INITIAL STUDY AND CHECKLIST

I. PROJECT INFORMATION

Project Title: Morro Bay Waterfront Boardwalk and Circulation Modernization

Case Number: Special Use Permit UP0-000-014

LEAD AGENCY: City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442
Phone: (805) 772-6261
Fax: (805) 772-6268

Project Applicant: City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442
Phone: (805) 772-6261
Fax: (805) 772-6268

Project Landowner: City of Morro Bay
Phone: (805) 772-6261

Project Designer: North Coastal Engineering/FIRMA
725 Creston Road
Paso Robles, CA 93446
Phone: (805) 239-3127
Fax: (805) 781-9800

Project Location: The City of Morro Bay is located within the north coastal area of San Luis Obispo County, approximately 12 miles northwest of the City of San Luis Obispo. The proposed project and alternatives area is located along the Morro Bay Harbor within the Morro Rock/Coleman Park area and T-Piers/Fisherman Working Area of the Waterfront Master Plan (WMP). The project vicinity encompasses Morro Rock, the sandspit, the Coleman Park area, the bay frontage around to the Duke Energy intake building, and the area between the Duke Energy intake building and the Embarcadero Road/Beach Street intersection.

Assessor Parcel Number(s): Various

General Plan Designation: Commercial/Recreation Fishing

Zoning: Commercial/Recreation Fishing
EXHIBIT 4
INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004
NOTE: ALL FIGURES CITED IN THIS SECTION APPEAR AT THE END OF THIS DOCUMENT.

INTRODUCTION

The City of Morro Bay is proposing to construct improvements along the Morro Bay Harbor Waterfront consistent with programs identified in the City of Morro Bay Waterfront Master Plan (WMP). Enhancement of facilities encouraging use of alternative modes of transportation along the Morro Bay waterfront is needed to provide enhanced coastal access within the City of Morro Bay.

This joint Mitigated Negative Declaration/Environmental Assessment (MND/EA) is intended to fulfill the requirements of the California Environmental Quality Act (CEQA) (PRC 21000 et seq.) as well as the National Environmental Quality Act (NEPA) (42 USC 4341 et seq.). The City of Morro Bay is the state lead agency for CEQA compliance and the Caltrans, acting for the Federal Highways Administration (FHWA), is the federal lead agency for NEPA compliance. This MND/EA is being jointly prepared in accordance with NEPA because proposed project funding is being provided by FHWA through the federal transportation enhancement activities program, described below.

Federal Transportation Enhancement Activities (TEA) Program. The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) addresses the need to create a national intermodal transportation system. ISTEA provides Federal-aid funds that support various transportation enhancement activities, enhancing the quality-of-life in areas surrounding transportation facilities. FHWA is responsible for allocating Federal transportation enhancement activities (TEA) funds to the State and authorizing TEA expenditures (Caltrans 2004). The proposed construction of a waterfront boardwalk and associated circulation improvements would be funded by TEA funds that would be passed from FHWA to the California Department of Transportation (Caltrans) under the Local Assistance Projects program.

Caltrans’ primarily responsible for administering the TEA program, including developing policies and monitoring program implementation (Caltrans 2004). Caltrans is responsible for making eligibility determinations in cooperation with FHWA, and recommends potential TEA projects in the State Transportation Modernization Program (STIP). Caltrans sponsors enhancement activities and recommends possible transportation improvement projects to the respective Regional Transportation Planning Agency (RTPA).

The San Luis Obispo Council of Governments (SLOCOG) is the local agency that administers TEA funds. As the local transportation planning agency, SLOCOG is responsible for selecting transportation enhancement activities within their jurisdiction, and recommending eligible improvement projects to the State of California Transportation Commission (CTC) in their Regional Transportation Improvement Programs (RTIPs). The 2001/2002 Annual Report for SLOCOG identifies ongoing activities and planned transportation improvements within San Luis Obispo and the seven unincorporated cities. SLOCOG aims to provide an efficient, coordinated transportation system that meets the needs of the San Luis Obispo region utilizing all modes of transportation. The proposed waterfront boardwalk has been identified as a transportation enhancement project in the 2002 RTIP, the State Interregional Transportation Improvement Program (ITIP), and the State Transportation Improvement Program (STIP) (SLOCOG 2002).

PROJECT NEED

The City of Morro Bay Waterfront Master Plan (WMP) was adopted by City Council Resolution 43-96 in 1996. The WMP is a planning study that identifies the need for infrastructure improvements to maximize the recreational potential and access to Morro Rock and Tidelands Park. Numerous City actions and potential capital improvement projects are presented in the plan to address this need. The WMP also includes design guidelines that amended the City’s Planned Development (PD) overlay zone standards. The objective of the WMP is to balance the need to maintain a working waterfront while planning for improvements and enhancement of the commercial and public access elements of the Morro Bay waterfront.
Specific issues related to existing conditions identified in the Morro Rock and Coleman Park area of the WMP (City of Morro Bay 1996, Map E.3) are considered Project Needs:

1. Traffic congestion at the end of Coleman Drive;
2. Continuing erosion of the dune area north of Coleman Drive by uncontrolled vehicle use, suggesting the need for dune revegetation;
3. Coleman Park is isolated from the Morro Bay waters; and
4. A second exit from the area in case of an accident.

The following actions are identified in the WMP and constitute the main components of the proposed project (see Figure I-1):

- Waterfront Pedestrian Boardwalk;
- Class I bicycle paths;
- Pedestrian path along Embarcadero Road;
- Modifications to the Harbor parking lot;
- Re-alignment of Coleman Drive; and
- Extension of Embarcadero Road to Morro Creek.

PROJECT PURPOSE

The purpose of this project is to maximize coastal access and resulting recreational opportunities of Morro Rock and Tidelands Park by providing efficient vehicular and non-vehicular circulation along the Morro Bay waterfront. The proposed project would implement particular enhancement activities identified in the City of Morro Bay WMP using Federal TEA funds.

The Morro Bay Waterfront Boardwalk and circulation improvements provide a unique opportunity to enhance coastal access within the City of Morro Bay. The purpose and related objectives of the proposed project are to:

- Create a waterfront development that is aesthetically pleasing and compatible with the fishing industry.
- Establish a shoreline that is readily accessible for viewing, walking, and bicycling.
- Develop marine facilities to support fishing, recreation, and tourist industries.
- Ensure a pedestrian friendly community by providing a connected pedestrian circulation system.

DESCRIPTION OF THE PROJECT ALTERNATIVES

This section describes the alternatives to enhance vehicular and non-vehicular coastal access to the Morro Bay waterfront. In addition to the proposed project, a redesigned roadway alignment alternative, and a No-Action Alternative are discussed.

The proposed project and alternatives area is located along the Morro Bay Harbor within the Morro Rock/Coleman Park area and T-Piers/Fisherman Working Area of the WMP. The project vicinity...
encompasses Morro Rock, the sandspit, the Coleman Park area, the bay frontage around to the Duke Energy intake building, and the area between the Duke Energy intake building and the Embarcadero Road/Beach Street intersection (see Figures I-2a and I-2b).

**Proposed Project**

The proposed project includes three main components: construction and alignment of a waterfront boardwalk; construction of bicycle and pedestrian paths; and circulation improvements including realignment of Coleman Drive. The proposed project would include construction of a boardwalk along the Morro Bay waterfront consisting of a system of bikeways and pedestrian paths along the Morro Bay shoreline. Circulation improvements on portions of Coleman Drive and Embarcadero Road would be required to facilitate efficient vehicular and non-vehicular movement, ensuring adequate coastal access within the City of Morro Bay.

The preferred routes for the boardwalk and transportation improvements associated with the proposed project are summarized below.

- The waterfront boardwalk shall extend from the parking area at the end of Beach Street to Target Rock near the state property at Morro Rock.
  - The boardwalk shall extend over the revetment at the Great American Fish Company and the Duke Energy intake building, or with inland alternatives if such extensions are determined infeasible.
  - Access to all docks and piers shall be maintained.
  - The parking lot along Embarcadero Road shall be re-striped to accommodate the boardwalk and landscape planters in areas that would not result in a loss of parking and/or disruption of public views.
  - Observation platforms, interpretive panels, signage, bollard and chain barriers, and lighting shall be incorporated into the project design.
  - Water access at the bend of Coleman Drive shall be maintained to ensure adequate access for kayaks.
- All bicycle paths shall be constructed as separate Class I bikeways conforming to Caltrans standards.
  - If necessary, the segment of the bike path on Embarcadero Road along the eastern portion of the public parking lot could be constructed as an on-street Class II bikeway.
- The realignment of Coleman Drive and Embarcadero Road extension would be constructed to City standards as 9.75-meter (32-foot) and 7.3-meter (24-foot) street sections, respectively.

Separate components are described below:

**Waterfront Boardwalk**

The proposed route of the waterfront boardwalk generally follows the course identified in the WMP. The proposed boardwalk would be approximately 2.4 meters (8 feet) wide and would be constructed along the bay side of existing harbor front facilities to the greatest extent feasible. Additional landscape planters would be incorporated into the existing parking lot landscape along segments of the boardwalk route. Incorporation of additional landscape planters would not reduce the number of existing parking spaces.

The waterfront boardwalk would comply with the Americans with Disabilities Act (ADA) accessibility standards. The State of California building code standards (Title 24 of the California Code of Regulations) are consistent with ADA standards. The following standards would be incorporated into the
The proposed project to ensure compliance with ADA accessibility standards and Title 24 of the California Code of Regulations:

- The maximum slope of any ramped surface shall not exceed a 1:12 gradient;
- Any inclined surface with a slope greater than 1:20 shall be considered a ramp;
- All ramps shall have handrails;
- Ramp run lengths must have a 150 centimeter (cm) (60 inch) landing for every 75 cm (30 inches) in ramp rise;
- Ramps must have a minimum 90 cm (36 inch) clear width with a minimum 1.5 meter (5 foot) passing space at maximum 60 meter (200 feet) intervals;
- Path cross slopes shall not exceed 1:50;
- The path surface shall be stable, firm, and slip resistant;
- The path surface shall maintain less than one-quarter inch vertical change (i.e., between boards) and less than one-half inch gaps; and
- The path shall not have stairs.

**Waterfront Boardwalk Alignment**

The proposed waterfront boardwalk route would begin at the parking lot near Beach Street continuing north along the harbor front revetment (Figure I-3 [View 2] and Figure I-4). The route would extend along the western edge of the public parking lot past the Duke Energy intake building (Figure I-5 [View 5] and Figure I-6). Proposed horizontal dimensions of the boardwalk have been designed to create sufficient room to construct the boardwalk, ensuring no loss of parking in the public lot along the entire route. The proposed 8-ft. path would be designed so that it could fit adjacent to existing structures (i.e., the Great American Fish Company, Harbor Hut, and Duke Energy Intake Building), while maintaining adequate parking bay widths. The three preferred routes aligning the proposed boardwalk adjacent to the Great American Fish Company, Harbor Hut, and Duke Energy Intake Building are discussed below.

**GREAT AMERICAN FISH COMPANY ROUTE**

The Great American Fish Company restaurant is a wood framed building that is supported over the existing revetment on wood piling. An existing walkway is situated around the building at the existing floor level. A development proposal for construction of floating docks along the waterfront from the south City T-Pier, along the Great American Fish Company restaurant, and past the Harbor Hut is currently under consideration; development of floating docks along the bay is consistent with Article 4, Section 30233 of the Coastal Act.

The preferred route would align the proposed boardwalk over the revetment in front of the Great American Fish Company restaurant, minimizing the obstruction of views of restaurant patrons (see Figure I-7). The proposed boardwalk would be constructed up to 2.4 meters (8-feet) wide and would be cantilevered off existing structures (i.e., piles and beams) and new piles or incorporated onto floating docks. The alignment of this portion of the boardwalk at one location would need to cross the alignment of an existing gangway. If it is not feasible to construct the boardwalk over the existing gangway, the gangway would need to be relocated. Figure I-8 illustrates the segment of the boardwalk between the Great American Fish Company and the Harbor Hut.

**HARBOR HUT ROUTE**

The proposed boardwalk route near the Harbor Hut would potentially be located either as an extension of the path system west of the Great American Fish Company or through the existing patio/entry to the Harbor Hut (Figure I-3 [View 4]). Construction of the boardwalk through the Harbor Hut patio would
require cutting the existing concrete paving, which would be dependent on the lessee’s approval. If necessary, an alternate route could be aligned around the northeastern side of the building near the parking area (Figure I-9).

**DUKE ENERGY INTAKE BUILDING ROUTE**

The preferred boardwalk route would be aligned through the existing harbor front shed north of the Coast Guard office and along the waterfront in front of the Duke Energy intake building (see Figures I-5 and I-10). The boardwalk would be constructed along the waterside as a cantilever deck off the existing walkway at the Duke facility. However, this route would be dependent on Duke Energy and the current plans to expand the U.S. Coast Guard office. The proposed route in this area may also be subject to change based upon homeland security issues adjacent to the U.S. Coast Guard facilities. In the event that the preferred route is determined infeasible, an alternate route could be aligned along the northern side of the intake building adjacent to the parking lot (Figure I-5 [View 5]). The boardwalk would continue past the Duke Energy intake building along the shoreline on top of the rock revetment (Figure I-11a).

In the event that Coleman Drive is not realigned, the boardwalk would be constructed between the top of the revetment and the edge of paving on Coleman Drive (see Figure I-11b). A separate Class I bike path would be constructed on the existing pavement parallel to the boardwalk. Coleman Drive would need to be widened approximately 1.2 meters (4 feet) on the northern side of Coleman Drive (see Figure I-11b).

**Waterfront Boardwalk Design Components**

**CONSTRUCTION SYSTEM OPTIONS**

The proposed waterfront boardwalk design features are generally consistent with the design guidelines delineated in the WMP.

**Segment A Construction Options-Beach Street to the Duke Energy Intake Building.** The segment of the proposed boardwalk between Beach Street and the Duke Energy intake building would be constructed using one of four construction system options. Construction System Options 1 and 2 would use wood planks for application in the paved options of the boardwalk. Construction System Option 1 would build wood planks on concrete curb footings. This option would construct a 3 x 8 timber deck between the existing paving and the existing curb and revetment (Figure I-12a). Pier and hoists would support the timber deck and a concrete curb footing would be constructed on the northern side of the boardwalk. Construction System Option 2 would build a wood plank on a concrete slab. The option would construct a 3 x 8 timber deck with a 4 x 6 timber stringer between the existing paving and the existing curb and revetment (see Figure I-12a). The boardwalk would be supported with a reinforced concrete slab. Drain weeps would be located under all timber stringers.

The boardwalk route under Construction System Option 3 would be designed using stamped concrete (Figure I-12b). This option would construct the boardwalk using imprinted conventional concrete with a stamped concrete pattern simulating timber planks. Option 3 would also construct a 3x8 timber deck on 4x6 timber joists between the edge of the revetment and the Coleman Drive shoulder grade. The boardwalk along Coleman Drive would be supported on 12"x18" concrete footing 2.4 meters (8 feet) apart (see Figure I-12b). Construction System Option 4 (Preferred Option) would construct a cantilever deck over the revetment approximately 190.5 meters (625 feet) long. The 2.4 meter (8 foot) wide cantilever boardwalk would be supported on existing structures and new piling (see Figure I-7).

**Segment B Construction Options- Duke Energy Intake Building to Target Rock.** The segment of the proposed boardwalk between the Duke Energy intake building and Target Rock would be constructed using one of two construction system options. Construction System Option 1 would construct a timber boardwalk on concrete footings. The wood plank decking would be supported on wood beams, and reinforced with concrete footings. Construction System Option 2 would use stamped concrete to construct this portion of the boardwalk route.
The following amenities would potentially be necessary along various portions of the boardwalk route:

- Directional signage;
- Overlook platform (3);
- Interpretive Displays;
- Bollard and chain barrier;
- Handrails;
- Low-level lighting; and
- Miscellaneous relocations and/or modifications to existing restaurant trash enclosures, ramps, screen, and railings.

**Bicycle and Pedestrian Paths**

A joint bicycle/pedestrian path would be located on the east side of Embarcadero Road from Beach Street to Morro creek (see Figures I-2a and I-2b); the key segments of the Class I bike path and walkway are depicted in Figure I-3 (View 1) and Figure I-5 (Views 7 & 8). The path would be 3.7 to 4.9 meters (12 to 16 feet) wide, consistent with Caltrans’ 2.4 meters (8 feet) minimum width for Class I bike trails and 1.2 to 2.4 meters (4 to 8 feet) required width for pedestrian paths (see Figure I-3 /View 1). The joint bicycle/pedestrian path would be constructed with concrete and/or asphalt paving. The segment of the path along the existing parking lot frontage would be constructed as a 6 ft. wide on-street striped Class II bike path with a sidewalk in the existing planter strip.

