

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 *</p> <p><i>Give your project a name we can use to easily reference it</i></p>	<p>Ice House Maintenance and Repair Fund 2018</p>
<p>2. Project Location Description *</p> <p><i>List the county, municipalities, etc. in which you will conduct project</i></p>	<p>1231 Embarcadero Road, Morro Bay, CA 93442</p>
<p>3. Grant Amount Requested *</p>	<p>\$100,000</p>
<p>4. Projected Project Start Date *</p>	<p>April 1, 2018</p>
<p>5. Projected Project End Date *</p>	<p>March 31, 2019</p>
<p>6. Project Description *</p> <p><i>Provide a brief summary description of the project. Limit to 300 characters</i></p>	<p>The City of Morro Bay and the Morro Bay Commercial Fisherman's Organization (MBCFO) are requesting \$100,000 in grant funding for ongoing maintenance and repair needs for the City's commercial fishing ice making machine operated by Santa Monica Seafood on City lease site 129W-131W, as outlined in the proposal letter.</p>

B. Applicant Information

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



MORRO BAY
COMMERCIAL FISHERMEN'S ORGANIZATION
EST. 1972



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

**Ice House Maintenance and Repair Fund 2018
Narrative Summary**

C. Project Definitions

1. Overall Cost:

The City of Morro Bay is requesting grant funds for complete replacement of the refrigeration system of the City-owned and Santa Monica Seafood-operated commercial fishing ice making machine. \$100,000 in grant funding is requested.

2. Duration of Project:

April 1, 2018 through March 31, 2019

3. Number of Staff Used:

Currently SMSF utilizes one to five employees to conduct maintenance and repair needs for the ice machine that are within their scope of responsibilities and ability. For larger jobs outside their scope or ability, SMSF utilizes contract expertise. Work scope is done on a collaborative basis with SMSF personnel and Harbor department representatives.

4. Skill and Experience:

SMSF staff have over three years direct experience on the ice machine, and historically contracted TRJ employees that have factory and manufacturer experience and expertise. More recently, SMSF has contracted with Race Engineering for system repair and evaluation, including a proposal to replace the complete refrigeration system. Since fresh, quality flake ice is a critical necessity to not only the commercial fishing fleet but for SMSF's operations as well, SMSF is invested in ensuring the machine is fully functional as their business depends on it.

5. Measurable Deliverables:

Measurable deliverables will be complete replacement of the refrigeration system, after which continued annual routine and non-routine maintenance should be greatly decreased from more recent historic levels, which have averaged at least \$30,000 annually.

6. Overall Project Criteria & Benefits:

Criteria and benefits evidence of success of the grant funding will be continued and uninterrupted operation of the ice machine and availability of quality ice for the commercial fishing fleet.

D. Project Plan

- a) SMSF to contract with Race Engineering to replace refrigeration system as-proposed.
- b) Time project to coincide with low seasons, inclement weather and/or other opportune times to minimize interruption to the commercial fishing fleet and SMSF's operations.
- c) Engage Race Engineering for training of SMSF personnel on system operation and routine maintenance, as well as for ongoing future heavy maintenance and repair.

E. Financial Schedule

Grant funding will be expended throughout the grant period as the project is scheduled and completed. Any grant funding shortfall will be shared by SMSF and the City per the existing agreement. It is anticipated replacement of the refrigeration system as-proposed will significantly reduce the ongoing maintenance and repair costs to more "normal" levels expected of such equipment, as recent years have certainly been overly costly due to several reasons previously stated.



RACE ENGINEERING INC.

12871 Western Ave., Suite E · Garden Grove, CA 92841 · (714) 895-3488 · Fax (714) 895-5125

February 16, 2018

Mr. Fernando Gonzalez
Santa Monica Seafood
18511 Broadwick Ave.
Rancho Domingas, CA 90220

Bid # 02-16-18 B

RE: Santa Monica Seafood – Moro Bay

Dear Fernando,

In regards to your request, please find listed below our proposal to repair the existing condensing unit, or replace it. Due to the age and condition of the existing condensing unit, it is our opinion that it should be replaced with new. We have also included for your review a cost to up-grade your refrigerant charge from R-22 which is being eliminated by the E.P.A. and is extremely costly as compared to R-507 or R-404A which is about one-third the cost. The refrigerant replacement is not necessary to complete the project, but just a consideration to future expense. Our scope of work will consist of the following.

OPTION I – Compressor Replacement

Provide labor and material to pump down and:

- Replace two (2) compressors
- Replace four (4) compressor contactors
- Install two (2) new oil float assemblies
- Install two (2) new time-delay relays.
- Repair access door hinges.
- Replace two (2) dual pressure control switches.
- Replace compressor crankcase oil (disposal by others)
- Install one (1) new inlet water seal for the North Star ice machine.
- Travel expenses.

