



## Council Agenda Report

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Item 5e

**Department:** Administration  
**Cost Center:** 1005  
**For Agenda of:** 2/15/2022  
**Placement:** Consent  
**Estimated Time:** N/A

**FROM:** Greg Hermann, Deputy City Manager  
**Prepared By:** Freddy Otte, City Biologist

**SUBJECT:** AUTHORIZE AN APPLICATION FOR THE MIOSSI CHARITABLE TRUST GRANT

### RECOMMENDATION

1. Approve a grant application in the amount of \$10,795 to the Miossi Charitable Trust for a project to study benthic macroinvertebrates in the San Luis Obispo Creek watershed; and
2. If awarded, authorize the City Manager, or their designee, to execute the grant documents and approve the budget changes necessary to appropriate the grant.

### DISCUSSION

#### Background

The San Luis Obispo Creek watershed supports Steelhead trout (*Oncorhynchus mykiss*, or *O. mykiss*), which are protected under the Endangered Species Act. Climate change is a major concern for this population and the factors that impact these fish and their habitat need to be better understood by resource managers to inform restoration activities. Resident rainbow trout and juvenile steelhead (before they move down and out to the ocean) rely on the insects in the creek, known as benthic macroinvertebrates (BMI), as food for survival. With a changing climate, several factors can impact the insect community in the creek such as warmer water and changing rain regimes. By investigating which species and how many insects are available at different locations in both San Luis Obispo Creek and Stenner Creek (in the upper watershed), staff can identify what actions may need to be taken in the future to support native Steelhead trout in light of climate change.

The Morro Bay National Estuary Program (NEP) has been working with the [Miossi Charitable Trust](#) for many years monitoring BMI in the Morro Bay Watershed and the trustee for the Trust, Mr. Howard Carroll, wants to start working in the San Luis Obispo Creek Watershed. The NEP approached the City and Cal Poly to inquire about a collaborative project to collect baseline BMI data along with an educational component provided by Cal Poly.

BMI are akin to “the canary in the coal mine” as they are strong indicators of good or bad water quality. In addition to water quality, these insects are a needed food resource for *O. mykiss* in the San Luis Obispo Creek Watershed and need to be better understood in the context of climate change. The City owns several properties including the headwaters of Stenner Creek and upper reaches of San Luis Obispo Creek, both of which support refugia populations of *O. mykiss*. These refugia populations are typically classified as “resident” fish but still need to be protected since their offspring can revert to and support the anadromous population of steelhead in the watershed. This project will collect key information to better inform resource managers how to address threats from anthropogenic impacts and climate change by supporting scientific data collection and education principles; our collective understanding what species of benthic macroinvertebrates are present in San Luis Obispo Creek watershed since the last sampling effort completed by the Central Coast Ambient Monitoring Program in 2007.

**Previous Council or Advisory Body Action**

This is a new project but supports programs and policies previously adopted by the City Council.

**Policy Context**

This project supports Strategy 4.3 of the Climate Action, Open Space & Sustainable Transportation Major City Goal (MCG) identified in the 2021-23 Financial Plan. Numerous Goals, Programs and Policies are identified in the [Conservation and Open Space Element](#) (COSE) of the General Plan that would be addressed through this research including sections 7.0, 7.1, 7.2, and 7.3. In particular, section 7.3 calls out standards for species protection on City property, while COSE 7.7.5 states that the City should “develop and maintain current benchmark information on habitat types and conditions.”

The City’s Financial Management Manual (Section 740-1) requires City Council authorization for grant applications that exceed \$5,000. In addition, this section requires that staff provide a cost-benefit assessment of the opportunity; in this case, staff finds that this particular grant facility is beneficial in consideration of the partnership that brings time and resources from others, the modest investment of City staff time, and the ability to derive data and resource management insights with the support of grant funds that are not otherwise available.

**Public Engagement**

Public comment has not been initiated as this project fits within the programs and policies of the Conservation and Open Space Element. Any member of the public may comment on this item as part of the Consent Agenda at the City Council hearing.

## CONCURRENCE

Natural Resources staff is collaborating with Utilities' Water Quality Lab and Environmental Programs staff, and they concur.

## ENVIRONMENTAL REVIEW

This scientific research is not considered a Project under the California Environmental Quality Act and no environmental review is required.

## FISCAL IMPACT

Budgeted: No

Budget Year: 2021-22

Funding Identified: Yes

### Fiscal Analysis:

<b>Funding Sources</b>	<b>Total Budget Available</b>	<b>Current Funding Request</b>	<b>Remaining Balance</b>	<b>Annual Ongoing Cost</b>
General Fund				\$2,000
State				
Federal				
Fees				
Other (grant):	\$10,795			
<b>Total</b>	<b>\$10,795</b>	<b>N/A</b>	<b>N/A</b>	<b>\$2,000</b>

The grant funds from this project will be directed to purchasing creek sampling equipment and for the logistics of shipping the samples to and receiving a report from the lab. Nominal staff time will be required to oversee this project. The \$2,000 from the General Fund (Office of Sustainability budget) will be used for production of a California Stream Condition Index (CSCI) report and this project is proposed to cover three sampling seasons (2022-2024). The current budget appropriation for the Office of Sustainability is sufficient to cover the required funding, however, grant funding will be pursued to offset ongoing costs and the program will be re-evaluated in 2024 to determine if it should continue. The City investments in this project are also being matched by Cal Poly.

## ALTERNATIVES

1. Request additional information or clarification prior to taking action.
2. Approve request to apply for grant funds from the Miossi Charitable Trust with direction to make changes that the City Council may desire.
3. Deny the request to apply for grant funds, although this is not recommended as Staff have worked in good faith to develop the project with several project partners.