

**JOINT MEETING
CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT
WASTEWATER TREATMENT PLANT
(UNDER JOINT POWERS AGREEMENT)**

Technical Advisory Committee

MINUTES

MEETING DATE:

8:00 a.m., Thursday, August 27, 2009

HOSTED BY:

City of Morro Bay

MEETING PLACE:

Public Services Department
Conference Room
955 Shasta Avenue
Morro Bay, CA 93442

1. CALL TO ORDER

Mayor Peters called the meeting to order at 8:00 a.m.

2. ROLL CALL

City Council Members Present: Mayor Janice Peters, Rick Grantham, Noah Smukler

Cayucos Sanitary District Members Present: Robert Enns, Shirley Lyons, Bill Callahan, Tim Carmel

Consultants Present: Mike Nunley (AECOM), Dave Springfield (Carollo)

City Staff Members Present: Robert Schultz, Bruce Ambo, Dylan Wade, Bruce Keogh, Rob Livick, Christine Rogers

3. PUBLIC COMMENT – None

4. DISCUSSION ITEMS

Dylan provided a brief historical overview of the Flood Study preparation.

October 2008	Initiated discussions with Environmental Consultant regarding flood impact analysis.
April 2009	Initial findings to Staff (CSD and City) Reviewed 12 scenarios for analysis of design flood event, subsequent review of 10 scenarios for analysis after flood measures.
August 2009	Received Final Draft.

The outcome of the analysis was a determination that the final approach needs to incorporate moving the plant site to an area that will not have detrimental impact to or result in flooding of adjacent facilities.

The Offsite improvements currently proposed were identified to reduce these flood risks to adjacent properties. Other recommendations regarding improvements to storm drainages, etc., were also provided. Rob Livick will be the regulator evaluating these measures as well as acceptable mitigation.

a. Inclusion of Offsite Improvements in WWTP Upgrade Project EIR

Mr. Enns stated that the Wallace report indicates moving the plant to higher ground is sufficient. Thus, no further measures are required to address the 100 year flood. Mr. Ambo responded that there are a number of events being addressed. The 100, 50, 10, 5 year floods also need to be evaluated. CEQA identifies reducing and eliminating impacts to the “greatest extent feasible”. He noted that this is the Lead Agency’s function. Customarily this evaluation is completed entirely by the City, with the significant impacts and mitigation addressed through the environmental process. It is the purpose of the environmental analysis to disclose the impacts and offer

mitigations. In this case, the City of Morro Bay is both the permit issuer and is processing the CEQA document, thus this process has been handled differently, with the CSD staff brought in early to brainstorm a fairly complicated challenge. A number of iterations were evaluated.

Mr. Schultz indicated he is unclear what the issue is and cannot see taking the improvements out of the project description. Mr. Enns replied that the Wallace report contradicts itself. Disappointed was expressed that the District did not have an opportunity to review the Draft Flood Study prior to the Final being issued. Mr. Wade confirmed that both CSD and Morro Bay staff had the opportunity to review the document previously. He indicated there was nothing surprising as the approach was discussed with staff prior to finalizing the document. He confirmed the document addresses both flood protection and flood reduction approaches, based on the Wallace Group's analysis as a consultant to ESA. He did not feel the recommendations were flawed, and asked if there is a problem with the underlying analysis, why wasn't it brought up through the iterative process? Mr. Callahan clarified they did not have an opportunity to review the final recommendations in written form prior the document being finalized. Mr. Nunley agreed they were all part of that discussion and indicated the question is who pays for the improvements along Morro Creek. He acknowledged satisfaction with the analysis and the process, saying understands they are responsible for mitigating impacts, but asked, "What is a significant impact?" The CSD interpretation is that once the plant is relocated, the project impacts are reduced to less than significant. Atascadero road and other improvements do not appear necessary. Mr. Wade responded that the flood analysis will be incorporated into the EIR, which will address the mitigation measures.