Construction of the joint bicycle/pedestrian path along the eastern side of the public parking lot would result in the reduction of 13 on-street parking spaces. A potential alternative would be to reconfigure the parking lot to increase the width between the curb and parking bay between 3.7 to 4.9 meters (12 to 16 feet) to accommodate the path. An additional alternative to avoid the loss of parking would be to construct an on-street 1.8-meter (6-foot) wide Class II bikeway that would transition into an off-street Class I bike path in front of the Duke Energy intake building.

The segment of the bicycle/pedestrian path in front of the Duke Energy intake building would be constructed within the landscaped parkway; however, construction of this segment would require a grant of easement with Duke Energy. A Class I bike path would be constructed along the Embarcadero Road extension within the existing right-of-way (see Figure I-1).

A second Class I bike path would be constructed along the existing Coleman Drive north of the Duke Energy intake building (see Figure I-2b). This path would be connected to the Class I bike path on the east side of Embarcadero Road via a crosswalk across the Embarcadero Road extension. The bikeway to Morro Rock would be constructed along the existing pavement on Coleman Drive, including the realigned section of Coleman Drive. The existing pavement on Coleman Drive would be removed to expand Coleman Park, retaining approximately 2.4 to 3 meters (8 to 10 feet) for the proposed bikeway (see Figure I-11a). In the event that Coleman Drive is not realigned, a separate Class I bike path would be constructed on the existing pavement parallel to the proposed boardwalk (see Figure I-11b).

**Circulation Modernization**

Road improvements associated with the proposed waterfront boardwalk include the extension of Embarcadero Road and realignment of Coleman Drive. Circulation improvements on portions of Embarcadero Road and Coleman Drive and would be necessary to ensure sufficient shoreline access. The conceptual alignments that were identified in the WMP for Embarcadero Road and Coleman Drive...
are illustrated in Figure I-2b. Embarcadero Road would be extended approximately 2,000 feet northward to Morro Creek and be constructed as a 7.3 meter (24-foot) wide paved section with no parking. The Coleman Drive realignment would be approximately 800-foot long and constructed as a 9.75-meter (32-foot) wide section with designated on-street parking on each side. North of its intersection with the realigned Coleman Drive to its terminus at Morro Creek, the Embarcadero Road extension would be maintained for emergency vehicle access and non-vehicular circulation (i.e., pedestrian and bicycle paths); vehicular circulation would not occur along the extension.

Embarcadero Road would cross Morro Creek via a 6-meter (20-foot,) wide single span bridge to be constructed as part of the Duke Energy Power Plant Modernization project. Duke would construct the bridge and use it during construction for transferring demolition and new plant materials. The bridge would be maintained by the City of Morro Bay after completion of construction.

**Project Construction and Phasing**

The proposed project would be constructed over approximately 1 to 2 years. Grading for the circulation improvements would occur over an approximate 6-month period and would be balanced onsite.

**Project Implementation**

The City of Morro Bay anticipates that implementation of the proposed project improvements would coincide with proposed upgrades associated with the Morro Bay Power Plant Modernization project. Modernization proposed by Duke Energy LLC during the modernization of the Morro Bay Power Plant include construction of bicycle and pedestrian lanes, the extension of Embarcadero Road to Morro Creek, and the construction of a bicycle/pedestrian bridge. All improvements proposed by Duke Energy are dependent upon approval of a separate environmental permitting process.

**Alternative A: Redesigned Coleman Drive Alignment Alternative**

This project alternative and variations are designed to avoid sensitive coastal sage biological habitat (please see section 4).

This project alternative includes two different approaches to the transition of the realigned Coleman Drive with the existing Coleman Drive to be retained.

**Alternative A-1. Shorter Coleman Drive Realignment**

This alternative would result in a shorter realignment of Coleman Drive of approximately 180 meters (600 feet) extending from the proposed Embarcadero Road extension, intersecting with the existing Coleman Drive adjacent to the waterfront approximately 46 meters (150 feet) east of the proposed project alignment. The remaining length of Coleman Drive continuing westward would be improved to the 9.75 meter (32-foot) width similar to the proposed project. No other aspects of the proposed Waterfront improvements would be modified.

This Alternative has been further divided into six different options. The options treat the following variables differently:

**Embarcadero Road Extension:** Two corridor options are available:

1. The roadway extension would continue along the same general alignment past the Duke Power Plant. The existing Coleman Drive would be converted to a bikepath and boardwalk except for where it would reconnect with the realigned roadway west of the existing temporary skateboard park. This is consistent with the proposed project. Alternatives A-1.1 through A-1.4 (Figures I-13 through I-16) are examples of this option.

2. The roadway extension would follow the existing Coleman Drive corridor, and begin its realignment just east of Coleman Park. This alternative would require approximately 180 meters
EXHIBIT 4
INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

(600 feet) less new roadway corridor ground disturbance. Alternatives A-1.5 and A-1.6 (Figures I-17 and I-18) are examples of this option.

Transition of the Realigned Coleman Drive and Embarcadero Road: Two options are available for this area of the revised circulation corridor:

1. Embarcadero Road Through Traffic Favored: A stop sign would be placed at the southbound, right-hand turn of Coleman Drive at its intersection with Embarcadero Road. This would favor bicycles and pedestrians moving south on Embarcadero Road over vehicles on Coleman Drive traveling in this direction. Alternatives A-1.1, A-1.3, and A-1.5 (Figures I-13, I-15, and I-17) are examples of this option.

2. Coleman Drive Through Traffic Favored: A stop sign would be placed on Embarcadero Road at its southbound intersection with Coleman Drive. This would favor vehicles on Coleman Drive traveling southbound over bicycles and pedestrians moving in this direction. Alternatives A-1.2, A-1.4, and A-1.6 (Figures I-14, I-16, and I-18) are examples of this option.

Transition of Coleman Drive Realignment with Existing Coleman Drive Segment: Two options are available for this area of the revised circulation corridor:

1. Continuous Transition of Coleman Drive Realignment with Existing Coleman Drive Segment: Under this option, there would be a continuous traffic flow on Coleman Drive where it would reconnect with the existing corridor at the water’s edge. No stop sign control would be required. Alternatives A-1.1 and A-1.2 (Figures I-13 and I-14) are examples of this option. This would require location of the existing temporary skateboard park. Regardless of this alternative, the park would be permanently relocated to the teen center on Atascadero Road next to Morro Bay High School.

2. Perpendicular, “T” intersection at the Coleman Drive Realignment with Existing Coleman Drive Segment. This alternative would provide for a stop sign for westbound traffic on the realigned Coleman Drive where it would intersect with the remaining original Coleman Drive segment at the water’s edge. Alternatives A-1.3 through A-1.6 (Figures I-15 through I-18) are examples of this option.

Alternative A-2. Longer Coleman Drive Realignment

Alternative A-2 would result in the realignment extension of the roadway from the proposed Embarcadero Road extension directly westward approximately 340 meters (1,100 feet) to where it would intersect with the existing Morro Rock unpaved parking area. This realignment alternative would be approximately 90 meters (300 feet) longer than the proposed project, but it would result in the existing Coleman Drive along the Morro Bay waterfront reserved completely for bicyclists and pedestrians. No other aspects of the proposed project would be modified.

The first two options identified for Alternative A-1 would apply to Alternative A-2:

Embarcadero Road Extension: Two corridor options are available:

1. The roadway extension would continue along the same general alignment past the Duke Power Plant. Alternatives A-2.1 and A-2.2 (Figures I-19 and I-20) are examples of this option.

2. The roadway extension would follow the existing Coleman Drive corridor, and begin its realignment just east of Coleman Park. Alternatives A-2.3 and A-2.4 (Figures I-21 and I-22) are examples of this option.
Transition of the Realigned Coleman Drive and Embarcadero Road: Two options are available for this area of the revised circulation corridor:

1. Embarcadero Road Through Traffic Favored: Alternatives A-2.1, and A-2.3 (Figures I-19 and I-21) are examples of this option.

2. Coleman Drive Through Traffic Favored: Alternatives A-2.2, and A-2.4 (Figures I-20 and I-22) are examples of this option.

Alternative B: No Action Alternative

The No-Action Alternative would not enhance coastal access along the Morro Bay waterfront. Construction of a continuous bicycle/pedestrian pathway system, providing continuous lateral access along the waterfront, would not occur. The No Action Alternative would leave the project portion of Coleman Drive and Embarcadero Road in its present condition, except for spot maintenance work that would be performed as needed to maintain adequate circulation.

While the No-Action Alternative is not considered a reasonable alternative because it does not meet the purpose and need for the proposed action, it does provide a measure of the baseline conditions against which the impacts of the proposed action can be compared. In this MND/EA, the No-Action Alternative is represented by the baseline conditions described in the Environmental Setting section of each resource area.
II. ENVIRONMENTAL SETTING AND IMPACTS

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" or is "Potentially Significant Unless Mitigated," as indicated by the Environmental Checklist:

<p>| | | | | | | | | | | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>1. Aesthetics</td>
<td></td>
<td>9. Land Use/Planning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Agricultural Resources</td>
<td></td>
<td>X 10. Noise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X 3. Air Quality</td>
<td></td>
<td>11. Population/Housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X 4. Biological Resources</td>
<td></td>
<td>12. Public Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X 5. Cultural Resources</td>
<td></td>
<td>X 13. Recreation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting: The proposed project area is located along the Morro Bay Harbor front within Planning Areas 1 and 2 of the City of Morro Bay WMP. Planning Area 1 (Morro Rock/Coleman Park) of the WMP encompasses Morro Rock, the sandspit to the Duke Energy intake building, and Morro Creek, and is situated between Morro Bay to the south and Morro Strand Beach to the north. Area 1 begins at Morro Rock and the parking lot within the State Park; this segment of Area 1 provides the only land access to Morro Rock (City of Morro Bay 1996). This portion of Planning Area 1 provides access to the breakwater, surfing areas, and beach. The area also includes the beach up to Morro Creek, the Coleman Park area, and the bay frontage surrounding the Duke Energy intake building. WMP Planning Area 2 (T-Piers/Fisherman Working Area) includes the area between the Duke Energy intake building to the Embarcadero Road/Beach Street intersection. Area 2 is primarily dedicated to the working fishing boats and associated support services (City of Morro Bay 1996).

Surrounding Land Use

| North: Morro Bay Power Plant to the northeast | East: Residential/commercial land uses to the east |
| South: Residential/commercial land uses to southeast | West: Open space and recreational land uses to the southwest |

CUMULATIVE IMPACTS

The following definitions for cumulative effects are used in this section:

Cumulative impacts result from the incremental impact of the Proposed Action when added to other past, present, and reasonably foreseeable future actions. (40 CFR Section 1508.7).

Cumulative impacts are two or more individual impacts that, when considered together, are considerable or that compound or increase other environmental impacts. (CEQA Guidelines sec. 15355).

Cumulative effects arise when there are interactions between a proposed project and other projects occurring in close proximity or during an overlapping time period. Projects geographically overlapping or close to the proposed project would likely have more potential for interaction than those farther away. Similarly, projects coinciding in time with the proposed project would have a higher potential for cumulative effects.
In order to analyze cumulative impacts, a cumulative impacts region must be identified for which impacts of the proposed project and other past, proposed, and reasonably foreseeable projects would be cumulatively recorded or experienced. Consequently, the region where cumulative impacts may occur includes City of Morro Bay waterfront and the surrounding area. Therefore, this analysis considers additional impacts arising from the impacts of the proposed project combined with the impacts of other known past, present, and reasonably foreseeable future projects within this region.

Cumulative Projects

Morro Bay Power Plant Modernization Project

Morro Bay Power Plant Modernization Project involves upgrading facilities located at the existing 1,030 mega-watt (MW) Morro Bay Power Plant site that is owned and operated by Duke Energy. The project site is located within the City of Morro Bay, near the Morro Bay Harbor, bounded by Embarcadero Road to the west and State Highway 1 to the east.

The modernization project would replace the three existing operating generation units with two state-of-the-art 600 MW combined cycle units. Upon project completion, the Morro Bay Power Plant would have the capability to produce a total of 1,200 MW. Each new unit would have two, 44-meter (145 foot) tall stacks, which would replace the plant’s three existing 137 meter (450 foot) tall stacks. The Morro Bay Power Plant modernization project would also involve various transportation and aesthetic components including construction of Class I and II bike paths, installation of a 6-meter (20-foot) wide bridge over Morro Creek, refurbishment of the sea water intake structure, and landscaping.

The combined cycle units would utilize a maximum of 475 million gallons per day (mgpd) of seawater for cooling and boiler processes. Plant operations and maintenance would require approximately 10,000 gallons per day (gpd) of freshwater, which would be provided from on-site wells; water usage would be the same as existing water consumption rates. Morro Bay Power Plant would utilize the best available control technology (BACT) to regulate emissions of air pollutants. BACT measures would include selective catalytic reduction (SCR) to control nitrogen oxides, and an oxidation catalyst to control carbon monoxide. The SCR system consists of the reduction catalyst and an aqueous ammonia injection system.

Duke Energy proposes construction of the two combined cycle units over 21 months, in one construction phase. Initial start-up would begin approximately one month later. The project would include demolition of the on-site fuel oil tank farm, all existing plant equipment (i.e., boiler and steam turbine complex), and removal of the three existing 137-meter (450 feet) tall exhaust stacks. Demolition of the tank farm would occur over a 3 month period. The existing exhaust stacks would be removed subsequent to commercial operation of the combined cycle units.

Construction of the Power Plant Modernization project, including construction of the Morro Creek bridge, is entirely independent of the proposed project. If the Morro Creek bridge were not built, the Embarcadero Road extension would terminate on the south bank of the creek. Construction of the proposed project would not occur simultaneously with this project. A reasonable scenario would be that the proposed project, including paving of the Embarcadero Road extension, would occur previous to Power Plant construction. Duke Energy would then construct the Morro Creek bridge and use the roadway extension for construction vehicle access for the 21-month period. After construction, Duke would make any necessary repairs to Embarcadero Road resulting from construction use, and then the bridge would be part of the proposed bicycle, pedestrian, and emergency vehicle only access to State Highway 41.

Great American Fish Company Float Docks and Ramps Project

The Great American Fish Company (GAFCO) project entails constructing adequate waterfront boating facilities for commercial and recreational services along the Morro Bay harbor front. This would consist of expansion of existing docking facilities, including new floating dock and ramp construction and installation.
of associated accessories along the bay. The project would install floating docks, ramps, and appurtenances along the waterfront from the south City T-Pier, along the bay adjacent to the Great American Fish Company, past the Harbor Hut, and return to the shore north of the existing Virg’s Landing. An application for this project has been submitted to the City of Morro Bay; projected project construction by 2006.

III. ENVIRONMENTAL CHECKLIST

NOTE: ALL FIGURES CITED IN THIS SECTION APPEAR AT THE END OF THIS DOCUMENT.

The following checklist indicates the potential level of impact and is abbreviated as follows:

- **Known Significant**: Known significant environmental impacts.
- **Unknown Potentially Significant**: Unknown potentially significant impacts, which need further review to determine significance level.
- **Potentially Significant and Mitigable**: Potentially significant impacts which can be mitigated to less than significant levels.
- **Not Significant**: Impacts which are not considered significant.
- **Impact Reviewed in Previous Document**: Adequate previous analysis exists regarding the issue; further analysis is not required due to tiering process (Section 21094 of CEQA and Section 15162 of the State CEQA Guidelines). Discussion should include reference to the previous documents and identification of mitigation measures incorporated from those previous documents. Where applicable, this box should be checked in addition to one indicating significance of the potential environmental impact.
EXHIBIT 4
INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

1. AESTHETICS:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown</th>
<th>Potential</th>
<th>Significant</th>
<th>Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Have a substantial adverse effect on a scenic vista?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Substantially damage scenic resources, including but not limited to, trees,</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>rock outcroppings, and historic buildings within view of a state scenic highway?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Substantially degrade the existing visual character or quality of the site and</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>its surroundings?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Create a new source of substantial light or glare, which would adversely</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>affect day or nighttime views in the area?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:

The City of Morro Bay’s Waterfront Master Plan Design Guidelines (City of Morro Bay 1996) provide guidance in determining the importance of visual resources. Key factors in characterizing the importance of visual resources associated with a project site include the following:

- **Public Viewshed:** all areas of the bay, harbor, sandspit, and Morro Rock currently visible from the Embarcadero, the street-ends, public observation points, and public right-of-way at the bluff top; but not including views from private property, businesses, or residences. This definition shall be used in evaluating any development proposal that has the potential to obstruct public views.

