending Section 2.40.040 of the Municipal Code to increase the maximum allowable contribution from \$250 to \$500;
  - c) Or defer the appointment of an Election Campaign Regulations Committee and leave the maximum allowable contribution unchanged.
- 2. Council and Advisory Body Compensation:
  - a) Form a Council Compensation Committee to review the full Council compensation package and compensation for Planning Commission and Architectural Review Commission members, and make recommendations to the City Council no later than May 1, 2026;
  - b) Or direct staff to return in April 2026 with an increase to Council compensation consistent with the Council Policies and Procedures (CP&P 2.1.1) authorization to provide Consumer Price Index (CPI) increases to Council, Planning Commission, and Architectural Review Commission salaries without appointing a Council Compensation Committee.
  - c) Or defer the appointment of a Council Compensation Committee and leave the compensation package unchanged.

## **Policy Context**

<u>Elections Regulations</u>: Municipal Code Chapter 2.40 outlines Elections Campaign Regulations and <u>Section 2.40.040A</u> establishes the current total contribution limit per person at \$250. <u>Section 2.40.140</u> provides that the Council may appoint a committee of at least five citizens to study the efficacy of this Chapter.

Council Compensation: Charter Section 410 provides that compensation for the Mayor and Council shall be reviewed biennially in even years and Resolution No. 9189 (2001 Series) provides that Planning Commission and Architectural Review Commission compensation will be reviewed with the biennial review of the Council compensation. If the Council decides to form a Committee to review compensation, a seven-member review committee shall be appointed and a proposed recommendation in resolution form shall be presented to the City Council no later than the first City Council meeting in May. The committee membership shall have as broad a representation as possible, including but not limited to, one previously elected official, one Personnel Board member, and one citizen at large.

Council's Polices and Procedures Section 2.1.1 approved in 2021 indicates that if City Council determines that a full review of City Council, Planning Commission and Architectural Review Commission is not necessary they can instead approve a Consummer Price Index (CPI) increase.

#### 2.1.1 CONSUMER PRICE INDEX INCREASES

In lieu of forming a Council Compensation Committee, Council may approve biennial Consumer Price Index (CPI) for All Urban Consumers in the Los Angeles, Long Beach and Anaheim metropolitan area increases applied to Council, Planning Commission, and Architectural Review Commission salaries, effective the first full pay period in January (Resolution No. 11318).

#### DISCUSSION

#### Elections Campaign Regulations and SB 1243 and SB 1181

Approved by the Governor in September 2024 and effective January 1, 2025, Senate Bill 1181 (Attachment A) and Senate Bill 1243 (Attachment B) amended Section 84308 of the Political Reform Act. SB 1181 and SB 1243 make four significant changes to the Levine Act (Government Code Section 84308):

- Raises the threshold of a potentially disqualifying campaign contribution from \$250 to \$500 or more within the twelve (12) months before an item is "pending" before the elected official:
- Extends the period of time that a potentially disqualifying campaign contribution can be "cured" through the return of the contribution from 14 to 30 days;
- Exempts City Attorneys and County Counsels from the law, where the attorney is not the final decisionmaker; and
- Clarifies when a government decision is "pending" such that the campaign contribution restrictions are triggered.

#### **Dollar Amounts**

The legislative changes referenced above raise the threshold for a conflicted contribution from the previous limit of \$250 to \$500 (in the aggregate per candidate). Aggregated contributions of \$500 and below will not trigger the Act's recusal requirements. Further, the restrictions on campaign contributions made in the 12 months after an agency's decision now only applies to aggregated contributions of more than \$500.

#### Safe Harbor/Cure Timing

The changes extend the time period for a local official to return a potentially conflicting contribution from 14 to 30 days after the official makes the covered decision or knows, or should have known, about the contribution and relevant proceeding (whichever is later). It is anticipated that the Fair Political Practices Commission (FPPC) will institute a new rulemaking proceeding to align FPPC regulations with this new legislation.

## Contributions by Agents

The changes prohibit contributions by "agents" to local officials during the entire time that the agent's party or participant has a proceeding "pending" before the local official, board, or agency. This prohibition is broader than the ban on lobbyist contributions imposed by some jurisdictions and covers all "agents."

SB 1243 specifies that contributions from agents are not aggregated with those of the parties with business pending before local government boards or agencies. SB 1243 also makes clear that persons providing technical assistance, such as architects, engineers, or similar professionals, are not agents for purposes of the Levine Act when communicating with officials purely related to their technical submissions and not otherwise attempting to influence a proceeding.

#### Exclusion of Local Government Counsel

SB 1243 and SB 1181 explicitly exclude County Counsel and City Attorneys from the application of the Levine Act when providing legal advice on a matter where the attorney "does not have the authority to make a final decision in the proceeding."

## **City Elections Campaign Regulations**

The City of San Luis Obispo's Elections Campaign Regulations are codified in the Municipal Code Section Chapter 2.40. Campaign contributions were last amended in July 2024. At that time the total per-person contribution limit was reduced to \$250 from \$300 to comply with SB 1439 (also known as the Levine Act), which became effective January 1, 2024. Municipal Code Section 2.40.140, states that the Council *may* appoint a committee, which gives Council discretion on whether to appoint the Committee or not to review and make recommended changes to the City's campaign regulations. In other words, the Council could raise the per-person contribution amount without appointing a committee by directing staff to return with the appropriate ordinance amendment.

