

Commercial Fishing Industry Improvement Fund Grant Application & Instructions

Project Proposals must be submitted using the format of this form and, at a minimum, must contain all of the following items (A, B, C, D, E). Fields marked with an asterisk (*) are required. Submit this page as your required -

Project Proposal Cover Sheet.

A. Project Information

<p>1. Project Title * <i>Give your project a name we can use to easily reference it</i></p>	<p>C-MANC 2018 Conference</p>
<p>2. Project Location Description * <i>List the county, municipalities, etc. in which you will conduct project</i></p>	<p>Washington D.C.</p>
<p>3. Grant Amount Requested *</p>	<p>10,900</p>
<p>4. Projected Project Start Date *</p>	<p>March 4, 2018</p>
<p>5. Projected Project End Date *</p>	<p>March 9, 2018</p>
<p>6. Project Description * <i>Provide a brief summary description of the project. Limit to 300 characters</i></p>	<p>The City of Morro Bay is requesting grant funding of \$10,900. This funding is to reimburse the City for its costs to send 2.5 delegates to the California Marine Affairs and Navigation Conference (C-MANC) annual 2018 Washington D.C. visit. This annual meeting sponsored by C-MANC provides City representatives the opportunity to meet directly with Congressional staff and key representatives of various federal agencies regarding marine and harbor related interests.</p>

B. Applicant Information

<p>1. Name/Organization *</p>	<p>City of Morro Bay Harbor Department</p>
<p>2. Address * City * State * Zip *</p>	<p>1275 Embarcadero, Morro Bay, CA 93442</p>
<p>3. Type of Entity *</p>	<p>City Government</p>
<p>4. Primary Contact *</p>	<p>Eric Endersby, Harbor Director</p>
<p>5. Phone * & Email *</p>	<p>Phone: 805-772-6254 Email: eendersby@morrobayca.gov</p>



CITY OF MORRO BAY
COMMERCIAL FISHING INDUSTRY IMPROVEMENT FUND
2018 PROJECT PROPOSAL

C-MANC WASHINGTON WEEK 2018
Narrative Summary

C. Project Definition

1. **Overall Cost:** The City of Morro Bay is requesting grant funds for the costs of a two-and-a-half-person City delegate team to attend the annual C-MANC Washington D.C. trip. Total estimated direct costs are \$10,900, with City in-kind costs at \$17,303.56.

2. **Duration of Project:** The 2018 C-MANC Washington Week conference will take place March 5-8, including other independent personal visits to various legislators and other key staffers. Therefore, including flights before and after, the overall project duration is March 4 to March 9, 2018.

3. **Number of Staff Used:** A two and a-half-person delegate team will be attending this year's proceedings: the Mayor, City Manager and Harbor Director for the City of Morro Bay. While the City has historically sent two delegates, the Mayor and Harbor Director, again this year the City Manager, will be attending, and will be splitting his time between C-MANC meetings and Water Reclamation Facility (WRF) meetings. Therefore, half of his trip expenses are proposed to be borne by the Harbor Fund, for which grant reimbursement is being sought.

4. **Skill and Experience:** The City is a founding member of C-MANC, which was created in 1965/1966 when the Northern California Marine Affairs Conference and the California Navigation Conference (CNC) merged. For the past 25+ years, the City has sent representatives to the "Washington Week" meetings. In addition, for the past several years the City has sought and successfully obtained and administered Commercial Fishing Industry Improvement Fund grants. In addition to the Mayor, City Manager and Harbor Director, Harbor Department administrative staff assists with project and grant administration.

5. **Measurable Deliverables:** C-MANC annually hosts "Washington Week" meetings, where representatives of California Ports and Harbors have the opportunity to remind Congress and various other agencies of the importance of dredging projects, commercial fishing and other coastal-related legislation in California and nation-wide. In addition, C-MANC and our Washington D.C. trip are not only about dredging; we also meet with various legislators, regulators and other agencies to bring forth issues and matters of concern such as fisheries, ocean and coastal management and coastal governance.