- **View Corridor:** view corridors shall be open linear spaces located between or adjacent to buildings affording views from the street of the harbor, bay, sandspit, and Morro Rock. Said corridors shall not have visual obstructions except for low shrubs, seating benches, and other street furniture of a maximum 75 cm (30 inches) in height. Taller lighting poles and similar fixtures may be allowed. No overhead structures such as canopies, balconies, and pedestrian bridges (other than normal eaves) are permitted within the view corridors unless said structure is offset by additional width of view corridor equal to the vertical dimension of the overhead structure.

The guidelines identify views that combine the characteristics defined above as especially important: harborfront, harbor, Morro Rock, and the dune area (City of Morro Bay 1996).

Visual Character of the Site and Surroundings

The project site is within the commercial recreation fishing district along the Morro Bay waterfront area, between the Embarcadero Road/Beach Street intersection and Morro Rock. It is located within an identified coastal visually significant area and encompasses several “Highly Scenic View Areas” identified in the City of Morro Bay General Plan Visual Resources and Scenic Highway Element, including Morro Rock, the sandspit, and the Pacific Ocean. Morro Rock is considered “probably the most significant visual feature of the area” as it is visible from almost all locations within the City. The sandspit peninsula is visible from Embarcadero Road and Coleman Drive. The Pacific Ocean is dominant along the City’s coastline, providing sweeping views of the ocean, beach, dune, bluff, marsh, and harborfront, creating the City’s water oriented character (City of Morro Bay 1988). The City Visual Resources and Scenic Highway Element also identifies the waterfront and the Embarcadero and the Morro Bay Power Plant as “Scenic View Areas” within the project area. In addition, several publicly accessible locations have been identified from which the public can view adjacent highly scenic view areas and scenic view areas along the waterfront (City of Morro Bay 1988).
EXHIBIT 4
INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

The project site is visible from Embarcadero Road and Coleman Drive. The City Visual Resources and Scenic Highway Element identifies Embarcadero Road and Coleman Drive between Tidelands Park and Morro Rock as scenic local routes (City of Morro Bay 1988). Views from vehicles traveling along Embarcadero Road and Coleman Drive provide scenic qualities. From Embarcadero Road, Morro Rock, the sandspit, the Pacific Ocean, and Coleman Park are visible. Views from Coleman Drive provide sweeping views of the ocean, Morro Rock, the sandspit beach, dunes, and the harbor front. The temporary skateboard park along Coleman Drive detracts in part from these visual qualities. The combination of these physical features enhances the visual quality of the project site as experienced from major public roadways. A representative public view of the project site that was taken from a prominent location along Coleman Drive east of the site is presented in Figure III-1.

Impact Discussion:

Proposed Project

1.a. The proposed waterfront boardwalk would not have any affect on the views from northbound Embarcadero Road westward. Public views westward along Coleman Drive from Morro Rock would not be obstructed by proposed development. Construction of the boardwalk and non-vehicular circulation routes would incorporate planters into the existing parking lot landscape along segments of the boardwalk route. However, new landscape amenities would not result in the obstruction of any important scenic view. Overall impacts on visual resources would be less than significant.

Development of a boardwalk along the bay side of existing harbor front facilities would not substantially obstruct important public vantage points from any local scenic routes. Therefore, impacts on visual resources would be less than significant.

1.b. The project site is located within an identified coastal visually significant area. Existing views of important visual resources including Morro Rock, the sandspit, and the Pacific Ocean would not be blocked by proposed waterfront development. Construction of the boardwalk adjacent to Coleman Drive along the waterfront would occur in a largely undeveloped area (see Figure III-1). Boardwalk amenities would not block public views of the ocean, beach, dune, bluff, marsh, and harbor front. However, short-term impacts on the public viewshed in the waterfront and Embarcadero area would result from the presence of construction equipment that would be visible to recreational users, visitors, and sightseers from publicly accessible highly scenic view areas along the waterfront. Because construction activities would be short-term and would occur in the developed area of existing harbor front facilities, impacts on important scenic resources would be less than significant.

The proposed Embarcadero Road extension would be located on a dirt road. The existing right-of-way would not be extended and construction of parking areas would not occur. Therefore, no impacts on important vistas of visual resources within the project area would occur. Realignment of Coleman Drive would occur in a largely undeveloped area adjacent to and north of Coleman Park. However, relocation of Coleman Drive would not obstruct existing public vantage points of scenic resources. Impacts on visual resources would be less than significant.

1.c Proposed waterfront and circulation improvements would be compatible with the existing visual character associated with the waterfront and Embarcadero Road area and commercial recreation fishing district along the Morro Bay harbor front. Development of a coordinated design theme for the proposed boardwalk, pedestrian/bicycle paths, and landscape planters, and the potential for the proposed project to provide greater public visual access to the waterfront would be a beneficial impact on visual resources by reducing the impairment of public views of the project site. Overall, there would be no degradation of the visual quality of the project area, and a beneficial impact on visual resources would occur.

1.d. Proposed lighting improvements include low-level lighting mounted along various portions of the boardwalk. Boardwalk lighting design would adhere to the WMP Design Guidelines, emphasizing the
need for minimization of light illumination. Additional lighting along the Embarcadero Road extension and Coleman Drive realignment would also be required. Although the WMP Design Guidelines address the need to minimize new glare and diffusion of exterior lighting, the addition of lighting fixtures within the project area would introduce a substantial amount of new night light and glare, representing a substantial change in the level of night light illumination when compared to what is presently generated at the project site. Impacts on visual resources would be potentially significant.

**Alternative A – Redesigned Coleman Drive Alignment Alternative**

**Alternative A1:** Visual resource impacts would be similar in nature to those described for the proposed project. The shorter realigned roadway corridor would avoid the existing dune landform adjacent and north of Coleman Drive. To the extent that this existing landform would be avoided, impacts on the existing visual character as experienced from Coleman Drive and Embarcadero Road would be minimized, and have less impact on aesthetics. The realignment alternative would not have any bearing on potential impacts resulting from proposed landscaping and lighting.

**Alternative A2:** Visual resource impacts would be similar in nature to those described for the proposed project. Like Alternative A1, The slightly longer realigned roadway corridor would avoid the existing dune landform adjacent and north of Coleman Drive. To the extent that this existing landform would be avoided, impacts on the existing visual character as experienced from Coleman Drive and Embarcadero Road would be minimized, and have less impact on aesthetics. The realignment alternative would not have any bearing on potential impacts resulting from proposed landscaping and lighting.

**Alternative B – No Action Alternative**

Under the No Action Alternative, existing conditions would not be affected. Therefore, no impacts on aesthetics and visual resources would occur.

**Mitigation and Residual Impact:**

The following measure is required to ensure project consistency with City General Plan Scenic Highway Element Policies.

AES-1 The project landscaping plan shall incorporate native and drought resistant screen trees along the Embarcadero Road extension and Coleman Drive realignment to buffer the proposed improvements as experienced by northbound Embarcadero Road traffic and westward Coleman Drive traffic. Landscaping species shall be compatible with surrounding roadside screening coastal vegetation. The landscape plan shall be reviewed and approved by the City Public Services Department.

**MONITORING:** Public Services Dept. shall provide verification approval prior to commencement of work. Verification of landscaping installation pursuant to the approved plan prior to the Notice of Completion.

The following measure would reduce potential light and glare impacts.

AES-2 Exterior night lighting installed on the project site shall be of a low intensity, low glare design, and shall be hooded to direct light downward onto the subject parcel and prevent spill-over onto adjacent areas. Pole supports shall be of a darker finish to reduce glare.

**MONITORING:** City of Morro Bay Public Services Dept. shall provide verification approval prior to commencement of work. Verification of lighting installation pursuant to the approved plan prior to the Notice of Completion.
Residual Impacts
Implementation of measures AES-1 and AES-2 requiring preparation of a landscape plan and lighting plan would reduce impacts on visual resources to less than significant.

Cumulative Impacts:

The proposed project would not result in the obstruction or degradation of any scenic viewshed. Construction activities would be temporary and localized and at the conclusion of the project would result in aesthetic improvements to the Morro Bay waterfront. Related future development including the Duke Energy Plant Modernization Project and the GAFCO dock project would contribute to substantial change in the region's visual resources or character, due to changes in the massing and architecture along the Waterfront (although the existing Duke plant cooling towers would be reduced in height). Both projects would be subject to extensive conditioning regarding the use of building material color, texture and form. Although the project would have a minor contribution to these incremental effects, the cumulative impact on visual resources would be significant but feasibly mitigated.

<table>
<thead>
<tr>
<th>2. AGRICULTURAL RESOURCES:</th>
</tr>
</thead>
<tbody>
<tr>
<td>In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Convert prime farmland, unique farmland, or farmland of statewide importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Involve other changes in the existing environment, which, due to their location or nature could result in conversion of farmland, to non-agricultural use?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:
The project site encompasses recreational/commercial facilities and existing transportation corridors along the Morro Bay waterfront. The project site is zoned Commercial/Recreation Fishing.

Impact Discussion:

Proposed Project

2.a., b., c. Because the project site does not contain any agricultural soils and is not zoned for this use, no impacts on agricultural resources would result.
Alternative A – Redesigned Coleman Drive Alignment Alternative

No impacts on agricultural resources would occur under Alternative A.

Alternative B – No Action Alternative

No impacts on agricultural resources would occur under Alternative B.

Mitigation and Residual Impact:

As no impacts on agricultural resources would occur, no mitigation measures would be required.

Residual Impacts

No residual Impacts on cultural resources would result.

Monitoring: None required.

3. AIR QUALITY

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Conflict with or obstruct implementation of the applicable air quality plan?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b. Exposure of sensitive receptors to substantial pollution concentrations (emissions from direct, indirect, mobile and stationary sources)?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>c. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>d. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>e. Create objectionable smoke, ash, dust or odors affecting a substantial number of people?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Environmental Setting:

The project area is located in the South Central Coast Air Basin (SCCAB). The SCCAB consists of San Luis Obispo County and that portion of Santa Barbara County north of the Santa Ynez Mountain ridgeline. Atmospheric pollutant concentrations in the SCCAB are generally moderate, due to persistent west-to-northwesterly winds that blow off the Pacific Ocean and enhance atmospheric mixing. Although meteorological conditions in the project area are usually conducive to pollutant dispersal, pollution can sometimes accumulate during the fall and summer months when the Eastern Pacific High can combine with high pressure over the continent to produce light winds and extended inversion conditions in the region. As a result, state ambient air quality standards for ozone and particulate matter less than 10 microns in diameter (PM10) are sometimes exceeded in the County. Morro Bay is a characterized as a clean air area, however, and has only experienced one exceedance of a state or federal standard in the seven years: the state 24-hour standard for PM10 was exceeded once in 1997.
Proposed Project

3.a. The project would not cause an increase of population in the area or adversely affect any land use or transportation control measures contained in the Clean Air Plan. The project would therefore not conflict with or obstruct implementation of the applicable Clean Air Plan.

3.b,c. Temporary construction impacts would occur due to combustive and fugitive dust emissions from equipment and vehicles used for earth moving, material hauling, and other general construction activities, as described in 3.d below. Fugitive dust emissions from earth moving and equipment operations associated with the waterfront construction and realignment of Coleman Drive and extension of Embarcadero Road would produce the majority of PM10 emissions during construction. Due to the mobile nature of most construction equipment and the relative low intensity of their usage, emissions from the proposed construction action would not contribute to an exceedance of an ambient air quality standard. Therefore, with the required implementation of applicable fugitive dust control measures, air quality impacts from proposed construction activities would be less than significant.

Project operation would re-route traffic flows along the proposed realignment of Coleman Drive and the extension of Embarcadero Road, resulting in improved traffic access to Coleman Park. Project operation would not, however, generate increased traffic trips within the project vicinity. Therefore, the project would not violate any air quality standard or contribute substantially to an existing or projected air quality violation. As a result, operation of the project would not exceed any significance criteria and therefore would result in less than significant air quality impacts.

3.d. The County of San Luis Obispo Air Pollution Control District (APCD) has set thresholds of significance for construction phase emissions of reactive organic gases (ROG), nitrogen oxides (NOx), and PM10, above which mitigation measures must be applied. The thresholds are 185 pounds per day for ROG or NOx. For PM10, the threshold is exceeded when a project would have a continuously disturbed area greater than 4 acres. Because the total area of the waterfront boardwalk and associated circulation improvements is less than 4 acres, the PM10 threshold would not be exceeded. ROG and NOx emissions can be estimated using a method recommended in the APCD’s CEQA Air Quality Handbook (1997). The method is used to generate a rough estimate of emissions when specific construction equipment information is not yet available. The method assumes that each construction project burns an average of 0.27 gallons of diesel for each cubic yard of earth moved. Based on that estimate, the emission rates shown in Table 4-1 are used as a screening tool to provide a general estimate of total project construction phase emissions. The calculated emissions are also provided below. They are based on the following estimates of construction disturbance area:

<table>
<thead>
<tr>
<th>Location</th>
<th>Length (feet)</th>
<th>Width (feet)</th>
<th>Disturbance Area (sf)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coleman Drive</td>
<td>800</td>
<td>32</td>
<td>25,600</td>
</tr>
<tr>
<td>Embarcadero Road</td>
<td>2,000</td>
<td>24</td>
<td>48,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>73,600 (1.70 acres)</td>
</tr>
</tbody>
</table>

Given a maximum 2-foot roadway graded depth, the amount of soil moved would be approximately 5,500 cubic yards.

Construction of the boardwalk would not result in any ground disturbance, any other trenching for utilities would result in minimal equipment emissions.

Because the project road grading would require approximately 6 months to complete, ROG and NOx emissions would be 11.2 and 86.5 pounds per month, and approximately 0.37 and 2.88 pounds per day, respectively. These emission rates are less than the daily threshold of 185 pounds per day. The construction phase emissions are therefore considered to be less than significant, and no mitigation measures are required.
Construction Phase Emissions

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Emission Rate (grams/cu. yd. material moved)</th>
<th>Total Project Emission (pounds)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combustion Particulate (PM10)</td>
<td>2.6</td>
<td>32</td>
</tr>
<tr>
<td>Carbon Monoxide (CO)</td>
<td>11.2</td>
<td>137</td>
</tr>
<tr>
<td>Reactive Organic Gases (ROG)</td>
<td>5.6</td>
<td>67</td>
</tr>
<tr>
<td>Nitrogen Oxides (NOx)</td>
<td>42.9</td>
<td>519</td>
</tr>
<tr>
<td>Sulfur Oxides (SOx)</td>
<td>4.9</td>
<td>59</td>
</tr>
<tr>
<td>Fugitive Dust (PM10)</td>
<td>0.75 tons/acre-month of activity</td>
<td>1.3 tons (uncontrolled)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.65 tons (with watering)</td>
</tr>
</tbody>
</table>

Source: (APCD 1997).

3.e. Grading and earthmoving activities associated with project construction would generate potentially significant amounts of particulate matter, as described in 3.d above. However, there would be no smoke, ash, or odors generated by the project that would affect a substantial number of people.

Alternative A – Redesigned Coleman Drive Alignment Alternative

Alternative A-1: Emissions from construction and operation would be similar, but slightly less than the proposed project, as the extent of the new graded Coleman Road would be reduced to 180 meters (600 feet). Therefore, with the required implementation of applicable fugitive dust control measures, air quality impacts from proposed construction activities would be less than significant.

Alternative A-2: Emissions from construction and operation would be similar, but slightly more than the proposed project, as the extent of the new graded Coleman Road would be extended approximately 90 meters (300 feet) to approximately 340 meters (1,100 feet). Total graded area would be increased by 710 cubic yards. Total ROG and NOX emissions would increase by 0.87/lbs. and 67 lbs., respectively, and hourly emissions would be increased by 0.03 lbs. and 2.23 lbs., respectively. This increase to 0.40 and 5.11 pounds per day are less than the daily threshold of 185 pounds per day would still result in less than significant impacts.