## **Council Compensation**

Charter Section 410 provides that compensation for the Mayor and Council shall be reviewed biennially in even-numbered years. Recommended adjustments would then become effective the following January for the next two-year period. The Council Policies and Procedures (CP&P) Chapter 2 (Attachment C) outlines the implementation of the review of compensation. In April 2022, Council adopted Resolution No. 11318 (2022 Series), which amended the CP&P to allow for Consumer Price Index (CPI) increases in lieu of forming a Council Compensation Committee. On April 2, 2024 City Council approved a CPI increase of 8.3% for the City Council, Planning Commission and Architectural Review Commission.

#### **Committee Formation**

If the Council decides to establish both the Elections Campaign Regulations Committee and the Council Compensation Committee, staff recommends combining them into a single committee to most efficiently use time and resources. If formed this would be a Brown Act committee with all meetings noticed and open to the public.

When a committee has been convened, past practice has been that Council Members nominate individuals to serve on the committee by submitting names to the City Clerk. The City Clerk recruits individuals using the following criteria: 1) by first calling those qualified to serve and who received more than one nomination; and 2) by contacting one nominee from each Council Member who had submitted recommendations. In the past, Council has also appointed alternates if a member was unable to attend a meeting. Committee Members who have served in the last 10 years are listed in Attachment D.

If the Council opts to proceed with the committee review, staff recommends that the City Clerk receive names of individuals from councilmembers by June 15, 2025, that the City Clerk confirm interest with individuals suggested, and that the names of all interested individuals be presented to Council and the public for discussion at the July 13, 2025 City Council meeting.

## **Previous Council or Advisory Body Action**

On January 7, 2020, the Council Compensation Committee recommended increasing the monthly compensation for the Mayor to \$2,508 and City Council to \$1,990, and to defer review of Planning Commission and Architectural Review Commission's compensation.

On April 19, 2022, <u>Resolution No. 11318 (2022 Series)</u> was adopted, providing a biennial CPI increase to the Council, Planning Commission, and Architectural Review Commissions' compensation in lieu of appointing a Council Compensation Committee.

On <u>April 2, 2024</u>, Council approved a CPI increase to the Council, Planning Commission and Architectural Review Committee's monthly compensation and also lowered the

maximum allowable campaign contribution from \$300 to \$250 due to changes to Section 84308 of the Political Reform Act based on the Levine Act.

## **Public Engagement**

No public engagement has been done for this item; however, the public will have an opportunity to comment on this item at or before the meeting. Furthermore, should the Council appoint a committee, these meetings will be open to the public and any recommendations will be presented at a publicly noticed meeting.

## **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act does not apply to the recommended action in this report, because the action does not constitute a "Project" under CEQA Guidelines Sec. 15378.

#### FISCAL IMPACT

Budgeted: Yes Budget Year: 2025-26

Funding Identified: N/A

## **Fiscal Analysis:**

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$ N/A	\$	\$	\$
State				
Total	\$N/A	\$	\$	\$

The cost to staff a committee is anticipated every two years when the budget is approved for the City Administration and IT Department. Any increases to compensation would be included in the development of the 2026-27 Supplemental Budget.

#### **ALTERNATIVES**

- 1. Election Campaign Contributions:
  - a. Forego the creation of the Elections Campaign Regulations Review Committee and direct staff to return at a future meeting to present an ordinance amendment, which would increase the per-person contribution limit from \$250 to \$500.
  - b. Forego the creation of the Elections Campaign Regulations Review Committee and do not direct staff to return at a future meeting to present an

- ordinance amendment, which would leave the per-person contribution limit at \$250.
- c. Appoint a separate Elections Campaign Regulations Committee. Direct Staff to begin the process to convene a 7-member Elections Campaign Regulations Committee to consider increasing the per-person contribution limit from \$250 to \$500, in alignment with Senate Bill 1243.
- 2. Council and Advisory Body Compensation
  - a. Council could decide to forego the creation of a Council Compensation Committee. As Council is not required to create said Committee, they could opt to approve just the biennial CPI increases to Council, Planning Commission, and Architectural Review Commission salaries, as authorized by Resolution No. 11318 (2022 Series).
  - b. Appoint a separate Council and Advisory Body Compensation Committee. Direct staff to begin the process to convene a 7-member Council Compensation Committee to review the entire compensation package for Council, Planning Commission, and Architectural Review Commission.

#### **ATTACHMENTS**

- A Senate Bill 1181
- B Senate Bill 1243
- C Council Policies & Procedures Chapter 2 (Council Compensation)
- D Previously Appointed Elections Campaign Regulations Committee and Council Compensation Committee Members

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California Law

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SB-1181 Campaign contributions: agency officers. (2023-2024)



Date Published: 09/30/2024 09:00 PM

#### Senate Bill No. 1181

#### **CHAPTER 785**

An act to amend Section 84308 of the Government Code, relating to the Political Reform Act of 1974.

[ Approved by Governor September 27, 2024. Filed with Secretary of State September 27, 2024. ]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1181, Glazer. Campaign contributions: agency officers.

The Political Reform Act of 1974 prohibits certain contributions of more than \$250 to an officer of an agency by any party, participant, or party or participant's agent in a proceeding while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 12 months following the date a final decision is rendered in the proceeding, as specified. The act requires disclosure on the record of the proceeding, as specified, of certain contributions of more than \$250 within the preceding 12 months to an officer from a party or participant, or party's agent.