Continued dredging of our Federally-authorized and funded harbor entrance and channel remains our top priority with C-MANC, our work with the Army Corps of Engineers (Corps) and Washington D.C. visits. That will ensure our harbor remains not only safe for passage, but fully navigable from a commerce and operational standpoint. The City could not afford to dredge our harbor without the Corps, as annually the Corps spends approximately \$3 Million to dredge our entrance, and \$7 Million - \$8 Million every 6-8 years to dredge the remainder of our channels. We work most closely with the Corps' Los Angeles District to coordinate our channel status and dredging needs, who, in turn, prioritize the District's projects for consideration at the South Pacific Division level. The Division then prioritizes and sends a work plan to Headquarters in Washington D.C., who in turn prioritize and send budget requests

to the Office of Management of the Budget (OMB) for the nation's civil works projects, including dredging of Morro Bay harbor. Eventually, the President's budget is where our funding will reside (or not) in a Corps work plan.

Historically, Morro Bay harbor requires all those channels dredged approximately every 6-8 years. After several years of tragic vessel accidents in the harbor mouth, culminating in the loss of local commercial crabber Al French in 1987, after many years of study by the Corps to improve the harbor entrance and lobbying Congress, the "Entrance Improvement" project was authorized by Congress. That project digs the entrance area and just outside the harbor to -40' to minimize the steep and breaking waves there. In the first year the Entrance Improvement project was dug, 1995, the City had to contribute 20% of the cost, or \$500,000, as the local contribution. Annually since then, the Corps has authorized, and Congress funded approximately 20 days of dredging by the Corps' dredge ship *Yaquina*, out of Portland, Oregon, for that work. The project has made an enormous positive difference in the safety of our harbor entrance, lowering the number of days posted as "hazardous" from an historic ~80 per year to 25 or less now.

Largely because of our work with C-MANC, including the annual D.C. trips, the Federal government has paid for all our dredging costs, including our requests of approximately \$3 Million per year in recent years for annual *Yaquina* dredging. On average, for the past five years the *Yaquina* has removed approximately 180,000 cubic yards of clean sand and gravel from our entrance and placed it in the Nearshore disposal site south of the harbor for beach nourishment.

For our whole-channel dredging needs, in recent episodes the required funding has amounted to approximately \$7 Million - \$8 Million. In our most recent cycle in 2017/2018, Ahtna Design-Build, Inc., removed 280,793 cubic yards of material at a cost of \$4,862,961. That was using "hydraulic" or pipeline-type equipment. In 2009/2010, AIS Construction removed 573,969 cubic yards for \$8,167,145, using a combination of hydraulic and excavator/barge equipment. Before that, in 2002 Manson Construction removed 868,483 cubic yards with a combination of equipment at a cost of \$3,695,569. Those dredged materials were placed at either the Nearshore disposal site, or on the beach north of the Rock roughly opposite the high school. Those are the two Environmental Protection Agency (EPA)-approved beach nourishment beneficial reuse disposal sites and are part of the reason why the dunes on the sandspit and in north Morro Bay are large and healthy.

Despite accommodating approximately 400 recreational and 75 commercial fishing vessels, Coast Guard Station Morro Bay, a California Fish and Wildlife patrol vessel, Morro Bay Harbor Patrol, two ~100-foot commercial service vessels and a small marine construction firm, from a priority standpoint, Morro Bay is considered a small or "subsistence" harbor. In terms of commerce, although we do generate approximately \$8 Million in ex-vessel value out of 3.5 million tons in commercial fishing landings per year, we are quite low on the totem pole compared to powerhouses like Los Angeles/Long Beach and Oakland. Because of our relative isolation, however, "harbor of safe refuge" status, United States Coast Guard presence and relatively dangerous harbor entrance, Morro Bay's rank in priority for funding is elevated above a "subsistence" harbor, and we have been successful in having our dredging needs met.

