MINUTE ITEM

This Calendar Item No. <u>C3</u> was approved as Minute Item 3 by the State Lands commission by a vote of 3 to _0_ at its _4-7-81 meeting.

CALENDAR ITEM

№ CO3

3/81 W 22602 Maricle PRC 5971

GENERAL PERMIT - PUBLIC AGENCY USE.

APPLICANTS:

City of Morro Bay

Public Works Department

695 Harbor Street

Morro Bay, California 93442

and

Cayucos Sanitary District

P. O. Box 333

Cayucos, California 93430

AREA, TYPE LAND AND LOCATION:

2.04 acres, tide and submer, ed land, Pacific

Ocean, vicinity of Morro Bay, San Luis

Obispo County.

LAND USE:

Installation and maintenance of a 27-inch

diameter outfall line.

TERMS OF PPOPOSED PERMIT:

49 years from April 1, 1981. Initial period:

CONSIDERATION:

The public health and safety, with the State reserving the right at any time to set a monetary rental if the Commission finds such action to be in the State's

best interest.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2005.

PREREQUISITE TERMS, FEES AND EXPENSES:

Applicants have obtained a permanent easement for the portion of the line undercrossing

Atascadero State Beach

Filing fee and processing costs have been

received.

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STATUTOKY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 & 2; Div. 13; Div. 20.

B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

OTHER PERTINENT INFORMATION:

- 1. The annual rental value of the site is estimated to be \$500.
- 2. A final EIR was prepared by the Applicant, pursuant to CEQA and the State EIR Guidelanes. A Notice of Determination has been filed with the Secretary for Resources.
- 3. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category, Class "F", which authorizes Limited Use.

Staff has coordinated this project with those agencies and organizations which nominated the site as containing significant environmental values. They have found this project to be compatible with their nomination.

APPROVALS OBTAINED:

City of Morro Bay, Coastal Commission, Regional Water Quality Control Board and United States Environmental Protection Agency.

FURTHER APPROVALS REQUIRED:

United States Army Corps of Engineers.

EXHIBITS:

- A. Land Description. B. Location Map.
- C. EIR Summary.

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IT IS RECOMMENDED THAT THE COMMISSION:

- 1. DETERMINE THAT AN EIR HAS BEEN PREPARED AND CERTIFIED FOR THIS PROJECT BY THE CITY OF MORRO BAY AND THE CAYUCOS SANITARY DISTRICT.
- 2. CERTIFY THAT THE INFORMATION CONTAINED IN THE EIR HAS BEEN REVIEWED AND CONSIDERED BY THE COMMISSION.
- 3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
- 4. FIND THAT GRANTING OF THE PERMIT WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE P.R.C.
- 5. DETERMINE THAT THE PROJECT IS CONSISTENT WITH THE PROVISIONS OF ARTICLE 6.5 OF TITLE 2 OF THE CALIFORNIA ADMINISTRATIVE CODE.
- 6. AUTHORIZE ISSUANCE TO THE CITY OF MORRO BAY AND THE CAYUCOS SANITARY DISTRICT OF A 49-YEAR GENERAL PERMIT PUBLIC ACENCY USE FROM APRIL 1, 1981; IN CONSIDERATION OF THE PUBLIC HEALTH AND SAFETY, WITH THE STATE RESERVING THE RIGHT AT ANY TIME TO SET A MONETARY RENTAL IF THE COMMISSION FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST FOR THE INSTALLATION AND MAINTENANCE OF A 27-INCH DIAMETER OUTFALL LINE ON THE LAND SHOWN ON THE PLAT ENTITLED EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