This bill would exempt a city attorney or county counsel providing legal advice to the agency who does not have the authority to make a final decision in the proceeding from the definition of "officer" for purposes of these provisions. The bill would specify that certain types of contracts, including the periodic review or renewal of development agreements and competitively bid contracts, unless there are material modifications or amendments to the agreement, are not considered a license, permit, or other entitlement for these purposes.

This bill would incorporate additional changes to Section 84308 of the Government Code proposed by SB 1243 to be operative only if this bill and SB 1243 are enacted and this bill is enacted last.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a  $\frac{2}{3}$  vote of each house of the Legislature and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 84308 of the Government Code is amended to read:

84308. (a) The definitions set forth in this subdivision shall govern the interpretation of this section.

- (1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
- (2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if that person lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency.
- (3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of government, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.
- (4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency, other than a city attorney or county counsel providing legal advice to the agency who does not have the authority to make a final decision in the proceeding.
- (5) (A) Except as provided in subparagraph (B), "license, permit, or other entitlement for use" means all business, professional, trade, and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts, and all franchises.
  - (B) "License, permit, or other entitlement for use" does not include any of the following:
    - (i) The periodic review or renewal of development agreements unless there is a material modification or amendment proposed to the agreement. Non-material modifications or amendments may be approved by agency staff.
    - (ii) Periodic reviews or renewal of competitively bid contracts unless there are material modifications or amendments proposed to the agreement that are valued at more than 10 percent of the value of the contract or fifty thousand dollars (\$50,000), whichever is less. Non-material modifications or amendments may be approved by agency staff.
    - (iii) Modification of or amendments to contracts that are exempt under this subparagraph other than competitively bid contracts.
- (6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.
- (b) While a proceeding involving a license, permit, or other entitlement for use is pending, and for 12 months following the date a final decision is rendered in the proceeding, an officer of an agency, shall not accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition applies regardless of whether the officer accepts, solicits, or directs the contribution on the officer's own behalf, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
- (c) Prior to rendering any decision in a proceeding involving a license, permit, or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250), from a party or from any participant shall disclose that fact on the record of the proceeding. An officer of an agency shall not make, participate in making, or in any way attempt to use the officer's official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.
- (d) (1) If an officer receives a contribution that would otherwise require disqualification under this section, and returns the contribution within 30 days from the time the officer makes any decision or knows, or should have

known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, whichever comes last, the officer shall be permitted to participate in the proceeding.

- (2) (A) Subject to subparagraph (B), if an officer accepts, solicits, or directs a contribution of more than two hundred fifty dollars (\$250) during the 12 months after the date a final decision is rendered in the proceeding in violation of subdivision (b), the officer may cure the violation by returning the contribution, or the portion of the contribution in excess of two hundred fifty dollars (\$250), within 14 days of accepting, soliciting, or directing the contribution, whichever comes latest.
  - (B) An officer may cure a violation as specified in subparagraph (A) only if the officer did not knowingly and willfully accept, solicit, or direct the prohibited contribution.
  - (C) An officer's controlled committee, or the officer if no controlled committee exists, shall maintain records of curing any violation pursuant to this paragraph.
- (e) (1) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party or the party's agent.
  - (2) A party, or agent to a party, to a proceeding involving a license, permit, or other entitlement for use pending before any agency or a participant, or agent to a participant, in the proceeding shall not make a contribution of more than two hundred fifty dollars (\$250) to any officer of that agency during the proceeding and for 12 months following the date a final decision is rendered by the agency in the proceeding.
  - (3) When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in this section.
- (f) (1) A person is the "agent" of a party to, or a participant in, a pending proceeding involving a license, permit, or other entitlement for use only if the person represents that party or participant for compensation and appears before or otherwise communicates with an agency for the purpose of influencing the proceeding on behalf of a party or participant.
  - (2) If an individual acting as an agent is also acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar entity or corporation, both the entity or corporation and the individual are "agents."
  - (3) "Agent" includes a lobbyist registered to lobby the agency and who otherwise meets the requirements of paragraph (1).
  - (4) "Communicate with the agency for the purpose of influencing the proceeding" does not include either of the following:
    - (A) Preparing drawings or submissions of an architectural, engineering, or similar nature for a client to submit in a proceeding before the agency if both of the following conditions are met:
      - (i) The work is performed pursuant to the person's profession.
      - (ii) The person does not make any contact with the agency other than contact with agency staff concerning the process or evaluation of the documents prepared by the person.
    - (B) Providing technical data or analysis to an agency if the person does not otherwise engage in direct communication for the purpose of influencing the proceeding.
- (g) This section shall not be construed to imply that any contribution subject to being reported under this title shall not be so reported.
- SEC. 1.5. Section 84308 of the Government Code is amended to read:
- 84308. (a) The definitions set forth in this subdivision shall govern the interpretation of this section.
  - (1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
  - (2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial

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interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if that person lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency. A person is not a "participant" under this paragraph if their financial interest in the decision results solely from an increase or decrease in membership dues.