It is vitally important, therefore, for the City to maintain its relationships at all levels of the Corps' organization and with our legislators in Washington D.C., our membership and involvement with C-MANC is one key to our and other California ports and harbors' voices being heard, and needs being met.

6. **Overall Project Criteria & Benefits: Dredging.** This year (FY18), Morro Bay received \$2.2 Million for the *Yaquina* to come this spring, while we recently had completed a cycle of whole-harbor dredging with an additional “plus-up” of \$4.37 Million from the Corps’ work plan in FY17. So, Morro Bay is in good shape, at present, but we must stay attentive to our harbors crucial and on-going needs. Therefore, For FY19, we are requesting \$3.0 Million for annual *Yaquina* dredging. Currently (as of 2/14/18), the President’s proposed FY19 budget includes \$2.4 Million for dredging Morro Bay Harbor out of the Corps’ Operations and Maintenance budget.

Our goal this year is to continue our message of the importance of Morro Bay dredging to our community, the region and state, and to ensure we maintain our important Corps relationships, including thanking those involved with securing our funding.

Fisheries. Although this year, as in years past, we will focus on the continued burden under the current groundfish management scheme where 100% human observers are required to participate in the fishery, which seriously hampers the Morro Bay Community Quota Fund’s ability to get better participation in leasing quota, refinancing of a \$45 Million Federal loan to reduce West Coast commercial fishing capacity will be a new focus this year. That loan is being paid back by fees levied on groundfish quota harvests; and, thus, a refinance of that loan, with more favorable terms, will reduce the burden on the industry.

Marine Sanctuaries. In a recent communication with the Harbor Advisory Board Chairman, National Marine Sanctuary West Coast Regional Director William Douros indicated the National Oceanic and Atmospheric Administration (NOAA) is taking no action with regard to the Chumash Heritage National Marine Sanctuary nomination off our coast, as NOAA is focusing all new sanctuary designation efforts on the two East Coast nominations accepted for consideration. So, although it appears there will be no activity anytime soon with regard to the Chumash proposal, it would behoove us to confirm in D.C., in addition to discussing the Trident wind farm proposal with sanctuary leaders, due to that proposal’s proximity to the Monterey Bay National Marine Sanctuary.

Bureau of Ocean Energy Management (BOEM). As the Trident Winds wind energy farm project proposal off our coast continues to make its way through the Federal leasing and permitting process, we will be staying closely engaged, including meeting with BOEM representatives to get the D.C. perspective of the competitive ocean tract lease process, convey Morro Bay’s concerns, and what Morro Bay’s roles, responsibilities and opportunities may be in the leasing and permitting processes. We will also be conveying the City Council’s current “memorandum of cooperation” status with Trident, and an update on the progress Trident is making with the commercial fishermen to address that industry’s concerns.

Also, of concern to Morro Bay this year is the current Federal administration’s potential opening of offshore oil development on the West coast. In 1986, Ordinance 297 codified a prohibition of new offshore oil development support facilities in Morro Bay in Morro Bay Municipal Code (MBMC) section 17.30.060. This will be brought to BOEM’s attention as the City’s official position on offshore oil development along our coast.

United States Coast Guard (USCG). This year we are intending to meet with the USCG in order to convey both our continued strong support for the USCG mission, station and personnel in general, but also of the USCG’s new building proposal we have been working on for several years, while providing

USCG D.C. personnel with a first-hand account of the situation from the City's perspective in why we're finding it financially difficult to move forward with their proposal.

Legislators. Each year we meet personally with our Congress person and Senators representatives, and/or their key staffers. Those meetings typically are of a more general nature but do focus on specific projects and issues and recent news and happenings of a noteworthy nature. Those personal meetings are important and do make a difference in matters and funding important to Morro Bay.