Implementation of mitigation measure AQ-1, ensuring adherence to dust control measures would limit construction air quality impacts to less than significant.

Alternative B – No Action Alternative

Under the No Action Alternative, the construction and demolition activities would not occur. Therefore, no construction emissions and no change in operational emissions associated with current activities would result from this alternative.

Mitigation and Residual Impact:

AQ-1 Dust generated by the development activities shall be kept to a minimum with a goal of retaining dust on the site. A dust management plan shall include the following:

a. During clearing, grading, earth moving, excavation, or transportation of cut or fill materials, water trucks or sprinkler systems shall be used to prevent dust from leaving the site and to create a crust after each day's activities cease.

b. Water trucks or sprinkler systems shall be used during construction to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this
shall include wetting down such areas in the later morning and after work is completed for the
day, and whenever wind exceeds 15 miles per hour.
c. Soil stockpiled for more than two days shall be covered, kept moist, or treated with soil
binders to prevent dust generation.

**MONITORING:** The Public Services Department shall ensure dust control measures are on
plans. Public Services Department grading inspectors shall spot check to ensure compliance. APCD inspectors shall respond to nuisance complaints.

### Residual Impacts
Implementation of measure AQ-1, assuring adherence to dust control reduction practices would reduce
short-term dust generation impacts during construction to less than significant.

### Cumulative Impacts:

Implementation of the proposed project and the other reasonably foreseeable projects would result in
increased area emissions associated with construction activities. However, these emissions would be
temporary and short-term in nature. Additionally, implementation of standard APCD dust control
measures would minimize potential impacts from proposed cumulative construction activities.
Furthermore, the Morro Bay Power Plant combined cycle units would utilize BACT technology to regulate
emissions of air pollutants during operation. Therefore, cumulative impacts on air quality in the region
from the proposed project and other foreseeable projects are expected to be potentially adverse, but less
than significant. Implementation of mitigation measure AQ-1 would minimize the project’s contribution to
these short-term cumulative impacts.

### 4. BIOLOGICAL RESOURCES

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California department of Fish and Game or U.S. Fish and Wildlife Service?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of fish and Game or U.S. Fish and Wildlife Service?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc) through direct removal, filling, hydrological interruption, or other means?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Environmental Setting:

The project site is located within the City of Morro Bay, along the coast of San Luis Obispo County, California. The project includes road improvements and development of pedestrian paths and bikeways along the existing Embarcadero Road, paving of Embarcadero Road north of the intersection with Coleman Drive, realignment of Coleman Drive, and conversion of the existing Coleman Drive into pedestrian and bike paths. The project area includes degraded dune scrub, roads, and public parking areas. The south side of Coleman Drive is bordered by a rock embankment and the open water of Morro Bay, which supports eelgrass beds. The north side includes a public park (Coleman Park) at the northwest intersection of Embarcadero Road and Coleman Drive, and disturbed sand dunes. Embarcadero Road north of Coleman Drive is a dirt road of varying widths. In some places the road is wide enough to incorporate two lanes of traffic and pullouts for parking. This portion of the road is bordered by small sand berms and degraded sand dunes on both sides. Embarcadero Road ends at a dirt parking lot with a creek along the northernmost boundary of the parking area. Other development in the project area includes the Morro Bay Power Plant (MBPP), located northwest of the intersection of the Embarcadero Road and Coleman Drive. The MBPP is currently owned by Duke Energy who is proposing a modernization project for the plant.

Several biological resources studies have been conducted in the project area associated with the proposed Morro Bay Power Plant modernization project. Biological resources information for this report include a review of existing documents and survey results prepared for the Morro Bay Power Plant project as well as reconnaissance vegetation surveys and protocol surveys for the Morro shoulderband snail conducted for this project.

Vegetation and Wildlife Habitat

The vegetation and wildlife habitat potentially affected by project activities is highly disturbed sand dunes, roadsides, and paved or otherwise disturbed areas. Figure III-2 depicts the distribution of the vegetation within the project area. In the 1940's, dredged fill material was placed in the area and raised the elevation of the area to Morro Rock to approximately 4.5 meters (15 feet) above sea level (Holland and Villablanca, 1999). The fill material consists primarily of sand that was planted with European beach grass (Ammophila arenaria), a non-native plant species commonly used to control sand movement. The habitat in this area can be classified as sand dunes; however, the topography is relatively flat, compared to natural sand dunes that have a variable undulating topography, with some areas of hummocks and a large sand berm along the beach. The dominant plant species in the vegetated areas are beach grass and iceplant (Carpobrotus edulis, Carpobrotus chilensis). Both beach grass and one of the species of iceplant (C. edulis) are included in the California Invasive Plant Council's List (Cal-IPC) List of Exotic Pest Plants of Greatest Ecological Concern in California (1999), where they are identified as a most invasive wildland pest plant in coastal dune habitats. Other dominant plant species present in the dunes habitats, especially along the road sides, are common roadside weedy species including telegraph weed (Heterotheca grandiflora) and non-native annual brome grasses (Bromus spp.).

Native dune shrubs are also present at scattered locations within the dunes habitat. These primarily occur as individuals or small groups of plants, but there are isolated areas within the project footprint where the topography is more hummocky (that is similar to natural sand dunes) and a diversity of native dune scrub plant species have established including beach bur (Ambrosia chamissonis), beach evening primrose (Camissonia cheiranthifolia), coast silver lupine (Lupinus chamissonis), mock heather (Ericameria ericoides), coast goldenbush (Isocoma menziesii), coyote brush (Baccharis pilularis), California aster (Lessingia californica), and Blochman's goldfields (Senecio blochmaniae). These areas also support a high cover of weedy species including the invasive beach grass, iceplant, annual grasses and telegraph weed. Given the history of disturbance in the project area, it is likely that the native dune scrub species established through wind migration from other areas in the project vicinity that support this vegetation type rather than being remnant sand dunes.
Ornamental plant species are also present within the project area and are primarily associated with Coleman Park and landscaping around the MBPP. A row of ornamental shrubs, including Eucalyptus (Eucalyptus sp.), Acacia (Acacia sp.) and myoporum (Myoporum laetum), border the public parks along Coleman Drive, the fence around the MBPP and along Embarcadero Road south of Coleman Drive, with few small scattered individuals also found in the dunes, primarily along the roads. Two other ornamental species were also observed in the project vicinity; sweet alyssum (Lobularia maritima) and asphodel (Asphodelus fistulosus). Both these species escape into native habitats and asphodel is identified as a noxious weed in the Jepson Manual (Hickman 1993).

Native dune scrub is known to support a variety of wildlife species. Since dune scrub typically occurs as patches within a matrix of other habitat types, wildlife species composition is often variable and includes species that are characteristic of other habitat types in the vicinity. In the vicinity of the Morro Bay Power Plant, which includes the project area, the dune scrub habitats are fragmented and degraded. It is not likely that the fragmented habitats support viable populations of wildlife species (Holland and Villablanca, 1999).

The Morro Bay estuary supports expansive eelgrass beds, areas that support a monoculture of eelgrass (Zostera marina) at varying densities (sparse, moderate, dense). Tetra Tech (1999) observed that larger, more dense patches were present in the northern portion of the bay and appeared to be associated with tidal channels. Morro Bay has the greatest remaining eelgrass acreage south of San Francisco and the eelgrass beds are considered one of the most important habitats in the estuary. Eelgrass habitats provide support for aquatic biota by providing shelter for invertebrates and juvenile fish, contributing to the detrital food chain, and creating substrate for growth of epiphytic organisms. They serve as spawning and nursery grounds for many species of fish. Eelgrass is also the preferred food source for wintering populations of the brant (a small species of goose, Branta benicula nigricans) and Morro Bay estuary is the only significant eelgrass habitat available to the brant in central and southern California (Tetra Tech 1999; MBNEP 2000).

**Sensitive Species**

**Plants**

No federal or state-listed rare, threatened or endangered plant species were observed or are expected to occur within the project area. Two other sensitive plant species were observed; Blochman's leafy daisy (Erigeron blochmaniae), a California Native Plant Society (CNPS) List 1B (rare and endangered in California and elsewhere), and Blochman's groundsel (Senecio blochmaniae), CNPS List 4 (a watch list). A few widely scattered individuals of Blochman's leafy daisy were observed within the more natural dunes area between the temporary skateboard park and the existing beach parking lot at the base of Morro Rock (see Figure III-2). Blochman's groundsel is a common component of dune scrub vegetation and is common in the dune scrub habitats in the project vicinity.

**Wildlife**

No sensitive wildlife species are known or are expected to occur within the affected project property. However, several sensitive wildlife species do occur in the project vicinity. A Biological Assessment (BA) was prepared for the MBPP Modernization Project (Huffman-Broadway Group, Inc. 2001a) that included assessment of sensitive species potentially affected by the MBPP project. The paving of the north end of Embarcadero Road and the pedestrian and bike pathways along Embarcadero Road were originally proposed as part of the MBPP modernization project. However these project components have been incorporated into this proposed project. Based on the results of the MBPP BA, sensitive wildlife species that could potentially be affected by the proposed waterfront improvements project include the Morro shoulderband snail, western snowy plover and American peregrine falcon. These species are discussed below. In addition to the species below, the MBPP BA identified potential affects to California red-legged frog and Southern steelhead from a pedestrian bridge and temporary road over a creek at the northernmost end of the proposed Embarcadero Road extension. However, these components are not a
part of the City's proposed project and there would be no potential effects to these species from the current proposed project.

**Morro shoulderband snail**
The project site is located within the range of the Morro shoulderband snail (*Helminthoglypta walkeriana*), which is federally listed as endangered. The project site is not located within designated critical habitat for this species, which includes the Morro Bay sandspit, portions of Montana de Oro State Park and areas within the communities of Los Osos and Baywood Park. USFWS protocol surveys were conducted for this species for the MBPP project in January to April 2001, which included the dunes west of the MBPP where the proposed road alignment project is located. Morro shoulderband snail shells were found at several locations within the southern part of the MBPP, but no living snails were found. No shells or living Morro shoulderband snails were found outside of the MBPP (The Huffman-Broadway Group, Inc. 2001a).

An additional survey for the Morro shoulderband snail was conducted in November and December 2003. Biologist Thomas L. Richards conducted a FWS protocol-level survey for the Morro shoulderband snail for the proposed Morro Bay Waterfront Improvement project in November and December 2003. No live Morro shoulderband snails or empty shells were found at any time during the surveys. Live (actively moving) specimens of the related Big Sur shoulderband snail (*Helminthoglypta umblicata*) were observed in ice plant. As Morro shoulderband snails have been observed in ice plant in the project vicinity, special effort was made to make sure this species was not confused with the Morro shoulderband snail. Based on these surveys it was concluded that although Morro shoulderband snails have been documented near the proposed project site, they are not currently present at this site (survey report is included in Appendix A).

**Western snowy plover**
Sandy beach and foredune habitats provide foraging and nesting habitat for western snowy plovers (*Charadrius alexandrinus*), a federally listed threatened, state listed endangered, and MNBMC bird species. It is a small shorebird that forages on invertebrates in areas such as intertidal zones, the wrack line, dry sandy areas above the high tide line, salt pans, and the edges of salt marshes. The Pacific coast population of the western snowy plover has experienced widespread loss of nesting habitat and reduced reproductive success at many nesting locations. Factors resulting in loss of nesting habitat include urban development and the encroachment of European beachgrass. “One of the most significant causes of habitat loss for coastal breeding snowy plovers has been the encroachment of introduced European beachgrass” which not only reduces open unvegetated habitat normally used for plover nesting but it also may increase protective cover for snowy plover predators (USFWS 2001). Reduced reproductive success is most frequently tied to disturbance from human activities. Activities such as walking, jogging, running pets, horseback riding, and off-road vehicle use frequently crush and destroy the western snowy plover’s cryptic nests and chicks. These activities also flush adults off nests and away from chicks, and thus interfere with essential incubation and chick rearing behaviors (MBNEP 2000).

Morro Bay populations of western snowy plover are most abundant on the Morro Bay Strand State Park, north of the project site, and the Morro Bay sandspit, south of the project site. Critical habitat for this species has been designated within or immediately north of the project area (USFWS, 1999). The area proposed for the Coleman Road re-alignment is located within the southern extent of Critical Habitat, Unit 2 (Atascadero Beach). The project site does not provide suitable habitat for nesting snowy plovers due to the predominance of beach grass, year-round public access, and the level of disturbance of the sand dunes (survey report is included in Appendix B).

**American Peregrine falcon**
The American peregrine falcon (*Falco peregrinus anatum*) is state listed endangered and a Federal Species of Concern. American peregrine falcons range throughout California during migrations and in the winter season. The varied habitats and associated bird life found within and around the Morro Bay estuary supports both resident and migratory peregrine falcons. Morro Rock is a historical nest sites that continues to support the annual breeding attempts of one resident pair. The resident peregrines typically
ingest a diet that includes a high proportion of migratory birds. Management actions taken at the Morro Rock Ecological Reserve that are important in achieving nesting success include reducing human disturbance by keeping climbers off the rock and eliminating feral cats from the reserve. Maintaining suitable habitat within and around the estuary will continue to attract large numbers of avifauna which will ensure an adequate food supply not only for the resident pair, but also for wintering and migrant peregrines (MBNEP 2000).

Impact Discussion:

Proposed Project

In order to assess the level of impact to vegetation and wildlife habitats, the following project components were assumed:

- Construction of Coleman drive realignment would require a 50-foot corridor and is estimated at 213 meters (700 feet) in length, resulting in a loss of 3,237 square meters (m²) (0.8 acres) of degraded dune scrub habitat.
- Paving of Embarcadero Road and pedestrian and bike paths north of Coleman Drive would incorporate the existing dirt road as much as feasible, requiring minimal disturbance to vegetation along the sides of the existing road. Studies done for the MBPP estimated that up to 1,335 m² (0.33 acres) of roadside vegetation could be impacted from development of this portion of Embarcadero Road (The Huffman-Broadway Group 2001b).
- The creek, at the northernmost extension of Embarcadero Road, would not be affected by the City's proposed project. [An access bridge over the creek is proposed for the MBPP modernization project, but the bridge is not a part of this project.]
- Equipment and personnel staging areas would incorporate existing parking lots or other developed areas.

In addition to the above project components, the feasibility study identified potential impacts to eelgrass habitats if the project includes features that overhang the water, such as lookouts associated with the pedestrian path proposed along the existing Coleman Drive. Eelgrass beds are considered a sensitive habitat.

4.a-d. The project would result in a loss of approximately 4,452 m² (1.1 acre) of degraded dune scrub vegetation that is dominated by beachgrass. Since this habitat is degraded and of limited value to wildlife, this would be considered a less than significant impact to the vegetation and wildlife habitat in the project vicinity. However, as currently designed, the project would encroach on an area that supports a diversity of dune scrub plants, west of the temporary skateboard park, including the Blochman's leafy daisy (CNPS List 1B). Since this species is present in such small numbers, the potential to remove individuals of this species may affect the population at this location. Therefore, impacts would be potentially significant. In addition, there may also be a loss of individuals of Blochman's groundsel (CNPS List 4). However, this species is much more abundant in the area and loss of individuals of Blochman's groundsel is not likely to affect the population; therefore impacts would be less than significant.

As stated above, the proposed project may include features, such as overlooks, over the banks of the road adjacent to Morro Bay. This portion of the bay supports eelgrass, which occurs in the water directly adjacent to the road banks. Overlooks or other structures that are built over the water may indirectly affect the eelgrass by shadowing the eelgrass beds. Eelgrass beds are considered a sensitive resource, and impacts on this habitat would be considered potentially significant.

Since the area that would be affected by project activities provides minimal habitat for wildlife species, direct impacts to wildlife would be considered less than significant. In addition, there would be no direct impacts to sensitive wildlife species or critical habitat associated with loss of habitat. Due to year-round public access, the predominance of beach grass in the proposed disturbance area, and the existing level of disturbance of the sand dunes, the project site does not provide suitable habitat for nesting snowy
plovers. Federal regulations (50 CFR 402.02) define the destruction or adverse modification of critical habitat as an alteration that diminishes the value of critical habitat for both the survival and recovery of the species. However, an activity would not adversely modify designated critical habitat if the area does not contain any constituent elements. The area proposed for the road re-alignment is located within western snowy plover critical habitat but does not contain any constituent elements of snowy plover breeding habitat. Therefore, the proposed project would have no adverse affect on or areas designated as Critical Habitat by the USFWS. Indirect impacts to sensitive wildlife species may occur due to public assess or construction activities. However, the project area is already in a heavily trafficked area and subject to year-round public assess and the project would not result in any change to existing conditions. Construction of the access road may result in a temporary increase in noise in the project area. However, this is expected to be minor compared to existing conditions and short-term so there would be no significant impacts to wildlife, including sensitive wildlife species.