- (3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of government, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.
- (4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency, other than a city attorney or county counsel providing legal advice to the agency who does not have the authority to make a final decision in the proceeding.
- (5) (A) Except as provided in subparagraph (B), "license, permit, or other entitlement for use" means all business, professional, trade, and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts, and all franchises.
  - (B) "License, permit, or other entitlement for use" does not include any of the following:
    - (i) Competitively bid contracts that are required by law, agency policy, or agency rule to be awarded pursuant to a competitive process.
    - (ii) Labor contracts.
    - (iii) Personal employment contracts.
    - (iv) Contracts valued under fifty thousand dollars (\$50,000).
    - (v) Contracts where no party receives financial compensation.
    - (vi) Contracts between two or more agencies.
    - (vii) The periodic review or renewal of development agreements unless there is a material modification or amendment proposed to the agreement. Non-material modifications or amendments may be approved by agency staff.
    - (viii) The periodic review or renewal of competitively bid contracts unless there are material modifications or amendments proposed to the agreement that are valued at more than 10 percent of the value of the contract or fifty thousand dollars (\$50,000), whichever is less. Non-material modifications or amendments may be approved by agency staff.
    - (ix) Modification of or amendments to contracts that are exempt under this subparagraph, other than competitively bid contracts.
- (6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.
- (7) "Pending" in a proceeding involving a license, permit, or other entitlement for use means either of the following:
  - (A) For an officer, when either of the following occurs:
    - (i) An item involving the license, permit, or other entitlement for use is placed on the agenda for discussion or decision at a public meeting of the body of which the officer is a member.
    - (ii) The officer knows a proceeding involving a license, permit, or other entitlement for use is within the jurisdiction of the officer's agency for its decision or other action, and it is reasonably foreseeable that the decision will come before the officer in the officer's decisionmaking capacity.
  - (B) For a party or party's agent, or a participant or participant's agent, when an application is filed with an agency, or, if the proceeding process does not require an application, when the proceeding is before the agency for its decision or other action.

- (b) (1) While a proceeding involving a license, permit, or other entitlement for use is pending, and for 12 months following the date a final decision is rendered in the proceeding, an officer of an agency shall not accept, solicit, or direct a contribution of more than five hundred dollars (\$500) from any party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition applies regardless of whether the officer accepts, solicits, or directs the contribution on the officer's own behalf, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
  - (2) With respect to elected officers, paragraph (1) applies only if the elected officer or the body of which they are a member has the authority to make any decision or recommendation in the proceeding.
- (c) (1) Before rendering any decision in a proceeding involving a license, permit, or other entitlement for use, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than five hundred dollars (\$500) from a party or from any participant shall disclose that fact on the record of the proceeding. An officer of an agency shall not make, participate in making, or in any way attempt to use the officer's official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use if the officer has willfully or knowingly received a contribution in an amount of more than five hundred dollars (\$500) within the preceding 12 months from a party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.
  - (2) With respect to elected officers, paragraph (1) applies only if the elected officer or the body of which they are a member has the authority to make any decision or recommendation in the proceeding.
- (d) (1) If an officer receives a contribution that would otherwise require disqualification under this section, and returns the contribution within 30 days from the time the officer makes any decision, or knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, whichever comes last, the officer shall be permitted to participate in the proceeding.
  - (2) (A) Subject to subparagraph (B), if an officer accepts, solicits, or directs a contribution of more than five hundred dollars (\$500) during the 12 months after the date the final decision is rendered in violation of subdivision (b), the officer may cure the violation by returning the contribution, or the portion of the contribution in excess of five hundred dollars (\$500), within 30 days of accepting, soliciting, or directing the contribution, whichever comes latest.
    - (B) An officer may cure a violation as specified in subparagraph (A) only if the officer did not knowingly and willfully accept, solicit, or direct the prohibited contribution.
    - (C) An officer's controlled committee, or the officer if no controlled committee exists, shall maintain records of curing any violation pursuant to this paragraph.
- (e) (1) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than five hundred dollars (\$500) made within the preceding 12 months before the date that any decision is rendered by the agency by the party or the party's agent.
  - (2) A party to a proceeding involving a license, permit, or other entitlement for use pending before any agency or a participant in the proceeding shall not make a contribution of more than five hundred dollars (\$500) to any officer of that agency during the proceeding and for 12 months following the date the final decision is rendered by the agency in the proceeding.
  - (3) An agent to a party or participant shall not make a contribution in any amount to an officer during the time periods described in paragraph (2).
  - (4) When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in this section.
- (f) This section shall not be construed to imply that any contribution subject to being reported under this title shall not be so reported.

- (g) For the purposes of this section, in determining whether a contribution has exceeded five hundred dollars (\$500), the contributions of an agent shall not be aggregated with contributions from a party or participant.
- (h) (1) A person is the "agent" of a party to, or a participant in, a pending proceeding involving a license, permit, or other entitlement for use only if the person represents that party or participant for compensation and appears before or otherwise communicates with an agency for the purpose of influencing the proceeding on behalf of a party or participant.
  - (2) If an individual acting as an agent is also acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar entity or corporation, both the entity or corporation and the individual are "agents."
  - (3) "Agent" includes a lobbyist registered to lobby the agency who otherwise meets the requirements of paragraph (1).
  - (4) "Communicate with the agency for the purpose of influencing the proceeding" does not include either of the following:
    - (A) Preparing drawings or submissions of an architectural, engineering, or similar nature for a client to submit in a proceeding before the agency if both of the following conditions are met:
      - (i) The work is performed pursuant to the person's profession.
      - (ii) The person does not make any contact with the agency other than contact with agency staff concerning the process or evaluation of the documents prepared by the person.
    - (B) Providing technical data or analysis to an agency if the person does not otherwise engage in direct communication for the purpose of influencing the proceeding.
- (i) (1) Except as provided in paragraph (2), the provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
  - (2) Subdivision (g) is not severable from paragraph (3) of subdivision (e) if paragraph (3) of subdivision (e) is held invalid in a final decision of a court of competent jurisdiction. If that occurs, subdivision (g) shall become inoperative on the date of that final decision.
- **SEC. 2.** Section 1.5 of this bill incorporates amendments to Section 84308 of the Government Code proposed by both this bill and Senate Bill 1243. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 84308 of the Government Code, and (3) this bill is enacted after Senate Bill 1243, in which case Section 1 of this bill shall not become operative.
- **SEC. 3.** The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