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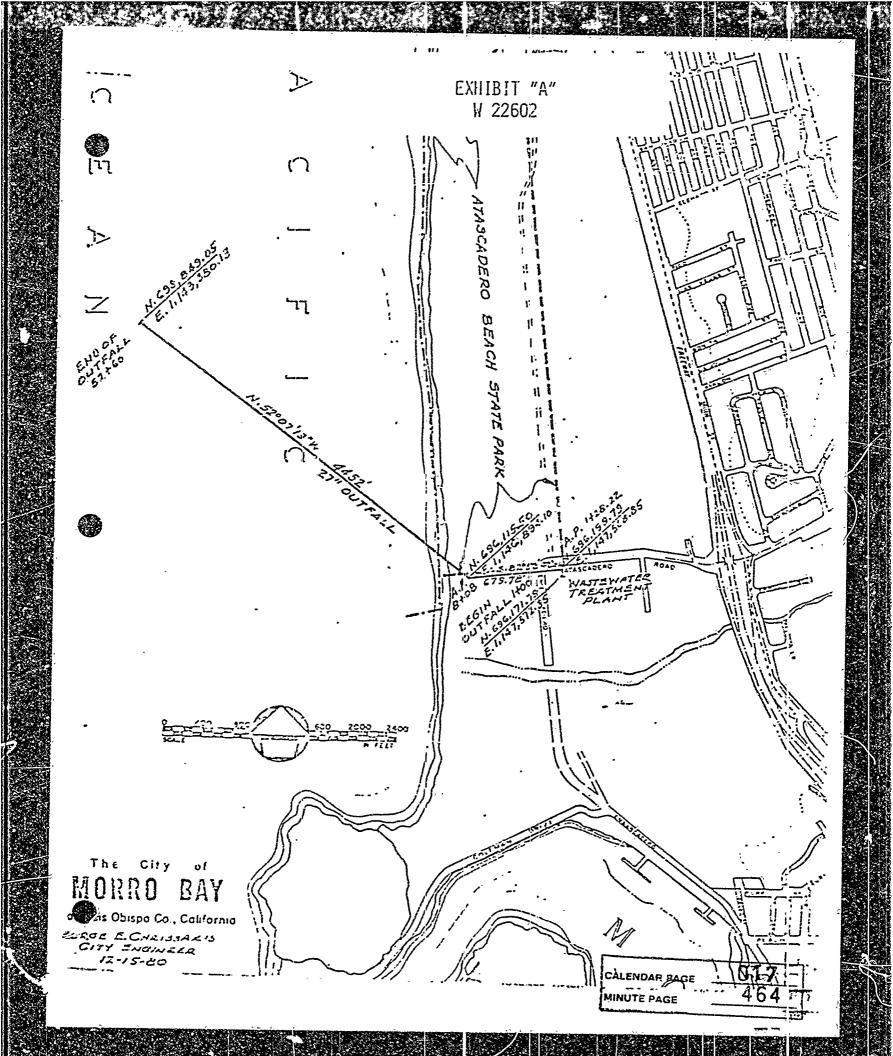


EXHIBIT C ENVIRONMENTAL IMPACT REPORT SUMMARY

Introduction

The following is a summary of a 1977 Draft/1979 Final EIR entitled Morro Bay - Cayucos Wastewater Facilities prepared for the City of Morro Bay and the Cayucos Sanitary District by John Carollo Engineers. The project involves the expansion and upgrading of the wastewater treatment facilities and the construction of new disposal facilities for the communities of Morro Bay and Cayucos. This summary is limited to the EIR's discussion of State land involved in the proposed project.

TI. Environmental Setting

State lands habitats within the study area include sandy shore, sand and rocky intertidal, sandy and rocky subtidal, and pelagic communities. As part of the Ocean Plan, the State Water Resources Control Board has designated "Areas of Special Biological Significance" where waste discharge is prohibited. None of the designated areas will be affected by this project.

Morro Bay is considered one of the top ten priority wetlands by the California Department of Fish and Game and the U.S. Fish and Wildlife Service. This designates Morro Bay as a special subregion with emphasis placed on the restoration and protection of estuarine and marine life. There are no known rare or endangered marine species of algae, invertebrates, or fishes indigenous to the study area.

III. Project Description

Wastewater is currently treated at the 1.7 MGD single-stage trickling Filter Morro Bay - Cayucos Wastewater Treatment Plant in the Sity of Morro Bay. Effluent is discharged to Estero Bay by a "00-foot outfall which terminates in shallow water. Because the Regional Water Quality Control Board discharge requirements are not being met. alternate treatment and disposal methods are considered. With rega to State lands, the project involves construction of a new _ :fall to discharge at a depth of 60 feet.

IV. Environmental Impacts

- Impacts on water quality will be limited to Estero Bay and the ocean. Effluent levels expected at the diffuser are substantially lower than normal background levels for California Coastal areas. Local enrichment could also occur and may have some effect on reef productivity and community structure. (Extent undeterminable)
- Rock reefs comprise a small fraction of the substrate near the proposed outfall extension. The two peefs examined exhibited rich fish, invertebrate, and algal communities. The present proposed alignment should minimize potential wastewater impact on these areas. Local enrichment could also occur and may have some effect on reef productivity and community structure. (Extent undeterminable). 019

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V. <u>Unavoidable Adverse Impacts</u>

The continued discharge of water to the ocean results in a loss of potentially reclaimed water, but is unavoidable if the other water quality goals of the project are to be achieved.

VI. Alternatives to the Proposed Action

- 1. No Project. Current discharge is in violation of the Regional Water Quality Control Board requirements: Problems coul not be remedied by upgrading of operation and maintenance practices.
- 2. Various reclamation schemes were examined, but eliminated because of the potential for contamination of the groundwater supply or the potential for nutrient contributions to Morro Bay and the marsh.
- 3. Shorter outfalls were considered, but rejected because of the potential for drift of the discharge back to shore.

The proposed action is the least expensive, except for the shorter outfall and "no project" alternatives and the most environmentally acceptable.

VII. Short Term v. Long Term

The major undesizable effect of the project is the loss of water for reuse and the continued drawdown on the Chorro Basin groundwater equifer by agricultural users. One method of avoiding the dissolved salts addition to the groundwater would be a desalination plant. Pesalination, however, requires advanced technology and an additional filtration ste. This is also a very expensive process and all units to be built in this project would still be necessary. The addition of desalination could therefore be considered later in an alternative water supply scheme.

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