Since the result of federal protocol surveys for the Morro shoulderband snail conducted in 2001 and in 2003 resulted in no evidence of this species occurring within the project area, it is not likely that project activities would affect this species.

4.e.f. No local policies or ordinances protecting biological resources, or adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan govern the project site. Therefore, no impacts on biological resources would result.

Alternative A – Redesigned Coleman Drive Alignment Alternative

Alternative A1. This route would avoid the area with Blochman's leafy daisy, and substantially minimize impacts to native dune scrub plants and sensitive plant species. This alternative is approximately 180 meters (600 feet) than the proposed project and would therefore lessen the amount of degraded dune scrub lost. As the alternative would avoid impacts to all sensitive biological species, impacts would be adverse, but less than significant.

Other than the realignment of Coleman Drive, other project components are the same as for the proposed project and impact on biological resources, such as potential impacts on eelgrass beds from overlook platforms along the pedestrian path, would be similar in nature to those described for the proposed project.

Alternative A2. This route would also completely avoid the area with Blochman's leafy daisy, and substantially minimize impacts to native dune scrub plants and sensitive plant species. This route would be approximately 90 meters (300 feet) longer than the proposed project and would therefore involve a greater amount of degraded dune scrub vegetation lost, however. As the alternative would avoid impacts to all sensitive biological species, impacts would be adverse, but less than significant.

Alternative B – No Action Alternative

Under the no-action alternative, current conditions would be maintained and there would be no impacts to biological resources.

Mitigation and Residual Impact:

BIO-1 To mitigate the potential loss of native dune scrub species and individuals of Blochman's leafy daisy, the dune habitat shall be enhanced by implementing a weed control program that removes invasive plant species (such as beachgrass, iceplant, asphodel and sweet alyssum), which would encourage the establishment of native dune scrub plants including the Blochman's leafy daisy. While restoration of the entire dunes habitat in the project vicinity is not feasible, establishing dune restoration areas that are actively managed and limit public access would improve the quality of the habitat in the selected restoration areas and may improve conditions for wildlife. The restoration could occur in the balance of
the stabilized dune adjacent to the Coleman Drive extension, or perhaps within the coastal dune scrub habitat proposed for restoration by the MBPP project. The MBPP project proposed restoration project site encompasses 4,046 m² (1 acre) and is located outside of the MBPP property northeast of the intersection of Coleman Drive and Embarcadero Road (The Huffman-Broadway Group 2001).

**MONITORING:** City Public Works Department shall verify compliance with this measure through plan check and site inspections.

**BIO-2** Construction fencing shall be installed to designate work areas and minimize construction and personnel access into areas that support dune scrub vegetation, such as along Embarcadero Road and the western end of the proposed Coleman Drive re-alignment, near the dunes that support Blochman's leafy daisy.

**MONITORING:** City Public Works Department shall verify compliance with this measure through plan check and site inspections.

**BIO-3** Avoid potential impacts to eelgrass by designing pedestrian access, such as overlooks, in a manner that avoids the potential to create shadows over the water directly adjacent to Coleman Drive.

**MONITORING:** City Public Works Department shall verify compliance with this measure through plan check and site inspections.

**Residual Impacts**

As stated above, although restoration of the entire dunes habitat in the project vicinity is not feasible, establishing dune restoration areas that are actively managed and limit public access (Mitigation Measure BIO-1) would improve the quality of the habitat in the selected restoration areas and would potentially improve conditions for wildlife. Implementation of measure BIO-1 would not only reduce impacts on dune scrub habitat to less than significant, but if improvement of habitat quality in the project vicinity results in increased wildlife value, impacts on biological resources would be beneficial.

Although the dune scrub habitat within the project vicinity is degraded, restricting access to areas not affected by construction (Mitigation Measure BIO-2) would minimize impacts to areas that support a diversity of dune scrub species and minimize impacts to sensitive plant species, reducing potential impacts on sensitive plant species to less than significant.

Avoiding impacts to eelgrass habitat (Mitigation Measure BIO-3) would ensure protection of this valuable resource and reduce potential impacts to less than significant.

**Cumulative Impacts:**

It is not likely that additional development would occur in the project vicinity. This primary project that could occur in the project area is the proposed MBPP modernization project. The improvements to Embarcadero Road, pedestrian and bike paths were originally considered as part of the modernization project. The Coleman Drive realignment would contribute to the loss of up to 4,046 m² (1 acre) of dune scrub habitat in the project vicinity. However, since the dune scrub habitat is in degraded condition and dominated by invasive beachgrass and iceplant, this impact would be considered less than significant. However, the loss of dune scrub plant species, including sensitive plant species, would contribute to the cumulative loss and degradation of sensitive biological resources in the project vicinity. Implementing Mitigation measure BIO-1, establishing dune restoration areas that are actively managed and limit public access, would improve the quality of the habitat in the selected restoration and offset cumulative impacts to sensitive biological resources to less than significant.
5. CULTURAL RESOURCES

<table>
<thead>
<tr>
<th>Would the project:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a.</strong> Cause a substantial adverse change in the significance of a historical</td>
</tr>
<tr>
<td>resource as defined in CEQA Guidelines Section 15064.5?</td>
</tr>
<tr>
<td><strong>b.</strong> Cause a substantial adverse change in the significance of an archaeological</td>
</tr>
<tr>
<td>resource pursuant to CEQA Guidelines Section 15064.5?</td>
</tr>
<tr>
<td><strong>c.</strong> Directly or indirectly destroy a unique paleontological resource or site</td>
</tr>
<tr>
<td>or unique geologic feature?</td>
</tr>
<tr>
<td><strong>d.</strong> Disturb any human remains, including those interred outside of formal</td>
</tr>
<tr>
<td>cemeteries?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Significant</th>
<th>Unknown Significant</th>
<th>Potential Significant</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:

No recorded archaeological sites are within the proposed project area. Extensive archaeological investigations have recently been performed within the Embarcadero Road extension area and adjacent to the proposed project site associated with the Duke Energy Power Plant Modernization Project (Parker & Associates 1999; 2000b) and with other explorations in the vicinity of the power plant (Parker & Associates 2000a). The nearest prehistoric archaeological sites are located over 2,000 feet away. Both CA-SLO-16 and -239 are extensive deposits reflecting a permanent village occupation. Either of these sites may be associated with the ethnohistoric village site of Chotoqua, considered to have been located within the vicinity of the mouth of Morro Creek. Morro Rock has been identified as a traditional cultural property by representatives of both the local Salinan and Chumash communities.

An analysis of historic maps and aerial photos (Parker & Associates 2000a) indicates that the landform between the Duke Power Plant and Morro Rock was either within Morro Bay or marshlands. A 1883 map of Morro Bay and 1890 Map of San Luis Obispo County both show Morro Rock separated from the mainland. Quarry activity at Morro Rock began in 1890. In order to expedite transfer of rock material to the mainland, a permanent causeway was constructed between the two areas in the 1930s. The original causeway was probably in the vicinity of the existing Coleman Drive alignment, though the existing road is maintained above several feet of modern fill material. Construction of the causeway acted as a breakwater and gradually resulted in the sedimentation of the shallow water to the north of the barrier. Therefore, the dune sand soils within and throughout the project area are the result of modern infill and subsequent deposition.

The proposed Embarcadero Road extension and Coleman Drive realignment areas were intensively surveyed by SAIC archaeologist David Stone. No cultural remains were identified.

There are no paleontological or unique geologic resources recorded within the vicinity of the project site.

Impact Discussion:

Proposed Project

5a.,b. As no prehistoric or historic cultural resources are located within the proposed project area, there is no potential for adverse impacts.

5.c. Because there are no paleontological or unique geologic resources recorded within the vicinity of the project site, the project would have no potential to directly or indirectly destroy these resources.
5.d. No known archaeological remains are located within the project site. There is no potential for unknown buried burial remains, as all soils within the project site were deposited since the 1930s.

**Alternative A – Redesigned Coleman Drive Alignment Alternative**

Alternative A1: No impacts on cultural resources would occur, similar to the proposed project, as all soils within the project site were deposited since the 1930s.

Alternative A2: No impacts on cultural resources would occur, similar to the proposed project, as all soils within the project site were deposited since the 1930s.

**Alternative B – No Action Alternative**

No impacts on cultural resources would occur.

**Mitigation and Residual Impact:**

As no impacts on cultural resources would occur, no mitigation measures would be required.

Residual Impacts

No residual Impacts on cultural resources would result.

**Monitoring:** None required.

**Cumulative Impacts:**

The archaeological investigations completed for the Duke Energy Power Plant Improvement project identified potentially deeply buried archaeological deposits that would be impacted by new building caisson foundations. A Memorandum of Understanding between Duke and local Native Americans was developed to ensure that indigenous community members were involved in the project construction, and that all measures to avoid potentially significant archaeological resources are implemented. The GAFCO project would result in ground disturbances within submerged Morro Bay sediments that would not be likely to contain unknown prehistoric resources. The proposed project would not contribute to cumulative impacts on cultural resources as soils to be disturbed are recent fill. The cumulative regional impact on cultural resources would be significant but feasibly mitigated, though the proposed project would have no contribution to this effect.
6. GEOLOGY /SOILS

Would the project:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant or Not Applicable</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Publication 42)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii) Strong Seismic ground shaking?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii) Seismic-related ground failure, including liquefaction?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv) Landslides?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Result in substantial erosion or the loss of topsoil?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting

The site is located on level to gently sloping topography, with an elevation at approximately mean sea level. The site is located on the coastal edge of the Santa Lucia Range, within the Coast Range Geomorphic Province of California. Near-surface soils in the site vicinity are composed of Holocene age dune sand deposits, consisting of unconsolidated, windblown sand particles of actively moving sand dunes. Excessively drained, stratified deposits of sand and loamy sand that may contain thin layers of sandy loam, silt, or gravel are also present in the project vicinity. Runoff associated with on-site soils is very slow to slow. The water erosion potential is moderate and the wind erosion potential is very high (USDA 1984). Artificial fill deposits of varying composition, deposited in the 1930s and 1940s, underlie Coleman Drive, Coleman Park, and areas between the Embarcadero Road alignment and Morro Rock.

Active faults located near the site include: the Los Osos fault, located 16 kilometers (10 miles) to the east; the Hosgri fault, located 9.65 kilometers (6 miles) to the west; the Oceanic fault, located 29 kilometers (18 miles) to the northwest; the Riconada fault, located 25.6 kilometers (16 miles) to the northeast; and the San Andreas fault, located 67.2 kilometers (42 miles) to the east. The potentially active Cambria fault is located 8 kilometers (5 miles) to the east of the site.

Impact Discussion:

Proposed Project

6.a-i). The project site is not located across the trace of an active fault, as designated by the most recent Alquist-Priolo Earthquake Fault Zoning Map, issued by the State Geologist for the area, or based on other
substantial evidence of a known fault. Therefore, no significant impacts would occur in association with the rupture of a known earthquake fault.

6.a-ii). Similar to all areas in southern California, in the event of a large earthquake on a local or distant fault, the project site would be subject to strong seismically induced ground shaking and potential ground failure. However, grading and construction for the project would be completed in accordance with Uniform Building Code 70, which requires that earthquake-resistant design features be incorporated into the project. Although damage to project features cannot be absolutely avoided, construction of the project would not increase the risk of ground failure. Therefore, potential impacts associated with earthquake-induced ground shaking would be less than significant.

6.a-iii). See response to a-ii.

6.a-iv) The site is located on gently sloping ground that is not subject to landslides or other types of slope failure. However, realignment of Coleman Drive would require removal of an existing fill embankment slope approximately 3 meters (10 feet) high located adjacent and north of Coleman Drive. Due to the relatively small elevation involved, the potential for resulting landslides would be remote. Therefore, no significant impacts would occur.

6.b. The Embarcadero Road extension would be located on an existing dirt road. Soils in this area are entirely dune sand. No natural topsoil material would be removed during grading for the proposed Coleman Drive realignment. Grading and construction would, however, result in temporary exposure of soils to wind and water erosion, especially if completed during the rainy season (i.e., November 15th to April 15th). Potential wind and water erosion impacts would be temporary, but potentially significant.

6.c. See response to a-ii and a-iv.

6.d. The onsite sandy soils are not expansive soils. Therefore, potential expansive soil impacts would be less than significant.

6.e. Neither septic tanks or alternative wastewater disposal systems are proposed in association with the project; no impacts would occur.

Alternative A – Redesigned Coleman Drive Alignment Alternative

Alternative 1: Geologic impacts would be similar but less than those described for the proposed project. Grading for construction of the realignment of Coleman Drive would be slightly less than the proposed project, with a reduction of approximately 700 cubic yards of grading. The alignment would avoid cutting into the existing dune slope adjacent to Coleman Drive, reducing exposure of cut slopes to long-term erosion. Impacts related to erosion during construction would be substantially less.

Alternative 2: Geologic impacts would be similar but potentially less than those described for the proposed project. The realignment of Coleman Drive be slightly longer than the proposed project, but the alignment would avoid cutting into the existing dune slope adjacent to Coleman Drive. Avoiding this grading would reduced exposure of cut slopes to long-term erosion. Impacts related to erosion during construction would overall be less.

Alternative B – No Action Alternative

No changes would occur to existing waterfront facilities or transportation corridors under the No Action Alternative. Geologic processes would not be triggered or accelerated and impacts due to seism city would remain the same. Therefore, no impacts on geological processes would occur.
Mitigation and Residual Impact:

Implementation of Mitigation Measure AQ-1 in Section III.2, Air Quality, would minimize potential impacts related to wind erosion. The following measures would reduce potential impacts related to water erosion.

GEO-1 Grading shall not occur during the wet season (November 1-April 15) unless erosion control devices acceptable to the City Public Works Department are implemented. Silt fencing, straw bales, straw wattles, and/or sand bags shall be used in conjunction with other methods to prevent surface water-induced erosion of on-site soils and siltation offsite.

**MONITORING:** City Public Works Department shall verify compliance with this measure through plan check and site inspections.

GEO-2 Nonpaved areas shall be renegotiated within four weeks of grading, to minimize erosion and to reestablish soil structure and fertility. Revegetation shall include drought-resistant, fast-growing, vegetation that would quickly stabilize exposed ground surfaces.

**MONITORING:** City Public Works Department shall verify compliance with this measure through plan check and site inspections.

Residual Impacts

Implementation of measures GEO-1 and GEO-2 requiring erosion control measures during construction would reduce potential wind and water erosion hazards to less than significant.

Cumulative Impacts:

Development of the proposed project and the identified reasonably foreseeable projects would potentially result in accelerated erosion and sedimentation impacts. Potential erosion-induced siltation affecting Morro Creek and the Morro Bay adjacent to the Duke Energy Power Plant and GAFCO sites would contribute the most to potential cumulative geologic impacts within the project area. However, project-specific mitigation measures for establishment of erosion control measures and resultant grading and construction design would minimize erosion-induced sedimentation. Similarly, the project’s contribution to cumulative impacts would be significant but feasibly mitigated with implementation of mitigation measures GEO-1 and GEO-2, ensuring implementation of erosion control measures during construction. The Duke Power Plant project would be subject to extensive conditions related to erosion control, and GAFCO would be subject to standard City of Morro Bay measures and construction BMPs. Therefore, the proposed project, in combination with the identified reasonably foreseeable projects would result in significant, but feasibly mitigated cumulative impacts on geologic resources.
EXHIBIT 4
INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

<table>
<thead>
<tr>
<th>7. HAZARDS/HAZARDOUS MATERIALS</th>
<th>Significant</th>
<th>Unknown</th>
<th>Potential Significant</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Create a significant hazard to the public or the environment through routine transport, use, or disposal of hazardous materials?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Environmental Setting:**
The project site is not located in the vicinity of any known hazardous material sites.

**Impact Discussion:**

**Proposed Project**

7.a. The proposed project would not create a significant hazard to the public or the environment, as routine transport, use, or disposal of hazardous materials would not occur. Therefore, impacts would be less than significant.