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SB-1243 Campaign contributions: agency officers. (2023-2024)



Date Published: 09/30/2024 09:00 PM

#### Senate Bill No. 1243

#### CHAPTER 1017

An act to amend Section 84308 of the Government Code, relating to the Political Reform Act of 1974.

[ Approved by Governor September 30, 2024. Filed with Secretary of State September 30, 2024. ]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1243, Dodd. Campaign contributions: agency officers.

The Political Reform Act of 1974 prohibits certain contributions of more than \$250 to an officer of an agency by any party, participant, or party or participant's agent in a proceeding while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 12 months following the date a final decision is rendered in the proceeding, as specified. The act requires disclosure on the record of the proceeding, as specified, of certain contributions of more than \$250 within the preceding 12 months to an officer from a party or participant, or party's agent. The act disqualifies an officer from participating in a decision in a proceeding if the officer has willfully or knowingly received a contribution of more than \$250 from a party or a party's agent, or a participant or a participant's agent, as specified. The act allows an officer to cure certain violations of these provisions by returning a contribution, or the portion of the contribution of in excess of \$250, within 14 days of accepting, soliciting, or receiving the contribution, whichever comes latest.

This bill would raise the threshold for contributions regulated by these provisions to \$500, as specified. The bill would extend the period during which an officer may cure a violation to within 30 days of accepting, soliciting, or directing the contribution, whichever is latest. The bill would specify that a person is not a "participant" for the purposes of these provisions if their financial interest in a decision results solely from an increase or decrease in membership dues. The bill would exempt from these provisions contracts valued under \$50,000, contracts between 2 or more government agencies, contracts where no party receives financial compensation, and the periodic review or renewal of development agreements, as specified, from these provisions.

This bill would incorporate additional changes to Section 84308 of the Government Code proposed by SB 1181 to be operative only if this bill and SB 1181 are enacted and this bill is enacted last.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a  $^2/_3$  vote of each house of the Legislature and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: 2/3 Appropriation: no Fiscal Committee: no Local Program: no

#### THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

#### **SECTION 1.** Section 84308 of the Government Code is amended to read:

- 84308. (a) The definitions set forth in this subdivision shall govern the interpretation of this section.
  - (1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
  - (2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if that person lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency. A person is not a "participant" under this paragraph if their financial interest in the decision results solely from an increase or decrease in membership dues.
  - (3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of government, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.
  - (4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.
  - (5) (A) Except as provided in subparagraph (B), "license, permit, or other entitlement for use" means all business, professional, trade, and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts, and all franchises.
    - (B) "License, permit, or other entitlement for use" does not include any of the following:
      - (i) Competitively bid contracts that are required by law, agency policy, or agency rule to be awarded pursuant to a competitive process.
      - (ii) Labor contracts.
      - (iii) Personal employment contracts.
      - (iv) Contracts valued under fifty thousand dollars (\$50,000).
      - (v) Contracts where no party receives financial compensation.
      - (vi) Contracts between two or more agencies.
      - (vii) The periodic review or renewal of development agreements unless there is a material modification or amendment proposed to the agreement. Non-material modifications or amendments may be approved by agency staff.
  - (6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.
  - (7) "Pending" in a proceeding involving a license, permit, or other entitlement for use means either of the following:
    - (A) For an officer, when either of the following occurs:
      - (i) An item involving the license, permit, or other entitlement for use is placed on the agenda for discussion or decision at a public meeting of the body of which the officer is a member.
      - (ii) The officer knows a proceeding involving a license, permit, or other entitlement for use is within the jurisdiction of the officer's agency for its decision or other action, and it is reasonably foreseeable that the decision will come before the officer in the officer's decisionmaking capacity.
    - (B) For a party or party's agent, or a participant or participant's agent, when an application is filed with an agency, or, if the proceeding process does not require an application, when the proceeding is before the agency for its decision or other action.