D. Project Plan

Costs	In-Kind Cost		Hard & In-Kind Cost		
C-MANC Fall Meeting Santa Cruz	↔				
C-MANC Winter Meeting San Pedro		↔			
C-MANC Washington D.C. Trip			↔		
Grant Application & Reimbursement Process				↔	
Time Frame	Sept 2017	Jan 2018	Mar 2018	April 2018	May 2018

E. Financial Schedule

The City will pay all costs for the Washington, D.C. trip, and, should the grant be approved, will request reimbursement for the costs as indicated. The various funding aspects of the trip are as outlined in the following chart. City in-kind costs are being provided for informational purposes only.

2018 C-MANC ESTIMATED COSTS FOR A 2.5 PERSON CITY DELEGATE TEAM

<u>Description</u>	<u>Amount</u>
Registration	\$1,125.00
Lodging	\$4,906.97
Airfare/Transportation	\$3,227.00
Meals	\$750.00
Misc.	\$125.00
Golden State Reception	\$750.00

ESTIMATED DIRECT EXPEDITURES FOR GRANT FUNDING	\$10,883.97
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In-Kind	Time Spent	City Cost
Harbor staff time:		
Harbor Director		
Fall Meeting - Santa Cruz	17.5 hrs	\$3,038.52
Winter Meeting - San Pedro	20 hrs	\$3,472.60
Washington DC	50 hrs	\$8,681.50
Business Coordinator	3.5 hrs	\$258.02
Administrative Technician	1.5 hrs	\$74.29
Other hard cost:		
Fall & Winter Registration Fees		\$445.00
Fall & Winter Transportation, Hotel & Food		\$1,248.63
Administrative costs, paper, copying, mailing & miscellaneous		\$85.00
	In-kind Total	\$17,303.56
ESTIMATED TOTAL EXPENDITURES		\$28,187.53

(In-Kind does not reflect Mayor, City Manager, City Hall staff time or Council Meetings)

*City in-kind costs are actual and estimated in the amount of \$17,303.56 and were comprised of costs derived from attendance of the C-MANC Fall and Winter meetings which took place on September 13-14, 2017, and January 17-18, 2018, and Harbor staff costs associated with preparing for the Washington D.C. trip. *(In-kind does not reflect Mayor, City Manager nor City Hall staff time)*



CITY OF MORRO BAY

HARBOR DEPARTMENT
1275 Embarcadero Road
Morro Bay, CA 93442

February 22, 2018

Central California Joint Cable Fisheries Liaison Committee
Christopher Kubiak, Liaison Officer
525 Harbor Street
Morro Bay, CA 93442

RE: Commercial Fishing Industry Improvement Fund Grant Request

Attached is the City of Morro Bay's application and proposal for a *Commercial Fishing Industry Improvement Fund* grant to reimburse travel and meeting costs for two-and-a-half City delegates (the Mayor, City Manager and Harbor Director) to attend the 2018 California Marine Affairs and Navigation Conference (C-MANC) Washington D.C. annual meetings. This year's proceedings are March 5-8.

The annual C-MANC Washington D.C. meetings provide an opportunity for the Morro Bay delegation to discuss appropriations for the upcoming Federal fiscal year budget and marine related issues facing Morro Bay. In addition to stressing the critical need for continued Federal funding for dredging our harbor, City delegates address other important issues facing the community and commercial fishermen with our Congressional and other leaders.

The Morro Bay delegation meets with Congressional and Senatorial staff representatives as well as with high level staff of the U.S. Army Corps of Engineers, NOAA Fisheries and Sanctuaries, Office of Management and Budget (OMB) and others to present information regarding the multitude of issues facing Morro Bay Harbor.

Estimated costs for this year's trip, for which we are requesting grant funding, are \$10,900.00. City in-kind costs are estimated at \$17,303.56, which include the D.C. trip administration and management costs, as well as costs for the Harbor Director to attend the Fall and Winter C-MANC meetings, which are a lead-up to the Washington, D.C. trip.

We appreciate the past support of the Cable Committee, and for another opportunity to apply for your grant funding for this important trip. We welcome any questions regarding our proposal.

Faithfully,

Eric Endersby
Harbor Director

Enc.