7.b. The proposed project would not create a significant hazard to the public or the environment, as reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment would not occur. Therefore, impacts would be less than significant.

7.c. The project site is not located within one-quarter mile of any educational facilities (i.e., Morro Bay High School). The project would not involve hazardous emissions or handling of hazardous or acutely hazardous materials, substances, or waste; therefore, impacts would be less than significant.

7.d. The project site is not located near any known hazardous material sites; therefore, impacts would be less than significant.
7.e. The proposed project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. Therefore, impacts would be less than significant.

7.f. The proposed project would not expose people or structures to a significant risk of loss, injury, or death involving wildland fires. Therefore, impacts would be less than significant.

**Alternative A – Redesigned Coleman Drive Alignment Alternative**

No impacts on hazards/hazardous materials would occur under Alternative A.

**Alternative B – No Action Alternative**

No impacts on hazards/hazardous materials would occur under Alternative B.

**Mitigation and Residual Impact:**

Because project impacts on hazardous materials/risk of upset would be less than significant, no mitigation measures are required.

**Residual Impacts**

Residual impacts would be less than significant.

**Monitoring:** None required.

### 8. HYDROLOGY/WATER QUALITY

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Violate any water quality standards or waste discharge requirements?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off-site?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Otherwise substantially degrade water quality?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
EXHIBIT 4

INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>g. Place housing within a 100-year flood hazard area as mapped on a federal flood hazard boundary or flood insurance rate map or other flood hazard delineation map?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>h. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>i. Inundation by seiche, tsunami, or mudflow?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:

This section describes existing conditions for hydrology and surface water quality at the proposed project site. Hydrology describes the flow patterns and conditions of surface and ground waters as affected by natural conditions and human activities. Hydrology issues include runoff (surface waters) and groundwater flow and quality (groundwater).

Surface Waters

Morro Bay is a shallow estuary, approximately 7 kilometers (4.3 miles) long and 2.9 kilometers (1.8 miles) wide. The project site is located in a low-lying portion of the harbor front, adjacent to Morro Bay, but it is not within or near a floodplain or river system. The flood hazard is related solely to the low elevation and proximity of the project site to the ocean, making it susceptible to storm-related wave runup or seismic activity (tsunamis). Historically, flood prone areas within the City of Morro Bay have experienced moderate flooded during storms or earthquakes (City of Morro Bay 1988).

Surface water within the project site and vicinity is limited to Morro Bay adjacent to the harbor, and Morro Creek north of the Embarcadero Road extension terminus. Runoff associated with on-site sandy soils is very slow to slow and the erosion hazard is moderate to high (USDA 1984). Stormwater runoff from Coleman Drive impervious surfaces is directed into storm drains and discharged directly to Morro Bay. Surface runoff along Embarcadero Road is directed towards the existing street drainage system.

Groundwater

The site is located in the southwestern portion of the Morro Hydrologic Subarea (Morro Basin) of San Luis Obispo County. The Morro Basin is an 810-acre area, extending from the coastline to the convergence of the Morro and Little Morro Valleys. Morro Creek, an ephemeral stream with headwaters in the Santa Lucia Range, is the primary stream draining Morro Basin. Basin recharge results from infiltration of precipitation and from tributary watersheds upstream on the Morro and Little Morro Creeks. Groundwater exists in an unconfined condition at depths from 3 to 15 feet (0.9 to 4.5 m) below ground surface. Groundwater gradients and flow directions are influenced locally by the presence or absence of impervious surfaces (i.e., paving).

Water supply for the City of Morro Bay has principally been provided by the State Water Project since 1997. However, alternative sources of water can be derived for limited periods of time from groundwater from the Morro and Chorro Basins and/or the City of Morro Bay desalination plant.
EXHIBIT 4

INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization

CASE NO. UP0-000-014

DATE: April 8, 2004

Impact Discussion:

Proposed Project

8.a. The City of Morro Bay has adopted a Phase 2 Permit Program in accordance with National Pollution Discharge Elimination System (NPDES) regulations. The regulations require that any project over 1 acre in size incorporate Best Management Practices to reduce water quality impacts during short-term construction, and if necessary, long-term operation. As the amount of graded surfaces would exceed 1 acre, the proposed project would be subject to the Phase 2 requirements for short-term construction. No long-term operations Phase 2 permit would be required, as the proposed project would not be generating potential pollution discharge.

8.b. Development of the proposed project would not substantially affect State Water Project water supplies. Proposed landscaping including screen trees would require minimal irrigation until established. This additional water demand would be insubstantial relative to existing community water demand and supply. Development of the proposed project would increase the amount of impervious surfaces in the project area, which would increase the volume of surface runoff from the project site. However, implementation of BMPs in accordance with the NPDES Phase 2 permit (Mitigation Measure HYDRO/WQ-1), erosion control measures (Mitigation Measure HYDRO/WQ-2, and adherence to Coleman Drive realignment design specifications (Mitigation Measure HYDRO/WQ-3), would minimize the amount of stormwater run-off within the project area.

8.c,d. The proposed action would not generate or dispose of any wastes that would substantially affect the flow patterns, volumes, or quality of surface or groundwaters at the project site. Some minor disturbances would potentially result from development of the waterfront boardwalk and related construction activities. These include minor changes in flow patterns and volumes of stormwater runoff due to grading and covering portions of the proposed route with impervious building materials. Impervious surfaces installed in the early stages of construction when graded areas are exposed could concentrate water flow, potentially leading to increased erosion. An increase in erosion could result in increased sedimentation into Morro Bay and/or Morro Creek), resulting in potentially adverse water quality impacts. Short-term erosional impacts and siltation of nearby Morro Bay would potentially occur as a result of temporary exposure of on-site soils to surface runoff during grading and construction. Therefore, impacts on surface water quality would be potentially significant.

Realignment of Coleman Drive and extension of Embarcadero Road would also result in increased impervious surfaces within the project area. Depending on the roadway design, surface runoff along the Coleman Drive realignment would not be conveyed into Morro Bay, but would dissipate on either side of the new roadway. The realigned portion of Coleman Road would be most likely be crowned (i.e., raised in the centerline, sloping downwards to the pavement edge), surface flows would disperse to either side and dissipate into adjacent sandy soils. Until the final design and alignment of Coleman Drive are determined to include these features, impacts on hydrology would be potentially significant.

8.e. Potential surface flow runoff volumes would be increased as a result of impervious surfaces, potentially increasing the load on the existing and planned drainage features. The potential exists for increased offsite discharge of pollutants conveyed by drainage runoff due to oil and grease in proposed pavement areas, pesticides, herbicides, and fertilizers in landscape planters, and landscaped areas along Coleman Drive and Embarcadero Road. Construction BMPs would minimize potentials for spilled contaminants to infiltrate soils into groundwaters. However, the potential for long-term runoff pollution impacts on planned stormwater drainage systems would be potentially significant but feasibly mitigated.
8.f. Short-term erosional impacts and siltation of nearby Morro Bay would potentially occur as a result of temporary exposure of on-site soils to surface runoff during grading and construction. Potential erosional impacts are considered potentially significant but feasibly mitigated.

8.g. No housing is proposed as part of the project; therefore, no flooding impacts on residential land use would occur.

8.h. The project site is not located within a 100-year floodplain. Therefore, construction of the waterfront boardwalk would not increase the exposure of people or structures to a significant risk of loss, injury, or death involving flooding than that which currently exists. Impacts would be less than significant.

8.i. The project site is not located immediately downslope of an enclosed body of water that might be subject to a seismically-induced seiche. Similarly, the project site is not located immediately downslope of exposed slopes that might be subject to mudflows. However, the project site is located in a low-lying portion of the harbor front, adjacent to Morro Bay. Although, the project site is susceptible to storm-related wave runup or seismic activity (tsunamis), the potential for such geohazards is low. Therefore, impacts would be less than significant.

**Alternative A – Redesigned Coleman Drive Alignment Alternative**

**Alternative A1:** Water quality/hydrology impacts would be similar in nature, but less than those described for the proposed project. Due to the decreased length of the Coleman Drive Alignment of approximately 182 meters (600 feet) the amount of impervious surface area would be decreased. However, impacts resulting from increased surface runoff and erosion would remain significant but feasibly mitigated. Potentially significant impacts would similarly be reduced to less than significant with implementation of measures HYDRO/WQ-1, HYDRO/WQ-2, and HYDRO/WQ-3, that would ensure adherence to BMPs and erosion control measures throughout project construction and operation.

**Alternative A2:** Water quality/hydrology impacts would be similar in nature, but slightly more than those described for the proposed project. Due to the increased length of the Coleman Drive Alignment of approximately 91 meters (300 feet), the amount of impervious surface area would be increased. However, impacts resulting from increased surface runoff and erosion would remain significant but feasibly mitigated. Potentially significant impacts would similarly be reduced to less than significant with implementation of measures HYDRO/WQ-1, HYDRO/WQ-2, and HYDRO/WQ-3, that would ensure adherence to BMPs and erosion control measures throughout project construction and operation.

**Alternative B – No Action Alternative**

The No Action Alternative would not generate additional impervious surfaces or otherwise disturb hydrology or water quality. Therefore, no impacts on water quality/hydrology would occur.

**Mitigation and Residual Impact:**

The following measures address potential impacts associated with the degradation of the water quality of local drainages and Morro Bay. In addition, adherence to mitigation measure GEO-1, ensuring that grading not occur during the wet season (November 1-April 15) unless erosion control devices are in place, and GEO-2, requiring revegetation of nonpaved areas within four weeks of grading, would further reduce erosional impacts associated with development of the proposed project.

HYDRO/WQ-1 Implementation of Best Management Practices (BMPs) in accordance with the NPDES Phase 2 Permit requirements for short-term construction shall be required to address erosional impacts at the site. BMPs include but are not limited to the following:
a. Constructing berms and, if needed, covering sand/gravel stock piles to prevent erosion and offsite transport by stormwater runoff;
b. Covering storm drain catch basins within the construction area to prevent sediments and debris from collecting in the basins;
c. Sweeping and disposing soils from the work area to prevent offsite transport and/or runoff into storm drains or directly to the Bay;
d. Implementing measures to prevent runoff of any debris from cutting, grinding, or welding into the Bay;
e. Placing drip pans under mechanical equipment to catch leaks (e.g., fuels and hydraulic fluids); and
f. Properly storing or disposing all materials with potentials for polluting stormwater runoff.

**MONITORING:** The Public Services Department shall monitor implementation of proper BMPs during construction.

**HYDRO/WQ-2**

The following measures would be required to address erosional impacts at the project site:

a. Temporary berms and sedimentation traps, such as silt fencing, shall be installed in association with project grading to minimize erosion of soils and sedimentation in the storm drains. The sedimentation basins shall be cleaned as needed and the silt shall be removed and disposed of in a location that shall not impact native habitat, as approved by the City of Morro Bay Public Works Department;

b. Runoff shall not be directed across exposed slopes. All surface runoff shall be conveyed in accordance with the approved plans; and

c. Site grading shall be completed such that permanent drainage away from foundations and slabs is provided and so that water shall not pond near proposed structures or pavements.

**MONITORING:** The Public Services Department shall monitor implementation of proper erosion measures during construction.

**HYDRO/WQ-3**

The Coleman Drive alignment shall be crowned to ensure that impervious surface runoff is directed off to each side adjacent to the roadway.

**MONITORING:** The Public Services Department shall inspect the development in the field to ensure compliance with approved plans.

**Residual Impacts**

Implementation of measures HYDRO/WQ-1, ensuring adherence to BMPs, HYDRO/WQ-2, requiring erosion control measures during construction, and HYDRO/WQ-3, requiring construction of a crowned roadway, would reduce potential water quality/hydrology impacts to less than significant. In the event that the existing pavement width along Coleman Drive were determined unnecessary to support proposed boardwalk amenities (i.e., bicycle and pedestrian paths, overlook platforms), up to half of the existing roadway would potentially be removed. As a result, the project’s contribution to increased impervious surfaces within the regional vicinity would be offset by the removal of existing impervious surfaces along Coleman Drive. Overall, there would be no increase in existing surface runoff flows within the vicinity, and a net beneficial impact on water quality/hydrology would occur.

**Cumulative Impacts:**
EXHIBIT 4
INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

The reasonably foreseeable projects in the general vicinity of the Morro Bay waterfront including the Duke Energy Power Plant Modernization and the GAFCO floating dock and ramp project in conjunction with the proposed project would cause potentially significant cumulative impacts on hydrology or water quality in the region. All of the projects would result in changes to impervious surfaces, and the GAFCO project would include in-bay construction. Short-term impacts including sedimentation and increased turbidity would occur during construction, and increased stormwater runoff would occur during operation. The Duke Energy Power Plant Modernization project is subject to extensive conditions addressing erosion control during construction, and operational processes for directing and treating stormwater runoff with BMPs. The GAFCO project would be subject to standard City conditions similar to those applied to the proposed project. Therefore, the cumulative impact on water quality, similar to that of the proposed project, would be mitigated to less than significant with implementation of mitigation measures such as HYDRO/WQ-1, ensuring adherence to BMPs, HYDRO/WQ-2, requiring erosion control measures during construction, and HYDRO/WQ-3, requiring construction of a crowned roadway.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Physically divide an established community?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Conflict with any applicable habitat conservation plan or natural community conservation plan?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:

The project site is situated along the Morro Bay waterfront between the Embarcadero Road/Beach Street intersection and Morro Rock, within Planning Areas 1 and 2 of the City of Morro Bay Waterfront Master Plan (WMP) (see Figure 2-2). Planning Area 1 (Morro Rock/Coleman Park) of the WMP encompasses Morro Rock, sandspit to the Duke Energy intake building, and Morro Creek. WMP Planning Area 2 (T-Piers/Fisherman Working Area) includes the area between the Duke Energy intake building to the Embarcadero Road/Beach Street intersection.

The existing General Plan/Local Coastal Plan land use designation for the site is Commercial/Recreation Fishing. Existing land uses within the project area include restaurants, commercial fishing docks and shops, the U.S. Coast Guard office, the Duke Energy power plant intake building, Coleman Park, and public parking facilities.

Surrounding land uses include the Duke Energy power plant to the north, residential/commercial land uses to the east, and open space and recreational uses to the southwest.

Land Use Management Plans

Adopted plans and programs guide land use planning on state lands. Adopted plans and studies present factors affecting land use and include recommendations to assist officials and local community leaders in ensuring compatible development.

City of Morro Bay General Plan/Coastal Land Use Plan
The City of Morro Bay General Plan (1988) and Local Coastal Plan (1982) are comprehensive, long-term frameworks for the protection of the city’s resources and for its future growth development (they are currently undergoing revision are in draft form [2003]). The City of Morro Bay General Plan and Local Coastal Plan contain goals, objectives, policies, and programs, which support the city’s objectives to develop in a particular manner and to attain the vision announced in the plan.

The Land Use Element provides the framework for the City of Morro Bay regarding implementation of the City’s goals on growth and policies for maintaining and enhancing residential, commercial, visitor-serving uses, and industrial/energy related uses. The City of Morro Bay seeks to maintain an efficient distribution of land uses throughout the city, ensuring future development coordinates with existing development while preserving the natural environment (City of Morro Bay 1988, 1982).

The Transportation and Circulation Element provides the guidelines for the City of Morro Bay regarding development of a unified and cost-efficient citywide transportation system. The element establishes policies and regulations for development of an interconnected system of streets that precludes traffic congestion, while ensuring streets are safe for all forms of transportation. The City of Morro Bay circulation system seeks to enhance the existing non-vehicular transportation system by designing a scenic and efficient system of sidewalks and bike paths, creating a safe pedestrian-friendly community (City of Morro Bay 1988, 1982).

The Access and Recreation Element provides goals, policies, and implementation measures regarding coastal access and recreational facilities. The element establishes regulations governing the City’s shoreline access and coastal recreation that are consistent with provisions established by the Coastal Act. City of Morro Bay coastal access and recreation policies aim to provide a shoreline that is readily accessible for passive recreational uses (City of Morro Bay 1988, 1982).

**City of Morro Bay Waterfront Master Plan**

The City of Morro Bay Waterfront Master Plan (WMP) is a planning study that identifies numerous City actions and potential capital improvement projects between Morro Rock and Tidelands Park. Development of the WMP was a collaborative effort involving the support of City Council, staff, various City Commissions, committees, and citizens of Morro Bay Approval of the WMP design guidelines and subsequent zoning amendment resulted in changes to the City of Morro Bay’s Local Coastal Program (LCP). All revisions to the LCP were approved and certified by the Coastal Commission. The WMP design guidelines are the only portion of the WMP that has been formally certified by the Coastal Commission; all other components of the WMP remain subject to environmental review and approval by the Coastal Commission.