We will advise costs for additional repair needed after start-up (if any)

Compressors Cost	\$ 34,440.00
Repair Contingency (if any)	\$ 4,000.00 ADD
Refrigerant up-grade	\$ 9,610.00 ADD

NOTE: Refrigerant up-grade costs are based on this project. Does not have travel time and expense included if done at a later date.

OPTLION II – Condensing Unit Replacement

Provide labor and materials to install:

- One (1) new dual compressor condensing unit with copper fined coil and oversized receiver.
- Provide crane and rigging as needed.
- Disposal of condenser (by others)
- Start –up and check operation
- Travel and expenses

Total Cost	\$ 91,512.00
Refrigerant Up-grade	\$ 9,610.00 ADD

Exclusions:

1. Additional R-22 Refrigerant
2. Permits
3. Overtime Labor
4. Additional materials not stated hear-in.

Thank you for this opportunity to be of service. If you have any questions, please feel free to call us at any time.

Respectfully,

Gary Lawson
Race Engineering Corp.



CITY OF MORRO BAY

HARBOR DEPARTMENT
1275 Embarcadero Road
Morro Bay, CA 93442

February 28, 2018

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

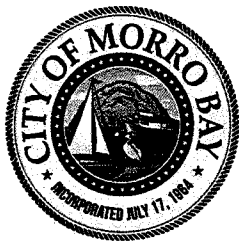
Re: **Commercial Fishing Industry Improvement Fund Grant Request**

The City of Morro Bay, in partnership with the Morro Bay Commercial Fisherman's Organization (MBCFO), is pleased to submit this proposal to the Central Coast Joint Cable Fisheries Liaison Committee (CCJCFCLC) for consideration of a Commercial Fishing Industry Grant in the amount of \$100,000 for major refrigeration system replacement for the City's commercial fishing ice machine. This machine, completed in 2007 largely with funds from the CCJCFCLC, is a key piece of equipment for the vitality and viability of the commercial fishing industry in Morro Bay and regionally.

Currently Santa Monica Seafood (SMSF) is operating the machine under lease from the City of Morro Bay. Maintenance occurs on a collaborative basis between SMSF and the City, with SMSF responsible for operation (including payment of utilities and insurance), daily routine maintenance and coordination of major maintenance and repair, and the City financially responsible for major maintenance and repair on the basis of paying for all invoiced maintenance costs above 10% of annual total ice sales. It has proven an effective arrangement with SMSF having stewardship of the machine and its wellbeing, and the City financially backing its commitment to Morro Bay's commercial fishing infrastructure.

The ice machine is now over ten years old. In 2016, the CCJCFCLC generously granted \$40,000 for significant maintenance and repair items recommended by the manufacturer, as well as for ongoing and one-time preventive measures for a two-year period. \$60,000 was requested in that grant proposal for a defined set of work. In 2017, we were granted an additional \$18,139.24. Maintenance and repair for the machine is averaging at least \$30,000/year for the past few years.

Today, we submitted for reimbursement in the amount of \$28,453.94 for work done on the machine over the past two years. This reimbursement will completely exhaust our remaining ice machine grant funds.



CITY OF MORRO BAY

HARBOR DEPARTMENT
1275 Embarcadero Road
Morro Bay, CA 93442

Recently, Compressor #1 on the machine catastrophically failed, and requires replacement. SMSF brought in a new (to us) refrigeration company, Race Engineering from Southern California, to evaluate and repair the compressor and machine. It is Race's professional opinion that, due to the two compressors being tied together, some poor design features of the system that have until now never been identified, let alone corrected, until Race did, the cumulative failures each compressor has suffered in the past ~five years and over ten years or wear, tear and weathering, a complete refrigeration system replacement is in order, including getting off the obsolete and expensive R22 refrigerant system and switching to modern refrigerants.

Race isolated Compressor #2 from #1, and the system is operating on #2 only for the time being, but it is not an ideal situation, and in Race's professional opinion, #2 will ultimately fail in the future.

The City of Morro Bay and MBCFO are therefore proposing a new, \$100,000 grant to fund accomplishment of the Race-recommended system replacement. Properly operated and maintained, Race estimates a new system should be largely trouble-free for at least ten years as compared to our past experience with the existing system. Race's proposal to SMSF is included with this application.

We greatly appreciate CCJFLC's consideration of the grant proposal toward the continued health of Morro Bay's commercial fishing industry and industry infrastructure.

Sincerely,

Eric Endersby
Harbor Director
City of Morro Bay

Jeremiah O'Brien
Director
Morro Bay Commercial Fishermen's Organization