Mr. Nunley stated the CSD feels perhaps the issues should be separated. In analyzing the new building envelope, he felt an agreement could be reached, however in evaluating Atascadero Road there are questions whether the impact has been reduced to less than significant by moving the plant site, satisfying the requirement. Mr. Ambo responded that it is the EIR analysis that defines the significance of the impacts. A single project is being evaluated, which is proposed to include the improvements. Per CEQA, the requirement to reduce or eliminate impacts to the greatest extent possible means any impacts as a result of the project. If the post project environment will be of higher quality than conditions before, perhaps that can be evaluated as an overriding consideration to minimize mitigation requirements.

Mr. Wade reiterated that the City of Morro Bay is both the applicant and the regulator. As an Applicant, obviously the least amount of mitigation is desired, as the regulator, mitigations must be commensurate with the impacts. Until the EIR process is complete, Rob Livick, the regulator is responsible for evaluating the mitigations. That determination can be overridden by the City Council during the review process. He reminded the group this review will include the Planning Commission, City Council and Coastal Commission, and additional mitigation measures may be applied. Mr. Nunley explained the CSD does not want to go through this process and have to file an appeal later. He acknowledged his understanding that additional mitigations may be required. Mr. Ambo reiterated a number of alternatives have been carefully considered. There is a need to simply define a project description so the process may proceed and this analysis can occur. He responded to Mr. Nunley's desire to avoid having to file an appeal, stating there may be others who stand in opposition.

Mr. Livick reminded the group that the flood study and mitigations are still reliant on FEMA approving the lower flows.

Mr. Wade explained that while the project may have been able to proceed with a mitigated negative declaration, in light of the public concern for safety and the environmental sensitivity of the project, it was felt prudent to move forward with an EIR. The flood analysis is a good foundation for ESA to write the Draft and Final EIR. He expressed his opinion that whether or not the recommendations are desirable, the analysis is exhaustive, comprehensive, and leaves no room for exposure.

Mayor Peters stated that when the project description is finalized, mitigation can be identified and discussion occur regarding responsibility.

b. Proposed WWTP Upgrade Project Footprint for EIR

Mr. Livick provided a sketch of property ownership. Mr. Ambo clarified for the group that the August 6, 2009 memo from the Staff Report of the August 11, 2009 meeting is the reference to be used for these discussions.

Mr. Enns asked for and received confirmation that the Hazardous Waste facility could be relocated. He asked if it were possible to add a second story for Administration to minimize the footprint. Mr. Wade clarified this is a potential, however, there is a 30' height limitation, and it would result in visual impacts.

Mr. Wade explained that the large envelope proposed actually impacts more of the trailer park than is anticipated. It was determined more efficient to incorporate a larger area for analysis, rather than find out additional impacts were necessary and be required to complete a supplemental EIR. Mr. Schultz asked for clarification that moving further northeast locates improvements in the flood plain. Mr. Wade confirmed this is the case, adding that along the treatment plant site on the west of the sludge beds is a retaining wall that offers protection from flood flows. Mr. Enns indicated the CSD members have met with Engineer's and are very comfortable with the envelope as depicted. Mr. Schultz noted that Staff has very clear direction to minimize any impact to the trailer park.

Mr. Keogh stated that there the treatment technology also needs to be addressed The EIR requires a project description, which currently incorporates the oxidation ditch. Mr. Enns added "with filtration" and clarified that the District and has not varied from that approach. Mr. Wade stated that while composting has been eliminated, it can always be added at a later date. If the availability of biosolid removal suddenly mandated extensive transport, there is adequate site area to incorporate sludge beds.

c. Real Property Negotiations

Mr. Enns noted that according to the envelope depicted, portions of the City property are included. He asked if this wills this impact the findings of the City's Needs Assessment. Mr. Wade responded that the current envelope does not preclude any of the operations.