The WMP contains goals that provide the framework for the future development of the waterfront area. Transportation and harbor improvement projects identified in the WMP would enhance coastal access along the Morro Bay harbor front while balancing the need to maintain a working waterfront and improving public and commercial access. The WMP design guidelines establish development standards that would result in high quality, aesthetically pleasing development patterns along the Morro Bay waterfront.

**Impact Discussion:**

**Proposed Project**

9.a. Development of the proposed boardwalk and circulation improvements would occur within the jurisdictional boundaries of the City of Morro Bay. Therefore, the proposed project would not result in the division of an established community. Impacts would be less than significant.
The proposed project would improve coastal access within the City of Morro Bay. Since the proposed project would be limited to improving and enhancing existing conditions along the Morro Bay waterfront, no introduction of any new incompatible land uses would occur, and no disruption or division of established land use configurations would occur. However, construction of the proposed boardwalk would potentially require limited easements on privately owned lands (i.e., the preferred route at the Duke Energy Power Plant intake building and construction of the boardwalk through the Harbor Hut patio). Construction associated with the Embarcadero Road extension and realignment of Coleman Drive would occur on City of Morro Bay lands. Therefore, no acquisition of private right-of-way would be required for the proposed circulation improvements. Because only limited encroachment onto privately owned lands would be required, impacts on adjacent land uses would be less than significant.

9.b. Implementation of the proposed project would be consistent with the City of Morro Bay General Plan/Coastal Land Use Plan. Enhancement of the waterfront boardwalk and associated circulations improvements, including the realignment of Coleman Drive and extension of Embarcadero Road, would increase shoreline accessibility and thereby improve current vehicular and non-vehicular circulation that would not conflict with the fishing industry. Consequently, all roadway improvements would be designed in conformance with the General Plan/Coastal Land Use Plan. Modernization would provide safer and more reliable access for commercial and recreation based traffic. The proposed waterfront improvements and vehicular enhancements would not be different from, or result in incompatibilities with, existing City of Morro Bay land management plans. Therefore, the proposed project would not conflict with any applicable land use plan, policy, or regulation.

Development under the proposed project would be consistent with the guidelines specified in the City of Morro Bay Waterfront Master Plan. Implementation of the waterfront boardwalk and proposed circulation improvements would be consistent with the proposed elements and directives of the WMP. The proposed project components have been identified in the WMP as transportation and harbor improvements for Planning Areas 1 and 2. Therefore, construction of a waterfront boardwalk, construction a Class I bicycle path and pedestrian paths along Embarcadero Road and Coleman Drive, and realignment of Coleman Drive and extension of Embarcadero Road would not conflict with any applicable land use plan, policy, or regulation. Impacts on land use would be less than significant.

9.c. The proposed project would not conflict with any applicable habitat conservation plan or natural community conservation plan. See Section III.3. Biological Resources.

Alternative A – Redesigned Coleman Drive Alignment Alternative

Alternative A1: This slightly shorter alignment alternative would result in development consistent with the City of Morro Bay General Plan/Coastal Land Use Plan and City of Morro Bay Waterfront Master Plan planning policies and guidelines, and would be designed to be compatible with existing land uses. Similar to the proposed project, the redesigned alignment of Coleman Drive would not conflict with any applicable land use plan, policy, or regulation. Therefore, no impacts on land use would occur.

Alternative A2: This slightly longer alignment alternative would result in development consistent with the City of Morro Bay General Plan/Coastal Land Use Plan and City of Morro Bay Waterfront Master Plan planning policies and guidelines, and would be designed to be compatible with existing land uses. Similar to the proposed project, the redesigned alignment of Coleman Drive would not conflict with any applicable land use plan, policy, or regulation; therefore, no impacts on land use would occur.

Alternative B – No Action Alternative

Under the No Action Alternative, land use and land status near the Morro Bay harborfront would not be affected. All operations would continue as under current conditions. Therefore, no impacts would occur.
Mitigation and Residual Impact:

As no impacts on land use would occur, no mitigation measures would be required.

Residual Impacts

No residual Impacts on land use would result.

Monitoring: None required.

Cumulative Impacts:

Development of the proposed project and the identified reasonably foreseeable projects would not introduce any new incompatible land uses. The Duke Energy Power Plant would result in similar industrial land uses, and the GAFCO dock improvements would enhance existing waterfront recreational land uses. By virtue of the extensive conditions associated with the Duke Energy Power Plant project, and the standard conditions of approval regarding conditional use permits along the waterfront that would be imposed on the GAFCO dock improvements project, the proposed project and reasonable probable projects would be consistent with the City of Morro Bay General Plan/Coastal Land Use Plan and City of Morro Bay Waterfront Master Plan planning policies and guidelines, and would be designed to be compatible with existing land uses, and would not result in any significant cumulative land use impacts.

10. NOISE

Would the project:

<table>
<thead>
<tr>
<th></th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Expose people to, or generate, noise levels exceeding established standards in the local general plan, coastal plan, noise ordinance or other applicable standards of other agencies?</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b.</td>
<td>Expose persons to or generate excessive groundborne vibration or groundborne noise levels?</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>c.</td>
<td>Cause a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>d.</td>
<td>Cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Environmental Setting:

The proposed project site and nearby vicinity are primarily exposed to noise generated by traffic from the surrounding roadways, with intermittent impacts from the Duke Energy power plant. The project site is located within the City of Morro Bay General Plan Noise Element 50 dB L\text{eq} noise contour.

Sensitive receptors within the proposed project vicinity include Coleman Park to the northwest (approximately 60 meters [200 feet]), the U.S. Coast Guard office to the east (approximately 30 meters [100 feet]), Morro Rock State Park to the west approximately 91 meters (300 feet) from the project site, and a mix of residential units located on the east side of Embarcadero Road approximately 107 meters (350 feet) from the project site. There are no sensitive noise receptors located to the south of the project site.
Impact Discussion:

Proposed Project

10.a.d. Noise impacts from construction activities of the proposed project are a function of the noise generated by construction equipment, the equipment location, the sensitivity of nearby land uses, and the timing and duration of the noise-generating activities. Construction activity for the proposed project was examined in three distinct phases for four sites. Each phase can be characterized by the following operations: (1) clearing/excavation, (2) building foundation, and (3) building construction.

Construction equipment associated with grading and paving would be capable of generating noise levels of 60 dBA up to approximately 914 meters (3,000 feet) from the project site, based on Environmental Protection Agency factors. Therefore, sensitive receptors including Coleman Park, Morro Rock State Beach, and residences east of Embarcadero Road would potentially be substantially impacted by increased ambient levels during construction over 60 dBA, that would exceed the residential and outdoor activity area maximum allowable noise exposure identified in the City Noise Element. Construction activities would potentially exceed the office building maximum allowable noise exposure of 70 dBA at the U.S. Coast Guard office. Impacts on noise would be temporary, but potentially significant.

10.b. The proposed project would not generate groundborne vibration or groundborne noise. The re-routing of traffic flows along the Coleman Drive realignment and Embarcadero Road extension would not increase traffic trips within the project area. Therefore, impacts on noise would be insignificant.

10.c. Project operation would re-route traffic flows along the proposed realignment of Coleman Drive and the extension of Embarcadero Road; proposed circulation improvements would not generate increased traffic trips within the project vicinity. Consequently, the proposed project is not expected to induce any appreciable increase in traffic along Embarcadero Road or Coleman Drive. Noise levels associated with the extension of Embarcadero Road or realignment of Coleman Drive are not expected to exceed 60 dBA. Therefore, impacts on noise would be less than significant.

Alternative A – Redesigned Coleman Drive Alignment Alternative

Alternative 1: The redesigned alignment of Coleman Drive would be slightly shorter than the proposed project. Although the activity and intensity of noise levels during construction would be the same as the project, the duration of the noise would be shorter. Significant short-term construction noise impacts would therefore be less than the project. Similar to the project, the potential long-term increase in noise from traffic along the Coleman Drive realignment and/or Embarcadero Road extension would not be increased over existing levels.

Alternative 2: The redesigned alignment of Coleman Drive would be slightly longer than the proposed project. Although the activity and intensity of noise levels during construction would be the same as the project, the duration of the noise would be longer. Significant short-term construction noise impacts would therefore be greater than the project, though not substantially so. Similar to the project, the potential long-term increase in noise from traffic along the Coleman Drive realignment and/or Embarcadero Road extension would not be increased over existing levels.

Alternative B – No Action Alternative

There would be no significant adverse environmental noise consequences associated with the No Action Alternative. Construction would not occur under the No Action Alternative and there would be no construction noise.
Mitigation and Residual Impact:

The following measure would minimize short-term impacts on sensitive receptors during project construction.

NOISE-1 Construction activity shall be limited to the hours between 7:00 a.m. and 7:00 p.m., Monday through Friday. No construction shall occur on State holidays (e.g., Thanksgiving, Labor Day). Construction equipment maintenance shall be limited to the same hours. Non-noise generating construction activities (e.g., painting, landscaping with hand tools, etc.) are not subject to these restrictions.

MONITORING: Public Services shall spot check during construction and respond to complaints.

Residual Impacts

Implementation of measure NOISE-1 would reduce short-term construction equipment noise impacts to less than significant.

Cumulative Impacts:

The reasonably foreseeable projects in combination with the proposed project would contribute to construction related noise levels that would increase exterior noise levels and would result in greater ambient noise levels in the short-term. Proposed project construction would generate additional noise in the environment; however implementation of mitigation measure NOISE-1 and similar construction noise conditions applied to the Duke Energy Power Plant Project to reduce construction equipment noise would reduce impacts during the construction phase. The proposed realignment of Coleman Drive and the extension of Embarcadero Road would not generate increased traffic trips within the project vicinity, therefore long-term noise impacts would be considered negligible relative to existing conditions. Long-term cumulative impacts on noise would be adverse, but less than significant.

11. POPULATION AND HOUSING

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown</th>
<th>Potential</th>
<th>Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>c. Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:

The proposed project construction area would be within the existing waterfront alignment. The extension of Embarcadero Road would be completed within the existing right-of-way; realignment of Coleman Drive would not occur within a residentially zoned area.
Impact Discussion:

Proposed Project

11a.,b. No existing housing would be affected by the project. Therefore, no displacement of people or replacement housing would be required.

11c. The proposed extension of Embarcadero Road and Coleman Drive realignment would facilitate efficient vehicular and non-vehicular modes of transportation within the project vicinity. Proposed circulation improvements would enhance coastal within the City of Morro Bay. However, such improvements would not remove an obstacle to future growth or open up additional areas beyond the project area to development. Therefore, no growth inducement would occur from the project.

Alternative A – Redesigned Coleman Drive Alignment Alternative

No impacts on population and housing would occur under Alternative A.

Alternative B – No Action Alternative

No impacts on population and housing would occur under Alternative B.

Mitigation and Residual Impact:

Because no significant impacts on population and housing would result, no mitigation measures are required.

Residual Impacts

The residual impact on population and housing would be less than significant.

Monitoring: None required.

### 12. PUBLIC SERVICES

Would the project result in a substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:

<table>
<thead>
<tr>
<th></th>
<th>Significant</th>
<th>Unknown Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Fire protection?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Police protection?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Schools?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Parks or other recreational facilities?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Other governmental services?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT 4

INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

Environmental Setting:

The Morro Bay harborfront and surrounding transportation routes (i.e., Embarcadero Road and Coleman Drive) are maintained by the City of Morro Bay.

Impact Discussion:

Proposed Project

12.a-e. The proposed project would re-route traffic flows along the proposed realignment of Coleman Drive and the extension of Embarcadero Road, resulting in improved traffic access within the project area. Project operation would not, however, generate increased traffic trips within the project vicinity. Maintenance of the waterfront boardwalk and proposed circulation improvements would not require any substantial increase in public services. Proposed landscaping and screening would require minimal increases in maintenance that would be assumed under proposed project costs. No impacts on public services would result.

Alternative A – Redesigned Coleman Drive Alignment Alternative

No impacts on public services would occur under Alternative A.

Alternative B – No Action Alternative

No impacts on public services would occur under Alternative B.

Mitigation and Residual Impact:

Because no significant impacts on public services would result, no mitigation measures are required.

Residual Impacts

The residual impact on public services would be less than significant.

Monitoring: None required.

13. RECREATION

Would the project:

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>b. Include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Environmental Setting:

The City of Morro Bay Department of Parks and Recreation provides recreational opportunities and maintains park facilities and open space within the City. The proposed project vicinity encompasses two of the City’s main recreational areas: Morro Rock/Coleman Park; and The Embarcadero/Morro Rock area. The Morro Rock/Coleman Park recreational area (i.e., WMP Planning Area 1) includes Morro Rock, the beach up to Morro Creek, the Coleman Park area, and the bay frontage around to the Duke Energy
intake building. The Morro Rock/Coleman Park area is an important access area that provides access to the breakwater, surfing areas, and the beach; this area also provides the only land access to Morro Rock.

The Embarcadero/Morro Rock area provides several recreation amenities, coastal access areas, and numerous visitor services. The Morro Bay waterfront area provides many activities for visitors including retail shops, restaurants, commercial boating, and fishing. Pedestrian walkways along the bay also provide active recreational activities (i.e., window shopping, observing wildlife, and sightseeing). The Embarcadero area provides the public scenic views of Morro Rock, the bay, and the working fishing harbor.

**Impact Discussion:**

**Proposed Project**

13.a. Construction of the waterfront boardwalk and proposed circulation improvements would enhance coastal access within the City of Morro Bay. Development under the proposed project would increase accessibility to surrounding recreational destinations, including Morro Rock, Coleman Park, the sandspit, and waterfront areas. The waterfront boardwalk and associated bicycle and pedestrian paths would increase accessibility to recreational amenities along the City’s harborfront for viewing, walking, and bicycling. Since the proposed project would be limited to improving and enhancing recreational services along the Morro Bay waterfront, construction of the waterfront boardwalk would not result in the accelerated deterioration of existing recreational resources. Therefore, impacts on recreation would be less than significant.

13.b. Proposed project circulation improvements (i.e., Embarcadero Road extension and realignment of Coleman Drive) would substantially improve vehicular and non-vehicular access to recreational uses along the Morro Bay waterfront and surrounding areas. Proposed circulation improvements would provide for adequate capacity to accommodate recreational use through the project area. However, travelers, recreationists, and general public who normally use Embarcadero Road and/or Coleman Drive to access Morro Rock, Coleman Park, and waterfront areas would be subject to some degree of short-term inconvenience during construction activities. This would be a temporary adverse effect on existing recreational uses. However, suitable vehicular access would be available to other existing recreational opportunities in the proposed project vicinity; therefore, impacts would be less than significant.

**Alternative A – Redesigned Coleman Drive Alignment Alternative**

**Alternative A1:** Recreational impacts would be similar to those described for the proposed project. Proposed waterfront improvements would increase accessibility to surrounding recreational destinations, and the redesigned alignment of Coleman Drive would ensure efficient vehicular and non-vehicular access to recreational facilities along the Morro Bay waterfront. The temporary skateboard park adjacent and north of Coleman Road would be relocated to the Teen Center adjacent to Morro Bay High School, as currently proposed by the City. Impacts are considered adverse, but less than significant, due to the temporary nature of the skateboard park closure that would occur regardless of the proposed project alternative.

**Alternative A2:** Recreational impacts would be similar to those described for the proposed project. Proposed waterfront improvements would increase accessibility to surrounding recreational destinations, and the redesigned alignment of Coleman Drive would ensure efficient vehicular and non-vehicular access to recreational facilities along the Morro Bay waterfront. No relocation of the temporary skateboard park would be necessary (though it would be moved regardless of what alternative is selected).
**Alternative B – No Action Alternative**

Under the No Action alternative, current conditions would be maintained and there would be no change to recreational facilities or services. However, this alternative would not provide the regional benefit of increased access to public recreational opportunities along the City’s waterfront.

**Mitigation and Residual Impact:**

Because no significant impacts on recreation would occur as a result of implementation of the proposed project, no mitigation measures are required.

**Residual Impacts**

The residual impact on recreation would be less than significant.