- (b) (1) While a proceeding involving a license, permit, or other entitlement for use is pending, and for 12 months following the date a final decision is rendered in the proceeding, an officer of an agency shall not accept, solicit, or direct a contribution of more than five hundred dollars (\$500) from any party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition applies regardless of whether the officer accepts, solicits, or directs the contribution on the officer's own behalf, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
  - (2) With respect to elected officers, paragraph (1) applies only if the elected officer or the body of which they are a member has the authority to make any decision or recommendation in the proceeding.
- (c) (1) Before rendering any decision in a proceeding involving a license, permit, or other entitlement for use, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than five hundred dollars (\$500) from a party or from any participant shall disclose that fact on the record of the proceeding. An officer of an agency shall not make, participate in making, or in any way attempt to use the officer's official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use if the officer has willfully or knowingly received a contribution in an amount of more than five hundred dollars (\$500) within the preceding 12 months from a party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.
  - (2) With respect to elected officers, paragraph (1) applies only if the elected officer or the body of which they are a member has the authority to make any decision or recommendation in the proceeding.
- (d) (1) If an officer receives a contribution that would otherwise require disqualification under this section, and returns the contribution within 30 days from the time the officer makes any decision, or knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, whichever comes last, the officer shall be permitted to participate in the proceeding.
  - (2) (A) Subject to subparagraph (B), if an officer accepts, solicits, or directs a contribution of more than five hundred dollars (\$500) during the 12 months after the date the final decision is rendered in violation of subdivision (b), the officer may cure the violation by returning the contribution, or the portion of the contribution in excess of five hundred dollars (\$500), within 30 days of accepting, soliciting, or directing the contribution, whichever comes latest.
    - (B) An officer may cure a violation as specified in subparagraph (A) only if the officer did not knowingly and willfully accept, solicit, or direct the prohibited contribution.
    - (C) An officer's controlled committee, or the officer if no controlled committee exists, shall maintain records of curing any violation pursuant to this paragraph.
- (e) (1) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than five hundred dollars (\$500) made within the preceding 12 months before the date that any decision is rendered by the agency by the party or the party's agent.
  - (2) A party to a proceeding involving a license, permit, or other entitlement for use pending before any agency or a participant in the proceeding shall not make a contribution of more than five hundred dollars (\$500) to any officer of that agency during the proceeding and for 12 months following the date the final decision is rendered by the agency in the proceeding.
  - (3) An agent to a party or participant shall not make a contribution in any amount to an officer during the time periods described in paragraph (2).
  - (4) When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in this section.
- (f) This section shall not be construed to imply that any contribution subject to being reported under this title shall not be so reported.

- (g) For purposes of this section, in determining whether a contribution has exceeded five hundred dollars (\$500), the contributions of an agent shall not be aggregated with contributions from a party or participant.
- (h) (1) Except as provided in paragraph (2), the provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
  - (2) Subdivision (g) is not severable from paragraph (3) of subdivision (e) if paragraph (3) of subdivision (e) is held invalid in a final decision of a court of competent jurisdiction. If that occurs, subdivision (g) shall become inoperative on the date of that final decision.
- **SEC. 1.5.** Section 84308 of the Government Code is amended to read:
- 84308. (a) The definitions set forth in this subdivision shall govern the interpretation of this section.
  - (1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
  - (2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if that person lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency. A person is not a "participant" under this paragraph if their financial interest in the decision results solely from an increase or decrease in membership dues.
  - (3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of government, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.
  - (4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency, other than a city attorney or county counsel providing legal advice to the agency who does not have the authority to make a final decision in the proceeding.
  - (5) (A) Except as provided in subparagraph (B), "license, permit, or other entitlement for use" means all business, professional, trade, and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts, and all franchises.
    - (B) "License, permit, or other entitlement for use" does not include any of the following:
      - (i) Competitively bid contracts that are required by law, agency policy, or agency rule to be awarded pursuant to a competitive process.
      - (ii) Labor contracts.
      - (iii) Personal employment contracts.
      - (iv) Contracts valued under fifty thousand dollars (\$50,000).
      - (v) Contracts where no party receives financial compensation.
      - (vi) Contracts between two or more agencies.
      - (vii) The periodic review or renewal of development agreements unless there is a material modification or amendment proposed to the agreement. Non-material modifications or amendments may be approved by agency staff.
      - (viii) The periodic review or renewal of competitively bid contracts unless there are material modifications or amendments proposed to the agreement that are valued at more than 10 percent of the value of the contract or fifty thousand dollars (\$50,000), whichever is less. Non-material modifications or amendments may be approved by agency staff.
      - (ix) Modification of or amendments to contracts that are exempt under this subparagraph, other than competitively bid contracts.

- (6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.
- (7) "Pending" in a proceeding involving a license, permit, or other entitlement for use means either of the following:
  - (A) For an officer, when either of the following occurs:
    - (i) An item involving the license, permit, or other entitlement for use is placed on the agenda for discussion or decision at a public meeting of the body of which the officer is a member.
    - (ii) The officer knows a proceeding involving a license, permit, or other entitlement for use is within the jurisdiction of the officer's agency for its decision or other action, and it is reasonably foreseeable that the decision will come before the officer in the officer's decisionmaking capacity.
  - (B) For a party or party's agent, or a participant or participant's agent, when an application is filed with an agency, or, if the proceeding process does not require an application, when the proceeding is before the agency for its decision or other action.
- (b) (1) While a proceeding involving a license, permit, or other entitlement for use is pending, and for 12 months following the date a final decision is rendered in the proceeding, an officer of an agency shall not accept, solicit, or direct a contribution of more than five hundred dollars (\$500) from any party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition applies regardless of whether the officer accepts, solicits, or directs the contribution on the officer's own behalf, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.
  - (2) With respect to elected officers, paragraph (1) applies only if the elected officer or the body of which they are a member has the authority to make any decision or recommendation in the proceeding.
- (c) (1) Before rendering any decision in a proceeding involving a license, permit, or other entitlement for use, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than five hundred dollars (\$500) from a party or from any participant shall disclose that fact on the record of the proceeding. An officer of an agency shall not make, participate in making, or in any way attempt to use the officer's official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use if the officer has willfully or knowingly received a contribution in an amount of more than five hundred dollars (\$500) within the preceding 12 months from a party or a party's agent, or from any participant or a participant's agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.
  - (2) With respect to elected officers, paragraph (1) applies only if the elected officer or the body of which they are a member has the authority to make any decision or recommendation in the proceeding.
- (d) (1) If an officer receives a contribution that would otherwise require disqualification under this section, and returns the contribution within 30 days from the time the officer makes any decision, or knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, whichever comes last, the officer shall be permitted to participate in the proceeding.
  - (2) (A) Subject to subparagraph (B), if an officer accepts, solicits, or directs a contribution of more than five hundred dollars (\$500) during the 12 months after the date the final decision is rendered in violation of subdivision (b), the officer may cure the violation by returning the contribution, or the portion of the contribution in excess of five hundred dollars (\$500), within 30 days of accepting, soliciting, or directing the contribution, whichever comes latest.
    - (B) An officer may cure a violation as specified in subparagraph (A) only if the officer did not knowingly and willfully accept, solicit, or direct the prohibited contribution.
    - (C) An officer's controlled committee, or the officer if no controlled committee exists, shall maintain records of curing any violation pursuant to this paragraph.
- (e) (1) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than five hundred dollars (\$500) made within the preceding 12 months before the date that any decision is rendered by the agency by the party or the party's agent.