Mr. Enns raised for discussion the potential to sell the property. Mr. Wade responded that the intent was to look at the uses there, and determine in maintaining the current uses, can it be accomplished with some encroachment. It was determined feasible.

Mr. Schultz indicated a desire to appraise all the properties globally, as a sale or a trade. He stated a preference to jointly own the property where the plant sits, but to not jointly own any properties with third-parties. He did not see the need to be in a joint partnership when the treatment plant is not included and indicated a willingness to work with Mr. Carmel in drafting an RFP for the appraisal services. r. Wade indicated a portion of the parcel is currently parcel leased by the concrete plant, who intended to move a portion of their operations to that parcel. The flood analysis may impact that proposal. Mr. Carmel agreed that appraisals are beneficial in avoiding any allegations. He thought a policy issue as to whether you want to appraise all the properties, as it will impact expense. Mr. Schultz agreed to provide a summary for a determination of which parcels should be included, and which should not.

Mayor Peters expressed a desire to look at ways to move the storage RV to another location to lessen impacts to the owner. Mr. Schultz responded that it is not clear yet whether that will be necessary.

d. Project Schedule

Mr. Wade indicated the project is behind schedule on the EIR process, stating the Draft EIR should have been circulated in March 2009. Mr. Ambo stated that once a project description is presented and accepted by the full board it will be provided to the EIR consultants. He anticipates a 2 to 6 month turnaround and stated if the draft document can be reviewed in two to three weeks, some time might be made up.

Mr. Wade addressed the design contract stating it is in process pending approvals, and should be able to go out in the October/November time frame. Before draft EIR is circulated, we may be able to have a design consultant on board. The Draft EIR should be sufficient for much of the front end work. Mr. Enns inquired of the David Springfield, representative for Carolla Engineers. He noted that with a determination to utilize the oxidation ditch, he does not need to address the other technologies, which was the purpose for his presence. He felt there was room in the schedule to make up some of the lost time.

Mr. Carmel addressed the scheduled submittal of the Facilities Master Plan to the Regional Board due on September 30th. Mr. Springfield clarified the final Facilities Master Plan would be submitted concurrently with the EIR adoption. Mr. Keogh stated the September 30th date is a milestone.

Mr. Wade said it is very likely that the Coastal Development Permit will be appealed to the Coastal Commission. To mitigate that time lag, the design engineers are proposed to be brought on to do what they can. Another concurrent task is a revision to the City's front end document, which is underway and should be submitted in plenty of time for the Board to review it.

Mr. Carmel asked if someone is working with Regional Board. Mr. Wade responded that the Regional Board had not been contacted. The feeling was if the project is moving with all speed, it was not necessary to address missed milestones. Mr. Ambo indicated his preference to address the issue with a clear understanding of the project status. This should be possible upon defining the project description and receiving feedback from the consultants. At this time, the project is in a state of flux. It would not be a productive discussion. Mr. Keogh indicated his monthly status reports always provide general information on status. Mr. Carmel recommended communication be maintained, keeping the Regional Board informed. Mr. Schultz agreed noting that the settlement agreement focuses on the end date for penalties. Now that we are on track those discussions would be beneficial, feeling contact could be made prior to September 8th.

The general consensus was that the remaining issues could be fairly easily addressed, and that the scheduled meeting on September 8, 2009 may proceed in Rob Schultz absence. Mr. Schultz indicated he would poll the City Council on their preference.

Mr. Enns inquired whether a revised schedule would be available for report to the Regional Board by Sept. 8th. Mr. Ambo did not feel there would be adequate time as the project description must be provided prior to receiving input from the consultant on timelines.

Mr. Grantham stated that should issues arise on September 8th that the Board is not comfortable with, the meeting may be continued.

ADJOURNMENT

The meeting was adjourned at to the next scheduled meeting to be held September 8, 2009 at 6:00 p.m .in the Cayucos Elementary School Auditorium.



Minutes recorded by: _____
Christine Rogers