**Monitoring:** None required.

**Cumulative Impacts:**

Reasonably foreseeable projects in combination with the proposed project would potentially increase the use of recreational facilities (i.e., Morro Rock, Coleman Park, sandspit, the waterfront) within the project area. The Duke Energy Power Plant Modernization project would have significant short-term impacts on recreational use in the waterfront due to extensive construction traffic. Long-term impacts resulting from this project would be beneficial, as the 2-lane bridge crossing Morro Creek built for construction haul route purposes would be incorporated into the proposed Embarcadero Road extension after project completion. Therefore, cumulative short-term impacts on recreation during construction of the proposed project, along with the Duke Energy Power Plant Modernization project, would be significant. Extensive conditions directed at scheduling these trips outside of peak summer use periods would reduce impacts to less than significant. Cumulative long-term impacts on recreation would be beneficial, due to the increased recreational access opportunities along the waterfront.

### 14. TRANSPORTATION/CIRCULATION

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e. result in a substantial increase in either the number of vehicle trips, the volume to capacity ration on roads, or congestion at intersections)?</td>
<td>X (short-term)</td>
<td>X (long-term)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?</td>
<td>X (short-term)</td>
<td>X (long-term)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>d. Substantially increase hazards due to a design feature (e.g. limited sight visibility, sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>e. Result in inadequate emergency access?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>f. Result in inadequate parking capacity?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>g. Conflicts with adopted policies supporting alternative transportation (e.g. bus turnouts, bicycle racks)?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
Embarcadero Road and Coleman Drive are both two-lane local collector roads. They both operate acceptably (LOS A-C), though vehicular volumes fluctuate during the peak tourist season from Memorial Day to Labor Day.

**Impact Discussion:**

14.a.,b. Construction of the Embarcadero Road extension and Coleman Drive realignment would result in short-term impacts along the roadways. Vehicles would be directed towards designated detours to avoid grading and paving activities. Additional construction vehicle and employee vehicle traffic would be generated during the estimated 2-month period. The temporary impact on roadway LOS would be significant, but mitigable.

The proposed roadways would expand existing access along the waterfront, Coleman Park, and Morro Rock, but would not increase existing vehicular volumes. No change in existing LOS would occur. Therefore, the project would have a beneficial impact on transportation/circulation.

14.c. The proposed roadway extensions and realignment would have no impact on airborne traffic.

14.d. The proposed Waterfront Boardwalk would improve pedestrian and bicycle traffic access and safety by providing improved delineation of travel paths along the Waterfront, Coleman Park, and Morro Rock. Potential conflicts between bicyclists and vehicles along Coleman Drive would be substantially reduced due to the reduction in the number of conflict points along the roadway.

14.e. The proposed Embarcadero Road extension would provide an additional emergency access to State Highway 41, north of Morro Creek (incorporating the two-lane bridge to be constructed by Duke Energy as part of the Power Plant Modernization project). It would improve through-traffic circulation and therefore would be a beneficial impact on emergency access.

14.f. The Coleman Drive realignment would provide for parking on either side of the roadway, and would have a beneficial impact on parking capacity.

14.g. The proposed Embarcadero Road extension and Coleman Drive realignment would be consistent with adopted City policies supporting alternative transportation (e.g. expanded bicycle and pedestrian access).

**Alternative A – Redesigned Coleman Drive Alignment Alternative**

**Alternative A1**: The slightly shorter Coleman Drive Alignment would have similar but slightly reduced short-term impacts on transportation during construction. Similar long-term beneficial impacts related to increased emergency access and alternative transportation opportunities would result.

**Alternative A2**: The slightly longer Coleman Drive Alignment would have similar but slightly increased short-term impacts on transportation during construction. Similar long-term beneficial impacts related to increased emergency access and alternative transportation opportunities would result.

**Alternative B – No Action Alternative**

Under the No Action Alternative, no boardwalk or roadway improvements would result, such that short-term construction activity would not occur. Long-term beneficial impacts related to increased emergency access and alternative transportation opportunities would not be realized.

**Mitigation and Residual Impact**:

The following measure would be required to address short-term impacts on roadway LOS during construction.
EXHIBIT 4

INITIAL STUDY AND CHECKLIST – Morro Bay Waterfront Boardwalk and Circulation Modernization
CASE NO. UP0-000-014
DATE: April 8, 2004

TR-1. A Traffic Management Plan (CTMP) shall be implemented during project construction that includes the following:

   a. All construction activities shall occur outside of the peak tourist season (May 15th – September 15th).
   b. A minimum of one travel lane shall be maintained in each direction during construction.
   c. A public awareness program shall be implemented before and during construction providing information on road closures, delays expected during construction, signage and flagpersons, brochures, web sites, newspaper, and other notices.

Implementation of measure TR-1 would reduce short-term construction impacts on transportation to less than significant.

Monitoring: Public Services Department shall verify compliance with the TMP during construction.

Cumulative Impacts

The Duke Energy Power Plant Modernization project would generate substantial short-term construction vehicle traffic in the project vicinity, primarily from State Highway 41 across the proposed Morro Creek bridge. The related project would be subject to extensive mitigation related to construction vehicle scheduling and routing. This is considered a significant but feasibly mitigated contribution to cumulative (though short-term during the 2-year construction period) impact. GAFCO project construction activity would be more localized and short-term, and also be subject to standard City conditions related to construction vehicle activity and timing. Proposed project roadway activity would occur after construction of the Duke Energy Power Plant Modernization project, such that impacts would not be compounded simultaneously; they would, however, be expanded over a longer time period. Therefore, cumulative construction traffic activity in the vicinity would be significant, but feasibly mitigated. Long-term cumulative impacts on access and circulation would be beneficial, resulting from the new Morro Creek bridge, Embarcadero Road extension, and Coleman Drive realignment.

15. UTILITIES & SERVICE SYSTEMS

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant And Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
Environmental Setting:

Surface runoff along Embarcadero Road is directed towards the existing stormwater drainage system. Runoff along Coleman Drive follows the roadway gradient, which conveys runoff away from Morro Bay.

Impact Discussion:

Proposed Project

15.a. The proposed project would result in increased impervious surfaces within the project area. Some minor disturbances would potentially result from development and related construction activities of the waterfront boardwalk and circulation improvements, including minor changes in flow patterns and volumes of stormwater runoff. However, implementation of BMPs (Mitigation Measure HYDRO/WQ-1) and erosion control measures (Mitigation Measure HYDRO/WQ-2) would minimize the amount of stormwater run-off within the project area. Therefore, the project would not exceed Regional Water Quality Control Board wastewater treatment requirements.

15.b.,c.,e. No new water, stormwater, or wastewater treatment facilities or expansion of existing facilities would be required. Therefore, impacts would be less than significant.

15.d. Proposed waterfront landscaping and roadway screening would require minimal additional irrigation until established. This demand would be insubstantial relative to the community’s supplies and demands.

15.f.,g. Proposed circulation improvements (i.e., Coleman Drive realignment and extension of Embarcadero Road) would result in minimal solid waste generation during demolition of the existing pavement. Construction materials would be limited to cement, asphalt, and related wooden forms. The amount of potential solid waste during demolition and construction would be minimal and insignificant compared to projects where structural development would occur. No long-term impacts on utilities would result.

Alternative A – Redesigned Coleman Drive Alignment Alternative

No impacts on utilities would occur under Alternative A.

Alternative B – No Action Alternative

No impacts on utilities would occur under Alternative B.
Mitigation and Residual Impact:

Because no significant impacts on utilities & service systems would result, no mitigation measures are required.

Residual Impacts

The residual impact on utilities & service systems would be insignificant.

Monitoring: None required.
IV. INFORMATION SOURCES:

A. County/City/Federal Departments Consulted:

City of Morro Bay Public Works Department.

B. General Plan

<table>
<thead>
<tr>
<th>X</th>
<th>Land Use Element</th>
<th>X</th>
<th>Conservation Element</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>Circulation Element</td>
<td>X</td>
<td>Noise Element</td>
</tr>
<tr>
<td>X</td>
<td>Seismic Safety/Safety Element</td>
<td>X</td>
<td>Local Coastal Plan and Maps</td>
</tr>
<tr>
<td>X</td>
<td>Zoning Ordinance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C. Other Sources of Information

<table>
<thead>
<tr>
<th>X</th>
<th>Field work/Site Visit</th>
<th>X</th>
<th>Ag. Preserve Maps</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>Calculations</td>
<td>X</td>
<td>Flood Control Maps</td>
</tr>
<tr>
<td>X</td>
<td>Project Plans</td>
<td>X</td>
<td>Other studies, reports</td>
</tr>
<tr>
<td>X</td>
<td>Traffic Study</td>
<td>X</td>
<td>Zoning Maps</td>
</tr>
<tr>
<td>X</td>
<td>Records</td>
<td>X</td>
<td>Soils Maps/Reports</td>
</tr>
<tr>
<td>X</td>
<td>Grading Plans</td>
<td>X</td>
<td>Plant maps</td>
</tr>
<tr>
<td>X</td>
<td>Elevations/architectural renderings</td>
<td>X</td>
<td>Archaeological maps and reports</td>
</tr>
<tr>
<td>X</td>
<td>Published geological maps</td>
<td>(Others) See list below:</td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>Topographic maps</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


______. 1982. City of Morro Bay Local Coastal Plan.


USDA (United States Department of Agriculture) Soil Conservation Service. 1984. Soil Survey of San Luis Obispo County, California, Coastal Part.


V. MANDATORY FINDINGS OF SIGNIFICANCE (Section 15065)

A project may have a significant effect on the environment and thereby require a focused or full environmental impact report to be prepared for the project where any of the following conditions occur (CEQA Sec. 15065):

<table>
<thead>
<tr>
<th>Potential to degrade:</th>
<th>Significant</th>
<th>Unknown Potential Significant</th>
<th>Potential Significant and Mitigated</th>
<th>Not Significant</th>
<th>Impact Reviewed in Previous Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative:</td>
<td>Does the project have impacts that are individually limited but cumulatively considerable? (Cumulatively considerable means that incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Substantial adverse:</td>
<td>Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
VI. DETERMINATION

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

I find that the proposed project MAY have limited and specific significant effect on the environment, and a FOCUSED ENVIRONMENTAL IMPACT REPORT is required.

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

With Public Hearing [ ] Without Public Hearing [X]

Previous Document: ________________________________

Project Evaluator: David Stone, Science Applications International Corporation, for Greig Cummings

__________ [David Stone] for ____________________________  April 8, 2004
Signature  Initial Study Date

Greig Cummings
Printed Name

City of Morro Bay
Lead Agency
VII. ATTACHMENTS

Appendix A. Morro Shoulderband Snail Survey Biological Investigations

Appendix B. Western Snowy Plover Site Assessment Report for Morro Bay Waterfront Boardwalk and Circulation Improvements Project

SUMMARY OF REQUIRED MITIGATION MEASURES

AESTHETICS: 1) The project landscaping plan shall incorporate native and drought resistant screen trees along the Embarcadero Road extension and Coleman Drive realignment to buffer the proposed improvements as experienced by northbound Embarcadero Road traffic and westward Coleman Drive traffic. Landscaping species shall be compatible with surrounding roadside screening coastal vegetation. The landscape plan shall be reviewed and approved by the City Public Services Department.

2) Exterior night lighting installed on the project site shall be of a low intensity, low glare design, and shall be hooded to direct light downward onto the subject parcel and prevent spill-over onto adjacent areas. Pole supports shall be of a darker finish to reduce glare.

AIR QUALITY: 1) Implement a Dust Management Plan to maximize retaining dust onsite.

BIOLOGICAL RESOURCES: 1) Enhance the dune habitat by implementing a weed control program that removes invasive plant species (such as beachgrass, iceplant, asphodel and sweet alyssum), which would encourage the establishment of native dune scrub plants including the Blochman's leafy daisy. While restoration of the entire dunes habitat in the project vicinity is not feasible, establishing dune restoration areas that are actively managed and limit public access would improve the quality of the habitat in the selected restoration areas and may improve conditions for wildlife. The restoration could occur in the balance of the stabilized dune adjacent to the Coleman Drive extension, or perhaps within the coastal dune scrub habitat proposed for restoration by the MBPP project. The MBPP project proposed restoration project site encompasses 4,046 m² (1 acre) and is located outside of the MBPP property northeast of the intersection of Coleman Drive and Embarcadero Road (The Huffman-Broadway Group 2001).

2) Install construction fencing to designate work areas and minimize construction and personnel access into areas that support dune scrub vegetation, such as along Embarcadero Road and the western end of the proposed Coleman Drive re-alignment, near the dunes that support Blochman's leafy daisy.

3) Design pedestrian access, such as overlooks, in a manner that avoids the potential to create shadows over the water directly adjacent to Coleman Drive.

GEOLOGY/SOILS: 1) Implement erosion control measures for any project grading between November 15 and April 15 including silt fencing, straw bales, straw wattles, and/or sand bags in conjunction with other methods to prevent surface water-induced erosion of on-site soils and siltation offsite.

2) Nonpaved areas shall be renegotiated within four weeks of grading, to minimize erosion and to re-establish soil structure and fertility. Revegetation shall include drought-resistant, fast-growing, vegetation that would quickly stabilize exposed ground surfaces.
HYDROLOGY/WATER QUALITY: 1) Implement Best Management Practices (BMPs) in accordance with the NPDES Phase 2 Permit requirements for short-term construction to address erosional impacts at the site.

2) Implement erosion control measures to address erosional impacts at the project site including, installation of temporary berms and sedimentation traps, such as silt fencing, during project grading to minimize erosion of soils and sedimentation in the storm drains, assurance that site runoff is not directed across exposed slopes, and avoidance of directing permanent drainage away from foundations and/or slabs.

3) Crown the Coleman Drive alignment to ensure that impervious surface runoff is directed off to each side adjacent to the roadway.

NOISE: 1) Limit construction activity to the hours between 7:00 a.m. and 4:00 p.m., Monday through Friday. Avoid construction on State holidays (e.g., Thanksgiving, Labor Day). Limit construction equipment maintenance to the same hours. Non-noise generating construction activities (e.g., painting, landscaping with hand tools, etc.) are not subject to these restrictions.

TRANSPORTATION: 1) Implement a Traffic Management Plan (CTMP) during project construction that includes the following: a) All construction activities shall occur outside of the peak tourist season (May 15th – September 15th); b) A minimum of one travel lane shall be maintained in each direction during construction; and c) a public awareness program shall be implemented before and during construction providing information on road closures, delays expected during construction, signage and flagpersons, brochures, web sites, newspaper, and other notices.
LIST OF FIGURES

I-1 Proposed Waterfront and Circulation Improvements
I-2a Proposed Project Route-Segment A
I-2b Proposed Project Route-Segment B
I-3 Proposed Waterfront Boardwalk Route (Views 1-4)
I-4 Proposed Waterfront Boardwalk Route at South End (Section View C)
I-5 Proposed Waterfront Boardwalk Route (Views 5-8)
I-6 Proposed Waterfront Boardwalk Section at the Duke Energy Intake Building (Section View H)
I-7 Proposed Waterfront Boardwalk Section at the Great American Fish Company (Section View D)
I-8 Proposed Waterfront Boardwalk between the Great American Fish Company and the Harbor Hut (Section View E)
I-9 Proposed Waterfront Boardwalk at the Harbor Hut (Section View F)
I-10 Proposed Waterfront Boardwalk at the Coast Guard Office (Section View G)
I-11a Proposed Waterfront Boardwalk Route at the North End (Section View I)
I-11b Proposed Waterfront Boardwalk Route at the North End (Section View I)
I-12a Waterfront Boardwalk Construction Options 1 and 2
I-12b Waterfront Boardwalk Construction Option 3
I-13 Alternative A-1.1. Shorter Coleman Drive Realignment
I-14 Alternative A-1.2. Shorter Coleman Drive Realignment
I-15 Alternative A-1.3. Shorter Coleman Drive Realignment
I-16 Alternative A-1.4. Shorter Coleman Drive Realignment
I-17 Alternative A-1.5. Shorter Coleman Drive Realignment
I-18 Alternative A-1.6. Shorter Coleman Drive Realignment
I-19 Alternative A-2.1. Longer Coleman Drive Realignment
I-20 Alternative A-2.2. Longer Coleman Drive Realignment
I-21 Alternative A-2.3. Longer Coleman Drive Realignment
I-22 Alternative A-2.4. Longer Coleman Drive Realignment
III-1 View 1: Looking East from Coleman Drive at the Morro Bay Waterfront
III-2 Distribution of Vegetation in the Project Area