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- (2) A party to a proceeding involving a license, permit, or other entitlement for use pending before any agency or a participant in the proceeding shall not make a contribution of more than five hundred dollars (\$500) to any officer of that agency during the proceeding and for 12 months following the date the final decision is rendered by the agency in the proceeding.
- (3) An agent to a party or participant shall not make a contribution in any amount to an officer during the time periods described in paragraph (2).
- (4) When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in this section.
- (f) This section shall not be construed to imply that any contribution subject to being reported under this title shall not be so reported.
- (g) For the purposes of this section, in determining whether a contribution has exceeded five hundred dollars (\$500), the contributions of an agent shall not be aggregated with contributions from a party or participant.
- (h) (1) A person is the "agent" of a party to, or a participant in, a pending proceeding involving a license, permit, or other entitlement for use only if the person represents that party or participant for compensation and appears before or otherwise communicates with an agency for the purpose of influencing the proceeding on behalf of a party or participant.
  - (2) If an individual acting as an agent is also acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar entity or corporation, both the entity or corporation and the individual are "agents."
  - (3) "Agent" includes a lobbyist registered to lobby the agency and who otherwise meets the requirements of paragraph (1).
  - (4) "Communicate with the agency for the purpose of influencing the proceeding" does not include either of the following:
    - (A) Preparing drawings or submissions of an architectural, engineering, or similar nature for a client to submit in a proceeding before the agency if both of the following conditions are met:
      - (i) The work is performed pursuant to the person's profession.
      - (ii) The person does not make any contact with the agency other than contact with agency staff concerning the process or evaluation of the documents prepared by the person.
    - (B) Providing technical data or analysis to an agency if the person does not otherwise engage in direct communication for the purpose of influencing the proceeding.
- (i) (1) Except as provided in paragraph (2), the provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
  - (2) Subdivision (g) is not severable from paragraph (3) of subdivision (e) if paragraph (3) of subdivision (e) is held invalid in a final decision of a court of competent jurisdiction. If that occurs, subdivision (g) shall become inoperative on the date of that final decision.
- **SEC. 2.** The Legislature finds and declares that banning agents of parties and participants from contributing to officers in specified situations, as provided in Section 1 of this act, is necessary and narrowly tailored to address the state interest of preventing corruption and the appearance of corruption.
- **SEC. 3.** Section 1.5 of this bill incorporates amendments to Section 84308 of the Government Code proposed by both this bill and Senate Bill 1181. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 84308 of the Government Code, and (3) this bill is enacted after Senate Bill 1181, in which case Section 1 of this bill shall not become operative.
- **SEC. 4.** The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

# CHAPTER TWO COUNCIL COMPENSATION

Council compensation and benefits are established every other year by Council action after the Council Compensation Committee conducts a biennial review and makes a recommendation (see Section 2.6).

# 2.1 SALARIES FOR MAYOR AND COUNCIL MEMBERS

Compensation for services rendered in an official capacity shall be established by resolution duly adopted and consistent with the rules established in the Charter.

# 2.1.1 CONSUMER PRICE INDEX INCREASES

Consumer Price Index (CPI) increases will be applied to Council, Planning Commission, and Architectural Review Commission salaries biennially. CPI increases are not subject to review by a Council Compensation Committee.

# 2.2 RETIREMENT, MEDICAL, DENTAL, VISION AND LIFE INSURANCE

The Mayor and Council Members shall be entitled to City-funded participation in P.E.R.S. retirement. The City shall contribute an amount equivalent to that received by City department heads monthly towards the Mayor and Council Members' participation in PEMCHA, dental, vision, and life insurance. Any unexpended amount shall not be distributed to the Mayor and Council Members in cash. If the Mayor and Council Members elect to opt out of medical, dental, and vision that individual member will receive the opt-out amount equal to City department heads.

Individual Council Members may waive any or all of the compensation provided to them. Such a waiver shall affect only the individual choosing to waive compensation for the period of time specified by that individual. An individual waiver shall not be binding on any other current or future Council Member. Should any Council Member wish to make a change in their individual compensation, staff will process a personnel action form to effectuate this change.

# 2.3 PROFESSIONAL DEVELOPMENT

Allowances shall be budgeted for the Mayor and each Council Member as follows:

#### 2.3.1 PROFESSIONAL DEVELOPMENT - INCLUDING TRIPS AND MEETINGS

For costs of professional development and educational conferences designed to improve understanding of and proficiency in municipal affairs. Said allowance shall be used for out-of-county expenses only and shall be reimbursed in accordance with accepted City Travel Guidelines.

#### 2.3.2 START UP ALLOWANCE

An additional professional development allowance shall be budgeted to each new Mayor and Council Member to help accelerate their comprehension of municipal and legislative operations during the first 12 months following the taking of office and the amounts shall be as set forth in the applicable financial plan adopted by the Council.

# 2.4 <u>CITY BUSINESS AND MILEAGE REIMBURSEMENT</u>

Quarterly allowances shall be budgeted for the Mayor and each Council Member as stated in the Financial Plan.

#### 2.4.1 CITY BUSINESS

For costs incurred in connection with official City business. Said allowance shall be used for in-county expenses and shall include all meals, tickets, periodicals, dues, subscriptions, and similar miscellaneous expenses.

# 2.4.2 MILEAGE

For official travel within the County of San Luis Obispo, reimbursement shall be made upon submittal of an official mileage expense form:

# 2.5 GENERAL PROCEDURES AND LIMITATIONS

Appropriate budgetary practices and accounting controls shall be established to ensure that expenditures and reimbursements are in compliance with approved budget allocations. The Mayor and each Council Member is expected to plan business activities so as to stay within their budget. When exceptional circumstances require that additional amounts be allocated to accounts, formal Council action shall be required.

### 2.5.1 ACCOUNTING

An account shall be established in the name of each Council Member with all expenditures charged to the individual Council Member or Mayor. If any account is depleted prior to the end of the fiscal year, additional allocations shall require a specific action of the City Council. Claims for reimbursement as specified in Section 2.4, above, may be submitted monthly but the aggregate of three-monthly claims may not exceed the quarterly maximum. Receipts shall be submitted within the fiscal year. The Council budget shall be available for review in the City Clerk's Office and the Mayor and Council Members shall receive periodic statements.

#### 2.5.2 REIMBURSEMENT LIMITATION

The City's adopted Travel Guidelines shall govern all expenditures for non local professional development and conferences. These guidelines include all non local official meals, tuition or fees, transportation to meeting sites, materials, and telephone usage.

#### 2.5.3 SPECIAL EXPENSES

For occasions when the Mayor and/or a Council Member is designated by the City Council to represent the City at special meetings, reimbursement shall be made from an unallocated Travel Expense Account.

#### 2.5.4 OTHER GUIDELINES

Any other travel-related issue not specifically governed in these Policies and Procedures shall be adjudicated in accordance with the City of San Luis Obispo adopted Travel Guidelines.

#### 2.5.5 DISCLOSURE AND REPORTING REQUIREMENTS

The Political Reform Act of 1974 (Government Code sections 87200) requires local public officials to file a Statement of Economic Interest (Form 700) to disclose certain investments, interests in real property, sources of income, gifts, loans and business positions when assuming office, annually and when leaving office.

# 2.6 COUNCIL COMPENSATION COMMITTEE

A seven-member review committee may be appointed no later than the last City Council meeting in January in even-numbered years and shall bring its proposed recommendations in resolution form to the City Council no later than the first City Council meeting in May.

#### 2.6.1 MEMBERSHIP

The committee membership shall have as broad a representation as possible, including but not limited to, one previously elected official, one Personnel Board member, and one citizen at large.

#### 2.6.2 REVIEW RESPONSIBILITY

The committee shall review the full Council compensation package including salary, benefits, expense reimbursement, professional development allowances, and any other compensation provided the City Council. Review should include, but shall not be limited to:

 Compensation of Council Members and Mayors of cities of similar population/budget size;

- 2) Compensation practices of both Charter and General Law cities;
- 3) Government Code provisions for General Law cities;
- 4) Council Member and Mayor responsibilities in San Luis Obispo at the time of the committee's review;
- 5) Any structural changes that may have occurred in municipal government either as a result of state legislation or by actions of the local electorate that may have added to, or deducted, from the duties and responsibilities of the Council Members and/or Mayor.

# **Elections Campaign Regulations Committee Former Members**

#### 2009 Members

John Ewan Ty Griffin Mike Latner (Alternate) Christine Mulholland Pam Voges **Dodie Williams** 

# 2013 Members

Jerri Carrol Andrea Devitt Tv Griffin Wilda Rosen Allen Settle Bob Shanbrom

# **Council Compensation Committee Former Members**

# 2014 Members

John Ewan - Previously Elected Official Marcia Nelson – Personnel Board Member Amy Kardel – Citizen-at-Large Ken Tasseff – Citizen-at-Large Gordon Mullin - Citizen-at-Large

# 2016 Members

(Council Compensation review not conducted)

#### 2018 Members

John Ewan - Previously Elected Official Frank Guyton - Personnel Board Member Louise Matheny – Citizen-at-Large Dale Stocker - Citizen-at-Large Brett Strickland - Citizen-at-Large **Alternate** 

Louise Justice

# 2020 Members (increased to 7 members)

Dan Rivoire - Previous Elected Official Cal Stevens – Personnel Board Member Audrey Bigelow - Citizen-at-Large Kim Bisheff – Citizen-at-Large Garrett Otto - Citizen-at-Large Jenn Stubbs – Citizen-at-Large Ron Yukelson – Citizen-at-Large

#### 2022 Members

(No Committee formed; biennial CPI increases implemented via R-11318)